



Crown Corporation

B U S I N E S S P L A N S

FOR THE FISCAL YEAR 2012–2013

Waterfront Development Corporation Limited

Business Plan 2012–2013

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Message from the Chair and the President

The *jobsHere* strategy has set a clear path for economic growth and the Waterfront Development Corporation's plans have been accelerated as a result. In the process, we continue to reinvest money into the public spaces and activities of the waterfront, making the Halifax and Lunenburg waterfronts the top two most-visited destinations in Nova Scotia.

We have set in motion a series of development projects that enable and support the development around Halifax Harbour. These projects will not only create jobs in the construction phase, but will also provide long-term business activity in the heart of downtown Halifax.

In addition, we have cast our eyes to the future possibilities for the Halifax and Lunenburg harbours, encouraged by the dramatic and positive changes in our marine and ocean sector. This sector is a vital part of Nova Scotia's economy, recently producing major projects, such as the \$25 billion federal shipbuilding contract, Deep Panuke, and Shell's six-year offshore exploration plan.

This economic activity leads naturally to the responsibility this government has given to us—to create a comprehensive vision and development plan for the lands around Halifax Harbour. Our waterfronts present Nova Scotia with the possibility of connecting to global opportunities—our transportation and communication links stem from our strategic location on the Atlantic coast, and our cities and communities are among the most attractive places to live in the world.

We believe our work is a key contribution to making Nova Scotia known as one of the world's greatest places to live and do business, and this plan is designed to make it happen.

Colin MacLean
President and CEO

John Holm
Chair

Mission

Waterfront Development Corporation Limited harnesses the waterfront's potential by developing ideas, infrastructure, and experiences that stimulate business investment and community pride.

Vision

Through our collaborative approach, we will create a new collection of animated and well-connected waterfront destinations that capture people's imagination and distinguish us among the world's greatest waterfronts.

Mandate

The Waterfront Development Corporation (WDCL) exists for the purpose of redeveloping and revitalizing the lands surrounding Halifax Harbour and any other lands designated by its shareholder, the Province of Nova Scotia.

Guiding Values

WDCL is a provincial Crown corporation, carrying out a public mandate in a private-sector environment. In fulfilling our public obligations we will exhibit the following values in addition to the compassion, courage, and initiative that characterize past successes.

Commitment: Work hard to forge and sustain partnerships that generate positive economic and societal returns.

Accountability: Uphold the public's trust by ensuring access to the water's edge, fiscal accountability and involvement in the dialogue about waterfront development, and transparency concerning our plans.

Flexibility: Take the extra step to understand and champion business partners who share our values and vision for the waterfront.

Excellence: Be a strong and knowledgeable voice on economic development, planning and design, partnership models, and waterfront development.

Foresight: Generate for Nova Scotians a positive financial return to reinvest in a continuous upward spiral of waterfront opportunities.

Sustainability: Create the capacity for future waterfront uses and enjoyment by harmonizing our economic goals with environmental sustainability.

Planning Context

The world economy has moved to a higher level of uncertainty. Last year saw natural disasters, political instability, and sovereign debt issues affect national and world economies. This level of uncertainty has not diminished. Political instability and sovereign debt issues continue. Central banks



are walking the fine line of historically low interest rates to stimulate domestic demand and trying to keep the rates from being too stimulating for inflation and personal debt levels. World-wide, governments have moved away from stimulus spending and towards fiscal restraint.

With increased integration of the world economy and the pace of technological advancements, the Nova Scotia economy has been and will continue to be impacted. Nova Scotia is responding to this uncertainty by concentrating on core areas as outlined in the *jobsHere*, the plan to grow our economy, released in November 2010. *jobsHere* has three interrelated priorities: learning the right skills for good jobs, growing the economy through innovation, and helping businesses be more competitive globally. These priorities are being further articulated in strategies such as Nova Scotia's Workforce Strategy, released in fall 2011.

Through the *jobsHere* plan, strategies have been and are being implemented that will improve innovation across all sectors and focus on strategic investments in innovation and productivity, increasing our competitiveness and creating higher-value jobs. By aligning investment, trade, and innovation priorities and focusing resources on key sectors, there are more opportunities for economic growth. *jobsHere* outlines specific activities that assist in developing a highly trained workforce and creating jobs and a secure future for Nova Scotians.

jobsHere is a clear commitment from the Nova Scotia government to doing things differently in order to make life better for Nova Scotians. The plan supports all areas of the province and all sectors of the economy, meaning we all have a part to play.

As we move forward to a new fiscal period, the challenges affecting Waterfront Development include the modest market outlooks for office and hotel commercial developments and the reduced travel trend among American tourists. Opportunities exist, however, to be more strategic in how we address our challenges. For example, the residential commercial development market is strong, and we will aggressively push forward two such projects. Likewise, the Tall Ships festival has a strong track record of attracting tourists to Nova Scotia, and with this year's commemoration of the War of 1812, we have good opportunities in the American market. Furthermore, the marine and ocean sector of Nova Scotia's economy is a leading source of growth, and we will be identifying development opportunities in the Halifax and Lunenburg harbours that support this growth.

Strategic Goals

The longer-term direction of WDCL is captured in three strategic goals.

Place: Designing and Developing a Great Waterfront

We will tap into ideas from around the world to create and champion a waterfront that highlights the competitive advantages and beauty of Nova Scotia.

We will

- establish processes for local and international exchange of ideas on waterfront development
- champion high standards of design for the built environment along the waterfront
- articulate Waterfront Development Principles to guide our work and interaction with partners
- integrate sustainable practices in the development of the waterfront

Partner: Business Development and Engagement

We will accentuate the attributes of our waterfront to create business opportunities for investment on and beyond the water's edge.

We will

- engage in high-performing partnerships with the private and public sectors

- identify and implement lines of business that make innovative use of waterfront locations
- make it easy for people to do business with us
- enhance the infrastructure that supports waterfront businesses

People: Animating the Waterfront with New Experiences

We will create an environment for experiences that are attractive and allow people to access and explore waterfront destinations.

We will

- create clean, healthy, and safe places for people on the waterfront
- host waterfront events and festivals for a wide variety of audiences
- provide open spaces for people to gather and enjoy the waterfront
- create connections to move in and among waterfront destinations

Core Business Areas and Priorities

The Department of Economic and Rural Development and Tourism is working with us to establish a common business plan. This plan will help us to align our work with the department and other Crown



corporations and allow us to leverage their strengths to achieve larger goals than we might achieve alone.

1. Waterfront Planning

The corporation engages with public and private sector organizations, as well as with the public at large, in planning projects that contribute to the development of world-class waterfronts.

- **Cunard Block Design Development:** Utilizing the feedback received during 2011 public consultations, the WDCL has undertaken design development of the Cunard Block Project. A pre-application will be filed with the municipality to ensure that the design for the complex adheres to the provisions of the municipal planning strategy. The WDCL will then issue a call for proposals for the rights to build the residential-commercial complex.
- **WDC-1 Conceptual Design:** Utilizing the feedback received during 2011 public consultations, the WDCL has undertaken the design development phase for the WDC-1 site in downtown Dartmouth. Working closely with HRM staff, the WDCL will submit a final design for development agreement with the municipality, and the development opportunity will be tendered to the development community.
- **Dartmouth Cove Comprehensive Plan:** In partnership with Halifax Regional Municipality, the WDCL has undertaken

a comprehensive redevelopment design process to create a vision for the redevelopment potential of the Dartmouth Cove Lands. Working with private landowners and residents in the area, WDCL and HRM will develop a plan that will guide the redevelopment of the area into a mixed-use neighbourhood that incorporates the historical and active industrial activities of the past.

- **Public Art:** The WDCL will continue an enhanced multi-year public art program to add interest and vibrancy to the public outdoor spaces managed by the corporation.
- **Mill Cove and Birch Cove Comprehensive Planning Projects:** The WDCL will be working in partnership with Halifax Regional Municipality to implement comprehensive development plans for two sites identified as growth areas on the shores of the Bedford Basin. Amendments to the Municipal Planning Strategies will be sought for both study areas.
- **Communications Plan:** The WDCL will continue with the tradition of active engagement with our shareholder, the public, and our partners in the planning processes as we guide the development of waterfronts within the province.
- **Cable Wharf Plaza:** The WDCL envisions the development of an open-space plan for Cable Wharf Plaza on the Halifax waterfront that will connect and interface with the redevelopment

projects that will occur adjacent to the site. The objective for the plan will be to create a multi-functional open space that facilitates public use through four seasons and can be used for both events and passive uses.

- **Provincial Harbour Land-Use Strategy:** Building on previously completed work—specifically, HRM’s Regional Plan/Harbour Plan and related Background Studies—Waterfront Development is engaged in a process to establish a plan for the development of the province’s harbour lands.

2. Infrastructure Development

The corporation’s multi-year development projects attract investments and maintain the centerpieces of our waterfront.

- **Sands @ Salter:** Further development of public amenities and infrastructure to facilitate events and public use and enjoyment of the waterfront.
- **Queen’s Landing Seawall:** Development and recapitalization of wharves, boardwalks, and plazas in support of the Queen’s Landing project.
- **Dockside Mixed-Use Development:** Provident Development is completing construction of a mixed-use residential/commercial development on the last parcel of Phase One of the Bedford waterfront. WDCL and Provident are partnering in the development of extensive boardwalks, plazas and public open spaces as part of the complex.
- **Dartmouth Harbourwalk:** Completion of additional green spaces and public amenities along the Dartmouth Harbourwalk.
- **Marine Infrastructure:** Continuation of a multi-year capital upgrade plan for public marine infrastructure.
- **South Battery Pier:** Design and construction of public space upgrades to the former heliport on the Halifax Harbourwalk to facilitate events, performance spaces, and the inclusion of public art.
- **Cable Wharf Pile Repairs:** Reinforcement and repairs to the timber pile structure in support of the redevelopment of the structure.
- **Harbourwalk Wayfinding and Interpretive Signage:** Upgrades to the signage programs to improve the visitor experience.
- **Performance Space Upgrades:** Improvements and upgrades to performance spaces along the Halifax Harbourwalk to support events and programming.
- **Visitor Information Center:** The WDCL will be undertaking upgrades to the Visitor Information Centre on the Halifax Harbourwalk to expand the provision of public washrooms.



3. Property Management

The WDCL owns and manages a waterfront real estate portfolio with properties in Dartmouth, Bedford, Lunenburg, and Halifax. These properties are consistently among the most visited places in Nova Scotia and are a touchstone for the Nova Scotia experience for residents and visitors alike.

The WDCL's mandate is to leverage these properties to create value. We layer physical development with high-quality operations, services, and programming to make the natural wonder of the waterfronts under our care accessible and enticing, thus creating a waterfront that is both broadly appealing and uniquely personal. The waterfront means different things to different people. But it is important to all people. We want to ensure that whatever it may represent, it is meaningful—that people believe in *their* waterfront.

As the most visited destination in Nova Scotia, our property team works hard to ensure our waterfronts are *Clean, Green, and Safe*.

Clean

- **Maintenance Program:** Our property maintenance program continues to improve as our staff focus on identifying and implementing efficiencies in their work, and on broadly articulating high standards of cleanliness for ourselves, our waterfront partners, and the public. Our shared maintenance agreement with HRM ensures that resources are

efficiently deployed and that this high standard of cleanliness is enjoyed at all of our waterfronts.

Green

As a team, we will capture best practices in a sustainability policy this year that will guide future decisions, ensuring with each new project that we are asking ourselves how we can minimize environmental effects in our work and leverage our profile for public education in matters of sustainability.

- **Sustainable Procurement:** Our procurement activities comply with the provincial sustainable procurement policy, meaning that we consider footprint and lifecycle costing in our evaluation of best value.
- **Green Choices:** We continue to leverage our properties to provide incentives for green choices. We support CarShare HFX with free waterfront parking for all CarShare vehicles. We support a number of community walks and runs and work to ensure the boardwalks under our management are safe and suitable for active, healthy lives. We continue to expand options for traveling to the waterfront by bicycle, with more racks and even an option for bicycle rental through our new tenant, I Heart Bikes. And we continue to pilot emerging green technology on our waterfronts to learn how we can incorporate such technology into our operation.

- **Public Spaces Recycling Project:** Our successful public spaces recycling program is continuing to expand, with plans to roll out four stream recycling depots with solar-powered trash compactors to Bedford, Dartmouth, and Lunenburg, reducing volume and trips to collect trash, and educating the public on appropriate disposal of waste.
- **Green Technology:** We will achieve a Blue Flag designation for our marina facilities this year, recognizing compliance with an international set of rigorous environmental standards in marina operations, the first in Atlantic Canada.

Safe

- **Security Program:** Continued enhancements to lighting, landscaping efforts to eliminate dark spaces, and a comprehensive security camera program, combined with a strong partnership with our security provider, have resulted in a rigorous, 24-hour security program to ensure that, day and night, our waterfronts are safe and enjoyable places to be.
- **Marine Security:** We have made substantial progress on the marine security front, through the development of a strong relationship with Transport Canada and articulation of our common goals.

Risk Management

An Infrastructure Management plan was completed this year, which provides an important tool for effectively managing assets and mitigating risk. Ongoing enhancements to the Internal Control policy and Occupational Health and Safety program have made our operation safer and continue to build stakeholder confidence.

Lunenburg

Lunenburg waterfront has undergone a number of positive changes in the past five years. Completion of a new business plan, which involved substantial community consultation, was a milestone achievement this year. In collaboration with the county, we have plans to build on this success, including these goals for the upcoming year:

- Substantial investment in marine infrastructure and public berthing facilities and services at the Zwicker Wharf and Shipyard Wharf this year will support access by sea to the beautiful Old Town.
- Work with the community to explore wireless Internet in the Old Town, as well as develop this platform to promote self-guided tours and local business and history. Internet exposure will enhance the public's enjoyment and provide a platform on which stories of this UNESCO World Heritage Site can be told.



- A new boardwalk area through the park at Zwicker Wharf, complemented by enhanced lighting, public seating, and new signage, will provide access to the water's edge for the public, while still protecting the working waterfront operations.
- Repairs to The Dory Shop will help ensure that this unique heritage operation continues to grow and thrive.
- The year 2011 saw the Bluenose II reconstruction command the spotlight on the waterfront. Her launch this year will be an important event for the community and the province on a world stage. Attracting a long-term shipbuilding tenant at the site is the priority this year.

4. Business Development

This year will see additional marine infrastructure to support recreational boating at new locations along the waterfront. Our focus continues to be in developing world-class experiences through the provision of high-quality services. Work to develop a signature event program last year paid off in an exceptional year of events. This year looks even better. With strong partnerships and ongoing dialogue with creative, engaged members of the community, we continue to seek out opportunities to partner with smart operators with big ideas. The result is an unprecedented waterfront event line-up, with big and small events, that truly offers something for everyone.

Commercial Tenancies

This year we will issue a request for proposals to operate high-quality commercial businesses on the waterfront at eight high-profile kiosks. We will cast a wide net and reward sustainability, high quality, community engagement, and unique Nova Scotia products and experiences.

Improvements to the public space, including a new seating area at Queen's Market, new lighting, a renovated Summit Stage, and ongoing improvements to the boardwalk, support our tenants and partners in creating a place for great memories and new adventures.

Work will begin this year to revision a full children's precinct to complement the exciting new submarine playground and engage our youngest visitors.

Marine Services / Berthing

Our marine infrastructure continues to grow, with new floating docks planned for deployment this year at key locations, extending important public access to our waterfronts by land and by sea. We will continue to promote our free daily berthing and reasonable overnight berthing program to the boating community.

When a vessel is berthed at one of our wharves or floating docks, we want to ensure that the visitors' stay is outstanding. A streamlined booking process was implemented last year, and we continue to work on our online booking option.

An information package detailing services, promoting things to see and do, and providing critical contact information will welcome vessels from near and far, whether tall ships or small ships.

Signature Event Plan

Building on our Signature Event Program from 2011, the 2012 line-up is truly unprecedented. We are proud to welcome a mix of our region's best events, with something for everyone. We will focus this year on ensuring we are promoting the line-up to its potential by creating a go-to place for all things event-related, at my-waterfront.ca.

Tall Ships Nova Scotia 2012

Through the development of strong relationships with sail-training organizations around the world, the development of a comprehensive Tall Ships planning framework, and development and management of high-quality marine infrastructure, as well as our earned reputation as enthusiastic ambassadors of the world-famous maritime hospitality, we have successfully established Nova Scotia as a favorite port on the Tall Ships circuit.

Tall Ships Nova Scotia 2009 was marketed internationally and generated an economic impact of \$32.8 million, with \$2.5 million in direct taxes, and attracted 94,000 people from outside of the Province and 600,000 visitors to the event. The impact of Tall Ships events is undeniable. The tall ships are a driver of economic impact,

a backdrop for commerce, and a tribute to our maritime history. They stimulate a gathering of people, our residents and our many visitors, in a celebration of our greatest natural resources—our waterfronts.

The 2012 event promises the most exciting shoreside program to date. Through high-performing partnerships, we will showcase the best of the Nova Scotia experience, including high-quality art and film, entertainment, culinary experiences, and an unprecedented historical program commemorating the War of 1812. The best of Nova Scotia partnerships and experiences will complement the fleet of spectacular tall ships off our shores, resulting in the signature event of 2012 in Nova Scotia.

Sponsorship

We are exploring opportunities to leverage our properties to create new revenue streams through corporate sponsorship. Both our physical properties, which comprise the most-visited destinations in the province, and our virtual properties—including our updated website (my-waterfront.ca) and the free Wireless Waterfront infrastructure—offer tremendous real estate value.

Parking

Parking lots represent a transitional use of waterfront land, but they also provide an important service to the public. Revenue associated with parking is reinvested in waterfront improvements for the public's benefit. Parking operations are not



glamorous, but because we operate lots, we aim to operate them well.

With the adoption of the Waterfront Access Pass, and a new agreement with HRM for parking ticket enforcement that directs ticket revenue to joint waterfront infrastructure projects, our major changes to the parking operation are complete.

Human Resource Strategy

Waterfront Development calls for a unique blend of expertise among its people. Commercial real estate, urban planning, construction, engineering, landscape design, business accounting, and public consultation law—all are fields that the organization applies to its goals.

In addition, every waterfront project requires a bilateral or multilateral team of some form, involving private and public sector organizations. It is important, then, that the corporation keeps its internal processes streamlined and its organizational culture collaborative.

The Human Resource priorities are

1. new organizational practices that enhance collaboration and celebrate colleagues' successes
2. continued investment in employee learning and development

Marketing Strategy

The waterfronts of Halifax and Lunenburg are the two most visited destinations in Nova Scotia. Our development pipeline will, in the next two years, see the construction of buildings that will dramatically increase the number of residents in Halifax's downtown core and shape its waterfront for the future. All of this leads to business opportunities, but also to the need to engage our stakeholders and publicly communicate the goals and timelines of our work.

The Tall Ships Nova Scotia 2012 event will be a signature tourism and economic development generator for the province. The Tall Ships event will showcase the best of Nova Scotia to our citizens and tourists, and Waterfront Development will work with partners to promote the event and attract visitors to our province.

Marketing and Communications Objectives

1. Create awareness and support for the development projects and business opportunities on our waterfronts.
2. Align the community and economic interests of the waterfronts through stakeholder engagement and government strategies, such as *Ships Start Here* and *jobsHere*.

3. Promote the assets and amenities of our waterfronts to create extraordinary waterfront experience.

Budget Context

Financial Management

Fiscal 2011–2012 saw the corporation make significant progress in its property development plan to strategically transition properties from their interim use as parking lots to mixed-use developments, adding animation, vitality, and economic strength to the waterfronts and surrounding areas. As outlined in our previous business plan, this included the demolition of the BioScience building in fiscal 2011–2012 as well as advancing other projects to the point where there is greater visibility as to the timing and details surrounding the development projects. WDCL used its positive cash flow from 2011–2012 operations to enhance the waterfronts of Halifax Harbour and Lunenburg with a combination of capital and operating improvements.

The corporation has a break-even budget for fiscal 2012–2013. This is down from a small surplus budget in the prior year, owing principally to pressure on our parking revenue stream. Managing the transition of properties from parking lots to developments is challenging and affects our traditional revenue base in the short term. Factors such as demolition, changing timelines of

developers, and changing direction of traffic flow on downtown streets all play a role in our revenue stream fluctuations. The corporation continues to control expenditures and plan strategically to broaden its revenue base as a means to maintaining its long-term financial strength.

WDCL anticipates that two development projects presently in the advanced planning stages will add predictability to the long-term revenue of the corporation as parking revenue is replaced by land-lease revenue. Spinoffs will increase the tax base of the province and of the Halifax Regional Municipality through job creation and enhanced economic activity. Planned capital spending in 2012–2013 will again include improving public access, safety, and enjoyment of the waterfronts of the Halifax Harbour and Lunenburg. Other capital spending will support the planned private/public property developments.

In fiscal 2012–2013, the Corporation will host another of the popular Tall Ships festivals. WDCL manages these festivals on a break-even basis through a combination of grants, corporate sponsorship, and earned revenues. This festival extends to a number of ports around the province and provides a centerpiece for tourism and economic activity in the surrounding area. We will continue to incorporate waterfront animation, public spaces, and partnerships into our annual budgets as a means of driving economic activity to our outstanding waterfronts.



Waterfront Development Corporation Limited

Budget 2012–2013

	Budget 2011–12 (\$)	Forecast 2011–12 (\$)	Budget 2012–13 (\$)
Revenue			
Rents	1,479,000	1,420,500	1,388,000
Parking	2,250,000	1,950,900	2,000,000
Other income	365,000	463,400	420,000
Grant income*	285,000	285,300	283,000
	4,379,000	4,120,100	4,091,000
Operating expenses			
Insurance	98,400	91,800	92,400
Labour and benefits	210,000	192,700	210,000
Repairs and maintenance	310,000	334,000	323,800
Security	166,500	166,500	166,500
Utilities	124,000	140,600	151,000
Various other	422,700	483,000	387,900
	1,331,600	1,408,600	1,331,600
Income from property	3,047,400	2,711,500	2,759,400
Program expenses	350,000	300,000	305,000
Tall Ships revenue	—	—	2,500,000
Provincial grant*	470,000	470,000	310,000
Tall Ships expense	470,000	470,000	2,810,000
	—	—	—
Lunenburg revenue	290,000	341,000	225,000
Lunenburg grant*	378,000	378,000	374,200
Lunenburg expenses	668,000	719,000	599,200
	—	—	—
Administration expenses			
Amortization	690,000	678,000	751,000
Interest on long-term debt	25,000	18,000	25,000
Office, consulting, and general	478,400	479,900	486,400
Salaries and contracts	998,000	957,900	998,000
Staff expenses and benefits	194,000	187,700	194,000
	2,385,400	2,321,500	2,454,400
Net surplus	312,000	90,000	—

*Total grant = \$967,200

Outcomes and Performance Measures

Core Business	Outcomes	Measure	Base Year Measure	Target 2012-13	Strategies to Achieve Target
Financial	Strong financial management	Revenue for high-quality development	2010-11: \$3,396,400	\$4,119,000	Financial management strategy
Community Use of Waterfront	Increase the amount of public use	Number of visitations	60% of Nova Scotians visited *	65%	Business development priority
		Frequency	12x per visitor	15x per visitor	
Infrastructure Development	New and better uses for waterfront lands	Increase/improve developed property	275,000 sq. ft.	300,000 sq. ft.	Infrastructure Development priority
Property Management	Clean, safe, and well-maintained assets	Percentage public satisfaction	89%**	95%	Property Management priority
Waterfront Planning	Priorities for waterfront lands complete	Number of plans and projects complete	14	16	Waterfront Planning, Infrastructure Development, and Property Management priority
Business Development	New waterfront experiences	Number of new experiences (product, service and event)		20	Business Development priority
Business Development	Learning for Good Jobs	Number of student placements or people trained	3	20	Business Development
Property Management	Participant satisfaction	New measure		80%	Property Management



Core Business	Outcomes	Measure	Base Year Measure	Target 2012-13	Strategies to Achieve Target
Business Development	Facilitate business to be more competitive	Number of new tenants and/or expanding operations	3	8	Infrastructure Development Asset Management
People	Aligned goals, learning and engagement	Goal completion	100%	100%	HR strategy
Corporate Governance	Continuous improvement and best practices	Percentage Goal completion	100%	100%	Corporate Governance strategy

*2009 Halifax Harbour Waterfront Market Segmentation and Targeting Study (Corporate Research Associates)

** 2003 Visitor and Public Opinion Study (Corporate Research Associates)