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Accountability Statement

The Accountability Report of Nova Scotia Lands Inc. (NSLI) and Harbourside Commercial Park Inc. (HCPI) for the year ending March 31, 2021, is prepared pursuant to the Finance Act and government policies and guidelines. These authorities require the reporting of outcomes against the NSLI and HCPI Business Plan for the fiscal year just ended. The reporting of the NSLI and HCPI outcomes necessarily includes estimates, judgments, and opinions by NSLI management.

We acknowledge that this Accountability Report is the responsibility of NSLI management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the NSLI and HCPI 2020-2021 Business Plan.

The Honourable Kim D. Masland
Minister of Public Works

Peter Hackett
Board Chair

Stephen MacIsaac
President and CEO

Message from the Minister and President

We are pleased to present Nova Scotia Lands Inc.'s Accountability Report for the 2020-2021 fiscal year. NS Lands (NSLI) was established in 2006 and incorporated in 2007. Since that time, it has grown into the "go to" agency for environmental clean-up, asset management, and environmental analysis and assessment in the province. Our primary role is to remediate sites for government, community, or commercial re-use. NSLI continues to expand its services to other provincial government departments and agencies to ensure our expertise is maximized.

Priority remediation projects in 2020 included Boat Harbour, Harrietsfield, former Gold Mine Remediation Projects in Goldenville and Montague Mines and beginning assessments of abandoned gold mines, in partnership with the Department of Lands and Forestry. NSLI participated in the Abandoned Boats Project through Transport Canada and received funding to remove 14 vessels around the province.

The Healthcare Infrastructure Project oversees the construction of both the QEII Redevelopment Project, and the Cape Breton Redevelopment Project, which is the largest infrastructure build in Nova Scotia history. In 2021 the Healthcare Infrastructure Projects Division of Nova Scotia Lands Inc. transitioned to the new Department of Infrastructure and Housing due to Government restructuring. The following milestones included in this progress report have been completed since the 2020 Accountability Report submitted by the Department.

NSLI continues to oversee operations at Harbourside Commercial Park in Sydney, Port Mersey Commercial Park (PMCP) in Liverpool, and Trenton Commercial Park in Trenton. We intend to ensure best re-use of these former industrial sites. We continue to assess these parcels of land and market them for commercial investment with the goal of bringing jobs to these communities.

We look forward to continuing to address remediation and site re-development needs throughout the province. This report provides an overview of both NSLI's priorities and accomplishments.

Sincerely,

The Honourable Kim D. Masland
Minister of Public Works

Stephen MacIsaac, RPF, P.Eng
President and CEO

Financial Results – HCPI

	2020-2021 Estimate	2020-2021 Actuals	2020-2021 Variance
	<i>(\$thousands)</i>		
Expenses:			
General Operating Expenses	508	621	113
Management Fee	180	180	0
Total: Expenses	688	801	113
Additional Information:			
Leases & Rent	184	185	1
Provincial Funding	35	1,452	1,417
Sale of Land	392	22	(370)
Other	232	135	(97)
Total: Revenue, Fees and Recoveries	843	1,794	951
TCA Purchase Requirements	0	1,548	1,548
Provincial Funded Staff (FTEs)	0	0	0
<u>Expenses Variance Explanation:</u> Deferred sales and additional assets increased amortization and property tax expenses.			
<u>Revenue, Fees and Recoveries Variance Explanation:</u> Stimulus grant unbudgeted Sale of lands deferred Green Fund project did not proceed			
<u>TCA Purchase Requirements Variance Explanation:</u> Stimulus projects unbudgeted			

Financial Results – NSLI

	2020-2021 Estimate	2020-2021 Actuals	2020-2021 Variance
	<i>(\$thousands)</i>		
Expenses:			
Payroll	2,098	2,053	(45)
General and Administration	1,610	869	(741)
Provincial Economic Development Initiatives – PMCP	1,259	1,259	0
Site Reconstruction – PMCP	25	0	(25)
Sysco LTMM	3,751	931	(2,820)
OH Park and CO LTMM	824	722	(102)
Boat Harbour	6,756	3,257	(3,481)
Pictou Wharf	6	7	1
Gold Mines	20,000	1,053	(18,947)
Future Building/School Demolition Project	500	0	(500)
Marine Vessel Program	350	93	(257)
Trenton Commercial Park	890	453	(437)
Harrietsfield Project	8,000	13,237	5,237
LAF Contaminated Sites	500	0	(500)
Total: Expenses	46,569	23,952	(22,617)
Additional Information:			
Management Fee - HCPI	180	180	0
Miscellaneous Recoveries	445	266	(179)
Leases	55	78	23
Wharf Usage	129	81	(48)
Equipment Rentals	10	0	(10)
Provincial Recovery Eco Dev	1,259	1,259	0
PNS Grant	750	750	0
Pictou Wharf	0	7	7
OHP LTMM & Admin Fee	1,161	1,059	(102)
Boat Harbour & Admin Fee	7,205	3,724	(3,481)
Sysco LTMM & Admin Fee	4,200	1,380	(2,820)
Gold Mines Project & Admin Fee	20,152	1,132	(19,020)
Future Building/School Demolition & Fee	550	0	(550)
Marine Vessel Program & Admin Fee	429	167	(262)
Trenton Commercial Park	1,076	1,076	0
Harrietsfield Project	8,081	13,286	5,205
LAF Contaminated Sites	560	50	(510)
Tidal Energy	50	2	(48)

	2020-2021 Estimate	2020-2021 Actuals	2020-2021 Variance
Miscellaneous Income	125	79	(46)
Slag	0	2	2
Total: Revenue, Fees and Recoveries	46,417	24,578	(21,839)

Expenses Variance Explanation:

General and Administration – Less travel, training and repairs and maintenance than budget.
 Sysco LTMM – Projects deferred
 OH Park and CO LTMM – Less sampling during the year, water treatment plant did not require media change out and park improvements deferred.
 Boat Harbour – Considerably less work on site; in planning phase.
 Gold Mines – Project still in assessment/planning stage.
 Trenton Commercial Park – Site improvements deferred.
 Harrietsfield – Additional contaminated materials.
 Marine Vessel Program – Assessments slower than expected.
 Future Building/School Demolition – Projects did not materialize.
 LAF Contaminated Sites – Projects in the research and planning stage.

Revenue, Fees and Recoveries Variance Explanation:

OHP LTMM & Admin Fee, Boat Harbour & Admin Fee, Gold Mines, Marine Vessels and Sysco LTMM & Admin Fee – Revenue variances directly related to variances in expenses, as noted above.
 As noted in the explanation of expenses, some projects did not materialize.

Financial Results – Healthcare Infrastructure Projects

	2020-2021 Estimate	2020-2021 Actuals	2020-2021 Variance
	<i>(\$thousands)</i>		
Expenses:			
Salaries and Benefits	9,921	8,790	(1,131)
General Operating Expenses	2,472	4,878	2,406
Total: Departmental Expenses	12,393	13,668	1,275
Additional Information:			
Provincial Funding	12,393	13,745	1,352
Total: Revenue, Fees and Recoveries	12,393	13,745	1,352
TCA Purchase Requirements	0	77	77
Expenses Variance Explanation:			
Salaries & Benefits – Timing of vacancies being filled.			
General Operating – P3 DBFM for consultants not budgeted but offset with operational savings, such as legal, HR services and travel expenses.			
Revenue, Fees and Recoveries Variance Explanation:			
Increased grant revenue for capital IT purchases, as well as driven by cost factors referenced above.			
TCA Purchase Requirements Variance Explanation:			
Technology capital purchases.			

Measuring Our Performance

In 2007, Nova Scotia Lands Inc. was incorporated as a Crown Corporation in the Province. Its principal role was to continue with remediation activities at the former Sydney Steel Corporation (SYSCO) site and put in place the necessary infrastructure for redevelopment of the site into a viable commercial park facility. Since that time NS Lands Inc. has taken on the responsibility of several properties across the province. They are:

- Harbourside Commercial Park
- Trenton Commercial Park
- Port Mersey Commercial Park
- Pictou Wharf

Additionally, a Healthcare Infrastructure Projects Division was created in 2019, with the primary goal to oversee the construction of both the QEII Redevelopment Project and the Cape Breton Redevelopment Project. In 2021 the Healthcare Infrastructure Projects Division moved to the Department of Infrastructure and Housing, but examples of the work completed will be included in this report.

Vision

Nova Scotia Lands Inc. is a Crown Corporation responsible for environmental clean-up of government owned sites, brownfield redevelopment and infrastructure management.

Mission

To ensure proper remediation and best use of provincial land assets.

Core Values

- To be transparent and accountable
- To capitalize on human and built strengths and recognize a competent and capable workforce
- To ensure a safe working environment

Goals / Objectives

Core Programs:

1. Environmental Analysis and Remediation
2. Parks and Land Management
3. Asset Inventory Management (Information only)
4. Boat Harbour (considered separate from #1 due to the magnitude of the project and special legislation).
5. Healthcare Infrastructure Projects Division

The accountability report intends to update the reader on progress made under the above listed core programs.

Goal: Environmental Analysis and Remediation

A. Long Term Monitoring and Maintenance of Former Sydney Steel Property

Nova Scotia Lands Inc. (NSLI) was incorporated in 2007 to finalize the decommissioning of the Sydney Steel (SYSCO) plant, redevelop the 180-hectare (445 acre) site, assist in the remediation of the Sydney Tar Ponds and provide the Province with technical support in the remediation of other provincially owned contaminated lands. No further environmental site assessments are needed, however ongoing monitoring is required.

Most of the SYSCO properties have experienced some form of remediation and we continue to do so with a goal for site redevelopment. Once properties are remediated, they are then transferred to Nova Scotia Lands Inc. for development and/or sale.

B. Long Term Monitoring and Maintenance (LTMM) of Former Tar Ponds and Coke Ovens Site

The LTMM for the former Tar Ponds area now known as Open Hearth Park and Harbourside East (former Coke Ovens site) is being implemented. On these sites, NSLI continues to undertake the required monitoring, and results of this have been found acceptable by Nova Scotia Environment. Open Hearth Park continues to see heavy usage by the community during the reporting period with such events as: school events, charitable activities by nonprofit groups and a multitude of sports activities.

NSLI has now completed the seventh year of a 25-year long-term maintenance and monitoring program approved through the Federal/Provincial partnership.

C. Project Management

NS Lands provides project management services on various provincial and provincial / federal remediation initiatives. Staff skill sets cover a diverse level of knowledge and experience. They have handled large multi-million-dollar contracts, work with the public and industry, provide unparalleled expertise in diverse environmental fields, building management, demolition services, civil construction oversight and provide hands-on trade skills in asbestos assessment and management, carpentry and electrical fields and even provide experienced drone operators. NSLI staff expertise is recognized provincially, regionally, and nationally, with some projects routinely highlighted in major conferences, trade journals and through representation on environmental boards of national associations.

Project Management Services include:

- Remediation of former gold mine sites – NSLI was engaged in 2017 by NSDNR (now NS Lands and Forestry) to assess two of the former gold mine sites: Montague Mines in the Halifax Regional Municipality and Goldenville in Guysborough, Nova Scotia. In 2018, NSLI engaged a consulting group, led by Intrinsik, to assess the

crown lands associated with the former mine tailings from an environmental perspective.

- Initial closure plan for the remediation of mine tailings on crown lands in Montague and Goldenville is complete. Refining information and filling data gaps to proceed to detailed design in winter 2021.
- Continue to gather and inspect all pertinent information for the assessment of 69 abandoned mine site for Nova Scotia. A draft assessment matrix has been developed and field truthing/inspections continue in 2021 for government.
- Removal of abandoned vessels within the Province – Assessments have been completed on the initial list of vessels. We received a mandate for possession under the Navigational Protection Program for 19 of the original 25 vessels assessed. Removal began in earnest, for 15 of these vessels in the late fall of 2020 and continue into summer 2021. We have also put forth applications for the final 4 vessels in March 2021 and hope to remove these, more remote vessels, in the 2021 fiscal year as well.
- Facility demolition – NSLI offers oversight services, both internally and to external departments, for project management and construction oversight on various demolition projects across the Province.
- Former industrial site remediation – NSLI provides remedial expertise to both internal groups and external departments specific to brownfield site remediation. In 2018, one of these sites, the former RDM site in Harrietsfield, was assessed for environmental impact and remedial design by NSLI and their consultants, who have developed a remedial action plan for the site. The construction aspect of the Harrietsfield remediation project will be completed in August 2021. LTMM will begin immediately after project completion.
- Dam Risk Assessments – NSLI has been facilitating a multi-departmental effort to conduct risk assessments on provincially owned dams. Federal funding for Phase 2 of this program has been initiated by NSLI on behalf of this committee. We anticipate all provincially owned dams will be assessed in the 2021-2022 fiscal year.

Goal: Provincial Commercial Parks Management / Land Management

COVID-19 related delays were experienced on all projects within Environmental Analysis & Remediation. In particular, projects in Harrietsfield, Montague and Goldenville, Mine Assessments and Abandoned Boats Removal projects were directly affected. We have had to navigate seasonal sampling events, specialty sector work and actual construction efforts due to travel restrictions locally and nationally.

A: Harbourside Commercial Park

Harbourside Commercial Park Inc. (HCPI) was established in August 2006 to manage commercial development of remediated areas of the former Sydney Steel (SYSCO) plant site. All assets of Sydney Utilities Ltd. have been transferred to HCPI. HCPI is responsible for the control of the two water utilities (Sydney River and Grand Lake Water Systems) that have been

part of the SYSCO infrastructure and a substantial water supply for the regional municipality and industrial activities at the former SYSCO site. Staff continue to market and sell properties in the park.

Completed sale of property in Harbourside Commercial Park for Horizon Achievement Centre; construction has begun. It is anticipated the centre will open in the fall of 2021.

B: Port Mersey Commercial Park

In 2012, the Province acquired the former Bowater site with the intention to own, manage and maintain services, sales, and leases. NS Lands staff currently promote, negotiate, lease, and sell property and building space on site.

A Phase 2 environmental assessment has been completed at Port Mersey Commercial Park with no significant issues identified.

We continue to manage the park and its tenants, while attempting to market and promote the park as a viable prospect for new business opportunities. Various parcels of vacant land, in the surrounding area, have started to be reviewed, with a possibility for divestment within the open market.

C: Trenton Commercial Park

In 2018-19, NSLI acquired the former DSME site in Trenton, now named Trenton Commercial Park (TCP). Since acquisition, NSLI has been focused on making TCP investment ready for the private sector, with a view to once again making the site a lasting contributor to economic growth to the local area and the Province.

The demolition program at Trenton Commercial Park has been completed with removal of A and B shops, offices, and maintenance shop. The buildings were deemed unsustainable, and the demolition was completed in part to make the properties more appealing for sale.

Office area of former distribution building at Trenton have been renovated and now houses NS Lands staff.

There is an ongoing focus to market the site to prospective commercial opportunities with the goal of divesting the land and creating jobs for the community. Recent interest from existing tenants in acquiring more property is looking good for the future of the park.

D: Pictou Wharf

Pictou Wharf was built by the Province in 1988 to assist local Pictou County marine industries and is owned by Nova Scotia Lands Inc. This is a common user wharf facility consisting of approximately 300 feet of berthing face and a dredged depth of +/- 28 feet. Since 2001, there has been a lease agreement in place for the wharf and the 6.5-acre backup land facility.

Goal: Asset Inventory Management

The Nova Scotia government has a large holding of property throughout the province. This inventory of property is currently captured on a provincial database housed by GeoNova under Property Online. Efforts are underway to create a “value added table” of editable information including – ownership, property status, current / future use, and any additional relevant comments about the property. The intention is to create a real time inventory of available and surplus property that could assist with decision making.

Goal: Boat Harbour Remediation

The Boat Harbour Remediation Project is being undertaken to clean up Boat Harbour and restore it to a tidal estuary. Pilot scale testing was completed in 2018 and 2019. A detailed design of the remedial solution is substantially complete. The proposed remediation activities are estimated to be complete in four to seven years commencing, at the earliest, in 2022.

The project is subject to a federal environment assessment process undertaken by the Impact Assessment Agency of Canada (IAAC), which includes consultations with other federal and provincial regulatory departments, Pictou Landing First Nation (PLFN), and the public. Due to COVID-19 restrictions in-person consultations were suspended. This created barriers for many members of PLFN to participate in virtual meetings.

The following are key initiatives within the Boat Harbour Remediation Project:

- All site assessments, baseline studies and a pilot scale testing program have been completed.
- Project design and tender ready documents are complete awaiting an IAAC environmental approval decision.
- Procurement strategies are finalized, an industry briefing was undertaken in December 2020 and a Fairness Monitor has been engaged to monitor procurement processes.

Goal: Healthcare Infrastructure Projects Division

NS Lands created a Healthcare Infrastructure Projects Division to be responsible for delivering the largest infrastructure builds in Nova Scotia history. This team oversees the construction of both the QEII Redevelopment and the Cape Breton Redevelopment Project portfolios. In 2021 the Healthcare Infrastructure Projects Division of Nova Scotia Lands Inc. transitioned to the Department of Infrastructure and Housing due to Government restructuring. The following milestones were completed since the 2020 Accountability Report submitted by the Department.

1. QEII Redevelopment Project
 - Halifax Infirmary Expansion:

- The project has successfully reached Request for Proposal issuance in November 2020. The project is progressing on schedule for identification of preferred proponent in Spring 2022.
 - Bayers Lake Community Outpatient Centre:
 - The project has successfully reached commercial close as of late August 2021.
 - The project was awarded to EllisDon Infrastructure Healthcare.
 - Project is currently nearing completion of the Design Development phase.
 - The project is on schedule and continues to track toward occupancy in early Spring 2024.
 - Dartmouth General Hospital – Renovation
 - Completed renovation components include retrofitting Operating Rooms 5, 6, and 7.
 - Summer Street Parkade:
 - Project reached award in July 2020.
 - ED Administration Office Relocation:
 - Project reached award in July 2020.
 - Halifax infirmary – Floors 3 & 5 Renovation
 - Completed turnover of Phase 5-5 isolation room.
 - Completed installation of hybrid operating room structural steel.
 - Completed installation of Level 3 signage.
2. Cape Breton Redevelopment Project
- Glace Bay Hospital:
 - 100% Schematic Design received February 2021.
 - Northside Complex:
 - Laundry 100% Construction Documents received February 2021.
 - New Waterford Hub:
 - Sports field relocation completed December 2020.

APPENDIX A

Annual Report under Section 18 of the *Public Interest Disclosure of Wrongdoing Act*

The following is a summary of disclosures received by Nova Scotia Lands

Information Required under Section 18 of the Act	Fiscal Year 2020/2021
The number of disclosures received	0
The number of findings of wrongdoing	0
Details of each wrongdoing	n/a
Recommendations and actions taken on each wrongdoing	n/a