

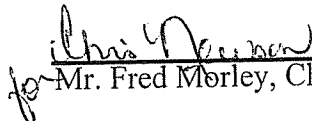


PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 3

Committee of the Whole
August 12, 2008
September 9, 2008

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:  Mr. Fred Morley, Chair, Regional Plan Advisory Committee

DATE: July 16, 2008

SUBJECT: Business Parks Development Functional Plan: Part I (Approval-in-Principle)

ORIGIN

Regional Plan Advisory Committee meetings of May 28, 2008 and July 16, 2008.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Approve-in-principle Part I of the Business Parks Development Functional Plan, dated July 2008, as a foundation and management plan to guide and enable HRM's leadership in development of its industrial/business park program to support the objectives of the Municipal Economic Strategy and Regional Plan; and
2. Request staff to initiate the process to amend Regional Municipal Planning Strategy and Secondary Planning Strategy(s) Policies, Land Use By-Law Regulations and Site Development Standards using the land use related recommendations of the Business Parks Development Functional Plan, Part I, as the framework for such amendments, and to follow the public participation program as approved by Council in February 1997.
3. Be mindful of the public transit implications of this plan consistent with the five-year transportation strategy.

BACKGROUND:

The Regional Plan Advisory Committee (RPAC) heard a presentation on the preliminary findings of the Business Parks Functional Plan, Part I, by Mr. Ross Cantwell, Project Manager, Colliers International, at their May 28, 2008 meeting. Staff presented their final report to the RPAC on July 16, 2008 for approval in principle.

DISCUSSION:

See staff report dated July 2008 attached as Attachment 1.

BUDGET IMPLICATIONS

See staff report dated July 2008 attached as Attachment 1.

ALTERNATIVES:

See staff report dated July 2008 attached as Attachment 1.

ATTACHMENTS:

1. Staff report dated July 2008.
2. Extract from the May 28, 2008 Regional Plan Advisory Committee minutes.
3. Extract from the July 16, 2008 draft minutes of the Regional Plan Advisory Committee.

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Chris Newson, Legislative Assistant, 490-6732



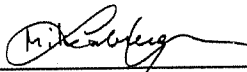
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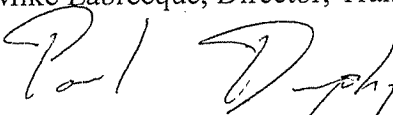
Attachment 1

Regional Plan Advisory Committee
July 16, 2008

TO: Regional Plan Advisory Committee

SUBMITTED BY:


Mike Labrecque, Director, Transportation & Public Works


Paul Dunphy, Director, Community Development

DATE: July 14, 2008

SUBJECT: **Business Parks Development Functional Plan, Part I:**
Approval-In-Principle

ORIGIN

- ▶ This report originates with Regional Council's award of RFP #07-139 Business Parks Development Functional Plan to Colliers International in December 2007.
- ▶ May 28, 2008 Presentation of Draft Business Parks Development Functional Plan (Part I) and key recommendations to the Regional Plan Advisory Committee.

RECOMMENDATION

It is recommended that the Regional Plan Advisory Committee recommend that Regional Council:

1. Approve-in-principle Part I of the Business Parks Development Functional Plan, dated July 2008, as a foundation and management plan to guide and enable HRM's leadership in development of its industrial/business park program to support the objectives of the Municipal Economic Strategy and Regional Plan; and
2. Request staff to initiate the process to consider amending Regional Municipal Planning Strategy and Secondary Planning Strategy(s) Policies, Land Use By-law Regulations and Site Development Standards using the land use related recommendations of the Business Parks Development Functional Plan, Part I, as the framework for such amendments, and to follow the public participation program as approved by Council in February, 1997.

BACKGROUND

In 2006, HRM adopted the Regional Municipal Planning Strategy (“Regional Plan”). An integral component of the Regional Plan is the identification of current and future employment nodes and supporting policies to direct future growth to these areas. To successfully implement the Regional Plan and build upon HRM’s business planning and long-term capital investment planning, the preparation of a Business Parks Development Functional Plan (“Functional Plan”) is a key implementation initiative.

An RFP was prepared and in December, 2007 the study was awarded to a consulting team led by Colliers International. The project Steering Committee comprised representatives from HRM’s Real Property, Community Development and Economic Development departments as well as the Greater Halifax Partnership.

Structure and Scope of the Study

The Functional Plan is comprised of two parts in recognition of the scale, complexity and priorities of the task. Direction provided under the Regional Plan indicates that the Functional Plan should first address the “macro” matters necessary to gain a fundamental and comprehensive understanding of the relationships between the various Business Parks and greater HRM. To achieve this, Part I of the Functional Plan assessed a variety of topics considered vital to the long term development of the region’s commercial/industrial base and serves as a strategic plan for the development, sustainability and/or expansion of all business parks within HRM. Part I of the Functional Plan delivers a comprehensive evaluation report commenting on the relevance of HRM’s current industrial market strategy and governance structure, an assessment of the positioning of HRM’s available property and recommends strategies that will enable HRM to achieve its economic development objectives.

Due to the key role of the Greater Burnside area as a regional economic driver and the current development pressures and issues facing the area, as a first priority, Part I of the study also required completion of a “micro” level assessment of the Greater Burnside area (comprised of Burnside Business Park, City of Lakes Business Park and the Dartmouth Crossing lands). This component of the Functional Plan addresses localized matters such as land use and zoning, infrastructure requirements, transportation improvements and related matters.

Part II of the Functional Plan, currently in progress, entails a “micro” level assessment and detailed future land use plan for the Bayers Lake Business Park area. It should be noted that there are two separate development initiatives currently under consideration/review by HRM that hold potential implications for the future planning of Bayers Lake Business Park:

- Plazacorp Retail Properties Ltd.’s proposal to purchase and develop a bulk parcel of HRM lands at Bayers Lake Business Park; and

- ARMCO's proposal to add land within the Halifax service boundary at Bayers Lake, rezone the property and develop it for commercial use.

Both holdings have been included within the scope of the Functional Plan study. Part II of the Functional Plan will be presented to Regional Council in Fall of this year.

DISCUSSION

The Executive Summary for the Business Parks Development Functional Plan, Part I, is provided as Attachment A to this report. A full copy of the Functional Plan is available from Transportation and Public Works - Real Property and via download at www.BusinessParks.com.

The stakeholder and public consultation program is key to the success of the Functional Plan. The study team conducted extensive consultations including a series of strategic stakeholder interviews, a nation-wide business park survey, stakeholder workshops and a public meeting to discuss the draft plan. In addition, the report has been presented in both preliminary draft and final draft form to the Regional Planning Advisory Committee.

Key issues revealed during stakeholder/public consultations included:

- outdated zoning, particularly in Burnside and Bayers Lake, where current zoning typically permits a broad range of land uses;
- a poor quality experience for park employees, stemming from traffic congestion, a lack of "community" infrastructure such as sidewalks, recreation facilities, lack of transit choices for employees, etc;
- outdated infrastructure standards, resulting in some areas of parks showing signs of age and being less conducive to attracting and retaining certain forms of business such as transload facilities;
- poor access to and within parks by transit and active transportation;
- low land inventories; and
- a need to improve communications with HRM across these areas.

The following highlights some of the key recommendations of the study:

Governance and Role Recommendations:

- Allow the private sector to take the lead role in the development of land for retail and office space.
- HRM to focus primarily on the development of general/light industrial land.
- HRM to partner with stakeholders to focus on core economic growth segments (e.g., Halifax Port Authority and/or a logistics park developer for an expanded logistics park).
- The Greater Halifax Partnership (GHP) to take a lead role in ensuring the economic growth policies of HRM and its business park activity are well aligned.

- GHP should play a role in the marketing and promotion of the HRM business parks, by coordinating the liaison groups for key sectors and ensuring sector growth is included in business park land planning.

Park Rationalization Recommendations:

- The report suggests that there are some areas within HRM with good suitability for future business park uses, however, these areas are not abundant.
- There is a shortage of well located and serviced industrial land within HRM, and no clearly defined process to acquire new lands for long term expansion. The study identifies the need for 2,000 acres of raw land (augmenting the existing reserve) to assure an adequate supply of serviced industrial and for the next 50 years.
- The remaining Burnside lands rank the highest in terms of demand and suitability for business park use and should be reserved or protected for this use. Lands to the north of Burnside show good potential for business park use and represent a substantial opportunity to provide for continued development of this business park for the next 15 to 20 years before it is exhausted.
- Given the limitations of Aerotech, HRM should sell/partner on these lands to the Halifax Stanfield International Airport (HSIA), and use the resulting funds to acquire land in more suitable locations.
- Allow additional retail uses in Bayers Lake; but also retain land for light industrial uses.
- Prepare a detailed area plan for Bayers Lake, including recommendations for Ragged Lake (*This work is now in progress as Part II of the Functional Plan*).
- Given the potential of Sheet Harbour for marine industrial uses, encourage the preparation of a master plan for this Park.

Partnerships Recommendations:

- Creating key sector advisory groups for the business parks.
- Partnering with the Halifax Port Authority (HPA) to expand the existing Halifax Atlantic Gateway Logistics Park in Burnside.
- Partnering with the HSIA to fully develop the Aerotech Park.
- Partnering with the federal and provincial governments to create/influence office incubator space downtown.
- Using the skills of the HRM Business Parks office to assist HRM in redeveloping the Cogswell interchange.

Greater Burnside Area Generalized Future Land Use and Zoning Recommendations (See Attachment B):

The Greater Burnside Area is currently zoned I-2 General Industrial Zone under the Dartmouth Land Use By-law. This zone has historically provided for a broad mix of both industrial and commercial development. An analysis of the supply/demand for industrial land presented in the Plan places significant weight on the need to protect existing industrial land, differentiate and distribute uses permitted in industrial areas based on intensity and identify and secure lands for future industrial development. To achieve this, the following land use designations are recommended:

- **Light Industrial** designation to provide for a range of traditional industrial park uses such as warehousing and distribution, and light manufacturing.
- **General Industrial** designation to provide for warehousing and distribution, light and heavy manufacturing, industrial activities and other intensive activities that may be incompatible with other lands uses. Commercial and office uses not directly supportive of general industrial uses are discouraged in this designation.
- **Harbour Industrial** designation protects areas along the marine waterfront for use such as shipping, ship repair, and offshore supply.
- **Distribution Industrial** designation provides for distribution warehousing and trucking that require oversized road infrastructure.
- **Business Campus** designation directs office uses and business services to City of Lakes Business Park and Dartmouth Crossing's proposed business campus known as "The Ridge". Updated zoning standards will ensure a high quality environment.
- **Commercial** designation provides for commercial and office uses to front major streets within Burnside and throughout Dartmouth Crossing.
- **Harbour Commercial Residential** designation allows for a mix of commercial and residential uses along the inner shoreline of Wrights Cove.
- **Environment/Open Space** designation is intended to protect important natural features.

Major Recommendations supporting the Land Use Plan include:

- Differentiated land use zones and a possible site plan approval process administered by Community Development at the permitting stage should be implemented in tandem with revised site development standards administered by Real Property at the point of sale of HRM-owned business park property.
- Infrastructure standards should be stratified to fit existing and future land use categories.
- The Dartmouth MPS should be amended to allow for the expansion of the City of Lakes Business Park area to include Dartmouth Crossing's business campus development (The Ridge).
- New site planning criteria should include reducing current parking requirements and permitting 3 to 5 storey office development in the Business Campus (City of Lakes and The Ridge).
- Creating an advisory body to inform major decision making on Burnside and Bayers Lake.
- Input from the key economic sectors through liaison groups should inform decision making.

- Funding for the Park Business Associations should be considered and formalized.
- Transportation to and within Burnside should be improved, including introducing a shuttle bus within the park and building a central bus terminal.
- Residential development should not be permitted adjacent to light industrial lands in the northern area of Burnside but may be considered on privately held land in the business campus.
- Established industrial areas of Burnside Business Park should be protected for industrial use to prevent conversion to incompatible land use and combat increasing scarcity of industrial land.
- Industrially zoned lands within Bedford Commons should be retained for commercial, suburban office and light industrial use.

Next Steps:

The objective of this report is to obtain Council's approval of Part I of the Functional Plan, in principle, as a foundation and management plan to guide and enable the development of the industrial park program in support of the objectives of the Municipality's Economic Strategy and the Regional Plan.

Approval-in-principle of Part I of the Functional Plan and direction by Council to implement the Plan's findings and recommendations will provide the go-ahead for staff to commence the process of amending such planning documents as the Regional Plan, Dartmouth MPS and LUB, Shubenacadie Lakes (Planning Districts 14 and 17) MPS and LUB and the Bedford MPS and LUB, utilizing the land use-related recommendations of the Functional Plan as the framework for such policies/ regulations. This process will of course, entail further public/stakeholder consultations, close liaison with the Greater Burnside Business Association and a public hearing before Regional Council. Most of the remaining recommendations in Part I of the Functional Plan (i.e. governance, park rationalization and partnerships) can be implemented over time through business planning and day to day functions of the administration.

Part II of the Functional Plan which includes a micro-level assessment of Bayers Lake Business Park will be presented to Council in a similar manner in the Fall of this year.

BUDGET IMPLICATIONS

There are no budget implications for the 2008/09 fiscal year. Implementation work will be initiated through existing financial and human resource allocations. Funding of future work will be articulated and subject to business plans and budget approvals by Council.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

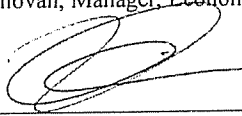
There are no suggested alternatives.

ATTACHMENTS

Attachment A - Executive Summary Business Park Functional Plan May 2008 Prepared by
Colliers International (Atlantic)
Attachment B - Conceptual Land Use Map Burnside/City of Lakes/Dartmouth Crossing

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Michael Wile, Business Parks Manager, 490-5521
Transportation and Public Works
Peter Stickings, Manager, Real Property, 490-7129
Transportation and Public Works
Roger Wells, Supervisor, Regional & Community Planning 490-4373
Jim Donovan, Manager, Economic Development

Report Reviewed: 

Peter Stickings, Manager, Real Property, 490-7129
Transportation and Public Works

EXECUTIVE SUMMARY

Overview. The Business Parks Functional Plan is one of the mechanisms for implementing HRM's Regional Municipal Planning Strategy, which was approved in 2006. The Business Parks Functional Plan (BPFP) serves as a strategic plan for the future expansion of business parks within HRM, and provides detailed management guidelines for the Burnside Business Park.

Scope of Work. The study reviewed a number of background documents, including land use policy and plans, previous land use planning studies, HRM's economic strategy, and various related studies. Research was conducted on relevant development trends.

Consultation. Interviews were conducted with the development community and HRM staff; consultants met three times with the Greater Burnside Business Association (GBBA) and with the Bayers Lake Business Association. A presentation was made at a GBBA luncheon, and an invited stakeholder workshop was held to solicit input from the Greater Burnside business community. Key issues revealed by the consultations included: outdated zoning, a poor quality of experience for park employees, outdated infrastructure standards, poor access to and within parks by transit and active transportation, lack of amenities for employees, traffic congestion, low land inventories, and the need to improve overall communication with HRM staff.

Business Park Supply. There are thirteen (13) business parks in HRM owned by the municipality and the province, plus an additional three owned by the private sector. The HRM owns and operates six (6) business parks in HRM (Burnside, City of Lakes, Bayers Lake, Aerotech, Ragged Lake, and Lakeside), while the Province manages seven (7) parks (Sackville, Woodside, Aerotech, Bedford, Eastern Shore, Musquodoboit Harbour and Sheet Harbour) through Nova Scotia Business Inc. (NSBI). The three privately owned parks in HRM, Dartmouth Crossing, Bedford Commons, and West Bedford Business Campus, include a total of 950 acres of land, and focus on providing for retail and office uses. More than half of this private sector land reserve will need to be set aside for roads and wetlands, or has already been sold.

As of the Spring of 2008, there were 363 acres of serviced land available for sale within the municipal and provincial business parks, with HRM controlling about two thirds of this total. There are also an additional 4,622 acres of lands in the combined land reserves for both groups, with HRM controlling 94% of this supply. The dominance of HRM in business park development reflects the Province's move to slowly divest itself of business park land within HRM. However, of the 4,347 acres of reserve land owned by HRM, most of this land is not available for development due to wetland protection

and roads, servicing and locational constraints, or is slated for other purposes (e.g., airport runways). When these amounts are excluded, the net amount of land available for sale is just 2,385 acres, and much of this is located in parks that have significant servicing constraints (i.e., Aerotech and Ragged Lake). There are now only 630 net acres of land in the Burnside Reserve (i.e., the net amount of sale after the exclusion of roads and wetlands), which, based on historic absorption rates, should last 15 to 20 years before it is completely built out.

In summary, there is a shortage of well located and serviced industrial land within HRM, and no clearly defined process to acquire new lands for expansion.

Demand for Business Park Land. Records indicate that 2,428 acres of business park land has been sold since the early 1960s, with HRM parks accounting for 1,760 acres, or 72% of this total. HRM has been selling an average of 50 acres a year since 2000, with Provincial sales accounting for another 18 acres per year. Sales of land in the private business parks are not confirmed, but appear to average 80 acres per year for the three year period 2005-2007. Therefore, total demand has averaged 150 acres per year from 2005 to 2007.

During the past decade, land consumption has increased substantially due to more stringent environmental regulations that require the exclusion of wetlands; site development criteria that require rear loading doors (and therefore a larger lot); and the general lack of serviced land for large developments (such as jails, composting plants, soccer fields, etc) that are now directed towards municipal business parks.

Financing Business Park Development. HRM is the major developer of business park land within HRM. As a general rule, the construction of new business park land is financed using sales proceeds from HRM's land reserve account. From time to time, additional funds can be leveraged/borrowed for special projects (e.g., the extension of Wright Avenue); however, during peak periods of activity, the Business Parks Office (TPW) does not have enough working capital to finance the road infrastructure to keep up with demand. The emergence of the private sector in the development of the Bedford Commons, Dartmouth Crossing and Bedford West Business Campus offers the potential to leverage these developers for certain development types: retail and office space, for example.

HRM Business Park Office staff manage new development, including the development of concept plans, infrastructure planning and lot sales, while the HRM Planning and Development Department manages the development approval process under the applicable municipal planning strategies and land use by-laws. Pricing for lots in HRM's Business Parks is based on market value, and recovers the costs of lot preparation and

marketing and sales costs. Regional Council sets land prices in Business Parks. Lots are sold for the development of business facilities only.

Review of Development Trends. A literature review of trends in North American business parks was conducted to understand the issues that HRM faces. Major trends include:

- Most (80%) of new office construction in North American cities is located in the suburbs, although there is still strong demand in some employment sectors for office uses downtown. Certain businesses need to be downtown (e.g., nearshore financial services), while others will only consider suburban locations (e.g., Research in Motion in HRM). HRM needs to be able to respond to both.
- Retail evolves in response to changes in economic and societal conditions. There is a gradual shift to add entertainment and lifestyle elements to big box retail developments. This shift responds to the increasing number of time-challenged Baby Boomers who want to eat and be entertained while shopping. The difficulties in implementing this concept in Atlantic Canada are our harsh winter weather and modest income levels.
- Warehouse space is evolving in order to respond to changes in the logistics supply chain. Rising fuel costs are placing emphasis on rail, and improved truck distribution systems (tandem/double trailers). As a result, transportation infrastructure needs to accommodate larger trucks. Inland ports and logistics hubs are being created adjacent to distribution gateways; this is an opportunity for HRM to leverage the Port of Halifax.
- Real estate development in general is incorporating more mixed use. While residential uses are incorporated into high end business parks (office and retail space), residential uses are not compatible with traditional light industrial and warehouse space (e.g., manufacturing and distribution).
- As cities grow, large parcels of serviced land for commercial development become scarce. As a result, many businesses move to centrally located business parks. This steady increase in demand is generating concern in some municipalities about the need to preserve industrial land.

Survey of Canadian Business Parks. A survey of business parks in Canadian cities was undertaken to understand what issues are facing other municipalities, and how they are addressing them. The most significant issues identified included: the huge demand for new infrastructure, the need for more public transportation, incompatibility of land uses, erosion of industrial land for other uses, and overloaded road infrastructure/traffic. These issues are similar to those being faced by HRM at the present time.

The Role of HRM and the Private Sector. In the 1960s and 1970s, it was believed that municipal and provincial involvement in business park development was needed to provide a consistent supply of affordably priced land. Initially, several companies developed private industrial parks; however, as government began selling land at a subsidized price, the private sector could no longer compete and government bought out these parks. The Municipal Government Act after amalgamation required HRM to eliminate land subsidies, and since 1996, land prices have slowly risen to market rates. Recently, the province made a policy decision to extricate itself from the development of new business parks, although it continues focus on its two major business parks in HRM (Woodside and Sackville), and has an interest in leveraging the port at Sheet Harbour.

The study notes that there is a disconnect between HRM's business park development strategy and its economic development policy (which targets the growth of the port, the defence sector, life sciences, and nearshore financial, for example). HRM has recently created the Halifax Atlantic Gateway Logistics Park to address the logistics sector, but more work is needed to target other key growth areas. Given the recent emergence of the private sector in the retail and office markets, and HRM's inability to keep up with the demand for business park land during peak periods of demand, HRM should revise its policy objectives for business parks. The consultants recommend the following:

- Allow the private sector to take the lead role in the development of land for retail and office space. Any development of this type of land should be secondary to HRM's main focus.
- HRM to focus primarily on the development of general and light industrial land.
- HRM to partner with various stakeholders to focus on core economic growth segments (e.g., Halifax Port Authority and/or a logistics park developer for an expanded logistics park; Halifax Airport Authority for aviation and aerospace product).
- The Greater Halifax Partnership (GHP) to take a lead role in ensuring alignment between economic growth policies of HRM and its business park activity.

Future Demand for Office Space. Employment projections for the period from 2010 to 2026 indicate that the HRM economy will generate another 23,000 jobs over the next two decades. As these projections do not include a large influx of nearshore financial jobs, however, the total number could be higher. When these projections are converted into jobs, the low level estimate is a demand for 1.7 million SF of new office space in the Capital District and Halifax Peninsula over the next two decades. While the availability of land in the downtown has been questioned, there appears to be

more than enough business park land for suburban office space to meet this demand, especially with the involvement of the private sector in this segment of the economy.

Future Business Park Expansion. An analysis on lands within HRM was conducted to identify locations suitable for the construction of new business parks. The analysis suggests that there are some areas with good suitability for future business park uses; however, these areas are not abundant, therefore there is some urgency about securing the potential for future business park uses in these areas.

- The remaining Burnside lands show high suitability for business park use. Lands to the north of Burnside also show good potential for business park use.
- The suitability analysis shows substantial areas of suitable land remaining in Aerotech Business Park, but municipal servicing is severely constrained, thereby dramatically reducing the capability of this land. As well, much of this land is needed for the HIAA's third runway project.
- Bedford West Business Campus shows limited suitability for industrial development because of its proximity to existing residential uses; however, the office campus uses are well located, and should not present a conflict with residential uses.
- The remaining lands in Bayers Lake Business Park show unfavourable suitability for business park uses, although they can be developed if the sales price is high enough to cover the extraordinary development costs (from the blasting of bedrock).
- Ragged Lake Business Park remains almost completely undeveloped. The analysis shows good suitability for the proposed mixed use community previously identified in the Western Common Plan. The local MPS documents designate this area for a mixed use office campus, residential, and recreational development adjacent to a large wilderness area, although currently there is no servicing capacity for the majority of these lands.

Functional Plan: HRM Business Parks

Currently, HRM fulfills the need for the development of small, affordably priced, serviced lots for local businesses. Job creation by small businesses is a core part of the HRM economy, and HRM plays a valuable role in making affordably priced land available. For this reason, HRM should continue to play an active role in the development of business park land.

The following is a summary of the study's recommendations for the expansion and management of business parks within HRM.

Proposed HRM Business Park Policy Objectives. If HRM re-focuses its development efforts on specific market sectors, it can more effectively leverage the capacity of the

private sector. HRM should focus its efforts on general industrial lands, leave retail development primarily to the private sector, and let the private sector focus on the development of suburban office campus lands.

Residential Development and Business Parks. The Regional Municipal Planning Strategy identified an opportunity for residential development in the area north and east of the Burnside Business Park and City of Lakes Business Park. Given the short supply in the industrial land reserve, the difficulty in finding good quality serviced land for industrial development, and the potential for incompatibilities, HRM should not promote residential development in or around industrial land uses. This means that HRM should not permit residential development on or adjacent to lands that are designated for industrial development, and residential development should not displace potential industrial land uses. (In addition, there are significant areas of existing affordable residential housing suitable for Burnside employees close to the park; these areas, however, require improved transit and active transportation access to the park.) Medium and high density residential uses, however, are compatible with an office/business environment and would be possible on privately-owned land in the Business Campus designation of Burnside. This arrangement would also help to meet the regional goals of balancing jobs and housing.

Rationalizing Existing Business Parks. High level recommendations include:

- Given the limitations of Aerotech for HRM, sell some lands to the HIAA for the development of a third runway and partner with the HIAA to develop the remaining lands for airport support uses;
- Allow additional retail uses in Bayers Lake, but retain enough land for light industrial uses on the Halifax side of the Bedford Basin;
- Prepare a master plan for Bayers Lake (including recommendations for Ragged Lake); and
- Given the potential of Sheet Harbour for marine industrial uses, prepare a master plan for this Park that leverages the existing port facility.

Partnerships. HRM should use partnerships to leverage its ability to meet its economic growth objectives. For example:

- Create key sector advisory groups for the business parks;
- Partner with the Halifax Port Authority and/or a logistics park developer to expand the existing Halifax Atlantic Gateway Logistics Park in Burnside to Phase 13;
- Partner with the Halifax International Airport Authority (HIAA) to fully develop the Aerotech Park;

- Partner with the federal and provincial governments to create office incubator space downtown; and
- Use the skills of the HRM Business Parks Office to assist HRM in redeveloping the Cogswell interchange.

There are other strategies that HRM should consider to leverage its development capacity, including partnerships with the private sector to build out certain parks, and finance road construction. Council approval to use debt financing (used by other municipalities) would also assist HRM during peaks in construction activity.

Downtown/Suburban Office Balance. Although suburban office locations are often perceived as unfair competition for the downtown core, a complementary mix of downtown and suburban office locations is required to service HRM's diverse and growing office market. The study suggests that HRM should encourage downtown vitality by ensuring there is a supply of office space for those firms that require it (such as nearshore financial service companies), and by working with the Province and the federal government to rationalize government use of downtown office space. Office development in suburban locations should also be managed through height restrictions. Expanding the existing MetroLink bus service is also a key strategy to ensure that downtown remains a competitive office environment.

Land Banking. The study identified the need for HRM to acquire more than 2,000 acres of raw land in the near term (augmenting the existing reserve) to assure an adequate supply of serviced industrial land for the next 50 years.

Land Pricing and Sales. Over time, and as the market allows, land prices should reflect the replacement cost of raw land and, ideally, the net useable area of the lot being sold. Costs can be lowered and land efficiencies increased by reducing the land required per building. HRM should tailor their site preparation for the users; for example, offering pre-blasted, graded and serviced lots to small users and large ungraded parcels to large developers, who can then masterplan and develop their site in a coordinated manner.

Marketing and Sales. The Greater Halifax Partnership has a role to play in the marketing and promotion of HRM business parks, by coordinating the liaison groups for key sectors and ensuring sector growth is included in business park land planning. The HRM website is a useful informational tool, provided that it is updated frequently. HRM should enter into a marketing and servicing agreement with the Province for the Provincial Business parks in HRM, in order to make serviced lands available to the business community in these locations. Land auctions for new phases are suggested to ensure the continued transparency of the sales process, and to increase the amount of competitive bidding, which will maximize sale prices.

Transportation. Given the level of discontent with existing transportation options in Burnside and Bayers Lake, HRM should commission an alternative transportation plan for both parks, and undertake a streetscape planning study for core areas of the parks. With regard to bus routes, HRM should allocate sufficient resources to Metro Transit to allow them to improve route planning (possibly a re-allocation of existing bus routes). Burnside also requires an internal bus shuttle and bus terminal.

Functional Plan: Burnside Business Park

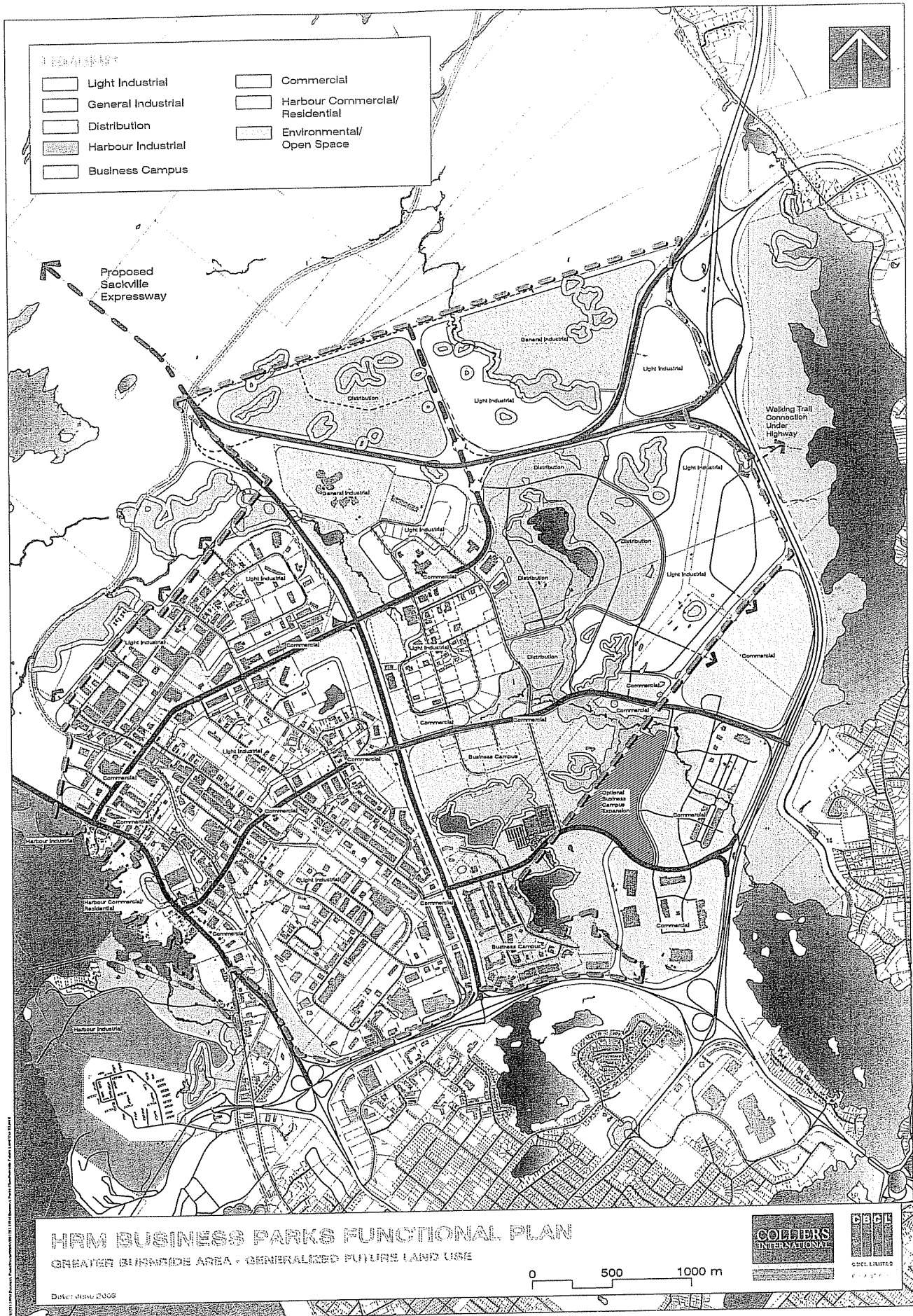
The Functional Plan suggests the need to provide more clarity on the types of land uses that are allowed within Burnside and other parks such as Bayers Lake. The principles that underlie the Generalized Future Land Use plan for Burnside are: protecting industrial land; differentiating the uses currently permitted in industrial areas and giving priority to light industrial uses; and securing land for future industrial development.

- The **Light Industrial** designation provides for a range of traditional industrial park uses such as warehousing and distribution, and light manufacturing. This designation covers most of the existing development in the older sections of the park.
- The **General Industrial** designation provides for a range of industrial uses (for example, heavy manufacturing, metals fabrication and food processing) that need to be separated from the rest of the park to minimize their impact on other users. Commercial and office uses are discouraged.
- The **Harbour Industrial** designation protects areas along the Harbour with deep water access for uses such as shipping, ship repair, and offshore supply.
- The **Distribution** designation provides for inter-modal freight transfer, distribution warehousing and trucking that require oversized road infrastructure.
- The **Business Campus** designation directs office uses and business services to the business campus area. Design standards will ensure a high quality environment.
- The **Commercial** designation provides for commercial and office uses to front major streets throughout Burnside and in Dartmouth Crossing.
- The **Harbour Commercial/Residential** designation allows for a mix of commercial and residential uses along the shallow portion of the Bedford Basin.
- The **Environmental/Open Space** designation is intended to protect valued natural areas, primarily watercourses and wetlands.

Major recommendations supporting the Land Use Plan include:

- Differentiated land use zones and, potentially, a site plan review process should augment or replace the current site development standards.

- Infrastructure standards should differ based on proposed land uses. For example, roads need to be wider in the Distribution Industrial area to facilitate truck traffic. Development density in the Business Campus needs to be increased with minimum heights, maximum parking ratios, and an increased level of urban infrastructure (sidewalks, benches, etc), in order to make this area more functional.
- The Dartmouth MPS should be amended to allow for the expansion/rationalization of the current City of Lakes Business Park.
- The RMPS should be amended to re-designate the area between Burnside and the Rocky Lake quarry as urban settlement and business/industrial park to enable its future use as serviced business park land.
- Current parking requirements should be reduced in the Business Campus.
- HRM should create an advisory body to inform major decision making in the Burnside and Bayers Lake Business Parks.
- Liaison groups for key economic sectors should provide input to ensure that HRM business parks provide the infrastructure needed to grow these sectors. The GHP would coordinate the activities of these liaison groups.
- Funding for the GBBA should be formalized in order to leverage the activities of this group.
- Transportation to and within Burnside should be improved, including introducing a free shuttle bus within the park and building a central bus terminal.
- The improvement of regional road connectivity to Burnside should be a priority in HRM's Transportation Master Plan.
- HRM should continue to support development in Burnside that is more sustainable through initiatives that include the following:
 - supporting the continuation of development focused on eco-efficiency,
 - supporting the development of an energy strategy,
 - encouraging the construction of LEED certified and energy efficient buildings,
 - commissioning an alternative transportation plan,
 - instituting a no idling policy for vehicles, and
 - introducing green infrastructure where possible.



May 28, 2008

8.1 Business Parks Development Functional Plan - Status Update

- A copy of the Executive Summary for the Business Parks Functional Plan was before the Committee.
- A copy of the PowerPoint presentation was circulated at this time.

Mr. Peter Stickings, Manager of Real Property, Transportation and Public Works, introduced the Steering Committee and Mr. Ross Cantwell, Consultant with Colliers International, who presented the status update for the Business Parks Development Functional Plan.

In response to questions/comments made by the Committee, Mr. Cantwell and Mr. Wells provided the following information:

- There are restrictions to further growth of the Aerotech lands due to sewage treatment capacity. Receiving water for new growth is at issue as the effluent would become the larger flow; the alternative would be a land based disposal system.
- A Consultant is finalizing a report on the expansion of the Bennery Lake watershed. The information will be forthcoming to HRM and the Province.
- There are concerns with acid runoff from the acidic rock in the area of the Aerotech lands.
- Transportation to and from the business parks is an important issue; mediums need to line up with curb cuts.
- There are regional considerations for Bedford/Sackville with more residential planned around the Bedford Commons but there is a lack of long term capacity for commercial modes. Bedford West is a great area for office space.

Mr. Paul Pettipas commented that some of the rules/regulations for business parks can be restrictive such as parking regulations and that transport trucks are required to unload at the rear of the property which increases costs due to more land used, more asphalt required leading to possible drainage issues.

Councillor Gloria McCluskey advised that a petition had been received from the Burnside Business Park for more transit service to the area. Mr. Jim Donovan, Manager, Economic Development, added that the airport has also expressed interest in receiving transit service.

The Committee agreed to deal with Item 9.1 Amendment to the Terms of Reference - Quorum at this time.

9. ADDED ITEMS

9.1 Amendment to Terms of Reference - Quorum

MOVED BY Councillor Gloria McCluskey, seconded by Mr. Paul Pettipas that the Regional Plan Advisory Committee request that Regional Council approve an amendment to their Terms of Reference to change the quorum requirements from

7. REPORTS**7.1 Business Parks Development Functional Plan: Part I - Approval in Principle**

- A Memorandum dated July 14, 2008 had been previously circulated (electronically) to the Committee.
- A copy of the Regional Plan Policy/Regulation/Strategic Initiative Amendment Criteria Checklist had been previously circulated (electronically) to the Committee.
- A copy of the Attachments to the Memorandum dated July 14, 2008 were circulated at this time. (Executive Summary and Generalized Future Land Use Map).

Mr. Roger Wells, Supervisor, Regional & Community Planning, Regional Plan, introduced Mr. Ross Cantwell, Consultant, Colliers International, who then presented the major conclusions following the outstanding public consultation component of the Business Parks Development Functional Plan. Mr. Wells explained that the information has been presented to the Committee in a Memorandum format as the required Director's signatures were not obtainable due to vacation schedules. He advised that in order for the information to proceed to Regional Council in a timely fashion, the Committee was being asked to consider the two recommendations outlined in the Memorandum with the intent of forwarding the information to Regional Council for the August 12, 2008 Committee of the Whole session.

Mr. Cantwell provided an update on the final public consultation component. The following comments/concerns were raised by members of the Committee during the ensuing discussion.

Councillor Snow advised that the Burnside Business Park extension would cross into her district. She requested that staff, Council and the Committee be cognizant of the residential areas of Lakeview, Waverley and Rocky Lake Drive and of the impact the proposed expansion would have on those areas. Most of the land for the expansion has been zoned industrial and the residents would have concerns. Councillor Snow further commented that nothing has been done to address issues concerning the Aerotech Industrial Park (AIP). There is HRM land available at AIP that would accommodate further development. AIP is located off a major highway, connects to the Burnside Business Park and is part of the proposed Halifax Gateway. There are no close residents who would be upset by the expansion of industrial zones yet there does not seem to be a plan for AIP. She inquired what HRM was doing to develop that area.

Mr. Cantwell responded that there is not as much land available at the Aerotech location as there appears. A large portion of the landmass has been reserved for a third runway, another large portion has been set aside as wetlands and there is pyritic slate running through the area. Some businesses have been hesitant to move to AIP due to the distance from the core. Sewage treatment was also mentioned as a concern. Engineers have advised that the receiving water system would be too small to handle the effluent that would result from further development. Councillor Snow advised that the sewage treatment plant for that area is a tertiary level plant and that the effluent water was intended to be the quality of drinking water.

Mr. Cantwell explained that public consultation would be held prior to the commencement of rejuvenation of the land north of Burnside. The extension seems to be a logical solution for long term industrial development. The issue will be presented to Council for discussion as it would require an amendment to the Regional Plan. He advised that a water supply and sewer review was nearing completion.

Councillor Hendsbee inquired if underground parking or parking garages were being encouraged due to the amount of real estate being consumed for parking lots. Mr. Cantwell responded that the economics of parking is very interesting and that in order to finance itself, a parking structure would require a \$200 per month rental fee. The rock in the area would make underground parking cost prohibitive. In the interim, the solution is to increase density with more efficient use of the land; making the buildings higher than one or two storeys. As land prices go up, owners will become more efficient with the use of their land. The Municipal Government Act (MGA) does not allow for maximum parking limits which is something the Consultant feels would help prevent the "sea of parking" that does occur.

Councillor Hendsbee advised that he sees no problem with some residential near the light industrial areas. He commented on the potential for condos in the business campus area due to the trails, lakes etc. Councillor Hendsbee inquired if hotel/motel construction was being encouraged as there are only three in the area located on the periphery. Mr. Cantwell referred to the Generalized Future Land Use Map and explained that the orange areas (Sheppards Island) would be the area for residential development and the light yellow areas would be for light industrial.

Councillor Hendsbee inquired on accelerated sidewalk and road improvements and whether or not the business parks would agree with an area rate to support that infrastructure. He also inquired about the marshaling yard. Mr. Cantwell advised that the marshaling yards had been anticipated and would be perfectly compatible. In regard to area rates, Mr. Cantwell commented that they may not be out of the question as the Greater Burnside Business Association and the Bayers Lake group are doing great work and may attempt to develop further their business improvement districts.

Ms. Cheryl Newcombe expressed concern with the report not having enough emphasis on the Aerotech Business Park area as the area may be ignored by Council. She explained that there has been a huge drive to put businesses in the Aerotech Park due to the recently closed tender for the Multi-use Cargo Facility and the work by Halifax Water in regard to sewer and water. Mr. Cantwell responded that the Aerotech Park is an important area and is a key part of the economic growth strategy. Mr. Peter Stickings, Manager, Real Property, added that Regional Council regards the Halifax Gateway as a key piece of the functional plan and Aerotech is very focused on the Gateway. He has worked with the Airport Authority and the Port of Halifax and the economic partnership is very strong.

Ms. Maya Warnock inquired why there was a height restriction of three to five storeys. Mr. Cantwell explained that the goal was to have a balance with the downtown core area. Research for office trends across North America shows that most have been in suburban areas which allows for good concentrations of Office Campuses to occur (Bedford West is a good example). The intent is to increase the height from one storey and trade off

between what will be located at the Aerotech area versus downtown. Suburban development can attract smaller tenants with 50-60% of the space pre-leased; support has to be provided for those who wish to be downtown.

Mr. Paul Pettipas commented that he liked the idea of getting away from subsidies and large parking lots but that care has to be taken to keep residential away from light to heavy industrial areas and that it would be no good to have residential areas without the businesses to keep them there. The Aerotech Industrial Park will come in on its own as people will want to be there once the land in Burnside becomes too expensive. Supply and demand will determine its viability. He added that Council may forget it if the area is not mentioned. In the early days of the Burnside Industrial Park, many people did not want to go there as it was felt to be too far in the "boonies", it has now grown. Good transportation is now needed in Burnside. He referred to Page 5 of the Checklist previously circulated to the Committee and commented in regard to policy regulation that the possible site plan approval process will increase the regulatory burden and Council should be made aware of that fact.

Mr. Fred Morley suggested the checklist may be modified to provide a record of why the Committee has done what it does. Mr. Wells responded that staff were reacting to information from business community. Things need to change in the I-2 Zone. If Regional Council approves the Functional Plan - business association will deteriorate...we will keep it as-of-right. Commencing a development agreement process for Burnside is not the objective; encouragement of the right kind of development by remaining as-of-right is the preferred method.

MOVED BY Mr. Robert Batherson, seconded by Ms. Margo Grant that the Regional Plan Advisory Committee approve in principle the Business Park Functional Plan as presented in the Memorandum dated July 14, 2008.

Mr. Batherson commented that the public transit issue has to be addressed as people have to be able to easily get in and around the Business Parks. NSBI does a lot of good for the province but he has not seen much promotion by NSBI for the business parks. The Sackville Park had potential buyers but NSBI was not as responsive as they should have been.

MOVED BY Councillor Snow, seconded by Mr. Paul Pettipas that the checklist be clarified.

Councillor Snow inquired why the rezoning of the Aerotech Park has not been completed and why there has been no further update following the meeting held five years ago and the number of Public Information Meetings (PIM's) that have already been held. Why can't we finish the process we started. She requested the Committee's support in having staff follow up on this issue. Mr. Roger Wells advised that there would be amendments to the Municipal Government Act (MGA) in regard to airport zoning for noise control. An update will come forward to the Committee.

Councillor Hendsbee commented that it was imperative for the Functional Plan to identify key locations and transit modes at the peripheral, in and off the interchange, with shuttle

service around the business park. **IDENTIFY TRANSIT POTENTIAL.** He further commented that there is a need to streamline industrial Real Estate; if the proposed business would not function well in the Burnside or Aerotech areas then perhaps suggest it be located in Sheet Harbour or another area of HRM. He inquired when a client would be able to approach one office to purchase industrial property.

Mr. Cantwell explained that the province is of two minds when it comes to the business parks. Woodside was created with a wharf adjacent to deep water which worked well for the implementation of the oil and gas sector. Phase 3, NSBI received transfer of Woodside from the province. The Sackville Business Park is well located so the province is strategically holding onto it and will sell to a large investor, such as the Irvings, which will create jobs. Sheet Harbour is also a great asset with a great wharf and merits its own detailed analysis. Most of the land has already been sold. Along the Eastern Shore, the province have obtained most of the value out of the land and the areas are currently in need of new roads in order to have further development. HRM has suggested that the Province divest themselves of those areas and permit HRM to manage them. HRM would take the good and bad and ultimately go to the private sector for investment (development) in those parks. Mr. Cantwell added that Sheet Harbour has a niche market as marine and industrial use gets squeezed out along the Harbour.

Councillor Snow inquired if the Committee could suggest to Council that HRM consider alternatives to Metro Transit in order to provide the transportation corridors (park 'n rides) required to/from the Business Parks to/from Districts 2 and 3 sooner than 2010, 2011 or 2012. There is a correlation with transit and the memorandum.

Mr. Pettipas commented that the transportation corridor request would be separate from the memorandum but related to the implementation of the Regional Plan goals.

Mr. Morley advised that in respect to transit, there is a lot of competition for transit resources and the Regional Plan Advisory Committee would be approving everything going forward and that there was nothing RPAC could do to fill Burnside with buses. He added that RPAC probably has some obligation to sort that out a bit.

Mr. Robert Batherson commented that impacts on other strategies should be part of the checklist.

Mr. Pettipas added that the Committee has to be careful to not be a lot of things as it is not RPAC's job to say how HRM will get transit to the parks; Council has to bring that information. The Committee's role is to say if something fits into the Regional Plan and what the impacts may be. It is up to Council to make those decisions, not the Committee. RPAC has to remain focussed.

Councillor Snow commented that RPAC would have more power in recommending transportation matters and requesting a staff report to look at how RPAC could help move this Memorandum of understanding forward.

Mr. Batherson commented that the Committee may have flushed out some of these issues if a full staff report had been prepared and circulated.

Mr. Wells responded that the information came forward as a Memorandum as the Director's signatures were not available due to vacations. The primary mandate of RPAC is to ensure the recommendations for the (23) functional plan are consistent with the Regional Plan and if they are not, the COMmittee would raise the flag. Up to Councillors to say we want this to be highlighted in red or to have more emphasis on transit. The report to Council in August will be the springboard for Councillors to raise this at the council level. It is coming out strong in this report. Not sure if it is the role of the committee or whether it would be fair to ask the Committee to single out one or two issues.

MOVED by Mr. Robert Batherson, seconded by xxx that the motion be amended to include the following: *"That Regional Council be mindful of the public transit implications of this plan."*

Mr. Pettipas requested an overview of where the other Committees are in relation to the twenty-three Functional Plans stressing the importance of communication between each department.

Mr. Wells agreed to provide an update on the twenty-three functional plans.

Mr. Morley clarified the two friendly amendments put forward by the Committee as follows:

1. **That Regional Council note that the proposed site plan approval process will increase the regulatory burden.**
2. **That Regional Council be mindful of the public transit implications of this plan consistent with the five-year transportation strategy.**

Item 1. Is in regard to the checklist and not an amendment to the motion.

Ms. Maya Warnock commented that park and go areas are part of what RPAC would review. A study would have to be done and the Committee would make a decision on where the park and go areas would be located.

Councillor Snow suggested RPAC formulate a motion that Council go outside the collective agreement and contract out to find transit solutions now. Add to next agenda for discussion (alternative service delivery).

Ms. Margo Grant commented that singling out transit issues would make it too specific and appear more important than the other points.

Mr. Batherson commented that public transit is more pertinent than NSBI and business parks.

Checklist is to be forwarded to Council as well.

MOTION PUT AND PASSED.

Add a section to the checklist that identifies compatibility/interaction with other HRM plans that council should be aware of. Mr. Morley requested that Mr. Wells circulate the revised

checklist to the Committee for final review.