



Accountability Report 2021–22

Nova Scotia Lands Inc.



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Accountability Statement

The Accountability Report of Nova Scotia Lands Inc. (NSLI) for the year ending March 31, 2022, is prepared pursuant to the Finance Act and government policies and guidelines. These authorities require the reporting of outcomes against the NSLI Business Plan for the fiscal year just ended. The reporting of the NSLI outcomes necessarily include 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 2021-2022 Business Plan.

Original signed by

The Honourable Kim D. Masland
Minister of Public Works

Original signed by

Peter Hackett
Board Chair

Original signed by

John Fahie
Acting President and Chief Executive Officer

Message from the Minister and President

We are pleased to present Nova Scotia Lands Inc.'s Accountability Report for the 2021-2022 fiscal year. Nova Scotia Lands Inc. (NSLI) was established in 2006 and incorporated in 2007. Since that time, NSLI has grown into the province's "agency" for assessment, environmental remediation and cleanup, and brownfield revitalization and redevelopment. Our primary role is to remediate sites for government, community, or commercial re-use.

Accomplishments for the year include completion of the Harrietsfield Project and development of a long-term monitoring and maintenance plan for the site, removal of eleven abandoned vessels, remedial work at the former Sysco lands and gold mine sites in Montague and Goldenville, demolition of two former storage silos at the Port Mersey Commercial Park, and substantial progress with both the QEII Redevelopment and the Cape Breton Redevelopment projects.

NSLI continued to perform long term monitoring and maintenance work and manage the operations at Harbourside Commercial Park and Open Hearth Park in Sydney, Port Mersey Commercial Park (PMCP) in Liverpool, and Trenton Commercial Park in Trenton. We continually assess and market these properties for commercial investment with the goal of bringing jobs to these communities. Last year several new properties were sold or leased in each of our Parks and the recreational facilities in Open Hearth Park were used extensively.

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

Sincerely,

Original signed by

The Honourable Kim D. Masland
Minister of Public Works

Original Signed by

John Fahie

Acting President and Chief Executive
Officer

Financial Results – NSLI

	2021-2022 Estimate	2021-2022 Actuals	2021-2022 Variance
Departmental Expenses:	(\$thousands)		
Payroll	2,160	2,388	228
General and Administration	1,761	1,237	(524)
Provincial Economic Development Initiatives – PMCP	1,259	1,259	0
Site Reconstruction – PMCP	25	27	2
Sysco LTMM	2,075	1,408	(667)
OH Park and CO LTMM	824	619	(205)
Boat Harbour	5,171	2,735	(2,436)
Pictou Wharf	6	15	9
Gold Mines	7,400	719	(6,681)
Marine Vessel Program	485	180	(305)
Trenton Commercial Park	657	499	(158)
SUL	105	98	(7)
Harrietsfield Project	300	2,437	2,137
Dams Project	72	0	(72)
Tidal Energy	0	0	0
DNRR Contaminated Sites	1,350	96	(1,254)
Other	0	1,060	1,060
Miscellaneous Projects	1,920	0	(1,920)
Total: Departmental Expenses	25,570	14,777	(10,793)
Additional Information/REVENUE:			
Miscellaneous Recoveries	189	58	(131)
Leases	245	219	(26)
Wharf Usage	0	56	56
Equipment Rentals	5	0	(5)
Provincial Recovery Eco Dev	1,259	1,259	0
PNS Grant	750	750	0
Pictou Wharf	0	14	14
OHP LTMM & Admin Fee	1,183	978	(205)
Provincial Funding	35	295	260
Sale of Land-Gain	290	1,067	777

SUL Recovery	120	97	(23)
Boat Harbour & Admin Fee	5,650	3,213	(2,437)
Sysco LTMM & Admin Fee	2,554	1,870	(684)
Gold Mines Project & Admin Fee	7,500	817	(6,683)
Marine Vessel Program & Admin Fee	535	269	(266)
Trenton Commercial Park	1,076	1,076	0
Harrietsfield Project	310	2,447	2,137
DNRR Contaminated Sites	1,500	246	(1,254)
Dams Project	72	0	(72)
Tidal Energy	40	0	(40)
Miscellaneous Income	87	44	(43)
Miscellaneous Projects	2,170	0	(2,170)
Net assets on restructuring*	0	1,262	1,262
Total: Revenue, Fees and Recoveries	25,570	16,037	(9,533)
TCA Purchase Requirements	0	0	0
Provincial Funded Staff (FTEs)	0	0	0

Departmental Expenses Variance Explanation:

General and Administration – Less travel, training, and office expense than budgeted.

Sysco LTMM – Projects deferred.

OH Park and CO LTMM – Park improvements deferred.

Boat Harbour – Considerably less work on site, in planning phase.

Gold Mines – Project still in public consultation and assessment/planning stage

Trenton Commercial Park – Site improvements deferred.

Harrietsfield – Work deferred in 20/21 completed in 21/22.

Marine Vessel Phase 2 – Deferred to 22/23.

DNRR Contaminated Sites – Projects in the research planning and permit phases.

Other – To recognize proceeds from gain on sale of land as earned revenue of the Province.

Revenue, Fees, and Recoveries Variance Explanation:

OHP LTMM & Admin Fee, Boat Harbour & Admin Fee, DNR Mines, Marine Vessels, and Sysco LTMM & Admin Fee – revenue variances directly related to variances in expenses as noted above.

* Net Assets on restructuring – resulting from HCPI acquiring NSLI. The new company was named NSLI.

Financial Results – Healthcare Infrastructure Projects

	2021-2022 Estimate	2021-2022 Actuals	2021-2022 Variance
Departmental Expenses:	(\$thousands)		
Salaries and Benefits	12,443	11,315	(1,128)
General Operating Expenses	5,572	3,188	(2,384)
Total: Departmental Expenses	18,015	14,503	(3,512)
Additional Information/REVENUE:			
Provincial Funding	18,015	14,547	(3,468)
Total: Revenue, Fees and Recoveries	18,015	14,547	(3,468)
TCA Purchase Requirements	0	44	44
<p><u>Departmental Expenses Variance Explanation:</u> Salaries & Benefits – Timing of vacancies being filled. General Operating – Timing of professional services for P3 DBFM for consultants, operational savings, and travel expenses.</p> <p><u>Revenue, Fees, and Recoveries Variance Explanation:</u> Decrease grant revenue, driven by cost factors referenced above.</p> <p>TCA Purchase Requirements Variance Explanation: Technology capital purchases.</p>			

Measuring Our Performance

In 2007, NSLI 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 NSLI has taken on the responsibility of several properties across the province. They are:

- Harbourside Commercial Park
- Open Hearth Park
- Trenton Commercial Park
- Port Mersey Commercial Park
- Pictou Wharf
- Harrietsfield Site (former RDM Landfill)

In addition, NSLI is responsible for managing the Province's Abandoned Boats Program, the Provincial Dams Program, and overseeing both the QEII Redevelopment Project and the Cape Breton Redevelopment Project portfolios.

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 Remediation Project (considered separate from #1 due to the magnitude of the project and special legislation)
5. Healthcare Infrastructure Projects

This accountability report contains updates on progress made under the above listed core programs.

Goal: Environmental Analysis and Remediation

A. Long Term Monitoring and Maintenance (LTMM) – Harbourside Commercial Park

Surface and groundwater monitoring occurred on the site on a semi-annual basis. As properties were remediated, they were put up for sale or lease. The site remains stable with respect to environmental conditions.

B. Long Term Monitoring and Maintenance – Open Hearth Park and Harbourside East

Long term monitoring and maintenance activities continued at Open Hearth Park and Harbourside East. Surface and groundwater monitoring activities were carried out semi-annually and reported and the results continue to be acceptable to Nova Scotia Environment and Climate Change. Infrastructure inspection was reported monthly, in addition to the daily/weekly maintenance activities that were carried out across the site. Open Hearth Park continues to see extensive use by the community for school events, charitable activities by nonprofit groups, and sports and other activities.

C. Project Management

The following work was completed utilizing effective project management practices and processes:

- Remedial activities were completed in 2021-22 on the former RDM Disposal Site in Harrietsfield. A Long-Term Monitoring and Maintenance Plan was established and approved for the site, to commence on April 1, 2022. Third party residential wells were added to the LTMM Program.
- Eleven of the nineteen vessels identified and approved through the Abandoned Vessels Program were removed. Program funding was extended to the 2022-23 fiscal year to address the remaining eight vessels.
- Remediation work on former gold mine sites in Montague and Goldenville continued.
- An in-house central monitoring tool was established to track all environmental approvals and manage approval milestone dates and specific end dates.
- Demolition of two former storage silos at the Port Mersey Commercial Park was completed on time and on budget.
- Remediation of the “High-Dump Area” of the former Sysco Lands continued. This work is expected to be largely completed in the 2022-23 fiscal year.

Goal: Parks and Land Management

A: Harbourside Commercial Park and Open Hearth Park

Harbourside Commercial Park consists of remediated areas of the former Sydney Steel (SYSCO) plant site and the Sydney River and Grand Lake Water Systems.

Staff continued to market and sell properties in the park and oversee operations of the water systems. Approximately 50% of the available property has been sold. The newest tenant, Horizon Achievement Centre opened its doors in June 2022. Negotiations are continuing for the sale of nine other properties in the park. Currently, there are 32 businesses employing approximately 365 people in the park.

Open Hearth Park continues to be an active location, hosting small concerts, Rib Fest, and other community and sports events.

B: Port Mersey Commercial Park

In 2012, the Province acquired the former Bowater site with the intent to redevelop it for sale or lease in support of economic growth locally and throughout Nova Scotia.

NSLI continued to promote and sell/lease property and building space on the site. Port Mersey Commercial Park now has 13 businesses onsite employing 130 people.

A Phase 2 environmental assessment was completed with no significant issues identified.

Planning was completed to include six residential lots from the former Bowater lands in the provincial Affordable Housing Initiative with the intention to advertise these through the Partnership Opportunity Notification process.

C: Trenton Commercial Park

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

Lease to purchase agreements were extended for two of the three parcels of land in the park, and the main terms of a lease to purchase agreement were negotiated for the third parcel.

D: Pictou Wharf

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

E: Harrietsfield Site

Remedial activities on the former RDM Disposal Site in Harrietsfield were completed in 2021-22 and a Long-Term Monitoring and Maintenance Plan – including the testing of third party residential wells – was established and approved for the site, with monitoring and maintenance activities expected to commence on April 1, 2022.

Goal: Asset Inventory Management

The Province has an inventory containing tens of thousands of properties throughout Nova Scotia. Basic information about the inventory is maintained through the Province's GeoNOVA Program.

Work continued this past year to create a "value added table" of editable information about each property to enable corporate decisions regarding the Province's land holdings for initiatives that require a provincial view of all land assets, such as the Affordable Housing Initiative. The focus this past year has been providing support to the Affordable Housing Initiative.

Goal: Boat Harbour Remediation Project

The Boat Harbour Project team continued to be focused on the Project's environmental assessment under the jurisdiction of the Impact Assessment Agency of Canada (IAAC). Timely responses were provided to requests for technical clarifications from regulatory reviewers who acknowledged the advanced state of the environmental assessment and the prompt attention given to information requests.

On June 1, 2021, operational responsibility for the Boat Harbour Effluent Treatment Facility transitioned from Northern Pulp Nova Scotia to NSLI. At that point, NSLI took on responsibility for managing the facility pursuant to an agreement between Northern Pulp Nova Scotia and NSLI, and its management is under the jurisdiction of Nova Scotia Environment and Climate Change (NSECC) and the requirements of a Ministerial Order issued at that time.

Other planning activities were completed to ensure the physical challenges associated with the Project are completely mapped out and understood prior to initiation of procurement processes.

Goal: Healthcare Infrastructure Projects

NSLI's Healthcare Infrastructure Projects Division oversees delivery of the construction projects in both the QEII Redevelopment and the Cape Breton Redevelopment Project portfolios. Significant forward progress was made this past year.

Construction work to renovate and expand the Dartmouth General Hospital was completed and the Project transitioned to the warranty phase. As well, construction work to renovate the third and fifth floors of the Halifax Infirmary was completed and the Project transitioned to the warranty phase.

Construction continued for several projects (Halifax Infirmity Renal Dialysis Unit Expansion and Renovations, Summer Street Parkade, Bayers Lake Community Outpatient Centre, and Emergency Department Administration Office Relocation projects).

Procurement processes continued for several Halifax Infirmity Projects (HI Expansion, MRI Procurement and Diagnostic Imaging Department Renovation, Robie Street Services Relocation, and Summer Street Entrance projects) and design and construction work continued at the Cape Breton Regional Hospital, Glace Bay Hospital, Northside Complex, and the New Waterford Hub.

Impact of COVID-19

COVID related delays continued but were mitigated to the extent possible on all projects and activities. Human resource issues, specialty sector work, public engagement work, and construction work were all impacted from travel and other COVID-19 restrictions.

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 2021/2022
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