



Saint John Board of Trade

Making It Happen For Business

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Your Worship and Councillors,

Thank you for the opportunity to present to Common Council this evening regarding the matter "Should the municipality agree to sell the former Lantic Sugar site at fair market value, in order to facilitate a possible transaction between the Saint John Port Authority and Irving Oil Ltd?"

My name is Dr. Michael Barry and I am here as the Chair of the Saint John Board of Trade. The Saint John Board of Trade is the voice of business for the Greater Saint John area. The diversity of our membership is great. With more than 1,000 members, representing 600 small, medium, and large businesses and organizations, and therefore, the interests of more than 30,000 citizens, the Board is a dynamic advocate.

We have members from every sector of our economy including entrepreneurs, educators, post-secondary students, retailers, health professionals, plumbers, roofers, accountants, lawyers, welders, veterinarians, bankers, electricians, ministers, environmental and social activists, engineers, and not-for-profit groups.

Our Board of Trade is one of the oldest in Canada and has been representing businesses in Saint John since 1819 when William Black and a few other business owners met at a coffee house on King St.

Our mandate and mission is:

To contribute to a proactive economic environment in Saint John.

AND

To provide encouragement, assistance and guidance for established enterprise, or those aspiring to become established businesses.

Our goal:

We are dedicated to fostering an economic climate that enhances growth, prosperity, and an improved quality of life in the community.

Over the past 189 years, the Board of Trade has played a role in the creation of various organizations and groups in this City, including the United Way, Saint John Port Authority, Saint John Airport Authority, University of New Brunswick Saint John, Dress for Success Saint John, Junior Achievement, Saint John Waterfront Development Partnership to name a few.

This brings me to why I am here this evening. The Saint John Board of Trade, after having examined the available information and responses from our members feels the sale of the Lantic Sugar site at fair market value would be a positive move for the City.

Currently this piece of land which the City bought for \$1 several years ago is undeveloped. The City now has an opportunity to sell this piece of land for fair market value which will provide the city with added revenue. The return to the City on this land sale is great.

This land has been vacant since the closing of the Sugar refinery and has had few potential investors. It is our understanding the reasons for this are numerous. The site is surrounded by Port Property; is zoned heavy industrial; is bi-sected by a rail line over which the Port has control; and there are existing environmental challenges that would have to be met.

In addition to this, the location of a residential project or similar type development would have negative consequences to the Potash Terminal and to the Port's facilities at the Lower Cove Terminal. Potash is the Port's main user contributing to 56% of the Port's revenue, any opportunity to continue and enhance their use would have positive economic outcomes for the Port.

Currently problems regarding heavy industrial use at the Long Wharf terminal are due to its isolation as the facility is surrounded by Condos, Garden homes, library, hotel, and retail outlets. As previously reported by the City Manager, there are ongoing complaints by the public regarding the facility's appearance and activity. Port business at Long Wharf over the past 15 years has been minimal with the primary use being to serve as a secondary Cruise Terminal, a use the Port Authority has said will continue and be enhanced with unlimited use as a secondary cruise terminal.

Revenue wise, the Port estimates it pays \$44,000 in taxes to the City for Long Wharf. The City Manager has suggested that if the future development is to occur on this site as a result of the sale of Lantic Sugar, the potential revenue to the city could increase to \$2million. To add to this, the Port will receive approximately \$10 million that can be applied to its crumbling infrastructure.

The sale of Lantic Sugar to Irving Oil Ltd, at fair-market-value, for the purpose of a land transfer with the Port Authority is a win first and foremost for the entire City of Saint John in the improved green space, city-scape, and attraction of businesses in the Uptown area. It is also a win for our working Port (with continuous port access to the water at the tip of the peninsula), and a win for Irving Oil Ltd (a new location for their headquarters).

It also sends a message to our present and potential residents and potential new investors that Saint John is serious about economic development and re-investment and growing our City for future generations. This sale will facilitate a project we believe will "encourage further high quality private investment elsewhere on the Waterfront and Uptown", revitalization to the North End, jobs for trades and a new cruise terminal that will enhance the experience of cruise passengers.

These potential spin-offs fit nicely with the Inner Harbour Land Use Plan through increasing public access; new economic development opportunities; better utilization of the community's

existing waterfront; tourist visitations; and by creating new integrated development opportunities and long-term revenue generating opportunities for Port Authority properties on the east side of the Inner Harbour.

The potential is unlimited.

This is exemplified by what has been achieved to date with the investment in the creation of the Harbour Passage. With the development of Harbour Passage we have seen significant residential development on Chesley Drive, Fort Howe and the re-investment and renovation of existing businesses like the Holiday Inn Express, Fort Howe Hotel and the Hilton. Not to mention the additional revenue to the City and citizens through these projects.

This, coupled with the potential investment and reinvigoration of the historic Fort LaTour site are compelling long-term development and investment reasons for the City to agree to the sale of the Lantic Sugar site to Irving Oil Ltd.

We have communicated our intent to present here tonight to our members and have received tremendous response from them. We have included the letters and e-mails we received in your Agenda packet. We encourage you to read these as they are from a diverse group of people who are from a wide range of ages and professions.

In closing, on behalf of the Saint John Board of Trade members I strongly urge the Council to vote in favour of the sale of "the former Lantic Sugar site at fair market value, in order to facilitate a possible transaction between the Saint John Port Authority and Irving Oil Ltd."

Thank you for your time.