



# THE NEW HORIZON: GTH BEGINS SEARCH FOR MANAGEMENT PARTNER

Over the past decade, the Global Transportation Hub (GTH) has laid the foundation for a successful transportation and logistics park that can be a centre of economic activity and export development in Saskatchewan.

Formed by the Government of Saskatchewan in 2009, the GTH exists to encourage long-term economic and export growth for the province. To achieve these goals, the GTH has:

- assembled 1,800 acres of greenfield land ready for development;
- established a regulatory platform that supports business activity;
- developed purpose-built infrastructure for industrial and transportation;
- signed long-term agreements with the provincial and municipal governments related to essential utilities; and
- attracted large-scale industry leaders, transportation partners and growing enterprises.

To promote future growth, the GTH is searching for a partner to assume responsibility for the ongoing operations of the facility – with a track record of success in land sales, marketing and development as well as property management. The combination of private-sector expertise and existing infrastructure creates a new model that can generate financial returns for GTH and its selected partner.

## Vision, Structure, Strength

The GTH has exceptional assets and infrastructure that can be further developed by a motivated industry partner with the vision to see the potential in the inland port model – a model proven successful in other jurisdictions across North America.

The successful partner will bring:

- a history in land marketing and sales;
- property management experience;
- land development expertise; and
- a track record of responsible operation within a regulatory framework.

This is a unique opportunity to unlock the value of hundreds of acres of greenfield industrial land that has high-quality infrastructure and a government-supported regulatory model in place.



## A Government-Industry Partnership

Under The Global Transportation Hub Authority Act of 2013, the GTH has authority, power and responsibility of a municipality, including:

- responsibility for its own community plan, zoning and bylaws;
- providing municipal services such as site maintenance, tax collection, fire protection, water and wastewater management, which are secured/purchased from the City of Regina; and
- development and building permitting.

Regulation of the GTH will continue to be delivered by the provincial government. This will include all permitting activities, bylaw and zoning amendments, management of contracts with the City of Regina, as well as oversight and evaluation of the partner.

## Today's GTH; Tomorrow's Success

The GTH currently includes 740 acres owned by clients and 400 acres set aside for common areas and highways. The remaining 700 acres is in various stages of development and available for sale.

The GTH has two primary revenue streams: property taxes and land sales. Currently, the property generates ~\$2.1 million in taxes with the potential to reach \$10 million in full build out. The current land price is \$256,000/acre for industrial land and \$320,000/acre for commercial land. The total annual costs are ~\$6.6 million, or ~\$4.6 million excluding amortization and financing charges.

The successful partner will recognize the unrealized potential of the GTH and implement a plan to drive land sales and increase revenue – generating financial opportunity for all of the GTH's stakeholders.

## Open and Transparent Process

In January 2019, the Government of Saskatchewan announced its intention to seek an industry partner to take over operations and management of the facility. The intent is to have a new partner and management structure in place by the end of 2019.

The GTH is working with a third-party consultant to help lead the selection process, identify potential partners, define the new governance structure, prepare the future servicing contract, and ensure the entire process is handled in a fair, responsible and transparent manner.

The RFP for a management partner will be released through the Government of Saskatchewan's tendering system in March 2019.



For more information about this opportunity, contact:

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