

Kespwick Developments hits its goal – putting itself out of business

By STEPHEN BORNAIS
The Daily News

"I can't help but wonder what is in store for the future in this part of the country."
— Annapolis county wardens Harry DeLong, in February 1994, after the closing of CFB Cornwallis was announced.

IF ONLY DELONG COULD HAVE seen then what just six years would bring — hundreds of new residents and a gaggle of new businesses employing more than 500 people full-time.

And, most surprising of all, a public-development agency that is doing something Devo in Cape Breton has never been able to do: wind down its activities and put itself out of business.

This month, Kespwick Developments, which began life five years ago as the Cornwallis Park Development Agency will sell the last of its buildings and exit the development business.

It will instead concentrate on running the Kespwick Training Centre at Cornwallis. Left behind will be 45 new employers, 500 full-time jobs and the new residential community of Cornwallis Park.

Chairman of the board Paul LaFleche said now that the job is done, there is no longer a need to have a large development structure. The goal from the day he came on board was to repopulate a self-sustaining community and hand it back to the area.

"We decided this was not going to be some paternalistic development agency that kept this alive for 50 years," he said.

LaFleche isn't too sad about the changes. Cornwallis has been a rather long commute for him since he moved to Halifax in 1968 after being named vice-president academic of the Nova Scotia Community College.

Six years ago, however, people in Digby and Annapolis had plenty to be sad about. Cornwallis was closing, forestry was down, the fishery was in shambles, major cuts had occurred in unemployment insurance, and the Digby ferry was supposed to shut.

"This was just a horrible situation. People said this is impossible, nothing could be worse," LaFleche said.

Employment at Cornwallis had been shrinking for years before its closing in 1994. As the size of the Canadian military shrank, so did the number of recruits, to the point where the last class had only 74 recruits, tended to by 246 military and 319 civilian employees plus 29 other workers.

Internal friction

LaFleche arrived in the area in 1994 from Ottawa as principal of the College of Geographic Sciences at nearby Lawrencetown. In May 1996, he and four others were asked to join the eight-person board of the Cornwallis Park Development Agency.

The agency had been financed through two sources, a sustaining grant from ACOA of \$1.5 million a year for five years and another \$6 million from the Department of National Defence.

By 1996, things weren't going well at the agency. Within a few weeks of LaFleche joining, the chairman and vice-chair resigned.

"People sort of turned to me and said, 'You're the chair.'"

It was obvious from the beginning the agency didn't have a clear plan of what it wanted to do, LaFleche said, and it was plagued by internal friction.

One of the first decisions made was to open the previously secret meetings to the public.

"We had to go through a lot of difficult decisions in the public forum, which were: do we sell all that base housing, rent it or bulldoze it?" he said.

Local people were polarized over the issue, but it soon became clear a majority was in favour of repopulating the community. The best way to do that was to sell the homes. A marketing firm experienced in mass sell-offs was hired in 1997 to do the sales campaign. All 246 units were sold in six weeks.

The group also had a lot of other buildings on its hands. Rather than worry about how to sell each of them, the agency realized the area needed jobs. It went looking for companies that would bring them, but only if they had strong business plans and fit in with the area.

Local talent

Among those who came, drawn by \$1-buildings and plentiful grants and loans from various government sources, were such established Atlantic Canadian firms as Shaw Wood Industries Ltd. and Aca-dian Seaplants Ltd.

A major reason for the turnaround, LaFleche said, was that the agency stopped thinking it had to have imported talent to succeed. Local people were hired and trained as managers and development officers, people with a real stake in making the park work again.

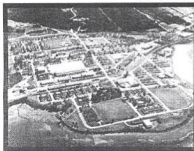
"The imported staff didn't understand the community, they didn't understand the people, and they were sort of overwhelmed by the politics," he said.

While there have been no studies to prove it, LaFleche thinks Kespwick has largely replaced the economy the base once had. What it hasn't done is replace the artificially high cost and payment structure that existed when military spending knew no limits.

People were used to bidding on jobs as contractors and getting twice what would be the going rate in Pictou County."

It has taken some education to get that point across, LaFleche admits.

"Some people will say that's negative. Like people aren't getting \$18 an hour to push a broom, they're getting eight or 10 — but that's more normal."



CFB Cornwallis (shown here in 1994) has been transformed into a successful civilian community.

Job well done



Chairman of the board Paul LaFleche recognizes the need to move on after helping Cornwallis Park become self-sustaining: "We decided this was not going to be some paternalistic development agency that kept this alive for 50 years."