

The stories of

Summerside

Prince Edward Island, Canada

A guide for investment and
business opportunities



About this book

Why a storybook?

When we talk to people about locating in Summerside, we find ourselves sharing the stories of innovation, community and success that illustrate what our city is all about. Stories like the \$40-million Credit Union Place Wellness Facility that is a hub for our 15,000 residents, or the Holman's E-Health Centre of Excellence that houses our growing e-health cluster. It's these stories that compel the people we're talking to look more closely at this small city in Atlantic Canada with such big ambition.

Who drew the pictures?

A storybook format was a natural choice for this investment attraction piece, so we asked the kids at Athena and Elm Street schools in Summerside for their help. They drew pictures of some of the best things about Summerside as a place to live, go to school or run a business. The illustrations in the following pages show the potential of Summerside, as seen through the eyes of its future leaders.



Table of Contents

Location	4
Operating costs and government support	6
Workforce	8
Incentives	10
Wind energy	12
Health IT	14
Aerospace	16
Quality of life	18
Summerside by the numbers	21
Your story starts here	29



Once upon a time
On an island in the sea
Was a place called Summerside
That saw what it could be

The city's size was small
But its dreams and plans were GREAT
And the growth and investment it saw
Was something to celebrate

This storybook will show you
Just what Summerside can do
At the same time it will convince you
It's the place for your business too

Welcome to Summerside

3

Summerside, Prince Edward Island, Canada



Although we're an island, we're easy to reach
And when you're done with your meetings
you can go to the beach

Close to many big cities, we're really not far
It's so easy to get here by plane, boat or car



Within a 3-hour drive of Prince Edward Island:

- 2 million people.
- 18 cities.
- 19 universities.
- 27 colleges campuses.

It's a misconception we hear often: If you're on an Island, doesn't that make doing business more difficult?

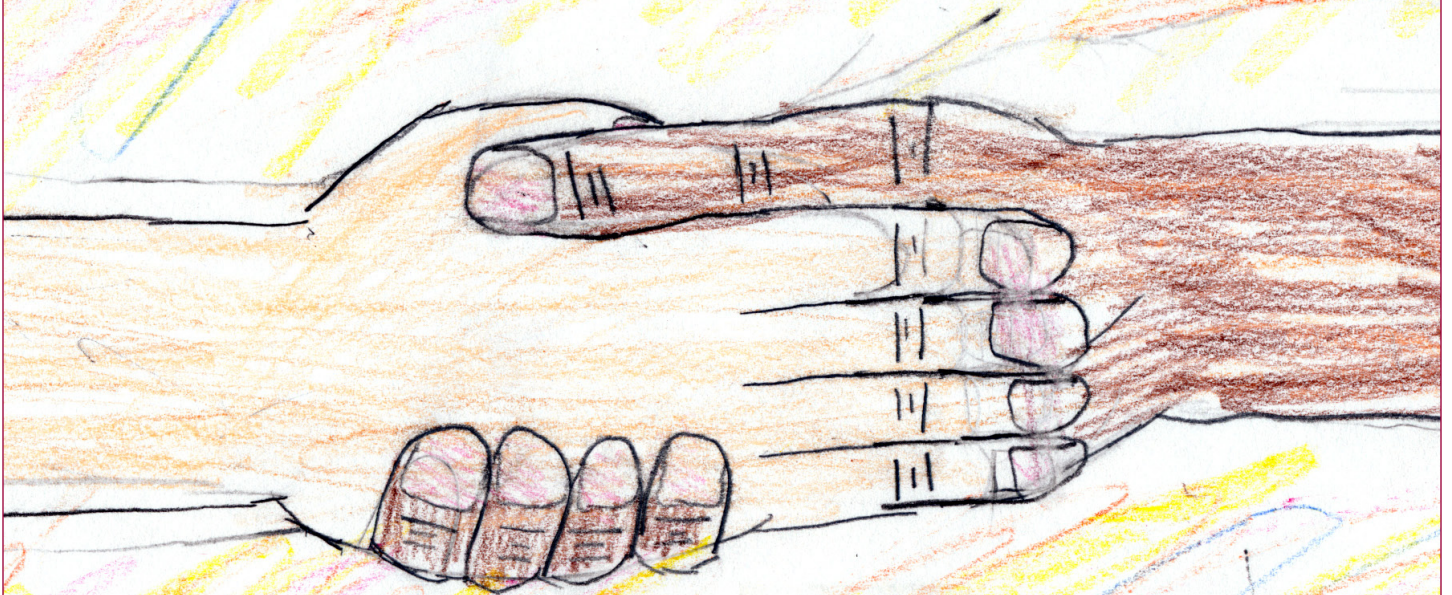
In fact, Summerside is easily accessible via the Confederation Bridge, and is just a short drive from other Atlantic Canadian and Northern U.S. centres. Our modern port facilities and private first-class airport out of Slemon Park provide additional options to the direct TransCanada Highway access and over 70 commercial flights per week from major airports.

70 direct commercial flights a week

Destination	Carrier	Flight/Week
Halifax	Air Canada	28
Montreal	Air Canada	21
Ottawa	Air Canada	7
Toronto	Air Canada	21
New York	Westjet	14
	Delta	7
TOTAL		98

5

Low-cost operations, high government support



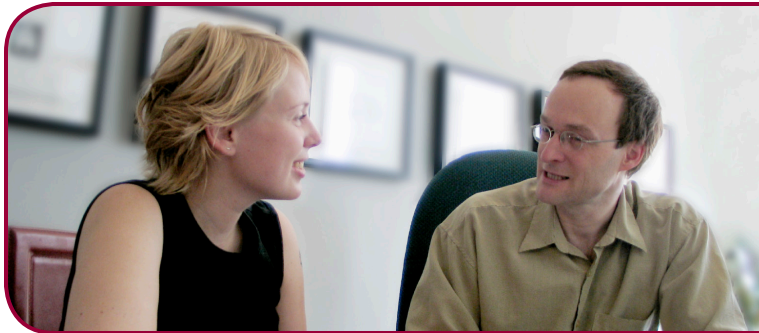
Every city makes the claim, but in Summerside it's true
At all levels of government, we truly work for you
When you're considering our city
we make the steps to take so clear
And our support for your business
continues long after you are here

Reduce your operating costs by up to 30%

- The KPMG 2010 Competitive Index compared business costs in more than 100 cities: Prince Edward Island ranked as one of the most cost effective locations in North America.
- Favorable commercial real estate prices and new construction offer class “A” office facilities and amenities at lower costs. Summerside also has the lowest commercial/industrial property tax on the Island.
- Dramatically lower residential real estate prices (1/3 of major U.S. and Canadian metropolitan areas), translate directly to lower costs to hire and retain more highly skilled employees.

Tailored incentive packages:

- A rebate of 37.5% of labor costs back for first year salaries. The assistance can be allotted over a period of time to allow for a ramp up period. It is not tied to taxes and is provided quarterly.



- Interest-free unsecured equipment financing through ACOA-BDP.

Labour Rebates and Financial Incentives Example with 50 employees in PEI

# of employees	50
Estimated payroll (avg. \$40,000)	\$2,000,000
Labour Rebate	\$750,000
ACOA Business Development Program (*Repayable Contribution)	\$350,000
Total Rebate and Repayable Contribution	\$1,100,000

A true government partner

- Levels of government work together seamlessly - an agile business environment without red tape.
- Expanding or locating in Summerside can be done quickly and have you up and running much more rapidly than most North American cities.
- Access to decision and policy makers not possible in larger centres.
- Because of our small size, our partnerships with post-secondary institutions allow businesses to customize programs to meet their skills training needs.

“We’re not talking simply about financial assistance. It extends as far as issues associated with public policy and taxation policy. The ability to work with three different levels of government simultaneously – I really think this is the model that other jurisdictions need to emulate if they want to enjoy the success that Summerside and PEI have had. It really is just a very simple environment in which to do business.”

Brian Thompson, Vector Aerospace

Summary of Benefits First Year of Operations

# of employees	50
Labour Savings - 20% cost savings	\$400,000
Office Savings - 30% cost savings (150 sq. ft. per employee)	\$45,000
Financial Incentives - Labour Rebate	\$750,000
Total Cost Savings	\$1,195,000

7

The Island work ethic



When it comes to loyal workers, PEI can't be beat
We've got the skills and the ethic to help you to compete
Our turnover is low and our ambition is high
These are skilled workers on who you can rely

The Maritime Provinces are home to 16 universities, community and private colleges, providing one of Canada's most talented regional workforces.

Wage levels are extremely competitive and businesses in Summerside find that they are able to retain outstanding employees with high productivity at a lower cost. For example, the wages for computer technicians in PEI are one third less than in Ontario.

Prince Edward Island has one of the lowest turnover rates in North America, and a very low level of unionization. Our people are known for their work ethic, their reliability and their commitment to volunteerism.

Workforce Snapshot:

- 53.5% of the workforce has post secondary training.
- Average job tenure in Prince Edward Island is 8.6 years.
- Days lost per worker in Prince Edward Island is the lowest in Canada.
- 43% of workers have been with the same employer for more than 6 years.
- 10.7% unemployment rate – underemployed talent.

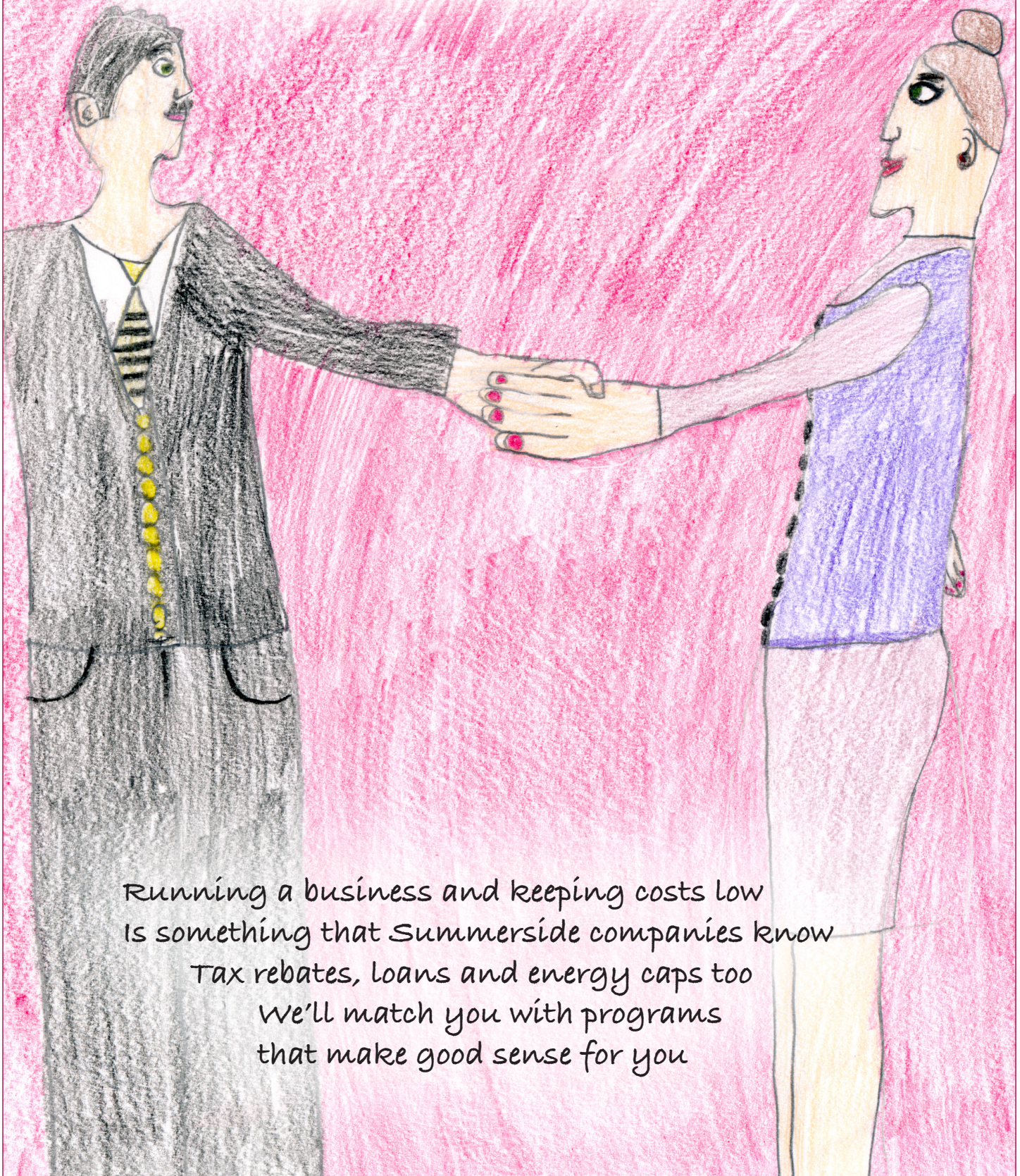
“Holland College has been there to partner with our business to offer training to technicians, which makes it a lot easier to bring them into the workforce and really drive growth.”

Jason Wilson, Honeywell

On average, almost half of Summerside's electricity comes from wind power.



The story of incentives



Running a business and keeping costs low
Is something that Summerside companies know
Tax rebates, loans and energy caps too
We'll match you with programs
that make good sense for you

Tax Abatement and Energy Rate Caps in Summerside

Tax Abatement Incentive - The City of Summerside will rebate the municipal tax component for a minimum of three years on any incremental assessment on projects that achieve more than \$500,000 in new assessment provided at least twenty-five percent (25%) of the increased assessment is commercial. The rebate would apply to only the incremental assessment, and apply only to the municipal taxation levied. Further abatements up to five years total are available if applicants meet the eligibility criteria and create a minimum number of new jobs by the third year of the program.

Electrical Energy Cap Rate Incentive - In conjunction with the Tax Abatement Incentive, a unique Energy Incentive is also available for qualifying projects. With the recent completion of Summerside's wind farm, Summerside Electric has effectively "locked in" a significant portion of its electric purchase costs. This security of pricing is being offered to new qualifying projects within the City who are customers, or will be customers, of Summerside Electric. The Energy Incentive Program is in the form of a rate freeze on electrical kilowatt charges for qualifying projects, and will remain in place for the same three to five year period as the municipal tax rebate component.

Complementary Provincial and Federal Incentive Programs

Innovation and Development Labour Rebate (IDLR)

A refundable wage rebate of 37.5% to projects in support of the development and/or commercialization of new products, processes and services that have not previously been successfully developed in PEI.

Specialized Labor Tax Rebate (SLTR) - The SLTR is used to hire and recruit key leadership personnel in the management and technical specialist areas for companies establishing operations in PEI where the knowledge or skill is not yet available in the local labour market. The 17% tax rebate applies to the personal income tax of the eligible individual.

Business Development Program (ACOA-BDP)

ACOA can provide an unsecured, interest-free loan toward the eligible costs of a new establishment, expansion, modernization or a project that improves your competitiveness. ACOA's contribution is repayable on a time schedule (up to eight years) tailored to your business plan.

Atlantic Innovation Fund (AIF) - Aimed at increasing innovation capacity, the AIF can provide assistance of up to 75% of total eligible costs for commercial, private sector projects. Eligible costs include wages, salaries, capital costs and other operating expenses directly related to the research and development project.

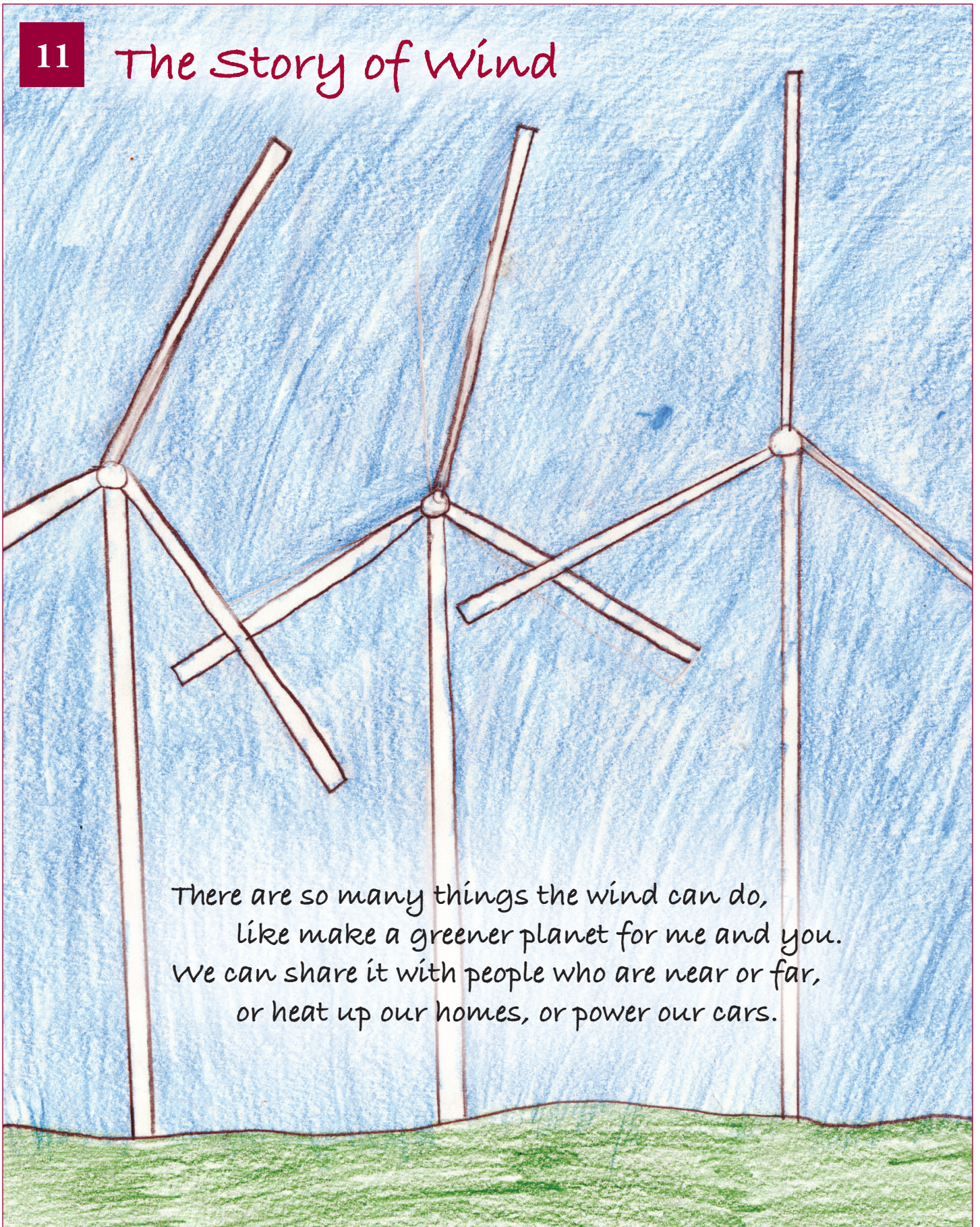
Scientific Research and Experimental Development

The SR&ED program is the largest single source of federal government support for industrial R&D and it provides open-ended access to tax credits.

Low-Interest Loans - The Provincial Government provides secured, asset-based, low-interest repayable loans for eligible companies that are establishing or expanding operations in Prince Edward Island. The loan applications are reviewed on case-by-case basis and are based upon the capital needs outlined in a viable business plan.

To apply for any of these incentives, please get in touch with Summerside's Office of Economic Development and we will guide you through the process step by step.

The Story of Wind



There are so many things the wind can do,
like make a greener planet for me and you.
We can share it with people who are near or far,
or heat up our homes, or power our cars.

Prince Edward Island has a goal of 500MW of installed wind capacity by 2013, which would position our province as the first net producer and exporter of green energy in North America. There are currently 89 utility-grade wind turbines installed over 6 wind farms in operation in Prince Edward Island with a combined wind energy capacity of 164 megawatts. The capital investment required to reach the 2013 500MW target is over \$1 billion, which will require intensive and accelerated growth and job creation in the sector.

Our commitment to wind energy is longstanding. PEI Energy Corporation built Atlantic Canada's first commercial wind farm in 2001, and the Province is home to the Wind Energy Institute of Canada, the leading institute for wind energy research in the country. Our track record gives us the advantage of specified post-secondary programs (Wind turbine technicians, electromechanical technologists and power engineers) that turn out a highly skilled labour pool to service our existing infrastructure.

Summerside's Wind Ambitions

On average, almost half of Summerside's electricity comes from wind power, and the City is rolling out a plan to harness that power for even greater benefit.

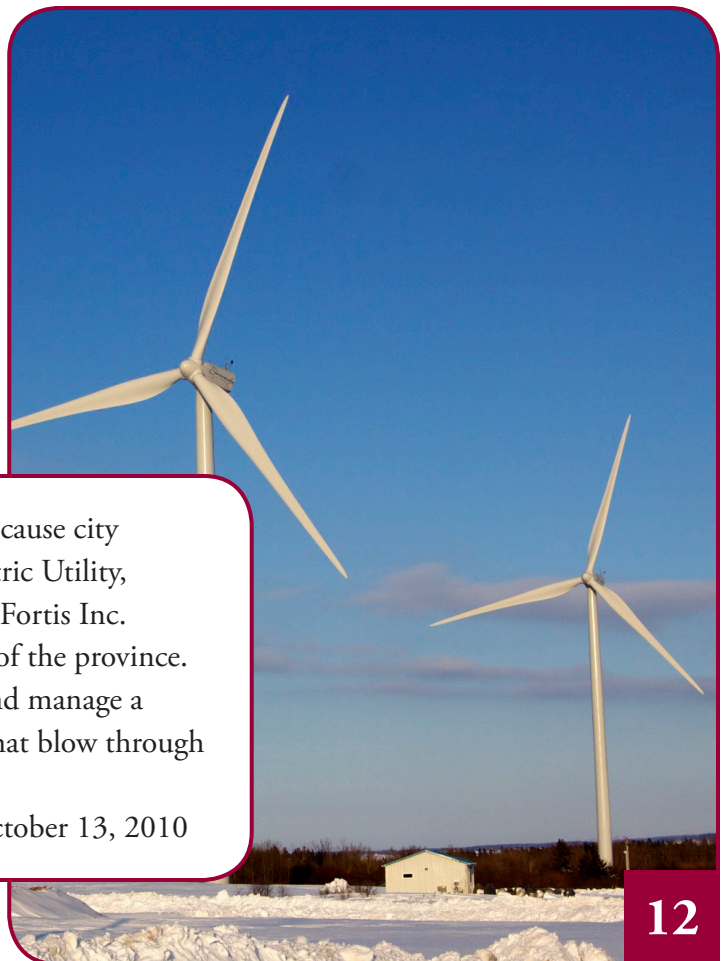
Because we own our own electric utility, we can be more nimble and innovative than our larger counterparts, resulting in profits that are reinvested in the community.

"It [Summerside] can make these innovative moves because city council owns and operates the local Summerside Electric Utility, which is a separate entity from Maritime Electric, the Fortis Inc. subsidiary that handles power distribution to the rest of the province. This independence allows the city to nimbly design and manage a system that makes efficient use of the strong breezes that blow through the region."

The Globe & Mail, October 13, 2010

Current initiatives underway include:

- An innovative new program that will provide residents with incentives to purchase specialized furnaces or space heaters that will store excess wind energy during off-peak hours to be released and used when demand is greater.
- The city will run fiber to participating homes and install smart meters to monitor and control the stored energy. Our fiber-to-the-meter network supports upload and download rates of 1 Gigabit over an active Ethernet connection, which establishes Summerside as one of the fastest, most connected cities in North America.
- Summerside is in discussions with various automotive firms to serve as a test site for electric vehicles, and has already installed charging stations within the city and begun to retrofit our city vehicles to take advantage of the program.



has a story here too



Holman

Summerside's got a vision for E-Health companies
And it's one that makes sense if you ask KPMG
We built a dedicated place that is state-of-the-art
With infrastructure and features that set it apart

A facility your staff will never want to leave!

- Ocean views in the heart of the downtown core.
- Two minutes away from the Baywalk, a 6 km seaside boardwalk spanning the city.
- Close to shops, restaurants and cafés.



Our Health IT Vision

Ranked 4th worldwide for Advanced Software Development by KPMG, Prince Edward Island is aggressively pursuing additional Health IT companies to join a world-class cluster in the City of Summerside. It is our belief that companies in this industry thrive when given the opportunity to collaborate with peers, share training costs and work together to influence government policy and incentive programs.

The vision is part of Prince Edward Island's Prosperity Strategy, a \$200 million, 5-year initiative with a mandate to drive growth and innovation in the province. Included in this strategy is an E-Health Centre of Excellence with a research arm that will engage in the testing and validation of health products to meet stringent global standards.

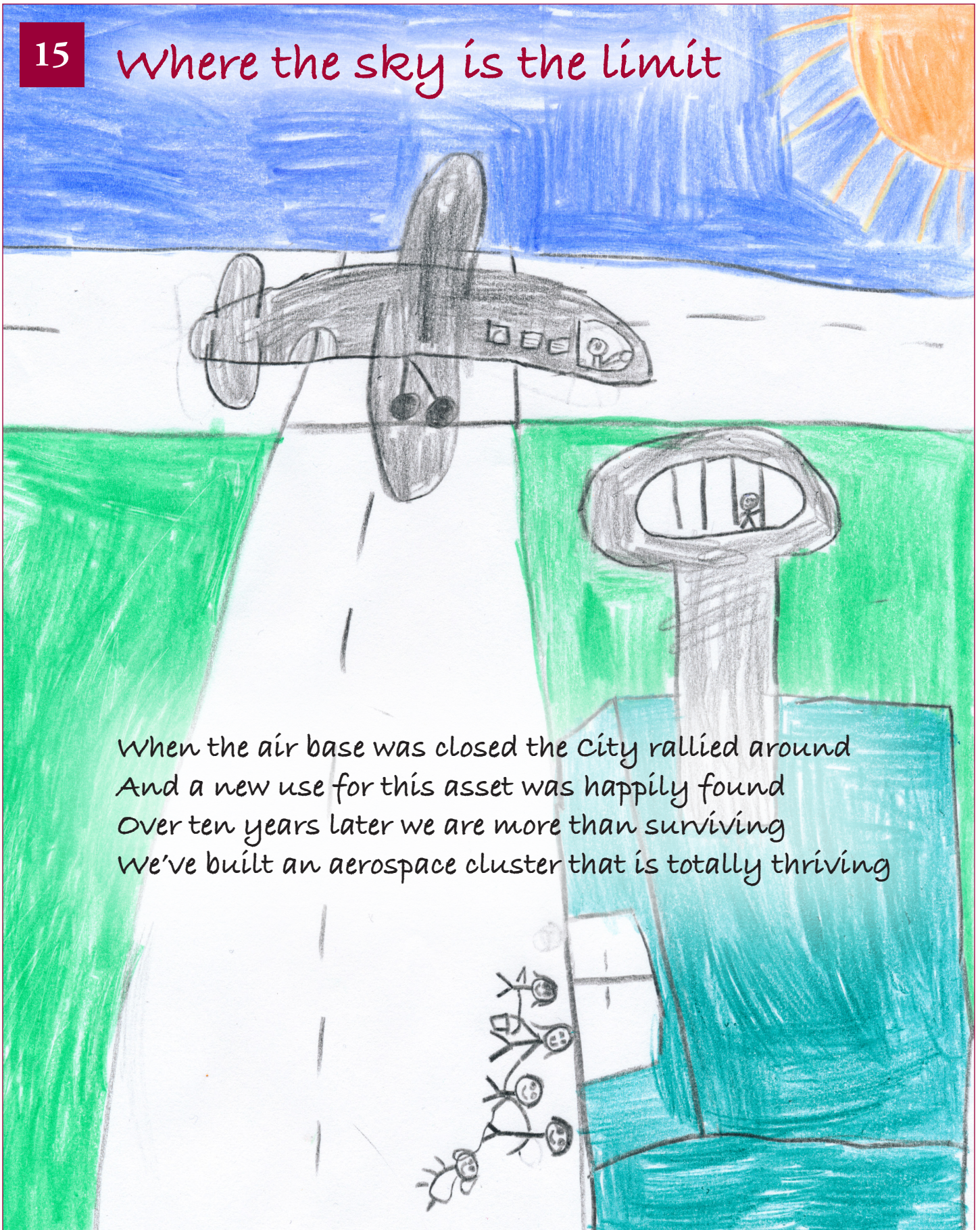
The Holman Centre

A dedicated Health IT oceanfront facility offering over 100,000 square feet of prime office space fully equipped with the latest in technology and amenities:

- Open concept space design with exposed brick and heavy timber wood floors.
- Fiber Optics Geothermal heat/cooling.
- Full emergency back up (generator & UPS).
- Electrical: 600V 3-phase 120/208 connected to municipally-owned utility.
- A rooftop terrace and garden.

Join companies like RMDx and EHI who are choosing Prince Edward Island for Health IT and gain access to a growing cluster in an innovative environment that offers low costs, high skills and true government support from all levels.

Where the sky is the limit



When the air base was closed the City rallied around
And a new use for this asset was happily found
Over ten years later we are more than surviving
We've built an aerospace cluster that is totally thriving

Some of the best-known names in aerospace have chosen Prince Edward Island. Honeywell Engines, Systems and Services; Vector Aerospace Engine Services Atlantic; Wiebel Aerospace; Testori Americas Corp.; MDS-PRAD Technologies; and Tronos Canada Inc. all have operations in Summerside.

There are close to 800 employees in the aerospace industry in Summerside, representing roughly 10% of the total city labour force. Over 24% of our business enterprise are engaged in the aerospace sector.

The investment in the sector is evident with Slemon Park, a 1,500-acre business park which includes a fully serviced airport and numerous well-maintained hangars ranging in size from 25,000 to 300,000 square feet. It is also the only aerospace business park in Canada that offers on-site training.

Holland College's Aerospace Technology Centre has been an asset in the development of the aerospace industry with its ability to tailor training programs to meet existing tenants' needs or the specific requirements of new tenants.

Summerside's aerospace industry continues to reach new heights in just a short ten years since the industry was established in Prince Edward Island. Aerospace is now Prince Edward Island's fourth largest industry and it accounts for 25 percent of international exports.

KPMG identified Canada as one of the lowest cost countries for Aerospace manufacturing - with labour savings of up to 32% over the US. In Summerside overall operating costs are 10% lower than Ottawa, and the lowest in the Atlantic provinces for maintenance and repair of aircraft parts.



A tax rebate incentive program for all eligible aviation-related companies provides a full rebate annually on all corporate income tax paid to the province for operations conducted at Slemon Park. There's also a full rebate annually of all sales tax paid to the government attributed to the purchase of goods and services, and a full rebate annually of all real property tax attributable to ownership or rental of facilities at Slemon Park.

The vibrant aerospace industry in Prince Edward Island holds promise for creating new employment opportunities and wealth for the province well into the future.

Location & Accessibility

- Well positioned for North American and European markets.
- 30 minute flight/3 hour drive to Halifax International Airport.
- 45 minutes to Charlottetown Airport.
- 5 minutes to TransCanada Highway.
- 10 minutes to Summerside Port. (ice free April-December)

The Island way of life



In the big city, parents keep children near
But Summerside kids play without worry or fear.
Big kid or small kid, sister or brother,
Everyone in Summerside looks after each other.

As a compact urban core in a cradle of rural lands and the sea, Summerside offers both convenience and serenity. You can feel as connected, or disconnected to the rest of the world as you wish.

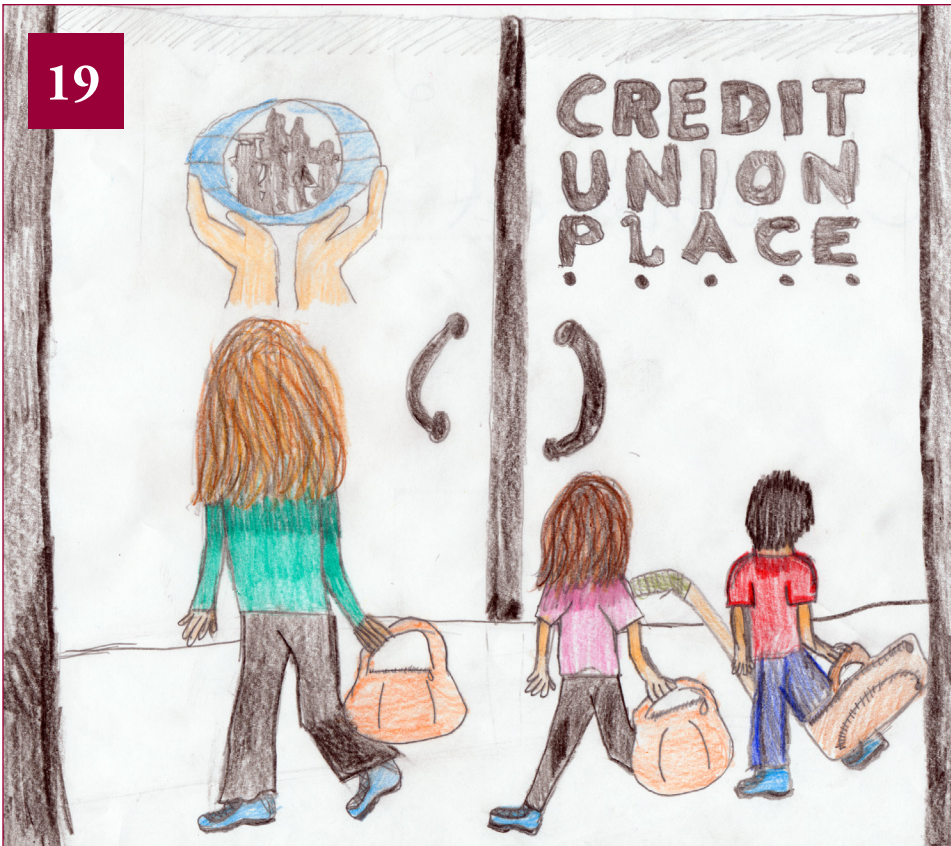
- A typical home-to-office commute is less than five minutes, and an emphasis on flexible workdays with room for relaxation is the predominant attitude.
- A re-developed waterfront, museums and theatres, and a mix of shops and restaurants provide many things to see and do.
- One of the largest high-speed wireless networks in Canada: The city owns and operates its own wireless service provider, and boasts a 100% digital fibre optic backbone network.

- Investment in progressive facilities and amenities: Summerside offers its residents a state-of-the-art hospital and the newly developed Credit Union Place that delivers fitness and recreation programming in addition to sporting and cultural events.
- The city has created development properties that use green building principles and the island continues to invest in wind power as an alternative energy source.
- PEI has one of the highest home ownership rates as a result of our affordable housing. An executive two-storey home for example averages \$229,500.

City	Detached Bungalow	Executive Detached Two-Storey	Standard Two-Storey	Standard Townhouse
Summerside	\$147,500	\$231,000	\$200,000	\$127,560
Saint John	\$178,000	\$299,000	\$295,000	\$151,000
Halifax	\$300,000	\$350,000	\$305,000	\$239,500
Charlottetown	\$163,000	\$250,000	\$195,000	\$122,000
Mississauga	\$410,000	\$460,000	\$393,500	\$290,000
Oakville	\$370,000	\$590,000	\$399,000	\$350,000
North Vancouver	\$800,000	\$990,000	\$880,000	\$680,000

**Source, Royal LePage Survey of Canadian House Prices Third Quarter 2010*

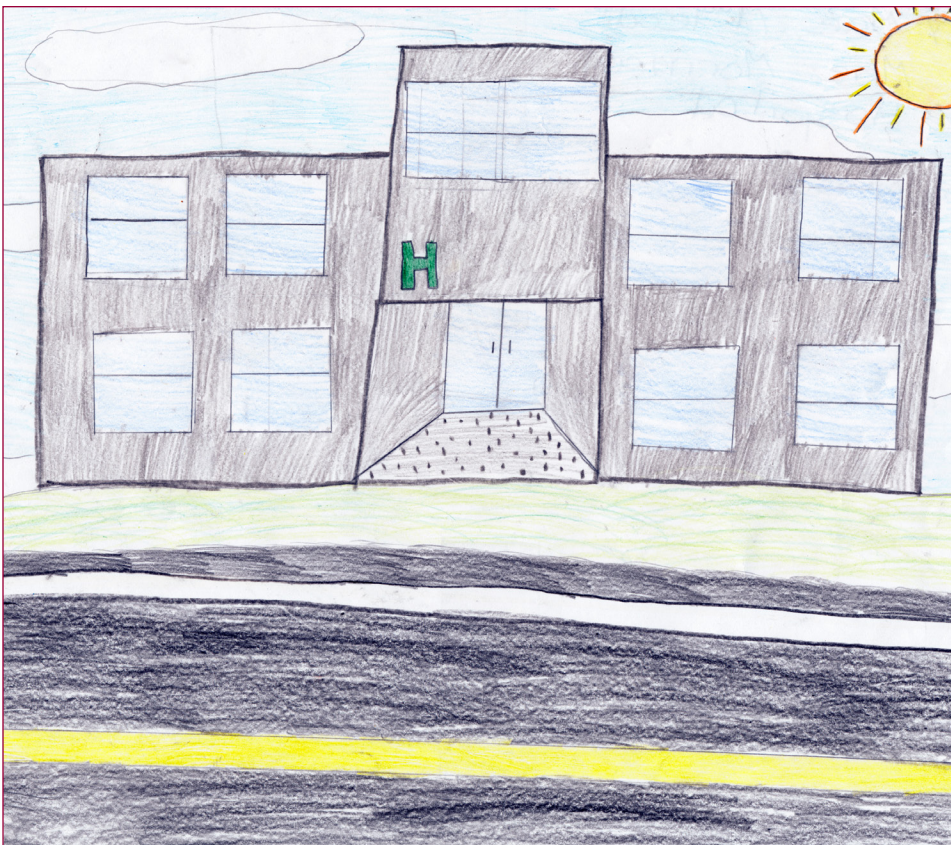




A community hub of wellness and recreation

Summerside has invested over \$40 million on the Credit Union Place - a wellness and recreation facility that is always buzzing with residents swimming in the Olympic-size pool, taking a fitness class or cheering on the kids at a hockey game.

Art created by: Delaney, Grade 5 Athena



World-class healthcare facilities in your backyard.

The Prince County Hospital is a state-of-the-art medical facility, which acts as a natural complement for the growing Health IT cluster in the city.

Art created by: Emmy-Mae, Elm Street



A safe walk home for your kids.

Prince Edward Island boasts the lowest crime severity index in Canada. These already low numbers continue to decrease, down by 4% in 2009 compared to 2008.

Source: Statistics Canada, Canadian Centre for Justice Statistics

Art created by: Kailyn, Grade 5 Elm Street

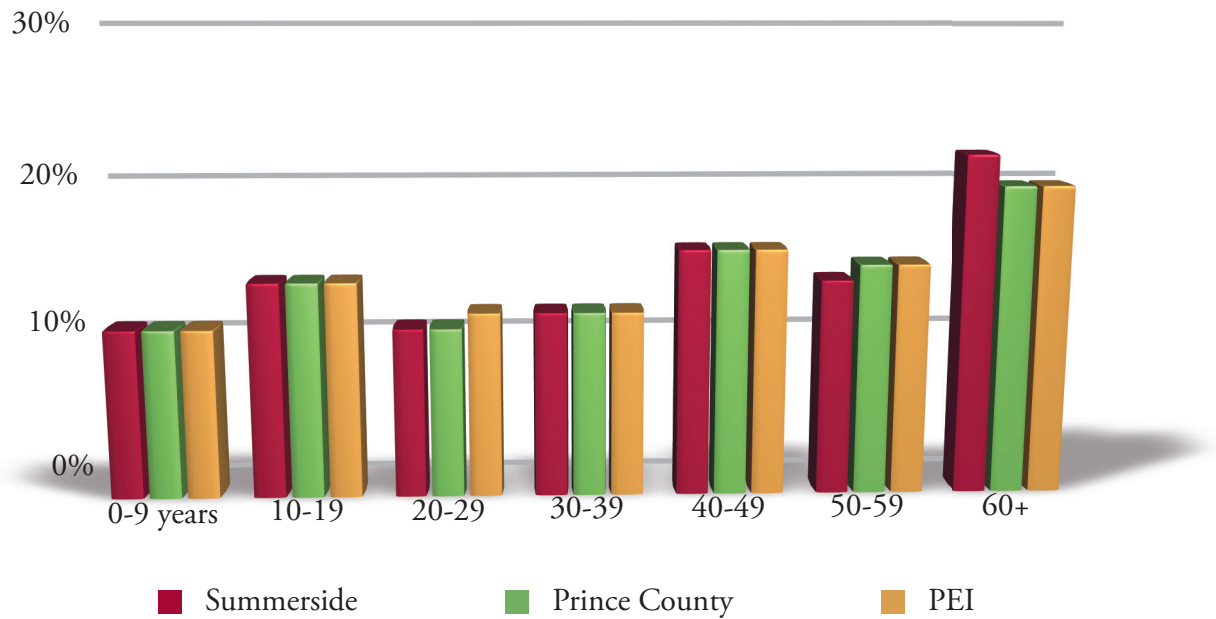


Small city. Big community.

Summerside offers its residents a rich cultural heritage, a safe and healthy community, and a full range of services. These elements contribute to a high quality of life being enjoyed by all who call Summerside home.

Art created by: Dominique, Grade 5 Elm Street

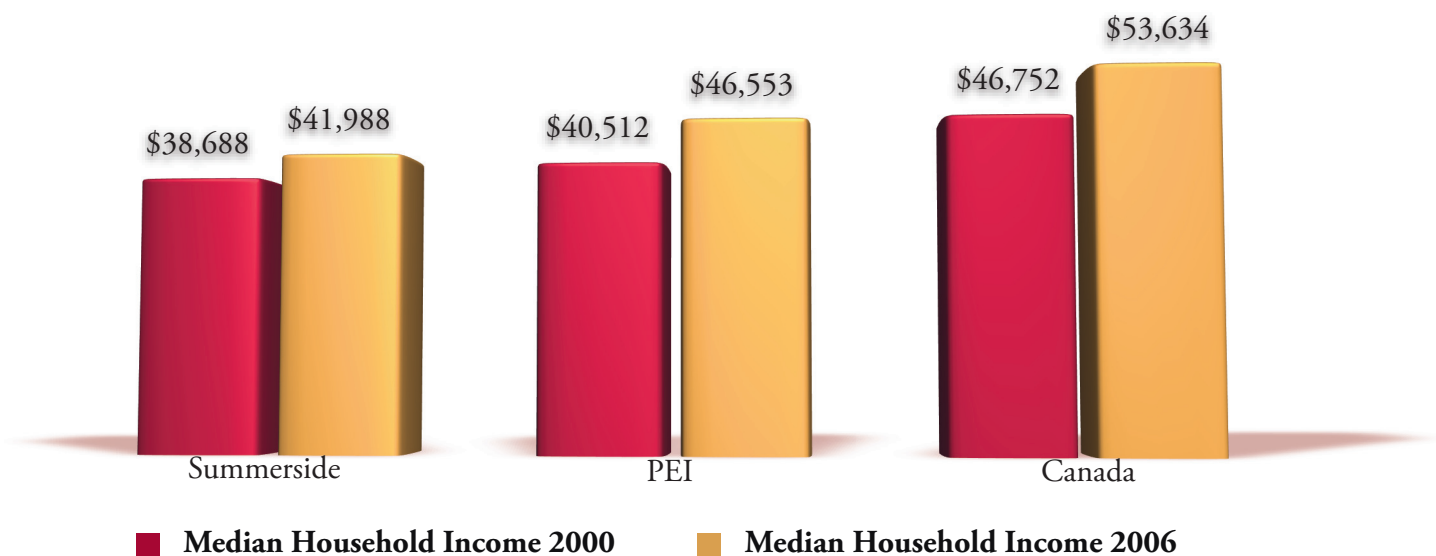
Population by Age (2006)



Age	Summerside	Prince County	PEI
0-9 years	1,595	5,025	14,605
10-19	1,970	6,380	19,315
20-29	1,655	4,800	15,960
30-39	1,725	5,475	16,565
40-49	2,280	7,095	21,570
50-59	2,025	6,430	20,245
60+	3,165	9,035	26,820
Total	14,415	44,240	135,080

Relative to the rest of the Island, there is no significant difference in the age of Summerside's residents.

Median Household Income, Summerside, PEI and Canada, 2000 & 2005



Source: Derived from Statistics Canada (Census of Population, 2001 & 2006) by Millier Dickinson Blais Inc.

Given our lower cost of living, Summerside's median household income is comparable to the rest of the province and the country, and is showing a similar rate of growth from 2000 to 2005.

Summerside: A Diverse Culture

	Summerside	PEI
Total population by knowledge of official languages (20% sample data)	15910	134205
English only	13250	116995
French only	15	60
English and French	2650	17100
Neither English nor French	0	55
Other language spoken	235	3100

Source: Statistics Canada, 2006

Summerside residents show strong knowledge of both official languages, as well as a significant group that speaks another language altogether.

Immigration

Place of Birth	1996	2001	2006
Canadian Citizenship	14,215	14,205	14,040
Non-Canadian Citizenship	105	115	225
Total Population	14,320	14,325	14,265*
Non-Immigrant Population	13,830	13,970	13,800
Born in PEI	10,015	10,540	10,100
Immigrant Population	460	300	460
United States of America	105	50	170
United Kingdom	165	140	65
Other European	45	60	65
Asia	70	60	25
Oceania & Other	40	0	135

In Summerside, the number of non-Canadian citizens (Newcomers) increased by over 100% from 1996 to 2006, with a growth of almost 60% in visible minorities from 2001 to 2006. Summerside has supported this growth by establishing a 'Newcomer' office within City Hall as part of a wider retention and integration strategy in conjunction with PEI Association of Newcomers.

Labour Force Participation Rates 2001, 2006

	PEI		Summerside	
	2001	2006	2001	2006
Participation rate %	69.0	67.4	68.2	66.7
Employment rate %	59.9	59.7	60.7	57.6
Unemployment rate %	13.2	11.4	11.1	12.3

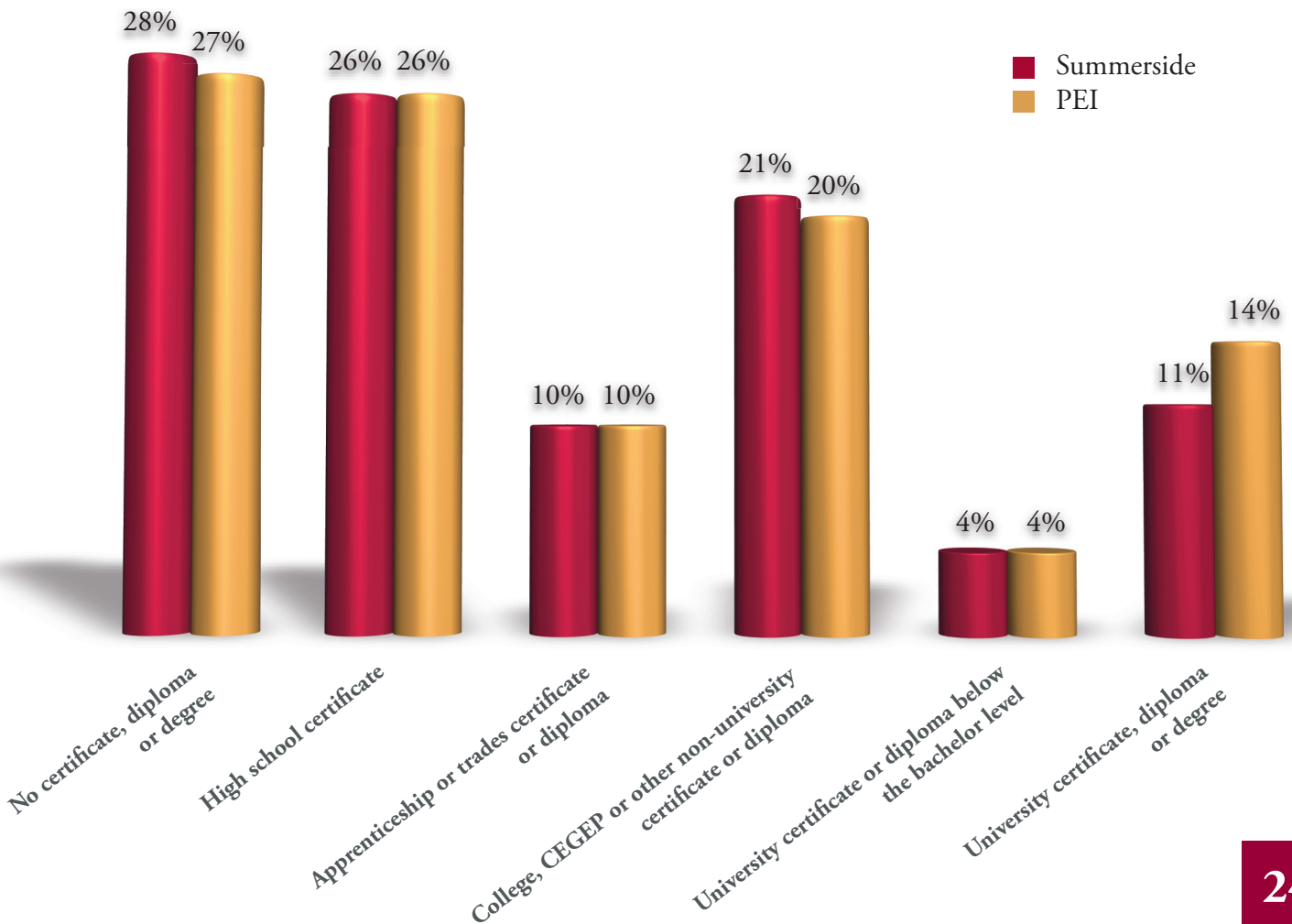
Source: Census 2001, 2006

Education Levels in Summerside

	Summerside	% of Pop
Total Pop 15 years +	11,700	
No certificate, diploma or degree	3,315	28.3
High school certificate	3,020	25.8
Apprenticeship or trades certificate or diploma	1,195	10.2
College, CEGEP or other non-university certificate or diploma	2,445	20.9
University certificate or diploma below the bachelor level	410	3.5
University certificate, diploma or degree	1,300	11.1

In June 2011, Holland College announced the creation of a new waterfront campus in Summerside as part of a \$10.9 million expansion. Holland College has a track record of partnering with local companies to develop programs tailored to their specific skill needs.

Highest Level of Education Attained by Percentage of Population

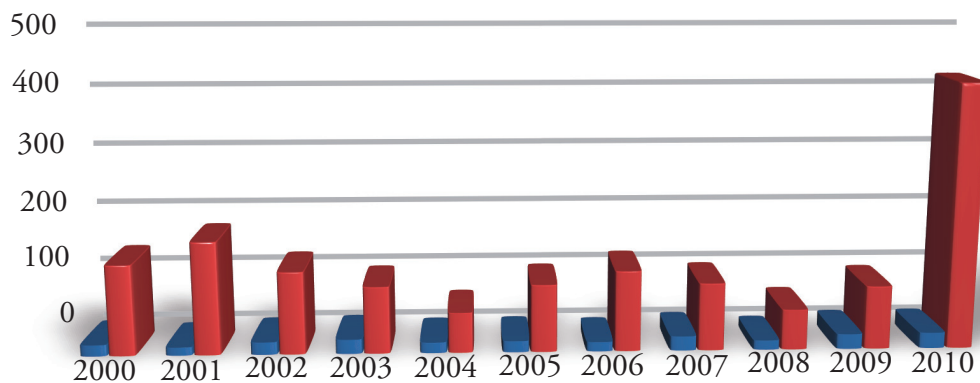


Total Experienced Labour Force, 15 years and over by occupation, City of Summerside, 2006-2011

	2011	% Total	2006	% Total	Number	% Increase/ Decrease
Management occupations	615	7.4%	540	7.1%	75	13.9%
Business, finance and administration occupations	1,581	19.0%	1,460	19.3%	121	8.3%
Natural and applied sciences and related occupations	331	4.0%	270	3.6%	61	22.6%
Health occupations	593	7.1%	540	7.1%	53	9.8%
Occupations in social science, education, government service and religion	573	6.9%	540	7.1%	33	6.1%
Occupations in art, culture, recreation and sport	124	1.5%	125	1.7%	-1	-0.8%
Sales and service occupations	2,292	27.6%	2,090	27.7%	202	9.7%
Trades, transport and equipment operators and related occupations	1,085	13.1%	990	13.1%	95	9.6%
Occupations unique to primary industry	497	6.0%	435	5.6%	62	14.3%
Occupations unique to processing, manufacturing and utilities	621	7.5%	560	7.4%	61	10.9%

Source: Derived from Statistics Canada (Census of Population, 2006) and Manifold Data Mining, 2011 by Millier Dickinson Blais Inc.

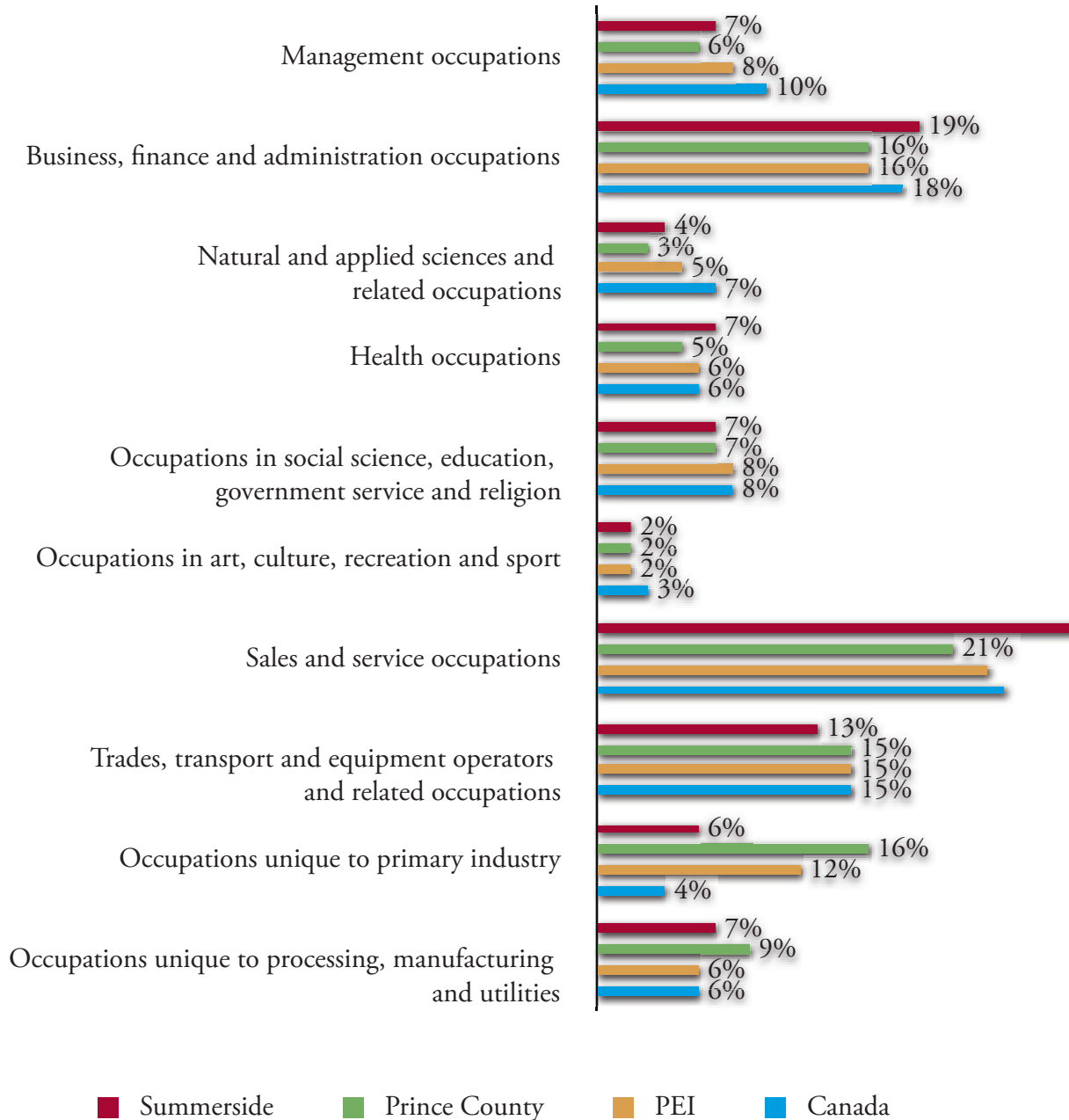
Business and Job Growth in Summerside 2000-2010



Source: City of Summerside EDO

■ New Establishments
■ New Jobs (full time equivalents)

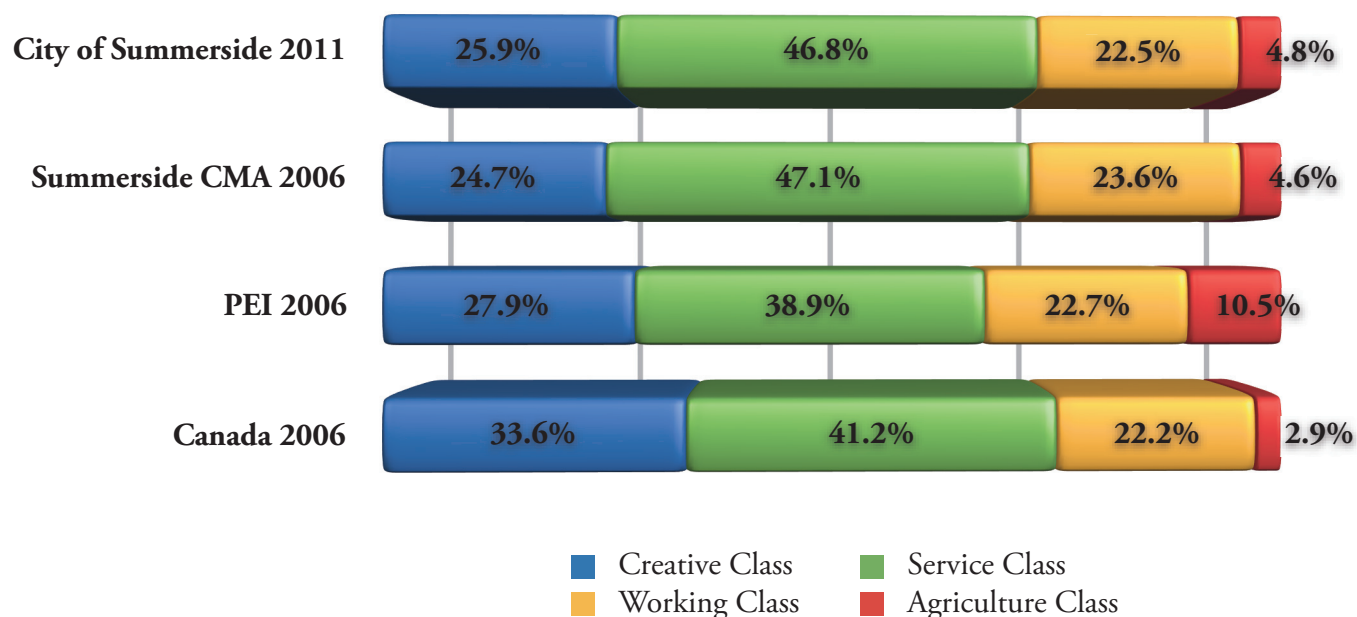
Employment Share by Occupations Over 15 Years of Age, 2006



Labour Force By Industry, Summerside CMA, PEI and Canada

	Summerside CMA		PEI		Canada
	Number	% Total Labour Force	Number	% Total Labour Force	% Total Labour Force
All Industries	8,475		74,510		
Agriculture, Forestry, Fishing and Hunting	455	5.40%	8,780	11.80%	3.10%
Mining and Oil and Gas Extraction	65	0.80%	435	0.60%	1.40%
Utilities	40	0.50%	300	0.40%	0.80%
Construction	385	4.50%	4,885	6.60%	6.30%
Manufacturing	1,140	13.50%	7,000	9.40%	11.90%
Wholesale Trade	205	2.40%	1,595	2.10%	4.40%
Retail Trade	1,130	13.30%	8,120	10.90%	11.40%
Transportation and Warehousing	215	2.50%	2,575	3.50%	4.90%
Information and Cultural Industries	120	1.40%	1,195	1.60%	2.50%
Finance and Insurance	185	2.20%	1,640	2.20%	4.10%
Real Estate and Rental and Leasing	170	2.00%	1,050	1.40%	1.80%
Professional, Scientific and Technical Services	250	2.90%	2,910	3.90%	6.70%
Management of Companies and Enterprises	0	0.00%	70	0.10%	0.10%
Administrative and Support, Waste Management and Remediation Services	370	4.40%	2,920	3.90%	4.30%
Educational Services	420	5.00%	4,625	6.20%	6.80%
Health Care and Social Assistance	1,015	12.00%	7,140	9.60%	10.20%
Arts, Entertainment and Recreation	140	1.70%	1,720	2.30%	2.10%
Accommodation and Food Services	920	10.90%	6,005	8.10%	6.70%
Other Services (Except Public Administration)	330	3.90%	3,475	4.70%	4.90%

Occupational Classes 2006 and 2011



Summerside has a strong creative class, offering a base of highly skilled knowledge workers to meet employers' needs.

Employees in Summerside by Industry Group 1996 vs. 2006

	1996 Employees	%	2006 Employees	%
Primary Industries	250	3.40%	520	6.00%
Manufacturing Industries	875	11.80%	1,140	13.20%
Construction Industries	535	7.20%	385	4.50%
Transportation & Public Utility	495	6.70%	255	3.00%
Retail & Wholesale Trade	1,370	18.50%	1335	15.50%
Finance, Insurance, and Real Estate	570	7.70%	355	4.10%
Government Service Industries	750	10.10%	920	10.70%
Educational Service Industries	440	5.90%	420	4.90%
Health and Social Services	820	11.10%	1015	11.80%
Other Service	1,310	17.70%	2285	26.50%
Total Labour Force Over 15+	7,415		8,630	

Source: Stats Canada

Your story starts here...



So now that you've seen it
with your very own eyes
The itch you've got to move here
should be no surprise
It's time to get away from high costs,
commutes and crime,
And start a new life in Summerside
where the sun always shines.

What are you waiting for?



Prince Edward Island, Canada

Get in touch with us today to have a chat about doing business in Summerside. Your story is waiting to be written.

City of Summerside
Office of Economic Development
275 Fitzroy Street
Summerside PE C1N 1H9
Phone: 902.432.1255
Fax: 902.436.9296

www.summerside.ca