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## Item No. 11.1.6

Halifax Regional Council  
July 22, 2014

**TO:** Mayor Savage and Members of Halifax Regional Council

**SUBMITTED BY:**

Original signed by

Richard Butts, Chief Administrative Officer

Original Signed by Director

Greg Keefe, Director, Finance and ICT/CFO

**DATE:** May 5, 2014

**SUBJECT:** McIntosh Run Watershed Association Single Track Trail

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### **ORIGIN**

Motion of Halifax and West Community Council March 25, 2014.

*"That Halifax and West Community Council endorse the position of the McIntosh Run Watershed Association to design, build and operate the proposed Singletrack Trail System on HRM lands located between Spryfield and Herring Cove and request a staff report addressing this proposal for the consideration of Regional Council."*

### **LEGISLATIVE AUTHORITY**

Halifax Regional Municipal Charter Section 61, Power of the Municipality Regarding Property, subsections (5) The Municipality may (c) lease property owned by the Municipality at market value.

### **RECOMMENDATION**

It is recommended that Halifax Regional Council:

1. Support the request of the McIntosh Run Watershed Association to design, build and operate the proposed Singletrack Trail System on HRM lands located between Spryfield and Herring Cove; and,
2. Direct staff to negotiate a License Agreement with the McIntosh Run Watershed Association for the Singletrack Trail System.

## **BACKGROUND**

At the March 25, 2014, meeting of Halifax and West Community Council, Ms. Karrin Tae, President of the MRWA, and Mr. Richard Evans, Vice President, provided a presentation to Community Council outlining their proposal to design, build, and operate approximately 27km of single track trails for non-motorized recreational use, between Spryfield and Herring Cove. The plan, as presented by MRWA, supports the group's mandate to protect the McIntosh Run River and watershed by providing appropriate access to the wild lands surrounding the river, increasing public appreciation and fostering stewardship.

Ms. Tae noted in her presentation that the MRWA is seeking permission from Regional Council to design, build and operate the portions of the proposed trail that are located on HRM lands. MRWA is not seeking any funding from HRM for costs associated with this construction at this time. Ms. Tae further noted that the MRWA has a signed letter of authority from the Nova Scotia Department of Natural Resource to proceed with construction of the first phase of the trail on Provincial Crown land.

## **DISCUSSION**

Under the Transaction Policy – Real Estate Acquisitions and Disposals, staff have authority to execute a License Agreement of up to 10 years. This would be the appropriate tool to formalize the authorization of the use of municipal property for the trail. With Regional Council and Community Council's direction to support the community project, staff would continue with the due diligence and development of a License Agreement with MRWA.

The municipal approach to the relationship with the McIntosh Run Watershed Association, for the development, execution, and delivery of this project, would mirror the framework of the Regional Trails projects with the Halifax Regional Trails Association; however, this project is unique. The purpose would be primarily recreational, in contrast to the Regional Trail program which has a primary Active Transportation purpose. Fundamentally, it would be the only designed, developed, operated and maintained single track trail in Nova Scotia. The primary usage of the trail would be mountain biking, hiking, and snow shoeing with varying degrees of difficulty, and would attract cyclists and hikers from throughout the region.

There is no current municipal policy in place that would direct the municipality to develop the proposed project. Without the project development and the proposal coming forward from a community group and supported by the Community Council, this project would not be developed or initiated by staff. Respecting the fact that the group completed substantial public and stakeholder consultation, garnered community support, invested a demonstrable commitment to the project development, and the ability to develop the project without financial municipal support, the consideration of contribution of access to the property by way of a license agreement is supported. Staff would not expect this project to set an unsustainable precedent for new single track projects in Halifax for the following reasons:

- This project has been vetted by the community and stakeholders;
- This project has been vetted by the community council;
- This project has received support from the Province of Nova Scotia;
- The community group has demonstrated a history indicative of ability to execute this project;
- There is no financial ask for the municipality to fund the project; and
- The project is a regional amenity, and there is unlikely capacity in the community for multiple competing projects (competing for fund raising and volunteer effort) to replicate this project.

However, the municipality and Regional Council have the authority to review and assess future proposed community projects on a case by case basis.

There has been and continues to be appropriate due diligence carried out on the project. This includes:

- McIntosh Run Watershed Association development of a Concept Plan and successful community presentation;
- McIntosh Run Watershed Association securing permissions from the Department of Natural Resources (the largest property owner) for the project;
- The solicitation of a Construction Plan, in conjunction with HRM, to develop soundly engineered development guidelines; and
- Ongoing communication with all stakeholders.

The next steps of the project include:

- Development of a construction plan, anticipated for completion by August 2014.
- Development and finalization of a License Agreement.

In this case, staff is recommending a nominal License fee of \$1.00 as the Association will be responsible for the costs to design, construct, and maintenance of the trail. These costs would be considered 'work in kind' in lieu of a License Fee. The estimated cost of the construction of the entire 29.8 km. of trail, over both Provincial and Municipal lands, is estimated to be \$750,000. Of the total 29.8 km of trail, approximately 23% is on HRM lands. Using 23% would equate to 6.8 km, or 6800 metres. With a trail width of 1 meter, the total area under the License Agreement would be 6800 square metres, or 73,194 sq. ft. Using a market value for the land of \$4.00 per square foot (recent HRM comparable) and a 10% CAP rate, this would result in a yearly license rate of \$30,000 (rounded). The proposed 'work in kind' of \$750,000 exceeds the estimated License Fee over the proposed ten (10) year term. The final terms and conditions of the License Agreement will be the subject of a future report. In kind consideration is also being sought by the Association for the Department of Natural Resources property.

***Risk Management:*** Any time there is a relationship developed with a community group, there is risk of the community group losing the interest in continuing to manage their project or program or the capacity to do so. In this case, there is a risk that the McIntosh Run Watershed Association may lose interest or capacity in building and maintaining the Single Track Trail. Upon assessment of this risk, staff recommends that it is a low risk and acceptable. MRWA has demonstrated longstanding capacity to generate volunteer and community effort, they are not a new group. This project development has taken several years, so the resilience is demonstrable. MRWA carries the appropriate liability insurance which would be required under the associated License Agreement (which would be the same as the requirements under management agreements for community developed trails), which provides the municipality with the required protections.

***Rationale for support:*** Staff supports this project as a result of the demonstrated community capacity, demonstrated community and committee support, uniqueness and value of the project as a regional amenity, and the minimal risk to the municipality. The diligence, scrutiny, and effort required to develop this project to-date, ensures that any future proposed community projects would require a comparable level of rigor and does not establish an unmanageable precedent.

## **FINANCIAL IMPLICATIONS**

MRWA plans to complete the majority of the construction through external fundraising and volunteer resources. Municipal contribution to any future aspects of the project may be considered by Regional Council.

## **COMMUNITY ENGAGEMENT**

This project is a community based, volunteer developed project.

**ATTACHMENTS**

None

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A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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*Original Signed by Director*

Report Approved By: \_\_\_\_\_  
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