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Item No. 4
Audit & Finance Standing Committee
May 4, 2015

TO: Chair and Members of Audit & Finance Standing Committee

Original Signed

SUBMITTED BY:

~~Brad Anagnost, Director, Parks and Recreation~~

Original Signed

~~Richard Butts, Chief Administrative Officer~~

DATE: April 24, 2015

SUBJECT: Spider Lake Park – 42 Bunchberry Lane

ORIGIN

January 13, 2015 Motion of Regional Council:

MOVED by Councillor Dalrymple, seconded by Councillor Adams that Halifax Regional Council request a staff report to examine potential funding options for HRM to contribute \$35,000 in funding which would match 1/3 funding from the Spider Lake Community Association to allow them to apply for the 1/3, 1/3 and 1/3 funding program through the provincial government to build a community playground and park.

It was further requested that:

- The staff report be brought to the Audit & Finance Standing Committee prior to returning to Regional Council; and
- that the report reference where the project was initially in the queue.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Council approved on December 11, 2012, that all budget increases are to be presented to the Audit and Finance Standing Committee, prior to submission to Council.

HRM Charter, section 93(1) - The Council shall make estimates of the sums that are required by the Municipality for the fiscal year; *HRM Charter*, section 79(1) - Specifies areas that the Council may expend money required by the Municipality; *HRM Charter*, section 35(2)(d)(i) - The CAO can only authorize budgeted expenditures or within the amount determined by Council by policy; *HRM Charter*, section 120(6) - The Municipality may maintain other reserve funds for such purposes as the Council may determine; Halifax Regional Municipality policy on Changes to Cost Sharing for Capital Projects - Changes requiring Council approval; and the Halifax Regional Municipality Reserve Policy - No reserve funds will be expended without the CAO's recommendation and Council approval.

RECOMMENDATION

It is recommended that the Audit and Finance Committee recommend that Halifax Regional Council:

- 1) Classify the Spider Lake playground as a "Municipal Recreational Facility" under Council's "Recreation and Community Facilities Taxation Classification";
- 2) Approve an increase of \$70,000 to CP000004-Parks, Sports Courts and Fields-Service Improvements, with funding from the Parkland Reserve Q107 for the development of the Spider Lake Park and authorize staff to proceed with the joint funding application with the Spider Lake Community Park Society for a Provincial Recreation Facility Development Grant of up to \$35,000;
- 3) Should the Provincial funding not be secured, approve an additional increase of \$35,000 to CP000004-Parks, Sports Courts and Fields-Service Improvements with funding from the Parkland Reserve Q107 to cover the shortfall.

BACKGROUND

On January 27, 2012, HRM accepted ownership of Parkland Parcel P-1 (PID# 41195868) created with final approval of Phase 3 of Spider Lake Country Estates in April 2007. This 15,419 sq metres Community Park has 37.23 m frontage on Bunchberry Lane. Placement of fill on the site as a "site improvement" has created a pad ready area intended for development of a Community Park within the Spider Lake Country Estates subdivision.

The Spider Lake Community Park Society is proposing to jointly develop and fund the construction of a playground at 42 Bunchberry Lane and has initiated a fundraising program to raise funds for the project and leverage additional funding through an area rate and provincial funding contribution.

There is a practice of the Municipality implementing capital improvements and enhancements in Parks on a cost-sharing basis between the Community and the Province through the Recreation Facility Development (RFD) grant program. The purpose of the RFD program is to assist community groups, municipalities and other 'not-for-profit' organizations to develop facilities in order to increase public participation in sport and physical recreation. Projects such as playgrounds are eligible for funding under this program.

DISCUSSION

As a component of Greenbelting and open space planning, staff is undertaking an assessment of municipal parks. A scan of parks acquired since 2007 through residential development shows the following:

- 71 parks were acquired from 2007 to 2014
- 46 of these parks have been developed for public use
- 25 of these parks have not yet been developed for public use
- 11 of these 25 parks are in subdivisions which are currently under development
- 14 of these 25 parks are in subdivisions which are substantially complete (75% built-out)
- Of these 14 parks;
 - 2 are intended for the provision of sportfields
 - 2 are intended for the provision of playgrounds
 - 9 are intended for the provision of trails and trail connections
- 1 is intended for the provision of both trails and a sportfield

For undeveloped parkland, the priority for HRM should be to direct capital towards park facilities in neighbourhoods which are substantially built-out, populated and underserved before investing capital in developing subdivisions. Of the two priority undeveloped park properties identified for future playground development, Spider Lake is the only subdivision without a playground facility within 3 km. It is also the only such subdivision where a request for a playground has been received. A more extensive evaluation which will look at all municipal park properties, the communities they serve, and the levels of municipal development, will be forthcoming to Council under the Greenbelting and Open Space Plan efforts.

A functional and spatial analysis for the creation of a playground on the Spider Lake Park Site was conducted by staff and in summary:

- The Spider Lake neighbourhood is a large lot rural subdivision containing approximately 108 lots, of which 90% have been built upon.
- Although classified as a Community Park, the park will serve only 108 units until additional residential development occurs on adjacent properties.
- At this time, future development on adjacent lands is limited owing to the significant amount of lands under public (Province of Nova Scotia and Halifax Water Commission) and corporate (Conrad Brothers Aggregate, Nova Scotia Power and Brightwood Golf Course) ownership. All of these adjacent lands are within the Rural Commutershed or Resource land use designations. Therefore, the requirement for development of a community level park is seen, at this time, as limited.
- In terms of purpose and function, the Spider Lake parkland property offers the following capability and opportunity ratings:
 - Service Functions – Recreation
 - Neighbourhood Recreation Significance – medium level potential for neighbourhood level use. These would require capital investment with improvements. Without investment the opportunities are rated low.
 - Regional Recreation Significance – None - no regionally significant purposes or functions are evident.
 - District Recreation Significance – None - no district level recreation at this time. There is a potential future access to the Lake Major Watershed and Province of Nova Scotia Crown Lands from the municipal parklands which might serve public recreation purposes as informal use of the Spider Lake hiking and mountain bike trails are in the area, but are accessed from other private properties. No plans are currently in place to formalize these trails.
 - Community Recreation Significance – Low – expectations for future residential growth in the immediate area is low.
 - Protection Function – None – the property offers no protection of any significant cultural or environmental assets.
 - Community Shaping – Low - the site offers no unique community character views or sense of place. With capital improvements, it can serve as a minor community meeting place.
- Owing to the adjacent land ownership, the Spider Lake subdivision is isolated from other neighbourhoods and amenities. The closest playground is 3.2 km away with only partial sidewalk access.

Due to the near complete build-out status of the subdivision, staff is comfortable that a neighbourhood level park should be developed. Preliminary budget estimates for the development of the park are in the order of \$125,000 and funding in the amount of \$20,000 has been committed from the Districts 6 and 1 District Activity Funds for this project. This cost estimate includes site development and landscaping, play structure, play field, benches, and park signage. Care should be taken to reasonably consolidate these improvements so that any lands not required for municipal purposes might be subdivided and used for a residential building lot should it become apparent that major residential development on adjacent lots will continue to be limited. Any divestment of parkland would require consideration under Administrative Order 50 and *Halifax Regional Municipality Charter*.

Area Rate Process

The Spider Lake Community Park Society was incorporated in January 2014. The Association is engaged in developing recreation infrastructure for the Spider Lake subdivision. The group indicated an interest in applying an area rate to cover part of the cost for a new playground, sports pad and walking trails. On

October 21, 2014 ballots were mailed to properties owners identified within the proposed catchment area of Spider Lake. Based on the original ballot, a simple majority was not in favour of the area rate (see Appendix A). Subsequently, staff reviewed the proposed area rate under Council's new "Recreation and Community Facilities Taxation Classification" approved on November 18, 2014, (passed after the mailing of the ballots). Staff concluded that, as the property was acquired as part of a commitment through the subdivision process, it was a recreational service that would otherwise be provided by the Municipality. Hence, it is recommended that it be a "Municipal Recreational Facility" and, as such, it should be general rated not area rated. However, given that this is a parkland project, and given that there are more than sufficient funds remaining in the Parkland Reserve, Q107, staff is recommending that reserve funding be applied to this project.

Parkland Reserve Fund

The *HRM Charter* enables the cash-in-lieu of parkland funds deposited into the Parkland Reserve to be used for a wide variety of Park and Recreation purposes. In practice, Regional Council has used the Parkland Reserve for a hierarchy of purposes as follows:

- 1) To acquire strategic parcels of parkland required to achieve the municipality's park system goals. Examples are the Chain of Lakes Trail (COLTA) lands, the Prospect High Head, and the Jefferson Property in Fall River. Regional Council has no other specifically identified funding source for such acquisitions.
- 2) From time to time, Regional Council has authorized expenditures from the Parkland Reserve to increase capital funding capacity for the development of park properties where there is an urgent need to create a regional benefit and/or leverage cost-sharing from other levels of government or partner agencies. The Spider Lake project meets the intent of this Reserve.
- 2) To a small extent, expenditures have been made from the Reserve for local park development when the park requirements of a new development are best met in an adjacent neighbourhood. It is common practice for one subdivision to be serviced by a park located in another subdivision. In cases where parklands are available in an adjacent development but underdeveloped and there is a demonstrated need, the Reserve is used as a means to direct funds into that park. These types of transfers are beyond the scope and authority of the Subdivision By-law and therefore cannot be executed by the Development Officer. Instead, these transfers are made through the use of the Parkland Reserve funds by Regional Council.

The Parkland Reserve ensures that there is transparency and accounting in the expenditure of funds derived as cash-in-lieu of parkland through the development process. In the past, Regional Council has used the funds strategically, understanding that there are limited funds available in the Parkland Reserve and a great many requests for park acquisition and development.

FINANCIAL IMPLICATIONS

Budget Summary: Project No. CP000004 – Parks, Sports Courts and Fields-Service Improvements

Cumulative Unspent Budget	\$ 486,665.61
Add: Withdrawal from Q107	\$ 70,000.00
Less: HRM Contribution	\$ (70,000.00)
Balance	\$ 486,665.61

Budget Summary: Parkland Development Reserve, Q107

Projected balance, March 31, 2015	\$2,689,510
Less withdrawal per recommendation	\$ (70,000)
Projected balance, March 31, 2015	\$2,619,510

Operating expenses associated with this project are estimated at \$4,000 per year and will be covered by the operating cost of capital in 2016/17 (subject to Council approval).

COMMUNITY ENGAGEMENT

If approved, staff will work with the Spider Lake Residents Association in the development of the park.

ENVIRONMENTAL IMPLICATIONS

There are no known negative environmental impacts anticipated with this project at this time.

ALTERNATIVES

The Audit & Finance Standing Committee could recommend that Regional Council fund this request from the general rate and therefore defer consideration of this request as part of the 2016/17 Capital Budget deliberations.

ATTACHMENTS

Appendix A – Results of Area Rate Ballot for Spider Lake Community Park Society

A copy of this report can be obtained online at <http://www.halifax.ca/boardscom/SCfinance/index.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

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Appendix A

Results of Area Rate Ballot for Spider Lake Community Park Society

On October 21, 2014, an information package including a ballot was mailed to the owners of the 120 taxable residential properties identified within the proposed catchment area. The information package included details of the purpose and amount of the uniform charge, and the date, time and location of a public information meeting which was held on Thursday November 6 at the Fairbanks Centre, Shubie Park, 54 Locks Road, Dartmouth. The results of the ballot are as follows:

Total in Favour of Uniform Charge:	38	% Respondents voting For:	48.7 %
Total Against Uniform Charge:	40	% Respondents voting Against:	51.3 %
Total Ballots Distributed:	120	Response Rate:	65.0 %
Total Ballots Returned:	78		

The results indicate that a slight majority of respondents oppose the area rate.

Before and during the public meeting staff became aware that there was some dissatisfaction with the suggested boundary for the proposed area rate. Staff was contacted by two property owners who felt they were not part of the Spider Lake subdivision. Seven homes in their area are older than the new development and are physically separated by an overpass over Highway 107. While staff understands that the SLCPS supports changing the proposed area rate boundary to exclude these seven properties, the vote was conducted on the basis of the original boundary and property owners were not given the option to alter the boundary. However, the vote was held for consultation purposes only and is not binding on Community Council or Regional Council which is free to accept or reject implementation of the area rate using either the original boundary or a modified boundary. As this is a proposal initiated by the community and not a municipal initiative, staff cannot advise on the most appropriate boundary for the area. For information purposes, the results of the ballot excluding these seven properties is as follows:

Total in Favour of Uniform Charge:	38	% Respondents voting For:	52.8 %
Total Against Uniform Charge:	34	% Respondents voting Against:	47.2 %
Total Ballots Distributed:	113	Response Rate:	63.7 %
Total Ballots Returned:	72		

The results indicate that if the seven properties are excluded from the results, there is a slight majority in favour of the area rate.