



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 11.1.3

Halifax Regional Council
July 8, 2008

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:

Handwritten signature of Geri Kaiser in cursive script.

Geri Kaiser, Acting Chief Administrative Officer

Handwritten signature of Paul Dunphy in cursive script.

Paul Dunphy, Acting Deputy Chief Administrative Officer - Operations

DATE: June 27, 2008

SUBJECT: Shubenacadie Canal Fundraising- Memorandum of Understanding

ORIGIN

The Shubenacadie Canal Commission has offered to advance a fundraising program for the restoration of the Shubenacadie Canal, which will also include HRM's Canal Greenway Project.

RECOMMENDATION

It is recommended that Regional Council;

- 1) Approve the terms of the Memorandum of Understanding between the Shubenacadie Canal Commission and the Halifax Regional Municipality as attached to this report.
- 2) Authorize the expenditure of \$55,000 from account CDG00493 for the purposes outlined in the agreement.

BACKGROUND

The Shubenacadie Canal Commission was formed by an act of the legislature to oversee, promote, interpret and, where appropriate, restore historical and environmentally significant remnants of the Shubenacadie Canal system. It is a provincial body with members appointed by the province. HRM appoints representatives to the Canal Commission as do the other municipalities through which the canal passes.

Thirty four kilometres of the canal are within the boundaries of HRM with a number of canal related properties being owned by the municipality. One of the key undeveloped properties is the former Starr Manufacturing Site which has been recognized nationally for its role in the advancement of 19th century industry in Canada. Buried on that site are the remnants of the first canal works, second canal inclined plane (marine railway) with turbine chamber and the Starr Manufacturing Plant workings. Last summer HRM conducted an archeological dig on the site in association with the Shubenacadie Canal Commission.

A plan was developed for the site which will see interpretation of the sites industrial and historic features as well as the creation of a public park and multi use trail (as part of the Shubie Trail).

DISCUSSION

The purpose of the Agreement is to facilitate fundraising for the construction of the Canal Greenway as well as other projects along the Shubenacadie Canal. Under its terms, the Canal Commission will take on the responsibility to administer the fundraising program which will include hiring the services of a professional fund raiser. HRM will provide a contribution of \$55,000 dollars to assist with securing the services of a fund raising agency.

Key to consideration of the \$55k municipal contribution is the fact that fundraising would be directed towards the Canal Greenway project associated with the Starr Property. HRM staff are looking at this partnership as a means to leverage funds from other sources towards the Canal Greenway project. The Canal Greenway Plan was approved by Harbour East Community Council and Marine Valley Community Council. Currently there is \$320k in Council approved funds towards the Canal Greenway project. The total cost of the project is estimated at approximately \$5.4 million dollars overall, with the needed park work estimated to cost \$1.3 million. (Stream day lighting and realignments to the Portland/Prince Albert/Alderney intersection make up the large part of the remaining balance.)

Funds raised from the campaign would also be directed towards other projects along the Canal such as creating operational Locks at Shubie Park, improvements at Portobello Inclined Plane and Port Wallace Locks as well as improving access through the canal to boaters. All of these projects are considered to be in the public interest and the interest of HRM.

BUDGET IMPLICATIONS

The \$55,000 contribution from the municipality will come from Capital Project CDG00493. The funds have been identified by finance staff and are available for the initiative. It is within the ability of Council to assign monies from a capital account to a fundraising campaign as the resulting funds will contribute to improvements to a municipally owned asset.

Budget Summary: Capital Account CDG00493 Implement Greenway Study

Unspent Cumulative Balance	\$320,000
Less: Contribution	<u>\$ 55,000</u>
Uncommitted Balance	\$265,000

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality’s Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

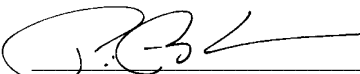
Council could choose not to approve the terms of the agreement and direct staff to proceed with the project on its own.


ATTACHMENTS

Agreement between Halifax Regional Municipality and Shubenacadie Canal Commission

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.

Report Prepared by: Peter Bigelow, Manager, Real Property Planning, IAM, 490-6047

Report Approved by: 
Peter Bigelow, Manager, Real Property Planning, IAM, 490-6047

Financial Approval by: 
Catherine Sanderson, Senior Manager, Financial Services, 490-1562

Report Approved by: 
Cathie O'Toole, Director, Infrastructure and Asset Management, 490-4825

AGREEMENT

Between the

**Halifax Regional Municipality
(‘the Municipality’)**

and the

**Shubenacadie Canal Commission
(‘the Commission’)**

Hereinafter collectively called ‘the parties’.

WHEREAS the Commission has been established by an Act of Nova Scotia legislature and given the mandate to oversee, promote, interpret and where appropriate, restore historical and environmentally significant remnants of the Shubenacadie Canal system (the Canal’);

AND WHEREAS a section of the Canal lies within the Boundaries of the Municipality and includes lands owned by the Municipality;

AND WHEREAS the Municipality has the primary responsibility for preservation and interpretation of valuable cultural and industrial resources on Municipality owned lands;

AND WHEREAS THE Commission and the Municipality wish to cooperate and work together jointly in respect of the restoration, development, interpretation and promotion of that section of the Canal located within the Municipality;

IN CONSIDERATION of the mutual covenants and conditions hereinafter contained, the parties agree as follows:

1. The parties will work together cooperatively in respect of the restoration, development, interpretation and promotion of that section of the Canal located within the Municipality; and in particular the lands and remnant structures owned by the Municipality on the Dartmouth Inclined Plane and the former Starr manufacturing property in Downtown Dartmouth (the ‘joint project site’) as per the draft plan described in the publication of the CBCL report entitled, ‘The Canal Greenway Phase II’).
2. The Municipality recognizes that the Commission has its own business plan regarding work on properties owned by the Commission and located both within and outside the Municipality and that this agreement will assist both in the development of the joint project site as well as have additional benefits to the Commission in terms of advancing its business plan in respect of its own properties.

3. The parties shall agree upon a goal for fund raising, recognizing that this goal shall be flexible, taking into account the anticipated interest of businesses and the public in donating funds and the final project cost. The parties agree that the services of a professional fund raiser (the 'fund raiser') will be retained by the Commission to manage a campaign to raise the capital needed to finance the restoration, conservation and interpretation of the Canal as per the Canal Greenway Phase II project plan.
4. The parties agree that the Commission will by a Request for Proposals competitive bidding process hire the fund raiser. The Municipality shall provide the sum of \$55,000 to the Commission to be applied towards the initial cost of obtaining the services of the fund raiser, including the up front fees for a campaign feasibility study as well as other capital campaign expenditures and assist the Commission to identify other sources of funding. Representatives from the Municipality shall participate in the review of responses to the Request for proposals and the parties shall agree on the selection of the fund raiser, fee structure, and other conditions of contract.
5. The parties recognize that the fund raising campaign is unlikely to secure one hundred per cent of the funds required for the project. The Commission shall not be responsible for any shortfall in fund raising for the joint project site and no work or any component of work on the joint project site shall be tendered or awarded unless funding is in place for said work; however funding for the entire project need not be in place before any component is undertaken. The Municipality may at its sole discretion allocate additional capital monies for work on the site.
6. It is the intention of the parties that donations procured by the fund raiser shall be remitted to the Commission; however, donors may contribute monies for this project directly to the Municipality if they prefer to do so. The Commission shall keep donations made for the purpose of implementation of the Canal Greenway Phase II project (including any accrued interest) accounted for separately from other Commission funds and the balance of such funds shall be reported monthly to the Municipality in writing. An annual statement of donations and received, accrued interest, and expenditures shall be submitted to the Municipality on an annual basis (coinciding with the fiscal year of the Shubenacadie Canal Commission), signed by the Treasurer for the Shubenacadie Canal Commission. Donations accepted through HRM will also be held in a separate account and shall accrue interest until they are expended.
7. All funds received by either party shall be fully documented including, but not limited to, the source of the funds, whether a charitable receipt was issued, what recognition is expected, and the designated purpose of the funds (including notation if no specific designation was made). The party receiving the donation will be responsible to issue a tax receipt to the donor.
8. It is recognized by the Municipality that the Commission is conducting fund raising efforts for other initiatives along the Shubenacadie Canal. The Municipality agrees that

funds raised through the ~~fund raising~~ campaign which are not designated for the joint project site may be accepted by the Commission but must be accounted for separately from Canal Greenway Phase II funds and still be reported to the Municipality as provided for herein.

9. A working committee of the Commission and the Municipality shall be formed for implementation of the joint project work. The Commission shall be responsible for contracting work by competitive process to be done on the joint project site with technical assistance from HRM staff. Such work shall only be contracted and awarded with the approval of the Municipality.
10. The prioritization of components of the Canal Greenway Phase II project plan shall be at the discretion of the Municipality. The Municipality will however consult with the Commission in writing. Upon execution of this agreement the Commission and HRM staff shall meet to identify first five priorities.
11. Any changes ordered after work is contracted, whether resulting in additional costs or not, shall be by agreement of the parties. The Municipality may agree to additional work requested by the Commission, at cost to the Commission. Should such changes not be agreed to mutually, the Municipality shall have the final decision. Where additional work is required by the Municipality, it will be responsible for funding any additional costs associated with such changes.
12. This agreement may be terminated by either party upon providing two (2) weeks written notice. Upon termination any funds raised for the Canal Greenway Phase II project related to the joint project site shall be turned over to the Municipality within ten (10) business days. The Municipality shall use these funds for the sole purpose of advancing the Canal Greenway Phase II project.
13. Signage on the joint project site shall acknowledge the contributions of both the Municipality and the Commission.
14. To facilitate the administration of this Agreement, the contact person at HRM shall be Peter Bigelow, Manager, Infrastructure and Asset Management, and the contact person at the Commission shall be John O'Connor, Chairman.

Halifax Regional Municipality
per

Shubenacadie Canal Commission
per

Mayor

Chairman

Clerk

Secretary