



PO Box 1749
Halifax, Nova Scotia
B3J 3A5, Canada

Item No. 2
Halifax Regional Council
October 12, 2010

TO: Mayor Kelly and Members of Halifax Regional Council

Original Signed by Director

SUBMITTED BY: _____
Paul Dunphy, Director of Community Development

DATE: September 17, 2010

SUBJECT: **HRM Community Facility Partnership Fund: 2009-2010 -**
Shubenacadie Canal Commission

INFORMATION REPORT

ORIGIN

Staff report to HRM Grants Committee dated January 15, 2010 - Staff recommendation to carry forward application from Shubenacadie Canal Commission for consideration in the 2010-2011 program.

HRM Grants Committee report to Regional Council dated February 1, 2010 - Recommendation to award a conditional grant carried forward to 2010-2011 subject to confirmation of the balance of project funding by August 30, 2010. Regional Council approved deferral of decision pending review of additional information (Item 10.3.1 - February 9, 2010).

Supplementary staff report to HRM Grants Committee dated March 16, 2010 - proposed conditions of funding.

Letter to HRM from Shubenacadie Canal Commission dated May 31, 2010 - formal notice of withdrawal of application.

BACKGROUND

In 2009, HRM solicited submissions to the *HRM Community Partnership Fund*. Staff recommended the Shubenacadie Canal Commission's application for a capital grant in the amount of \$525,000 be carried forward to the 2010-2011 program for further consideration. The applicant did not meet the program's funding requirement of 50% of funding with the balance confirmed. As such, the project was considered to be in development.

At their meeting of January 10, 2010, the HRM Grants Committee overturned the staff recommendation and proposed conditional funding in the amount of \$500,000 be carried forward to 2010-2011 in a designated reserve pending compliance with the Fund's policy (ie. confirmation of the balance of funding in the amount of \$1,500,000) by August 30, 2010. Subsequent to the Committee's deliberations, additional information was sought with respect to a Memorandum of Understanding (2008) between HRM and the SCC and the findings of a Capital Campaign Feasibility Study (2008) funded by HRM.

After further review, HRM staff prepared a Supplementary Report dated March 16, 2010, that was debated by the HRM Grants Committee at their meeting of May 3, 2010. Staff recommended additional terms and conditions should the Committee elect to proceed with their initial recommendation of a conditional award. See: **Attachment 1**. Further, staff and the Committee were advised that SCC's request for provincial funding had been declined. The applicant is unable to meet the *Community Facility Partnership Fund* minimum requirements re: project financing. Written confirmation was sought from the SCC and is included in this report as **Attachment 2**.

DISCUSSION

Further to the motion approved by Regional Council February 9, 2010 to: "Refer the application from the Shubenacadie Canal Commission, Dartmouth, back to the Grant Committee for review of additional information regarding the application" (Minutes, Item 10.3.1) this report provides an update on the findings of the staff review regarding an MOU and previous funding in the amount of \$55,000 to hire a fundraising consultant. With SCC's withdrawal, the file is now closed. The Commission may elect to re-apply at some future date.

BUDGET IMPLICATIONS

There are no budget implications.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

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

COMMUNITY ENGAGEMENT

Not applicable.

ATTACHMENTS

1. Staff report to HRM Grants Committee dated March 16, 2010
2. Letter to HRM from Shubenacadie Canal Commission dated May 31, 2010

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: Peta-Jane Temple, Team Lead Grants & Contributions, Community Development, 490-5469

Report Approved by:

Andrew Whittamore, Manager of Community Relations & Cultural Affairs,
Community Development, 490-1585

Attachment 1



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

**HRM Grants Committee
May 3, 2010**

TO: Chair and Members HRM Grants Committee

SUBMITTED BY:

A handwritten signature in black ink, appearing to read "Paul Dunphy", written over a horizontal line.

Paul Dunphy, Director, Community Development

DATE: March 16, 2010

**SUBJECT: HRM Community Facility Partnership Fund: 2009-2010
Shubenacadie Canal Commission**

SUPPLEMENTARY REPORT

ORIGIN

February 9, 2010 motion of Regional Council (item 10.3.1):

“MOVED by Councillor Dalrymple, seconded by Councillor Sloane, that Halifax Regional Council:
2. Refer the application from the Shubenacadie Canal Commission, Dartmouth, back to the Grants Committee for review of additional information regarding the application.”

RECOMMENDATION

It is recommended that the HRM Grants Committee recommend that Halifax Regional Council:

1. approve in principle a commitment of \$500,000 from Account Q138, Community Facility Partnership Reserve, with the conditions that the Shubenacadie Canal Commission agree:
 - a) that any funds raised independently by HRM, gifted to, or received by HRM as cash in lieu, will not be credited to the joint Canal Greenway Phase II fundraising campaign;
 - b) to retain a professional conservator to ensure that the standard of proposed restoration work enhance eligibility as a National Historic Site;
 - c) to seek timely designation as a National Historic Site; and
 - d) to provide an updated, itemized breakdown of project costs to HRM.

BACKGROUND

This report provides additional information with respect to the application for funding from the Shubenacadie Canal Commission. Based on the findings, staff have recommended additional terms be applied to any conditional award.

In 2009, the Shubenacadie Canal Commission (SCC) made application for funding from the *HRM Community Facilities Partnership Fund* for a capital grant in the amount of \$525,000 towards major restoration of Lock 2 and a road crossing located within Shubenacadie Park in the vicinity of the Fairbanks Centre. The total estimated cost of the project is ~\$2,079,000. For further details See: **Attachment 1.**

The itemized project costs include:

Rebuilding Lock Walls	\$860,000
Design, Construction and Installation of “Miter” Gates	\$350,000
Design, Construction and Installation of “Falling Leaf” Gates	\$350,000
Road Crossing	\$250,000
Engineering Consultant	\$ 45,000
Environmental Consultant	\$ 35,000
	<u>\$1,890,000</u>
Contingency (10%)	<u>\$189,000</u>
Total	<u>\$2,079,000</u>

The SCC’s submission does not identify any funding source. Therefore, the application does not meet the Fund’s requirement of 50% of funding secured with the balance identified as confirmed (Policy. Item 6). Staff recommended the application from both the SCC and NSCAD be carried forward to the 2010-2011 program and considered along with any new applicants (Report to Grants Committee, January 15, 2010).

At their meeting of February 1, 2010, the HRM Grants Committee overturned the staff recommendation and in the alternative proposed a conditional award in the amount of \$500,000 subject to confirmation of funding by August 30, 2010. Subsequent to the committee’s deliberations staff were advised of a Memorandum of Understanding between HRM and the SCC with respect to joint fundraising (Report to Regional Council, June 27, 2008) and a grant of \$55,000 to retain the services of a professional fundraising agency. In light of this new information, the Grants Committee requested Regional Council refer the application back to the Grants Committee for further review.

DISCUSSION

I. Supplementary Information

The applicant’s submission to the Partnership Fund did not reference the Memorandum of Understanding (2008), or the Capital Campaign Feasibility Study (2008) prepared by RBR

Development Associates Limited and funded by HRM. This report addresses some questions raised by this disclosure.

1. Would a \$500,000 capital grant under the HRM Community Facility Partnership Fund divert fundraising efforts away from HRM-owned properties along the Shubenacadie Canal route, in effect placing provincially owned assets ahead of the Canal Greenway project and the Starr Manufacturing site?

The MOU between HRM and the SCC commits both parties to a long-term joint fundraising venture to raise a total of ~\$5,000,000 towards the comprehensive development of the canal's route including features such as parks, trail connections, and heritage interpretation. The agreement places priority on the former Starr Manufacturing site and the Dartmouth Incline Plane as described in a report prepared by Ekistics Planning & Design (Canal Greenway Phase II, 2006). See: **Attachment 2**. Arguably, the Dartmouth Incline Plane has more archaeological features as compared to the proponent's application for funding restoration of Lock #2 but does not have the anticipated impact in terms of water-based recreational and competitive sports opportunities.

In the opinion of staff, the intense focus required of volunteer resources to raise \$1,600,000 by August, 2010, and the execution of a complex heritage conservation project would in all probability divert attention away from the Canal Greenway/Starr site, at least in the short-term. Volunteer and/or donor fatigue could further delay the larger fundraising campaign in the mid-term.

The staff recommendation to defer a decision regarding the SCC request for funding was based on a lack of project readiness and confirmation of adequate financial resources (Report to Grants Committee dated February 1, 2010, p.13). However, if an award under the *HRM Community Facility Partnership Fund* is used strategically to strengthen an application to the Historic Sites and Monuments Board of Canada for designation of the Shubenacadie Canal as a National Historic Site the investment could create future options for federal funding. From this perspective, HRM's interest would be primarily in the heritage restoration aspect of the proposal and not the proposed changes to the roadway leading to an HRM parking lot. Consultation with HRM Planning & Development Staff and Parks Planning staff on the road/bridge element is advisable.

2. Has HRM, through the provision of a \$55,000 grant to the Commission to hire a fundraising consultant provided an unfair advantage relative to other applicants to the HRM Community Facility Partnership Fund?

It is anticipated that given the size of capital projects intended by the Fund that the majority of applicants will/should engage professional consultants in various capacities, including the development of a fundraising plan as applicable. However, applications to the *HRM Community Grants Program* for professional fees in association with a major capital project are restricted in

value¹. It should be noted, however, that the Canal Greenway/Starr Manufacturing site fundraising plan differs from other non-profit requests in that it includes HRM-owned properties. In the opinion of staff, there is no unfair advantage to the SCC but HRM should exercise caution in terms of the type of assistance provided prospective applicants to the Fund so as to avoid the perception of a perceived conflict of interest or preferential consideration.

II. Options

1. If the HRM Grants Committee disagree with staff's position and feel that the intent of the MOU has been compromised, and/or a grant of \$55,000 places the SCC at an advantage relative to other applicants, the committee may amend their recommendation accordingly.

2. The HRM Grants Committee could advance their initial recommendation of a conditional award but consider additional terms such as but not limited to:

- Any funds raised independently by HRM, gifted to HRM, or received by HRM as cash in lieu, would not be credited to the joint Canal Greenway Phase II fundraising campaign ie. would not constitute any part of the Commission's commitment under the Memorandum of Understanding (2008).
- In keeping with an emphasis on heritage restoration, it is critical to distinguish restoration work from repairs using the expertise of a professional conservator; the Fund does not consider repairs or enhancements as eligible expenses. Therefore, HRM's vested interests might be affirmed if written confirmation was provided by an accredited professional conservator that the standard of restoration proposed will not detract from the historical value of artifacts and enhances an application by the SCC for designation as a National Historic Site.
- A commitment, including a timeline, from the Shubenacadie Canal Commission as operator, and the Province of Nova Scotia as owner, that application will be made seeking designation of the Shubenacadie Canal as a National Historic Site.
- The project costs provided in the Condition Survey by O'Halloran Campbell are from 1991; higher costs should be expected. Therefore, an itemized description of the scope of work and updated costing should be required. This revised costing should also take into consideration a conservator's input with respect to conservation techniques and any applicable specialized trade.

¹ Recent examples include: \$25,000 to the Mi'kmaq Native Friendship Centre for a building condition report, architectural study, and feasibility study (2007), \$15,000 to Kinetic Dance/Halifax Dance for a feasibility study (2008); \$10,000 to Atlantic Film Festival for a feasibility study (2009), and \$15,000 to Kinetic Dance/Halifax Dance for a site selection/design study (2009).

If Regional Council approves the Grant Committee's recommendation to award a conditional grant staff will provide feedback to the applicant to guide their negotiations with other funding partners and to confirm what additional information is required by August, 2010.

3. The Grants Committee could revoke its recommendation to advance a conditional award and carry forward a balance of \$500,000 in unrestricted funds against reserve Q138 (Community Facility Partnership Reserve).

Arguably, there is a policy issue with respect to funding an applicant whose proposal does not comply with the program's stated requirements re: project financing and construction time lines. Other prospects might delay a submission so as to be compliant with the stated terms of funding. Or, as is the case with NSCAD's submission, have secured sufficient funding so as to qualify under the minimum value of project (\$2,000,000) with their respective share confirmed.

BUDGET IMPLICATIONS

If Council approves the committee's recommendation to award a conditional capital grant in the amount of \$500,000 to the Shubenacadie Canal Commission (SCC) it would be expended from Q138 (Community Facility Partnership Reserve). These funds would be considered committed funds, ie. not available for any appeal or new applicants. Should the SCC fail to meet the terms and conditions of funding, the grant commitment would be removed and made available for other proponents. Council is considering many options to reduce the deficit situation facing HRM. Approving the capital grant amount will preclude these from any budget reduction considerations.

Projected available balance in Q138 at March 31/10	\$ 500,000
Proposed 10/11 reserve budget:	
Contributions	\$ 0
Potential Withdrawal: Shubenacadie Canal Commission	(\$ 500,000)
Proposed 10/11 Grant Program	<u>0</u>
Projected balance at March 31, 2011	\$ 2,594

It is uncertain whether the 10/11 reserve budget will contain a contribution to the reserve. One of the ideas to be considered by Council as part of the strategy to balance the 10/11 budget, is a hiatus from the Community Facility Partnership Grants Program.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the proposed Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation. Council is considering many options to reduce the deficit situation facing HRM. Approving the award from this reserve would preclude this from any budget reduction considerations.

ALTERNATIVES


1. The Grants Committee could request further information or amend the proposed conditions of funding.

ATTACHMENTS

1. Supplementary Information
2. Report to Regional Council dated June 27, 2008 - Shubenacadie Canal Fundraising Memorandum of Understanding

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: Peta-Jane Temple, Team Lead Grants & Contributions, HRM Community Development
490-5469

Report Approved by: 
Andrew Whittemore, Manager, Community Relations & Cultural Affairs,
Community Development, 490-1585


Cathie O'Toole, CGA, Director of Finance, 490-6308

**Attachment 1
Supplementary Information**

Proposed Capital Project Scope of Work

Lock #2 is located at the North end of Lake Mic Mac within Shubenacadie Park in close proximity to the Fairbanks Interpretation Centre. A 1991 engineering report noted that the structure is need of extensive stabilization, gates and wall construction to be made operational. When restored it will be the final piece in opening the Canal to recreational boaters and the proposed development of tours from Lake Banook, through Lake Mic Mac and into Lake Charles².

As a result of restoration work completed in 2005, the lock is capable of supporting the weight and operation of wooden “Miter” gates. This is the same type of gate that was successfully installed by HRM at Lock #1. A second water control structure, called a “Falling Leaf” gate, would also be installed to complement the operational function of the lock system and provide visitors with an understanding of how the system originally worked. Finally, the channel above Lock #2 which has been in-filled with the construction of a bridge leading to an HRM parking lot inside Shubenacadie Park would be re-located or replaced by a bridge structure so as to allow boats to travel up the canal.

Memorandum of Understanding with HRM Re: Fundraising

In 2002, HRM and the Shubenacadie Canal Commission retained Ekistics Planning & Design to determine the optimal solution to link Dartmouth Cove to the Lake Banook trail system. The report was a vision document that outlined a possible design for the former Starr Manufacturing property with open space and trail connections to Sullivan’s Pond and the Dartmouth waterfront (Canal Greenway Phase II, 2006, p.1). In 2006, CBCL Consulting Engineers were commissioned to update the initial plan with detailed drawings and cost estimates for proposed trail/road intersections, alternate uses for the former Starr Manufacturing lands that contain an inclined plane turbine chamber and other canal and archaeological features, and an interpretive pavilion. The proposed scope of work and costing did not include the restoration of artifacts (eg. canal locks and walls etc).

In 2008, in response to an offer from the Shubenacadie Canal Commission to advance a fundraising program for the restoration of the Shubenacadie Canal, Regional Council approved a Memorandum of Understanding (MOU) whereby the commission would raise funds primarily for the Canal Greenway project (Council Report dated June 27, 2008). Under the terms of the MOU the Canal Commission assumed responsibility to administer a fundraising campaign. The estimated value of funds to be raised \$5,400,000 but phased over several years. The Commission

² Lock 1, in Dartmouth, has been restored but will not become functional because it serves as a water control structure for the downtown area. Lock 1 is owned by HRM and operated by the Halifax Water Commission.

were to be assisted through an HRM contribution of \$55,000 to secure a professional fundraising agency. The staff report to Regional Council states:

“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”

“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”.

Clearly, the MOU places priority on the Starr property, Portobello Inclined Plane, and Port Wallace Locks. The SCC’s application to the Partnership Fund includes one of two locks (Lock #2 and Lock #3) that constitute the “Port Wallace Locks” and as such is congruent with this part of the MOU.

Capital Campaign Feasibility Study: Final Report (2008)

In 2008, the SCC retained the services of RBR Development Associates Limited to assess the feasibility of raising an initial \$3,050,000 in private sector funding towards restoration of the Dartmouth Inclined Plane (\$1,450,000), Rebuilding Lock #2 (\$1,050,000), water control structures (\$200,000), and gates at Lock #3 (\$350,000). A Preliminary Case for Support document and cover letter was sent to twenty-two individuals identified as key stakeholders and/or potential donors. Thirty-four interviews were also conducted to gauge personal perceptions of the project, potential giving, and the overall feasibility of raising the campaign’s goal of \$3,050,000.

The findings of the study identified some major challenges including the SCC’s organizational profile, the need to augment resources, the need to target communications, to develop a detailed operating plan, and a refined and highly customized case for support containing more detail. The consultant’s report concluded that “....The findings of the Study do not support a recommendation to proceed with a \$3 million capital campaign appeal at this juncture” (p.39). It is interesting to note that interview respondents did not see the “lead gift” (\$475,000) as coming from the private sector - many felt that either the federal, provincial or municipal government should lead in this regard (p.21).

It should be noted that the study assessed the feasibility of raising \$3,000,000. If awarded a capital grant of \$500,000 from HRM, the SCC would have to raise \$1,600,000 and would in effect have the “lead gift” with which to leverage private and corporate donations. HRM staff are not aware of the status of a detailed campaign plan as per the consultant’s recommendations.

Attachment 2
Report to Regional Council dated June 27, 2008 -Shubenacadie Canal Fundraising
Memorandum of Understanding



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:

A handwritten signature in black ink, appearing to read "G. Kaiser".

Geri Kaiser, Acting Chief Administrative Officer

A handwritten signature in black ink, appearing to read "Paul Dunphy".

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/agenda.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.

Agreed to this day of , 2008

Attachment 2



SHUBENACADIE CANAL COMMISSION

Fairbanks Centre, 54 Locks Road, Dartmouth, NS B2X 2W7 - Tel: (902) 462-1826

31 May 2010

Ms. P. J. Temple
Grants Committee
Halifax Regional Municipality
P. O. Box 1749
Halifax, NS

Re: HRM Community Facility Partnership Fund application


Dear P. J.;

Our Commission was very proud to have been granted preliminary approval for our application under the "Community Facilities Partnership" to restore the lock immediately behind the Fairbanks Centre. We felt that it would have greatly enhanced our ability to interpret the tremendous legacy we have here in the neighbourhood and actually bring the Canal alive to many citizens.

Unfortunately, our hope that the Province of Nova Scotia would be able to join in the project as a financial partner have not been realized. We therefore have recorded a unanimous resolution in the Minutes of our most recent Annual General Meeting to withdraw our request to the HRM Grants Committee for funding for this application year.

Your generous support was truly appreciated and the Commission looks forward to being able to resubmit a similar application in the near future.

Sincerely,


John F. O'Connor
Chairman