

# HALIFAX

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**Item No.14.1.18**  
**Halifax Regional Council**  
**July 18, 2017**

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

**SUBMITTED BY:**

Original Signed by 

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Jacques Dubé, Chief Administrative Officer

**DATE:** June 28, 2017

**SUBJECT:** **Halifax Community Road Train**

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## **ORIGIN**

At the March 22, 2017 meeting of the Halifax and West Community Council (Item 11.3.1), the following motion was put and passed: "That Halifax and West Community Council recommend Halifax Regional Council request a staff report in response to the presentation and request provided on the 'Halifax Community Road Train' by Dennis Campbell, CEO Ambassadors."

## **LEGISLATIVE AUTHORITY**

HRM Charter, section 79 (1) (av) respecting allowable expenditures for grants and contributions.

## **RECOMMENDATION**

It is recommended that Halifax Regional Council not provide the municipal funding requested to support the Community Road Train.

## **BACKGROUND**

Dennis Campbell, the CEO of Ambassatours, addressed the Halifax and West Community Council at their March 22 meeting and provided a presentation regarding a proposed 'Halifax Community Road Train'. The Road Train consists of an engine and three 20-passenger open-side train carriages and will hold 56 passengers. It is fully certified for road usage, the rear carriage is wheelchair accessible, and the train will have a professional driver and a safety attendant to welcome and assist passengers.

The Road Train is planned to run from June to October 2017. As presented to Community Council, the proposed route was a circular loop along Lower Water Street and Hollis Street. Proposed stops included the Cunard waterfront parking lot, Salter Street parking lot, Maritime Museum of the Atlantic, Chebucto Landing, and the Historic Properties.

To support the project, the Municipality has been asked to consider providing a three-year financial commitment as follows:

- Year 1 - \$50,000
- Year 2 - \$40,000
- Year 3 - \$30,000

## **DISCUSSION**

### **Construction Mitigation**

The downtown area is experiencing an unprecedented level of development, a result of which has been some difficulty of movement for both street and pedestrian traffic. One area which has been especially impacted is the waterfront boardwalk directly adjacent to the site of the ongoing Queen's Marque development, which is expected to be completed in 2019.

To facilitate ease of movement in this area, the Waterfront Development Corporation (WDCL) is supporting the efforts of tenants, landowners, and governments to mitigate the impact of construction and ensure a positive experience on the waterfront. WDCL and the Province are investing close to \$1 million in mitigation strategies including wayfinding signage, marketing and a sea bridge around the Queen's Marque site. WDCL has requested HRM participation in a coordinated approach to implementing strategies associated with parking, business operation, and traffic and pedestrian movement during the next three years of construction. In the context of these mitigation strategies, WDCL is supporting the Road Train Project as part of a multi-pronged strategy to ensure connectivity along the waterfront during construction and is contributing \$10,000 this year to the project.

Employing effective mitigation strategies to offset the effects of waterfront and downtown construction are important when considering the upcoming 2017 high season. In addition to the regular volume of tourism and pedestrian traffic, the Tall Ships Festival and Canada 150 events are expected to drive increased waterfront visitation during the upcoming summer. As one example, the ten-day span from July 28 to August 8 will include the Tall Ships Festival, Buskers Festival, and Natal Day festivities in and around the waterfront area. Previous Tall Ships years have seen a short-term increase in pedestrian traffic on the waterfront. For example, the 2000 festival, which was comprised of 82 ships, attracted an estimated 1,143,691 visitors over a five-day period. Although not as large as the 2000 festival, Tall Ships 2017 will see 40 vessels berthed on the waterfront.

Furthermore, the 2017 cruise season in Halifax is anticipated to be the busiest year to date, with a record number of passenger visits and vessel calls. From April 24 to October 31, the Port of Halifax is expecting 173 vessel calls carrying approximately 274,000 cruise guests.

### **Service Feasibility**

A two-week trial of the Road Train service was held along the Halifax waterfront in October 2016, initiated by Ambassatours Gray Line/Murphy's the Cable Wharf and Nova Scotian Crystal. Since the conclusion of the trial, several other local enterprises have expressed interest in expanding on this service. The Downtown Halifax Business Commission (DHBC) has committed funding to support the 2017 service.

The Ambassatours proposal compares somewhat to the former FRED (Free Rides Everywhere Downtown) route, which operated from 2006 to 2010. FRED provided free service during high season (July through October) on a loop route through the downtown core. FRED was an accessible low floor route that serviced specially marked bus stops. The service was funded 70 percent by Metro Transit, while the DHBC covered 30 percent. In 2010, the cost of the service was approximately \$76,160, with DHBC paying \$22,848 and Transit paying \$53,312. The proposed route also has some similarities to Transit's former Route 8, which operated in the downtown area and was discontinued due to low ridership. However, it should be noted that Route 8 was a regular fare-based transit route and not a free service like FRED or the proposed Road Train.

### **Traffic Considerations**

HRM's Traffic Management section has determined that the Road Train is a registered motor vehicle that meets Provincial requirements to operate on public roads, without the need for any special permits. Considering traffic conditions are generally slower in the urban core, and other slow moving vehicles such as the Harbour Hopper and Hop-on/Hop-off tour buses operate in this area with little impact to traffic flow, operation of the Road Train as proposed is not likely to result in any additional impact. Approval from HRM's Traffic Authority to designate appropriate on-street pick up/drop off locations along the entire route is a requirement.

### **Council Priority Outcomes**

The concept of the Community Road Train relates to three of the multi-year Council Priority Outcomes approved by Regional Council in December of 2016. The idea of moving people through the downtown core via a financially and physically accessible vehicle supports the Safe and Accessible Transportation Network priority under the Transportation outcome, as well as the Accessible Community priority under the Social Development outcome. Moreover, the Road Train proposal may have some indirect benefit to the Focus on the Regional Centre priority under the Economic Development outcome by helping to contribute to a vibrant and animated downtown hub.

### **Potential Funding**

As noted in the Background section of this report, a formal request for \$120,000 over three years to support the Community Road Train has been made through a presentation to the Halifax and West Community Council. Some supplementary documentation was received from the proponent during that presentation.

In addition to the financial request to the Municipality, the service is proposed to be funded by other organizations such as WDCL and DHBC, local businesses, combined with 'pay as you can' donations from the ridership. Ambassatours Gray Line will underwrite the losses for this service and, if there is any profit, the funds will go back into improving the service for future years.

The municipality does not have a grant program that can accommodate a funding request of this size. Eligibility criteria for the Community Grants Program provides for annual program grants to a maximum of \$5,000 and capital grants to a maximum of \$25,000. Previously, Regional Council has received other requests for funding support in amounts that exceed the threshold of Community Grants and other program guidelines. Regional Council does have authority under the HRM Charter to consider requests for funding from charitable organizations, including community and recreational organizations, on a case by case basis. In this case, a similar approach could be employed as those used to assess recent requests for significant levels of funding.

As per the HRM Charter, the Municipality cannot provide a grant to a private sector entity such as Ambassatours, but the proponent has indicated that a not-for-profit society has been established to oversee

the operations of this service. This society will work with businesses and other organizations that wish to become involved with the service. A December 2011 report by the municipal Auditor General that reviewed HRM's contribution to the Seaport Farmers' Market raised some concerns with the practice of providing funding to a not-for-profit society which is attached to a private sector entity. Therefore, if any municipal funding is provided to support this proposal, such funding would have to be contingent on receiving further information on the society operating the service.

An In-Camera report containing additional considerations regarding this proposal has been prepared.

In summary, municipal financial support for the Community Road Train is not being recommended due to the absence of a grant program or funding source available to support this initiative, as well as concerns noted in the Auditor General's report on previous municipal funding provided to the Seaport Farmer's Market. Additionally, there is a lack of detailed information from the proponent. However, if Regional Council chooses to accept the request from the proponent, a potential process has been outlined in the Alternatives section of this report.

### **FINANCIAL IMPLICATIONS**

There are no financial implications associated with the content of this report. If Regional Council chooses to accept the request of the proponent and allocate funding to the Community Road Train, a funding source will need to be identified within the existing 2017-18 operating budget and recommended by the Audit and Finance Standing Committee, as support for this request has not been included in the budget for the current fiscal year nor the 2018/19 fiscal year.

### **RISK CONSIDERATION**

There are no significant risks associated with the recommendation in this Report. The risks considered rate Low. If Regional Council chooses to accept the request of the proponent and allocate funding to the Community Road Train, a risk assessment will be conducted.

### **COMMUNITY ENGAGEMENT**

Not applicable

### **ENVIRONMENTAL IMPLICATIONS**

Not applicable.

### **ALTERNATIVES**

Regional Council may choose to accept the request of the proponent and allocate funding to the Community Road Train. If so, the report would need to be referred to the Audit and Finance Standing Committee for identification of a funding source. In that case, it would be recommended that:

1. Approval be contingent on receipt by the Municipality of:
  - a) proof of incorporation of the not-for-profit society established to operate the Train;
  - b) a detailed budget that includes expected contributions of confirmed partners;
  - c) a detailed Service Plan, hours of operation, number of daily trips and passenger capacity, and;
  - d) a requirement for detailed data collection and reporting to HRM.

2. Staff negotiate a Contribution Agreement with the incorporated not-for-profit society established to operate the Train;
3. The Chief Administrative Officer execute the Contribution Agreement; and
4. Staff return to Regional Council with an evaluation of the 2017 service to determine if the requested funding for 2018 and 2019 will be considered.

**ATTACHMENTS**

None

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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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