Agenda – Executive Policy Committee – February 21, 2007

REPORTS

Item No. 2 **Rivers West - Connecting Winnipeg-Pathways to the Future - Municipal Rural Infrastructure Fund Application**
File S-7

ADMINISTRATIVE RECOMMENDATION:

That Council endorses the subject MRIF Application submitted by Rivers West.

RE: Connecting Winnipeg – Pathways to the Future Municipal Rural Infrastructure Fund Application

FOR SUBMISSION TO: Executive Policy Committee

ORIGINAL REPORT SIGNED BY: Director of Planning, Property and Development

REPORT DATE: January 26, 2007

RECOMMENDATION:

That Council endorses the subject MRIF Application submitted by Rivers West.

Report Summary

Key Issues:

- At its meeting on June 29, 2005, Council adopted guidelines with respect to the endorsement of applications for funding under the Municipal Rural Infrastructure Fund (MRIF)
- The City of Winnipeg will not endorse any MRIF application from an external group that requires a capital contribution from the City.
- An MRIF application has been received from Rivers West regarding the development of cycling and pedestrian trails in Winnipeg.
- The City has committed to contribute funding of up to fifty (50%) percent of the cost of a pathway on the Marconi rail line in partnership with other organizations, beginning no later than Spring of 2008. However, Council did not commit to the level of development for said pathway. Depending on the pathway surfacing, pathway width, and whether the existing rail line ballast is utilized in the pathway construction the pathway would cost between $600,000 and $2,000,000 to develop. The level of pathway construction and thus the exact funding contribution from the City remains to be decided by Council.

General Implications

( ) None

(X) For the organization overall and/or for other departments

(X) For the community and/or organizations external to the City

( ) Involves a multi-year contract

Comment(s): Community groups/organizations interested in applying for MRIF require endorsement by the City.

Once the trails are constructed, the City will be responsible for maintenance and upkeep.

Policy Implications

( ) No

(X) Yes

Comment(s): The MRIF application supports the following policy statements from Plan Winnipeg:

3C-01: Provide Integrated Transportation Network
5C-01: Maintain and Expand the Public Park system
3D-02: Invest Strategically in New Infrastructure
5D-01: Promote Active Living

Regulatory Implications

(X) None

( ) Eliminates or reduces regulatory impact

( ) Proposes regulatory impact

Comment(s):

Environmental Implications

( ) No

(X) Yes

Comment(s): The project would lead to increased opportunities for cycling, walking and other forms of active transportation among the residents of Winnipeg, and would likely bring about reduced levels of greenhouse gas emissions. It would also allow more people to use alternative methods of transportation in their daily commute.

Human Resources Implications

( ) No

(X) Yes

Comment(s): Once the trails are constructed, the City will be responsible for maintenance and upkeep. This will require additional resources in the future.

Financial Implications

( ) Within approved current and/or capital budget

(X) Current and/or capital budget adjustment required

Comment(s): The City has already approved $65,000 in funding for selected components of this project. In addition, City council has committed to 50% of the funding required for constructing the Marconi Line trail. The City has not yet committed to the level of development of the trail.

Once the trails are constructed, the City will be responsible for maintenance and upkeep. This will require additional financial resources in the future.

Report

REASON FOR THE REPORT:

The guidelines for funding under the MRIF adopted by Council on June 29, 2005, require external groups to provide copies of their MRIF application to the Executive Policy Committee Secretariat for review and comment by the Administration.

HISTORY:

At its meeting of June 29, 2005, Council adopted the following policy guidelines to regulate the endorsement of applications applying for funding under the Municipal Rural Infrastructure Fund (MRIF).

> A. The City of Winnipeg will not endorse any MRIF application from an external group, which requires a capital contribution from the City.
>
> B. To allow all groups equal opportunity to apply, the City of Winnipeg sets three deadline dates for consideration of MRIF internal and external applications: September 1, 2005, January 1, 2006 and June 1, 2006.
>
> C. To coordinate the endorsement process, external groups are required to provide copies of their MRIF application to the Executive Policy Committee Secretariat for review and comment by the Administration.
>
> D. Preference for endorsement will be given to projects that originate from the City of Winnipeg.

At its meeting of September 27, 2006 Council approved, in regards to the Marconi rail line trail in part, that:

> The City commit to contribute funding of up to fifty (50%) percent of the cost of a pathway in partnership with other organizations, beginning no later than Spring of 2008, and that this matter be referred to the 2007 Capital Budget process.

DISCUSSION:

An MRIF application has been received from Rivers West. Rivers West has proposed a project called “Connecting Winnipeg – Pathways to the Future”. The objective of the project is to establish a citywide bicycle and pedestrian pathway system, which is segregated from motorized traffic where practical and feasible, and which creates links to important destinations. The project proposes the construction of new active transportation paths divided into two phases. The first phase would complete the Trans

Canada Trail within Winnipeg while the second phase would connect existing trails that are important for a comprehensive trail system.

Phase 1 – Trans Canada Trail Segments

Trail Name	Length (kms)	Estimated Cost
Chief Peguis Pedestrian Trail	2.4	$115,000
Harte Trail	0.8	$150,000
Fort Whyte Alive	1.6	$200,000
Bishop Grandin Greenway West	4.5	$1,800,000

Phase 2 - Connection to Existing Trail Segments

Trail Name	Length	Estimated Cost
Transcona Trails	9.0	$150,000
Bishop Grandin Greenway East	3.1	$380,000
Marconi Rail line Trail	7.0	$2,000,000

When consultant fees of 10% and a 20% contingency are added the total eligible costs are $6.23 M.

The Applicant states that they have the following contributions so far totaling $315,000 toward eligible costs. A grant from the Manitoba recreational Trails Assoc. (MRTA) has been received for $5,000 for the Chief Peguis Pedestrian Trail; Fort Whyte Alive have received $150,000 in grants for their component; the Transcona Trails have received $10,000 for their component; and $150,000 has been committed by Mr. Buhler for a pathway on the Marconi rail line. Of these grants only the $150,000 for the Marconi rail line has been documented.

The City is in the process of acquiring the Marconi Rail line between the Nairn overpass and the northern City limits from Mr. Buhler. As part of this acquisition Mr. Buhler has pledged $150,000 towards the construction of an active transportation pathway on the property. This money is subject to a monetary contribution from the City, which currently has not been identified.

Council approved the acquisition of the Marconi Rail line on September 27, 2006. At the same meeting Council committed to contribute funding of up to fifty percent of the cost of a pathway in partnership with other organizations, beginning no later than the spring of 2008, and that this matter be referred to the 2007 Capital Budget process. However, Council did not commit to the level of development for said pathway. Depending on the pathway surfacing, pathway width, and whether the existing rail line ballast is utilized in the pathway construction the pathway would cost between $600,000

and $2,000,000 to develop. The level of pathway construction and thus the exact funding contribution from the City remains to be decided by Council. The subject MRIF application by Rivers West assumes the Marconi Rail line pathway construction cost to be $2,000,000.

An additional $65,000 in City funding has already been approved for several of the project components. At this point, $30,000 has been approved through the City of Winnipeg's Community Incentive Grant Program (June 21, 2005) for the Bishop Grandin Greenway East component; $25,000 has been approved from the Riel Land Dedication Reserve (September 27, 2006) for the Bishop Grandin Greenway West component; and $10,000 has been approved from the East Kildonan – Transcona Land Dedication Reserve (September 27, 2006) for the Chief Peguis Pedestrian Trail.

This brings the total contribution to $380,000. This amount is far short of the $2.077 million contribution outlined in the proposal. However, Rivers West is in the early stages of their fund raising program and expects that a Council endorsement of their proposal would significantly enhance their fund raising efforts.

All the above trail segments, except the Fort Whyte Alive segment, are on property that is or will be owned by the City of Winnipeg including the Marconi rail line in a land transfer (closing date of March 1, 2007). While land value is not an eligible cost under the MRIF Program there is a section in the MRIF Application Form to identify ineligible costs.

The City has committed $1.7 million to the purchase of the Marconi rail line. In addition, an appraisal has been done on the land to be utilized for the Bishop Grandin Greenway, East and West. Said appraisal is estimated at $185,000. The land appraisal was done for the Bishop Grandin Greenway for a possible Winnipeg Partnership Agreement funding application. Appraisals for the rest of the trail segments have not yet been done.

The Administration has conducted a review of the Rivers West MRIF application. In general, the plan is an ambitious one but one that supports very closely the Policy directions outlined in Plan Winnipeg 2020 Vision, specifically sections 3C-01, 3D-02, 5C-01, and 5D-01. In addition, their proposal is consistent with the Winnipeg Trails Association Strategic Trails Plan for Winnipeg (funded by Rivers West and the City of Winnipeg) and the findings and recommendations of the City's Active Transportation Study. While none of the proposed trails are part of the City of Winnipeg's Riverbank Parkway System most of them would be important connections to this system.

There is limited information upon which to evaluate the project's financial sustainability. The applicant currently has a shortfall of approximately $1.697 million. The City will be responsible for operating and maintaining the trails. A preliminary estimate has been compiled for the annual operation and maintenance of the Marconi Trail of approximately $26,000, which includes cutting the grass along the corridor and winter snow clearing, as well as routine maintenance. It might be reasonable to extrapolate this figure to the remaining trail segments. This would give an overall estimate of the annual operating and maintenance costs for all the trail segments included in this proposal of between $85,000 and $127,000.

The proponent does not have a business plan. They suggest that since the maintenance of the trails would be the responsibility of the City, a financial overview is all that is required. This project would enable residents of Winnipeg to enjoy a well-developed trail system without placing additional development costs on the City's budget. To summarize, a detailed financial analysis of the proposal has not been completed and as such, it would be premature to confirm that a solid business plan is currently in place.

It is clear however, that the Winnipeg Trails Association and Rivers West have put in significant effort toward developing this proposal. The proposal is largely based on recent public consultation as well as their Strategic Trails Plan, which was developed in 2003 following public consultations but never presented to Council. The WTA participated with the development of the City's own Active Transportation Study in 2005.

Council may wish to endorse the WTA's MRIF application so that the WTA can proceed with their application and further development of their business plan and fundraising campaign. Council may also wish to emphasize that an endorsement does not signal a financial obligation or any further commitments by the City to the project.

However, if the City were to decide that it wanted to make a monetary contribution towards this proposal it would be important to know that any funding received from the Provincial or Federal governments would not be eligible for the MRIF Program.

Financial Impact Statement Date: January 4, 2007

Project Name:

Connecting Winnipeg – Pathways to the Future Municipal Rural Infrastructure Fund Application

COMMENTS:

The recommendation in this report is that Council endorses the subject MRIF Application submitted by Rivers West. There are no direct financial implications associated with this recommendation.

"Original Signed By"
Mike McGinn, CA
Manager of Finance

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:

Public Works Department

CAO Secretariat

External Consultation With:

Rivers West

Winnipeg Trails Association

THIS REPORT SUBMITTED BY:

Department: Planning, Property and Development
Division: Planning and Land Use
Prepared by: Kevin Nixon, Park Strategic Planner
PPD File No.