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Item No. 14.1.6
Halifax Regional Council
October 30, 2018

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original Signed

Jacques Dubé, Chief Administrative Officer

DATE: October 23, 2018

SUBJECT: Port of Halifax

ORIGIN

Public discussion and debate on the future of the South End Container Terminal and Port of Halifax.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter

2 The purpose of this Act is to (a) give broad authority to the Council, including broad authority to pass by-laws, and respect its right to govern the Municipality in whatever ways the Council considers appropriate within the jurisdiction given to it.

Business and industrial development

71 (1) The Municipality may (a) solicit and encourage the establishment and development of new, and the establishment, development and expansion of existing institutions, industries and businesses in and around the Municipality;

RECOMMENDATION

It is recommended that Halifax Regional Council receive a presentation from the Halifax Port Authority.

BACKGROUND

The Port of Halifax is Nova Scotia's container port. It is also the largest industrial and commercial port in the Atlantic Region. The current site of the Port of Halifax in the south end has seen cargo handling since at least the early part of the twentieth century with the development of the Ocean Terminal starting around 1913 and further development as a container terminal with the development of the Halterm terminal in the late nineteen sixties.¹

In more recent years, there has been periodic discussion in the public and the media about whether the south end container terminal is the best and most appropriate use for those lands and whether the location

¹ For a detailed history of the Port, see "Canada's Atlantic Gateway; An Illustrated History of the Port of Halifax", by James D. Frost.

is conducive to competitive Port operations. Related to the first question, is also the question of whether disruptive impacts of the Port operations can, with reasonable efforts, be mitigated to the satisfaction of most residents, or whether they are incompatible with the kind of city the Halifax Regional Municipality wants to be.

DISCUSSION

This report:

- 1) Summarizes the relationship of existing HRM policy to the Port of Halifax in general, and the South End container terminal specifically,
- 2) Highlights the economic impact of the Port of Halifax in Halifax and Nova Scotia,
- 3) Reviews questions related to truck traffic in the downtown, actual and potential mitigations and the relationship between the Cogswell Interchange project and the South End Container terminal, and
- 4) Highlights some of the relative advantages of Halifax as a location for the Port.

1) Existing HRM Policy and the Port

Regional Plan

The municipality's Regional Plan, adopted in 2006 and updated in 2014, is the municipality's primary planning document and articulates the overall vision for land use and development in Halifax with both the original plan development and the update drawing on significant public engagement and input. The original Regional Plan was also informed by recommendations and work of a [Halifax Harbour Plan Steering Committee](#). The Economic and Finance section of the current Regional Plan includes two objectives relatives to the Port:

Section 5.1 – Objectives

6. Ensure that there are sufficient lands available around the harbour and in business parks to provide economic opportunities;
7. Support and enhance our land, port and air transportation facilities;

The plan also speaks to HRM establishing a Halifax Harbour Designation that would support a range of development opportunities including industrial and commercial uses. Section 5.3.4 states that: "Halifax Harbour plays a strategically important economic role to HRM and the Province of Nova Scotia for shipping, ship building, naval operations and other port related industries. HRM seeks to ensure that sufficient lands are retained for these purposes and that the viability of these activities is not compromised by development of incompatible uses in their proximity." The section on Halifax Harbour Designation recognizes potential compatibility issues maintain the economic viability of marine-dependent uses, protecting Harbour Industrial uses from encroaching residential uses. This Halifax Harbour Designation has been in place since the adoption of the 2006 Regional Plan and has been translated in local plans and land use by-laws in a number of ways.

Economic growth plan 2016-2021

Halifax's economic growth plan 2016-2021, adopted by Regional Council in 2016, identifies Halifax's value proposition upon which the plan's strategic goals are built. The value proposition has three pillars: ocean advantage, educated/innovative community and excellent rural/urban lifestyle. The ocean advantage pillar recognizes the ocean as a driver of our economy and a competitive advantage for Halifax in various sectors

including transportation and logistics. The strategy action plan includes an action to ensure that an adequate supply of industrial lands is available to support economic development objectives.

[Centre Plan](#)

In addition to relevant objectives around jobs and economic development, and employment areas, the Centre Plan background document, developed with extensive public input, includes policy statements specifically relating to supporting the working harbour and industrial and commercial uses of the harbour.

Section 3.7.2 includes the following:

Centre Plan Working Harbour

- d) Along the harbour's edge, encourage the retention and development of industries which are harbour-related. Appropriate harbour related uses may include:
 - i. Bulk product, container and general cargo storage and handling
 - ii. Sea product processing
 - iii. Marine research
 - iv. Construction maintenance and repair of marine vessels
 - v. The construction, assembly, maintenance and repair of submarine, mineral, exploration, and extraction equipment
 - vi. Other industrial uses in which marine vessels and direct access to salt water is necessary
 - vii. Uses accessory to any of the foregoing

Non-Industrial Harbour Uses

- e) The development of non-harbour related commercial and industrial uses in areas designated "Industrial" and zoned harbour-related uses should be restricted in size and scale so that the long-term intent of these areas for harbour industrial uses is preserved. The proposed development shall:
 - i. Not be detrimental to the port or other harbour related industries
 - ii. Generate only a level of vehicle trips that can be reasonably accommodated on the present street system

More detailed policies and land use regulations for the Employment and Industrial Lands will be subject to public consultation as part of Package B Centre Plan.

The Downtown Dartmouth Designation of Package A (October 2018) includes a Waterfront Special Area to recognize and protect waterfront land uses.

Major changes in land use, such as a potential re-location of a port, can be considered as part of future amendments to the planning documents.

[Integrated Mobility Plan](#)

The Integrated Mobility Plan (IMP), endorsed by Regional Council on December 5th, 2017 sets out deliverables and core concepts for transportation and land use planning in the Halifax Regional Municipality. The IMP establishes a framework outlining options for moving people and goods through integrated transportation and land use planning. Section 3.3 of the IMP is about Goods Movement and sets out an objective of continuing to facilitate the efficient and economically sound movement of goods in the Halifax region, while striving to minimize the associated social and environmental impacts.

The section outlines a number of key considerations related to this objective including the impact of trucks in the downtown, options to mitigate their impact such as: operational, improvements, use of the rail cut, a rail shuttle, cross harbour truck ferry or terminal relocation, other considerations include road safety,

design & maintenance for trucks, land use and goods movement, “Last mile” urban delivery and goods movement coordination.

Section 3.3.5 includes the following policies and actions relevant to goods movement in Halifax:

- a) Ensure that the accommodation of trucks and commercial vehicles is considered in the planning and design of the transportation network.

Action 106: Complete a review of the current Truck Route By-Law to determine if and where any revisions would be beneficial based on current and projected truck demands and land use / settlement patterns

Action 107: Complete streets projects on designated truck routes should incorporate design elements that accommodate trucks.

- b) Develop strategic working relationships with other stakeholders in transportation to collaborate and communicate on mutual transportation objectives (e.g. Halifax Gateway, Halifax Port Authority, Halifax Chamber of Commerce, Stanfield International Airport, CN Rail).

Action 108: Provide an ongoing forum for input from regional stakeholders to discuss issues and build consensus for goods movement solutions.

Action 109: Compile and share data and apply analytical tools to identify goods movement needs and assess the effects of goods movement strategies and proposals.

- c) Work with the Halifax Port Authority, CN Rail and trucking companies to develop and implement an alternative for trucking through the Halifax Peninsula.

Action 110: Work with CN and the Halifax Port Authority to retain and augment rail capacity through the South End rail cut.

Action 111: Investigate the possibility of using track and signaling improvements that would be needed for a potential commuter rail service, to enable trucks, trailers and containers to be shuttled by rail between the South End container terminal and the provincial freeway network.

Action 112: Explore other opportunities for transporting containers within the region to minimize truck impacts without hampering transport economics. These opportunities may include a rail shuttle, cross-harbour truck ferry and truckways.

- d) Plan for future rail and freeway access improvements for Burnside Business Park and other industrial parks within the municipality.

Action 113: Work with CN, Nova Scotia Transportation and Infrastructure Renewal and private landowners to reserve the right-of-way for a future rail spur into the Burnside Expansion Area and adjacent municipal industrial land reserve.

[Downtown Halifax Secondary Municipal Planning Strategy](#)

The 2009 Downtown Municipal Planning Strategy also speaks to goods movement in the downtown, noting some of the challenges related to freight movement downtown and indicates that as part of the Transportation & Streetscape Design Functional Plan, HRM with other levels of government will continue to study alternative routing for the movement of freight, including use of the rail cut to mitigate the negative impacts of truck traffic through downtown Halifax.

2) Economic impact of the Port

The IMP articulates the importance of goods movement in the region as follows:

The region is a prime example of an area that thrives with a strong freight transportation industry at its core. With a strategically located deep water port, international airport and direct connections to road and rail infrastructure, Halifax is a key multi-modal freight destination on the eastern seaboard. The Halifax region also serves as an important logistics hub nationally and internationally, and goods movement is critical to the Halifax region's local economy.

The Port of Halifax commissioned an [economic impact study](#) by Chris Lowe that was published in April 2017. The report calculates: economic output, contribution to GDP, employment, wages and fiscal impact.

The Port of Halifax enabled Nova Scotia container exporters in 2015 to contribute over \$1.9 billion to the province's gross output. Combined with port operations, the total impact of the Port of Halifax on Nova Scotia's gross output is \$3.631 billion. Notably, the direct value of containerized exports from the Port of Halifax represents 22% of all of Nova Scotia's exports. Excluding the United States, containerized exports from the Port of Halifax in 2015 represent 76% of Nova Scotia's trade with the rest of the world

As measured by impact on Gross Domestic Product (GDP) in 2016, the total impact of the Port of Halifax on Nova Scotia's GDP is \$2.331 billion with the direct portion being \$914 million.

With respect to employment, in 2016, 12,446 full time equivalent (FTE) positions were created in HRM and Nova Scotia due to port operations. Additionally, employment from exporters that rely on the Port of Halifax occurs throughout Nova Scotia brought the impact of the total FTE employment of the Port of Halifax on Nova Scotia in 2015/16 to over 37,000 jobs or 8.3% of the employed labour force. Wages and salaries for direct port-related jobs is \$51,500 or 18% above the provincial average.

A [Regional Goods Movement Opportunity Scoping Study](#) undertaken for the municipality looking at challenges related to goods movement notes that:

Any solutions must maintain the competitiveness of the Port of Halifax as an international trade gateway. HRM needs to play a key role as a champion for the Port. It is particularly important to maintain the diversity and scale of container shipping services to support local and regional export industries in the future.

3) Goods Movement in urban Halifax, disruptions and mitigations, Cogswell Interchange

Several of the municipality's planning policies recognize the potential for conflict between residential and non-harbour related commercial and industrial uses on port and other harbour related industries. The Goods Movement study identifies container truck traffic moving through downtown Halifax to and from Halterm as "...the goods movement issue most often identified by both commercial and community organizations." The study indicates public recognition of the economic role of the Port as a factor in the public tolerance of truck traffic to date but notes the likelihood of increased pressure to resolve the issue.

The Goods Movement Study notes that there are no comprehensive data on truck movements in HRM, though traffic counts conducted for the Cogswell Redevelopment project provide an indication of port-related truck traffic in downtown Halifax. A 24-hour count of traffic on Barrington Street at the mid-point in the Cogswell Interchange showed heavy truck traffic totalling 648; 316 southbound and 332 northbound, accounting for 4.7% of the total volume of traffic moving through this area. Further analysis of the truck counts reveals the proportion of "port destined" trucks is between 61% and 81% of the heavy truck traffic, depending on the time of day. CN, Halterm and Ceres - Halifax calculate the number of trucks calling at all

the intermodal terminals in Halifax averages 400 to 500 trucks (800 to 1,000 one-way trips) per normal business day. (Source: Port of Halifax Economic Impact Report). As sourced in the Goods Movement study, police data indicate that commercial vehicles account for a larger share of collisions in the downtown area and along the port truck routes (7.7% to 7.9%) than in HRM as a whole (4.9%), though it is not possible from existing data to know the extent to which this may be attributed to Port related truck traffic specifically.

Options to mitigate truck traffic in the downtown are captured in the IMP (see above), as are actions to advance solutions on the issue.

The Halifax Port Authority and their partners are exploring ways to reduce and mitigation truck traffic. These include:

- Converting truck exports and imports from New Brunswick and Prince Edward Island to rail via a ramp in Moncton.
- Collecting data through our Port Operations Centre to map container truck flows to avoid peak congestion times.
- Exploring the option of a yard in Burnside Industrial Park for the handling and transfer of empty containers.
- Exploring the option of converting truck exports and imports from Nova Scotia to rail via a ramp in Trenton, NS.

Cogswell Interchange

There has been some suggestion that the Cogswell Interchange project should not proceed until larger questions around the use of the South End Container lands are debated further. However, the design of the Cogswell District road network would remain virtually unchanged even if truck traffic to and from downtown Halifax was eliminated.

The Cogswell District road network is designed to accommodate existing traffic volume (including cars, transit buses and trucks) traveling to and from downtown Halifax. Only growth projections for buses have been included as part of the design. The strongest determinant of the proposed network design is the number of “light” vehicles (i.e. cars, motorcycles, light goods vehicles) travelling through the area on a daily basis. Cogswell is a primary conduit for commuters to enter and exit downtown. A 24-hour count for north/south bound traffic between Barrington/ Cornwallis Streets and the southern end of the interchange showed 93.3% of the vehicles being “light” vehicles (motorcycles, cars, light goods vehicles), 2% being “mediums” (i.e. buses and single-unit trucks), and 4.7% being articulated trucks (i.e. heavy trucks).

Traffic lanes in the Cogswell District road network are designed to the best practice minimum standard, meaning they would not decrease in size if truck traffic was eliminated as they still have to accommodate buses (so, the elimination of truck traffic wouldn’t result in an increase in land available for development).

Roundabouts are an integral part of the road network design – ensuring all traffic is appropriately accommodated (including articulated Halifax Transit buses); the inclusion of roundabouts in the design would remain unchanged even if truck traffic was eliminated.

Finally, the Cogswell Interchange project has been informed by a significant amount of public input. Engagement on the Cogswell project is summarized in Attachment 1.

4) Halifax Port location advantage

Currently, the Port of Halifax is the only Canadian port on the Atlantic coast that can handle ultra-class vessels. It is vital that the Port be able to accommodate two ultra-class vessels or else the Canadian supply chain will increasingly depend on US ports. For this reason, the Port of Halifax is working with Halterm to

temporarily expand their capacity at the South End Container Terminal to berth and service a second ultra-class vessel and provide the Port the capacity it needs in the short term.

Halifax has many advantages as a location for the Port. As part of the Halifax Gateway, the Port can take advantage of:

- a natural, ice-free harbour that is only a day's sail from New York, and at 65 feet, the deepest cargo berths on North America's east coast, -
- a comprehensive air route network - virtually any location around the globe - and easy transport of perishable and non-perishable products worldwide,
- the Halifax Logistics Park - transloading services minutes from Border Services and next to five major highways.

A recent [report](#) on port competitiveness reviews history and trends in containerization, decision making by transportation players, changes in market share of East Coast port, the competitiveness of ports in Nova Scotia to serve North American markets and the relative trade-offs of port options in Nova Scotia. This report summarizes 41 selected studies related to transportation and particularly shipping in Atlantic Canada. While the report identifies some advantages to potential greenfield port sites it concludes that Halifax is a better geographical location. There is a risk that moving container operations away from the Port of Halifax would not see shipping business follow.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

RISK CONSIDERATION

There are no risks associated with this report.

COMMUNITY ENGAGEMENT

Attachment 1 describes community engagement that has taken place around the Cogswell project. Engagement on the use of lands around the harbour, the preservation of industrial land uses around the harbour and the importance of the Port to Halifax, is described in the body of this report.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

ALTERNATIVES

Regional Council could choose not to receive a presentation from the Halifax Port Authority or to receive a presentation at a future meeting.

ATTACHMENTS

Attachment 1 - Cogswell engagement summary

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

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Attachment 1

Public Engagement

Public engagement for the Cogswell District has extended over many years:

May 2013 | “Shake Up”

- An extensive public engagement hosted by Mayor Savage and the Strategic Urban Partnership.
- Shake-Up Report was compiled with 10 proposed key aspirational themes to guide the project going forward.

Oct 2016 | Kick-off event & information session

- Cogswell project team hosted public information session at Casino Nova Scotia on Oct. 26, 2016 to mark the beginning of the detailed design phase of the Cogswell District.
- Included a welcome from the Mayor, a project update from the Project Director, John Spinelli, an opportunity to meet the newly-hired Prime Design Consultant and a chance to engage with project staff and other key stakeholders.
- Session provided attendees with a status update, an overview of where we go from here, and a chance to engage with project staff and key stakeholders on this important city-building initiative.
- Several hundred people attended the event.

Spring 2018 | 60% design

- Project team conducted extensive outreach to a wide range of stakeholders including adjacent landowners, developers, special interest groups, utilities, and members of the general public.
- Seven (7) public engagement sessions were held in April and May of 2018 to update and engage residents and stakeholders on the Cogswell District 60% design plan. Input was sought on the public realm elements of the project: active transportation components, park and open spaces, elements of a proposed urban square, transit hub details and streetscape design details.
- The Cogswell District Shape Your City website received 2,100 visitors with 628 online survey submissions.

Summer/ Fall 2018 | 90% design

- Engagement focused on two topics: public spaces and urban design rules for new buildings.
- Feedback was received throughout August and September via focus-group meetings, surveys and map-based feedback tool on Shape Your City website, as well as a series of pop-up events.
 - Nine (9) pop-ups held throughout the region helped generate broad awareness of the Cogswell District and achieve meaningful input from citizens throughout the region.
- A number of key stakeholder groups were identified and engaged to gain insights into topics that would be critical to consider. For example:
 - Engagement with members of the African Nova Scotian community highlighted a need to recognize this community’s history and contribution to Halifax
 - Consultation with the Mi’kmaw community is still in progress.
 - Engagement with representatives of Shelter Nova Scotia enlightened the design team as to the operational challenges faced by the Metro Turning Point men’s shelter.
- In late September, the engagement culminated in a three-day design charrette that invited members of the community to take a deeper dive into the design opportunities within the plan.
 - The design charrette sessions were attended by local residents and members of the architecture, design, development, business, non-profit, academic, and historical communities.
 - Approximately 80 individuals in total attended the sessions.
 - This was followed by an Expo at Scotia Square, attended by hundreds of residents, that showed highlights of the charrette design work and invited further comment from members of the public

- An extensive digital strategy was also executed in order to increase awareness and engagement regarding the Cogswell District. This included website content, organic and paid ads via Facebook and Instagram, posts via Twitter and a video hosted on YouTube and promoted through select municipal social media channels.
 - 39,900 views of the video
 - 285,763 reached through organic and paid Facebook & Instagram posts
 - 121,893 reached through Twitter posts
- 435 contributions were made via the online feedback tools (332 surveys and 103 'pins' posted to the online map seeking feedback on public spaces)
- The public feedback is helping to shape the 90% design that will be presented to Council.
 - In particular, there have been many insights related to the desired use of public spaces that will influence the proposed 90% design
 - Clear direction on the design goals for new parks was achieved.
- Feedback received about urban design rules for new buildings will help inform next steps with future engagement regarding the Municipal Planning Strategy (MPS) and Land Use By-laws (LUB) associated with Cogswell District.
 - The 90% design is targeted for completion by December 2018, with work on the MPS and LUB extending into 2019.