

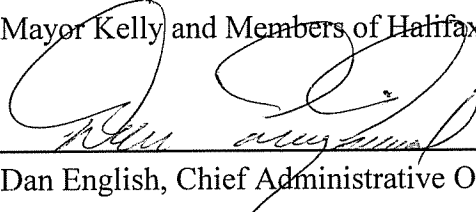
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PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Halifax Regional Council**  
**June 19, 2007**

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

**SUBMITTED BY:**   
Dan English, Chief Administrative Officer

**DATE:** June 14, 2007

**SUBJECT:** Services Agreement - Greater Halifax Partnership

**ORIGIN**

- On July 3, 2001, Regional Council approved service agreements with the Greater Halifax Partnership (GHP) and the Halifax Regional Development Agency (HRDA) for three-year terms respectively. Council subsequently agreed to extend these agreements until March 31, 2006 pending the development of an HRM-wide Economic Strategy.
- On September 27, 2005 Council agreed to provide notice to terminate the agreements with both organizations in favour of new agreements aligning with HRM's Economic Strategy.
- On October 18, 2005 Council adopted "Strategies for Success" - a five-year Regional Economic Strategy and work commenced on preparing a joint GHP/HRDA implementation plan and on negotiating new service agreements with each organization to align with the strategy's goals and objectives.
- On March 1, 2007 a merger of the Greater Halifax Partnership and Halifax Regional Development Agency was completed, resulting in a single economic development agency.

**RECOMMENDATION**

**It is recommended that :**

**Council authorize the Mayor and Municipal Clerk to execute the attached Service Agreement on behalf of HRM with the Greater Halifax Partnership.**

## **BACKGROUND**

HRM's Economic Strategy has been in effect for about a year and a half and has served to guide the efforts of various organizations having an interest in economic development towards a common vision to grow the region's economic base and to implement the strategic actions and priorities set out in the strategy.

A number of significant milestones along the road of strategy implementation have been passed during the past year, including:

- December 5, 2006 - an information report on first year activities related to strategy implementation was provided to Council indicating that most of the 94 strategic actions and 11 priority actions outlined in the strategy are underway and are tracking towards outcomes set out in the strategy.
- February, 2006 - the Halifax Chamber of Commerce released an Economic Strategy Scorecard indicating that, while there was considerable effort during the first year of strategy implementation, more focus and effort is needed if strategic outcomes supported by the Strategy are to be realized within the five year term of the strategy.
- March, 2007 - the GHP and HRDA were merged to create a single economic development entity for HRM following a process led by Council. The new entity, named the Greater Halifax Partnership, combines the strengths of the two pre-existing organizations under a new board of directors with a mandate to coordinate implementation of the Economic Strategy.
- April, 2007 - As part of the Operating Budget, Regional Council approved an increase in the municipal operating grant to the newly-formed economic development organization commensurate with the level of effort required to implement the Economic Strategy and to support the organization's business plan. Council also agreed to provide additional funding to defray GHP expenses incurred related to the recent merger.

## **DISCUSSION**

The proposed service agreement attached to this report is intended to ensure the Municipality receives best value for dollars spent on economic development by:

- aligning services provided by the GHP to goals, objectives and measurable outcomes defined in HRM's Economic Strategy;
- specifying the respective roles of the Municipality and the GHP in the delivery of economic development services and implementation of the Economic Strategy;

- tying the term of the contract with the five-year time period of strategy implementation after which time the GHP will lead in the preparation of a new strategy for adoption by Council;
- maintaining the operating grant at the current level, with a provision for an annual adjustment for inflation, subject to approval by Council of HRM's annual operating budget; and
- specifying other programs and services to be provided by GHP to HRM in addition to leading in the coordination of the Economic Strategy's implementation.

### **BUDGET IMPLICATIONS**

There are no budget implications associated with this report. The municipal operating grant to the Greater Halifax Partnership is provided in the 2007-08 Operating Budget related to economic development. Any changes to the current level of funding, including any adjustment for inflation, would be subject to approval by Council in conjunction with established practices related to the municipal budget process.

### **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 may choose to direct that changes be made to the attached service agreement
- Council may chose to not approve the attached service agreement.

### **ATTACHMENTS**

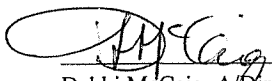
Proposed Service Agreement between HRM and the Greater Halifax Partnership

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by:

  
Jim Donovan, Manager of Economic Development - 490-1742

Report Approved by:

  
Debbi McCaig, A/Director, Finance - 490-7203

**June 19, 2007**

**Services Agreement**

**Between:**

**Halifax Regional Municipality**

**and**

**The Greater Halifax Partnership**

**June 19, 2007**

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**SCHEDULES**

Schedule A Greater Halifax Partnership Annual Outcome Measures

**June 19, 2007**

This **Services Agreement** made this \_\_\_\_\_ day of \_\_\_\_\_, 2007 A.D.

BETWEEN:

**HALIFAX REGIONAL MUNICIPALITY**  
(hereinafter called the "Municipality")

OF THE FIRST PART

- and -

**GREATER HALIFAX PARTNERSHIP**  
(hereinafter called the "Partnership")

OF THE SECOND PART

**WHEREAS** Halifax Regional Council has adopted *Strategies for Success* - a five-year Economic Development Strategy (2005-2010) to guide economic development within the Municipality;

**AND WHEREAS** the Municipality seeks to deliver on the vision of the economic strategy and realize economic growth

**AND WHEREAS** the Municipality intends to assign to an economic development organization the responsibility for oversight and implementation of its Economic Strategy;

**AND WHEREAS** the Municipality requires other services and professional expertise pertaining to the economic development of the Municipality;

**AND WHEREAS** the Greater Halifax Partnership is a non-profit society established for the purpose of carrying out economic development strategies within the Municipality, on a continuous, year-round basis as a private-public partnership;

**IT IS THEREFORE** mutually agreed as follows:

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**ARTICLE ONE  
DEFINITIONS**

Section 1.01           **Definitions**

When used in this Agreement, the following terms shall have the following meanings:

- (a) **"Council"** means the Halifax Regional Council.
- (b) **"Chief Administrative Officer"** means the Chief Administrative Officer of Halifax Regional Municipality.
- (c) **"Chief Executive Officer"** means the President and Chief Executive Officer of Greater Halifax Partnership.
- (d) **"Economic Strategy"** means the Municipality's 5-year Strategy for Economic Development adopted by Council on October 18, 2005, as amended from time to time.
- (e) **"Fiscal Year"** means the annual period ending on March 31 of each year or such other period as the Municipality may establish upon notice to the Partnership.
- (f) **"Municipality"** means the Halifax Regional Municipality.
- (g) **"Partnership"** means, the Greater Halifax Partnership, a society incorporated under the Societies Act of Nova Scotia as "The Halifax Regional Business and Community Economic Development Association".
- (h) **"Services"** means exclusive economic development services provided by the Partnership to the Municipality as stipulated in Section 2.02.

**ARTICLE TWO  
SERVICES**

Section 2.01           **Appointment of the Partnership**

- (a) The Municipality hereby appoints the Partnership for the Term of this Agreement to undertake on behalf of the Municipality, exclusive services ("Services") which are more particularly set out in section 2.02, as an independent contractor, on the terms and conditions set out in this Agreement and the Partnership hereby accepts such appointment.
- (b) The Parties agree that the implementation of the Municipality's Economic Strategy is dependent upon broad-based participation, engagement and support of various community, private sector and government organizations having an interest in matters related to the economic development of the Municipality and that the Partnership,



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through its Board of Directors, will provide a focus to collective efforts in implementing the Economic Strategy.

**Section 2.02 Role of the Partnership**

(a) General Economic Development Services:

The Partnership shall provide HRM with the following economic development services:

1. regional economic development services consistent with the corporate direction of HRM as set out in strategies relating, but not limited to, regional planning, culture, tourism, heritage, fiscal and taxation policy, youth, immigration, community development and other priorities as determined by Council or the Chief Administrative Officer (CAO);
2. strategic economic advice through experienced staff, to the CAO and Council upon request and subject to reasonable consideration of resource requirements and priorities, on matters pertaining to the local and regional economy;
3. written briefs on matters that are of significance to HRM's economy in response to studies, reports and initiatives undertaken by the Conference Board of Canada, the Atlantic Provinces Economic Council and similar economic agencies for submission to the CAO as required;
4. current economic information/data related to employment, population, GDP, business trends and similar economic profiles to support HRM's marketing initiatives provided on a quarterly basis;
5. an evaluation of requests for HRM to fund economic development projects as they arise from time to time, based on criteria approved by HRM, in an effort to advise HRM of the best economic return on investment.
6. serve as a conduit to HRM's business community through the Business Retention and Expansion (BRE) program, develop measurable objectives related to BRE and include these in the Partnership's annual business plan;
7. development of annual objectives for new business starts, levels of business investment, and number of new jobs for inclusion in the Partnership's business plan;
8. identifying new opportunities to expand broadband coverage in HRM;
9. working with HRM and secondary partners, lead in the development and delivery of a Wireless Fidelity (Wi-Fi) strategy for urban HRM;
10. working with the Halifax North Community Liaison Committee and other service providers and partners to establish a governance structure, business architecture and roll-out of a Community Investment Fund arising from the construction of the Halifax wastewater treatment plant;

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11. quarterly reports to Council and monthly reports to HRM's Senior Management Team (SMT) on Partnership activities and initiatives and regular attendance at SMT meetings to ensure coordination in fulfilling regional economic objectives. Reports to SMT may be in the form of a simple matrix identifying specific initiatives, their start date, end date and status;
12. in conjunction with HRM staff, prepare and present an annual year end report for Regional Council, including measurable outcomes resulting from HRM's and the Partnership's ongoing economic development efforts to support implementation of the Economic Strategy; and
13. an annual business plan and budget following HRM's business planning time frame and template which allows for measurable comparisons of annual outcomes.

(b) Implementation of 2005 -2010 Economic Strategy

The Partnership shall lead in the implementation of HRM's Economic Strategy and shall specifically:

1. provide overall coordination and implementation of projects and activities related to the Economic Strategy;
2. work with partners in economic development to strategically align interests around a common vision to build investment and growth in the Halifax region;
3. work with various stakeholders to analyze, recommend and measure annual strategies and priority actions from the Economic Strategy;
4. through collaboration with HRM, play an active role in the delivery of goals and objectives related to the Immigration Action Plan, Regional Plan, Cultural Plan and various youth initiatives;
5. in conjunction with funding and community partners, implement the strategies and activities identified in the Partnership's Halifax Region Immigration Strategy in an effort to attract 2,800 immigrants per year and retain at least 70 percent of newcomers;
6. develop and promote a compelling community business case for retention, expansion, and attraction of DND facilities and other federal government offices within the Halifax region;
7. assist the Municipality to analyse the economic impact of the current taxation structure and service delivery costs on the commercial sector, benchmark HRM's commercial competitiveness and provide advice and any relevant information to the Municipality;
8. work with the Tax Reform Committee to assist in analysing the economic impact on the commercial sector of various test taxation models;
9. work with HRM and other partners to co-ordinate the identification, collection and

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reporting of key performance data to support the annual Scorecard on the Economic Strategy prepared by the Halifax Chamber of Commerce;

10. undertake a comprehensive review of the Economic Strategy upon substantial completion of the strategy elements, or in 2009, whichever occurs first, and coordinate the development of a new strategy for consideration and adoption by Regional Council in 2010.

(c) Marketing and Promotion of the Municipality

The Partnership shall market and promote the Municipality as a location of choice for business by:

1. raising local business and community confidence, as well as raising the national and international profile of the Halifax region through internet, print, radio, television and events promoting HRM as a good community in which to live and work;
2. striving toward an annual increase in positive media impressions locally, nationally and internationally;
3. establishing a quality of place council to review existing brand equity in HRM and to develop a multi-partner approach to enhance the image of HRM's economic potential and as a destination of choice for business, tourism and the hosting of major events;
4. working with HRM and other external stakeholders to lead in the development of a Branding Strategy for the Halifax region;
5. acting as a conduit with the business community to ensure businesses are aware of HRM's desire to become an environmentally sustainable community and of all applicable environmental regulations from all levels of government;
6. evaluating the potential to promote and develop HRM as an environmental centre of excellence for government, academia and business nationally and internationally.

(d) Key Performance Measures

The Partnership shall conduct its activities in a manner that will contribute in whole or in part to attaining key performance measures as defined in the Economic Strategy. The performance measures will reflect the key services delivered by the Partnership as determined through the Annual Business Plan and as set out in Schedule A.

(e) Changes to Agreed Scope of Services

The parties to this agreement acknowledge that, due to changes in economic conditions and HRM's corporate direction, the annual agreed scope of economic development services provided to the Municipality may change from what is specified in the Partnership's approved business plan and budget. Where the Municipality desires the Partnership to undertake work that is beyond the scope of the Partnership's business plan, the Municipality shall request in writing to the Partnership's Board of Directors that such work or services be undertaken. The

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Board shall accommodate any reasonable request by the Municipality upon consideration of potential impacts on the Partnership's existing priorities, budgets and availability of staff resources.

Section 2.03                    **Role of the Municipality**

(a)    Interim Finance and Funding Disbursements

The Municipality shall:

1. by March 31 of each fiscal year, deposit in the Operating Account of the Partnership, interim financing for the Partnership's operation in an amount equivalent to one-twelfth of the approved municipal funding for the Partnership with the remaining balance for the first quarter grant payable upon approval by Council of the Municipality's operating budget;
2. subject to receipt of quarterly invoices from the Partnership approved by the Manager of Economic Development, deposit in the Operating Account of the Partnership, the balance of the approved municipal funding for the Partnership according to the following schedule:
  - i)        June 30, twenty-five percent;
  - ii)       September 30, twenty-five percent; and
  - iii)      December 31, twenty-five percent

(b)    Staff Resources

The Municipality shall provide a full time staff resource who will act as liaison between the Municipality and the Partnership on all economic development matters.

(c)    Business Environment

In accordance with the Economic Strategy, the Municipality shall strive to foster a competitive business environment for the Halifax region by reviewing current policies and procedures and, where appropriate, adopting measures to:

1. streamline approvals for Planning Applications and permit processes for major construction projects;
2. improve access to municipal services for business in such areas as procurement, public works projects, on-line payment of fees and taxes and other services;
3. continue to improve HRM's business processes through annual business and fiscal planning.

(d)    Tax Reform

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The Municipality, through the Tax Reform Committee, shall ensure appropriate representation by the business community and commercial sector on matters pertaining to development of municipal taxation policy.

(e) Communications

The Municipality shall demonstrate its commitment to forging strong communication and working relationships with the Partnership by providing for representation by the Partnership at regular and biannual meetings of HRM's Senior Management Team.

(d) Coordination of Business Parks Planning, Marketing and Development

The Municipality:

1. shall establish a business relationship with the Partnership, Nova Scotia Business Inc. and *InNOVAcorp* through a Memorandum of Understanding to improve overall coordination of planning, marketing and development of business parks throughout the Halifax region;
2. develop a proactive major business accommodation plan for business parks to attract and accommodate new business development;
3. bring to market 100 (+) acres of serviced industrial lots in Burnside and City of Lakes Business Parks during the timeframe of this agreement;
4. commit to coordinating the marketing of business parks with GHP to more fully leverage and coordinate HRM's and GHP's marketing resources and to facilitate a consistent and effective approach to the marketing and sales of business parks in the region.

(e) Annual Review

The Municipality shall undertake an annual review of this agreement to ensure that the municipal role and deliverables identified remain consistent with the Municipality's corporate direction.

(f) Key Performance Measures

The Municipality shall conduct its activities in a manner that will contribute in whole or in part to attaining key performance measures as defined in the Economic Strategy. The performance measures will reflect services delivered by the Municipality pertinent to the economic growth and development of the Municipality and its communities.

**ARTICLE THREE  
FINANCES, RECORDS AND INFORMATION SERVICES**

Section 3.01 **Registry of Joint Stocks**

The Partnership shall maintain active status as required by the *Registrar of Joint Stock*

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*Companies Act or the Societies Act.*

Section 3.02            **Accounting Records**

- (a)    The Partnership shall maintain a complete and proper set of accounting records following the Generally Accepted Accounting Principles as established from time to time by the Canadian Institute of Chartered Accountants.
- (b)    The Municipality shall have the right, at its own expense, and with reasonable notice, to audit or examine the books of account and records maintained by the Partnership pursuant to this agreement.

Section 3.03            **Annual Financial Reports**

The Partnership shall provide to the Municipality within ninety (90) days of year end, a Balance Sheet, an Income Statement and a Statement of Sources and Uses of Funds on an audited basis, as approved by the Partnership's Board of Directors, in accordance with its bylaws.

Section 3.04            **Support of Private Sector and Other Funding Partners**

The Partnership shall undertake to aggressively seek financial and in-kind support from the private sector, and from both the federal and provincial governments, to facilitate implementation of the Economic Strategy and economic development of the Municipality. The Municipality will support this effort by endorsing the Partnership through such avenues as direct correspondence and support in the electronic and print media.

Section 3.05            **Municipal Operating Grant**

The Municipality agrees to grant to the Partnership funding to support the Partnership's operations in providing the economic development services described in this agreement. Subject to Sections 2.02 (d) and 2.03 (e), the first year grant shall be \$1,500,000 (\$1,400,000 operating plus a one-time payment of \$100,000 for merger-related costs). Subsequent years may be adjusted for inflation as determined by Council upon adoption of the Municipality's annual operating budget.

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**ARTICLE FOUR  
PARTNERSHIP MEMBERSHIP**

**Section 4.01 Board of Directors**

Throughout the Term of this Agreement, the Board of Directors of the Partnership shall comprise representatives as outlined by the Memorandum of Association and By-laws of the Partnership, and will include from the Municipality:

- (a) two voting representatives of Council;
- (b) the Mayor or designate as a non-voting ex-officio; and
- (c) the Chief Administrative Officer as non-voting ex-officio

**Section 4.02 Limitation of Liability**

The individual officers and directors of the Partnership shall not be liable to the Municipality for any obligation, expense, liability or claim of any nature or kind whatsoever, howsoever incurred, with respect to the operation of the Partnership, for which there is no insurance on behalf of the Partnership or its individual officers and directors, as the case may be, unless such obligation, expense, liability or claim was incurred or arises as a result of lack of good faith or any fraudulent, deceitful or illegal act on the part of such individual.

**ARTICLE FIVE  
TERM/TERMINATION**

**Section 5.01 Commencement and Initial Term**

This Agreement shall be for a term commencing on the execution of this agreement and shall continue in force, unless earlier terminated as set out in Article Seven, for an initial period of five (5) years with options to renew for periods of three (3) years each unless either party shall notify the other that it elects not to renew this Agreement at least six (6) months prior to the end of the initial term or any renewal term.

**Section 5.02 Termination**

This Agreement may terminate at once at the request of one of the parties prior to the expiration of any renewal of this Agreement, upon the occurrence of one of the following events, whichever occurs first:

- (a) an event of default specified in subsection 5.04 (a), (b), (c) or (d) occurs;
- (b) notice of termination is given to the Partnership by the Municipality for failure of the

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Partnership to remedy, pursuant to subsection 5.05 (b), an event of default specified in subsection 5.04 (e);

- (c) the enabling statutory authority or the required approvals under which the Municipality has entered into this Agreement are repealed or rescinded so as to substantially limit or deprive the Municipality of the authority to confer any of the rights or assume any of the obligations granted hereunder, and the Municipality is unable with reasonable diligence within a period of two (2) years to obtain private legislation to remedy the deficiency of authority;
- (d) notice of termination is given to the Municipality by the Partnership on the ground that, despite negotiations in good faith between and reasonable efforts by the Partnership and the Municipality to settle the amount of the Partnership's fee, the amount appropriated by the Municipality in its sole discretion for the Partnership is insufficient to enable it in any substantial way to perform its responsibilities under this Agreement;
- (e) The Municipality and the Partnership agree in writing at any time to the termination of this Agreement.
- (f) Notwithstanding the terms and conditions of Article 5, either party may terminate this Agreement upon six (6) months written notice to the other party.

**Section 5.03                    Disputes, Default and Termination**

In the event any claim, dispute or other matter (herein referred to as a "dispute") shall arise between the parties hereto during the term of this Agreement:

- (a) Such dispute shall be referred initially by the party raising the dispute to the other party in writing for a position that the latter shall give in writing within a reasonable time. The initial reference shall be at the level of Chief Executive Officer of the Partnership and the Chief Administrative Officer of the Municipality.
- (b) If such dispute is not satisfactorily settled between the parties, it shall be submitted to the Chairman of the Partnership and the Mayor of the Municipality.
- (c) If such dispute is not satisfactorily settled between the parties, it shall be submitted to a single arbitrator to be agreed upon by the parties.
- (d) If a single arbitrator cannot be agreed upon by the parties within ten (10) days after the appointment of the single arbitrator has been requested by one of the parties, then the dispute shall be referred to a board of three arbitrators, one to be appointed by the Partnership, one to be appointed by the Municipality, and a third arbitrator to be appointed by the first two named arbitrators in writing.
- (e) If either the Partnership or the Municipality refuses or neglects to appoint an arbitrator within twenty (20) days after the other party appoints an arbitrator and has served written notice upon the party refusing or neglecting to appoint an arbitrator, requiring



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such party to make such appointment, then the arbitrator first appointed shall, at the request of the party appointing them, proceed to hear and determine the dispute as if they were a single arbitrator by both the Partnership and the Municipality for that purpose.

- (f) If two arbitrators are named within the time prescribed and they do not agree within a period of ten (10) days upon the appointment of the third arbitrator, then upon the application of either the Partnership or the Municipality, the third arbitrator shall be appointed by a Judge of the province of Nova Scotia Superior Court of Justice.
- (g) The determination, which shall be made by the said arbitrators or a majority of them, or by the single arbitrator as the case may be, shall be final and binding upon the parties hereto and the costs of the arbitration and remuneration of the third arbitrator shall be borne equally between the parties hereto, each of the parties bearing the remuneration of the arbitrator appointed by it.

The provisions of this clause shall be deemed to be submission to arbitration within the provisions of the *Arbitrations Act, 1991* and any statutory modification or re-enactment thereof, provided that any limitation on the remuneration of arbitrators imposed by such legislation shall not have application to any arbitration proceeding commenced pursuant to this Agreement. The parties may make a further agreement or agreements in connection with the arbitration which shall be deemed to form part of the agreement to arbitration set out in this clause.

#### **Section 5.04            Events of Default**

The following constitute events of default, the proof of which to the contrary lies upon the Society:

- (a) The Partnership becomes bankrupt or insolvent, goes into receivership, or takes the benefit of any statute from time to time being enforced relating to bankrupt or insolvent debtors;
- (b) An order is made or resolution passed for winding up or for the dissolution of the Partnership or it is dissolved;
- (c) The Partnership ceases actual bona fide operation for a period of thirty (30) days;
- (d) The Partnership has knowingly submitted false or misleading information to the Municipality; and
- (e) The Partnership is in breach of the performance of, or compliance with, any term, condition or obligation on its part to be observed or performed hereunder.

#### **Section 5.05            Remedies on Default**

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If,

- (a) an event of default specified in subsection 5.04 (a), (b), (c) or (d) occurs, or
- (b) an event of default specified in subsection 5.04 (e) occurs and is not remedied within ten (10) business days after receipt by the Partnership of notice of default, or a plan satisfactory to the Municipality to remedy such an event of default is not implemented within such period and fully and diligently carried out, then the Municipality may exercise either or both of the following remedies, in addition to any other remedies otherwise available, namely:
  - i. terminate forthwith any obligation by the Municipality to pay the fee or to continue to pay any installment, including any unpaid installment outstanding prior to the date of such termination; and
  - ii. Require the Partnership to pay all or part of the fee forthwith to the Municipality

**ARTICLE SIX  
INSURANCE**

**Section 6.01 Property and Liability Insurance of the Municipality**

The Partnership shall be responsible for obtaining and maintaining, at its own cost:

- (a) insurance on all buildings, improvements, fixtures and equipment forming part of the Partnership in amounts and against such risks as the Partnership may deem advisable;
- (b) comprehensive general public liability insurance (including bodily injury, death and property damage) with respect to the Partnership under which the Municipality is named as an additional insured, in amounts and against such risks as the Partnership may deem advisable; and,
- (c) Such other insurance as the Partnership may deem advisable.
- (d) Directors and Officers Liability Insurance for Directors of the Partnership. The Partnership shall provide the Municipality with a copy of the Partnership's renewal policy on an annual basis.

**Section 6.02 Suits and Claims**

- (a) The Partnership shall notify the Municipality in writing as soon as possible after the Partnership becomes aware of any claim or possible claim against the Municipality and/or the Partnership which involves the Partnership.

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- (b) The Partnership shall notify the Municipality in writing as soon as possible after it becomes aware of any injury occurring in, on or about the Partnership, which could reasonably be expected to result in a claim being made against the Municipality or the Partnership and of all claims against the Municipality and/or the Partnership which involve the Partnership.
- (c) The Partnership shall take no steps (such as the admission of liability) which would operate to bar the Municipality from obtaining any protection afforded by any policies of insurance it may hold or which will operate to prejudice the defence in any legal proceedings involving the Municipality or the Partnership, or otherwise prevent the Municipality from protecting itself against any such claim, demand or legal proceeding.
- (d) The Partnership shall fully cooperate with the Municipality in the defence of any claim, demand or legal proceeding.

**Section 6.03 Indemnification of the Partnership**

The Municipality shall indemnify, defend, and hold harmless the Partnership and each member of the Partnership and each officer and director thereof, against any uninsured loss, expense, damage, claim, liability, obligation, judgment or injury suffered or sustained by reason of any act, omission or alleged act or omission arising out of the activities of the Partnership pursuant to this Agreement provided, however, that the Partnership, member, officer or director, as the case may be, has acted in good faith and the act or omission giving rise to the claim is not fraudulent, deceitful, intended to cause harm or injury or illegal.

**ARTICLE SEVEN  
AUTHORITY OF THE PARTNERSHIP**

**Section 7.01 Authority as Agent**

- (a) The Partnership is hereby authorized to act as agent for the Municipality solely for the purpose of carrying out the authority and responsibilities set forth in this Agreement, subject, however, to any limitations set forth in this Agreement or in any notice in writing at anytime delivered to the Partnership by the Municipality.
- (b) The Municipality shall execute and provide to the Partnership any document or other evidence which may be reasonably required by the Partnership to demonstrate to third parties the authority of the Partnership set out in this Agreement.

**Section 7.02 Limitation of Authority**

Unless expressly authorized in this Agreement, or by prior written direction or approval of the Municipality, the Partnership shall not have the authority to do any of the following:

**June 19, 2007**

- (a) obtain loans or Lines of Credit for the Municipality, whether secured or unsecured, or give or grant options, rights of first refusal, deeds of trust, mortgages, pledges, security interests, or otherwise encumber the Partnership or any portion thereof or any interest of the Municipality therein, or obtain replacements of any mortgage or mortgages;
- (b) prepay in whole or in part, refinance, increase, modify, consolidate or extend any obligation affecting the Partnership or any portion thereof, except to the extent contemplated by the budget approved by the Municipality and in the ordinary course of operating the Partnership;
- (c) cause the Municipality to extend credit or to make any loans or become a surety, guarantor, endorser or accommodation endorser for any person, firm or corporation;
- (d) cause the Municipality to enter into any contracts with respect to the Partnership other than contracts in the ordinary course of managing the Partnership which are in accordance with the provisions of this Agreement;
- (e) sell, exchange or convey the Partnership or any portion thereof;
- (f) release, compromise, assign or transfer any claim, right or benefit of the Municipality, except in the ordinary course of managing the Partnership pursuant to this Agreement;
- (g) allow a default judgment to be entered against the Municipality;
- (h) modify, change or amend, in any material way, any drawings, maps, plans or specifications prepared for or in connection with the Partnership;
- (i) grant easements or other property rights in the Partnership; and
- (j) lease, purchase or sell any real property, including the Partnership or any part thereof, on behalf of the Municipality.

**ARTICLE EIGHT  
EMPLOYEES**

**Section 8.01            Personnel**

Except as specified in Section 8.01 (b), all personnel involved in the management, administration and operations of the Partnership, including, without limitation to the foregoing, the Chief Executive Officer and Senior Vice President and Chief Economist, will be employees of the Partnership. The wages, salaries and benefits of such employees shall be paid directly by the Partnership, unless otherwise stated and agreed upon in writing. The Partnership shall be responsible for the supervision, instruction, and training of such

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employees.

**ARTICLE NINE  
GENERAL PROVISIONS**

**Section 9.01 Notices**

- (a) All notices, demands, requests, approvals or other communication of any kind which a party hereto may be required or may desire to serve on the other party in connection with this Agreement shall be served personally or sent by registered mail. Any such notice or demand so served by registered mail shall be deposited in the Canadian mail with postage thereon fully prepaid, registered and addressed to the party so to be served as follows:

Any notices intended for the Municipality shall be delivered and addressed to:

**Chief Administrative Officer  
Halifax Regional Municipality  
1841 Argyle Street  
P.O. Box 1749  
Halifax, NS B3J 3A5**

Any notices intended for the Partnership shall be delivered and addressed to:

**President and Chief Executive Officer  
Greater Halifax Partnership  
Purdy's Wharf, Tower II  
1969 Upper Water Street, Suite 2101  
Halifax, NS B3J 1R7**

- (b) Except in the event of a postal service strike or lockout (in which event the parties hereto agree to temporarily utilize other reasonable methods of communicating any notices), service of any notice or demand so made by mail shall be deemed complete on the date of actual delivery as shown by the registry receipt or at the expiration of the seventh business day after the date of mailing, whichever is earlier in time. Either party may from time to time, by notice in writing served upon the other party as aforesaid, designate a different mailing address or different or additional persons to which all such notices or demands are thereafter to be addressed.

**Section 9.02 Validity of Provisions**

**June 19, 2007**

In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein and this Agreement shall be enforceable to the fullest extent permitted by law.

**Section 9.03 Waiver and Modification**

No consent or waiver, express or implied, by a party of any breach or default by the other party in the performance by such other party of its obligations hereunder shall be deemed or construed to be a consent or waiver of any other breach or default hereunder. Failure on the part of a party to complain of any act, or failure to act, on the part of the other party or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder. Neither this Agreement nor any provision hereof may be amended, waived, modified or discharged except by an instrument in writing executed by the party against whom enforcement of such amendment, waiver, modification or discharge is sought.

**Section 9.04 Successors**

The provisions of this Agreement shall, subject to the terms and conditions hereof, be binding upon and ensure to the benefit of the successors and assigns of each of the parties hereto, provided, however, this Agreement shall at all times remain personal to the Society and may not be assigned by the Partnership without the prior written consent of the Municipality.

**Section 9.05 Remedies**

Both parties shall, in addition to all rights provided herein or as may be provided by law, be entitled to the remedies of specific performance and arbitration if necessary, to enforce their rights hereunder.

**Section 9.06 Headings**

The headings used in this Agreement are inserted solely for convenience of reference and are not a part of and are not intended to govern, limit or aid in the construction of any term or provision hereof.

**Section 9.07 Interpretation**

Where the context so requires, words used in the singular shall include the plural and vice

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versa.

**Section 9.08           Entire Agreement**

This Agreement, together with any written agreements executed in connection herewith or modifications or amendments to this Agreement entered into by the parties hereto shall constitute the entire Agreement between the parties hereto relative to the subject matter hereof and shall supersede any prior agreement or understanding, if any, whether written or oral, which either party may have had relating to the subject matter hereof.

**Section 9.09           Confidentiality**

For the purposes of the Municipal Freedom of Information and Protection of Privacy Act, the Municipality's access to information hereunder is subject to the Partnership's assertion at all material times that all such documents, contracts, records, claims, and accounts are supplied to the Municipality in confidence, recognizing that their disclosure could reasonably be expected to be injurious to the economic and other interests of the Partnership, and the Municipality shall not disclose any such information without the Partnership's consent.

**Section 9.10           Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of Nova Scotia.

**Section 9.11           Time of Essence**

Time is of the essence in the performance of the obligations of this Agreement and of each provision hereof.

**June 19, 2007**

IN WITNESS HEREOF the parties hereto have properly executed this Agreement as of the day and year first above written.

SIGNED, SEALED and DELIVERED:

**GREATER HALIFAX PARTNERSHIP**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
President and CEO

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Chair of the Board

**HALIFAX REGIONAL MUNICIPALITY**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Municipal Clerk



## Schedule A - Outcome Measures - June 19, 2007

This Schedule establishes those particular outcomes that will be captured through Partnership activity in 2007-2008.

There are a proposed 18 outcomes outlined across the five goal areas of the strategy. Each of the charts outline the identified [short-term] organizational outcomes with those outcome measures found in the Economic Strategy and tracked in the Chamber of Commerce Scorecard.

The organizational outcomes per strategy goal are summarized below.

| Summary of Outcome Measures         |                            |              |
|-------------------------------------|----------------------------|--------------|
| Economic Strategy Goals             | Economic Strategy Outcomes | GHP Outcomes |
| Supercharge our Labour Force        | 8                          | 5            |
| Leverage our Creative Community     | 6                          | 3            |
| Create a Gung-Ho Business Climate   | 10                         | 6            |
| Capitalize on our Reputation        | 4                          | 3            |
| Convert Rivalries into Partnerships | 2                          | 1            |
| Total                               | 30                         | 18           |

The following tables provide a summary of the Economic Strategy Outcome Measures, the corresponding scores from the Chamber of Commerce Economic Scorecard and the specific key GHP performance measures referenced in subsection 2.02 (d) of this Agreement. The tables are presented according to the five Economic Strategy policy themes related to:

1. Labour Force
2. Creative Community
3. Business Climate
4. Awareness/Reputation
5. Partnerships

# Schedule A - Outcome Measures - June 19, 2007

| Supercharge Our Labour Force | Economic Strategy<br>Outcome Measures   | Chamber<br>Scorecard | GHP<br>Outcome Measures  |
|------------------------------|---|----------------------|--|
|                              | <b>Increase Population Growth</b> <ul style="list-style-type: none"> <li>Rank among the top CMA's with fastest population growth over the next 5 years</li> </ul>   | Two red lights       | <b>Increase</b> the number of jobs created or retained. <ul style="list-style-type: none"> <li>1600 jobs created and/or saved as a result of resolving company specific or systemic issues</li> </ul>  |
|                              | <b>Improve Employment Growth</b> <ul style="list-style-type: none"> <li>Increase employment growth by more than 10 percent over the next five years.</li> </ul>   | One green light      | <b>Increase</b> labour force participation rate through matching of skills and shortages. <ul style="list-style-type: none"> <li>Formation of a Skills Council</li> <li>Complete Assessment and Customized Training project</li> </ul>   |
|                              | <b>Decrease Unemployment Rate</b> <ul style="list-style-type: none"> <li>Reduce the overall unemployment rate by 1 percent over the next five years.</li> </ul>   | One green light      | <ul style="list-style-type: none"> <li>Develop a Succession Planning Tool Kit</li> <li>Implement priority community strategies (Preston and Spryfield)</li> <li>Develop youth strategy aimed at recruiting, attracting and retaining youth</li> <li>Engage 200 youth in youth strategy activities</li> </ul> |
|                              | <b>Enhance Participation Rate</b><br>Rank among the top five CMAs with the highest labor force participation rate.  | Two red lights       | <b>Increase</b> the awareness of HRM as a community of choice for Immigrants. <ul style="list-style-type: none"> <li>Implement Regional Immigration Strategy</li> </ul>  |
|                              | <b>Attract More Immigrants</b> <ul style="list-style-type: none"> <li>Attain 2800 immigrants a year by 2009.</li> </ul>   | One amber light      | <b>Engage</b> more immigrants through employer awareness programs, education and networking. <ul style="list-style-type: none"> <li>Engage 100 Immigrants</li> </ul>   |
|                              | <b>Retain More Immigrants</b> <ul style="list-style-type: none"> <li>Retain 70 percent of new immigrants by 2009.</li> </ul>  | No score             |  |
|                              | <b>Increase University Admission</b> <ul style="list-style-type: none"> <li>Increase admission by 500 a year in HRM for the next 5 years.</li> </ul>  | Two red lights       | <b>Increase</b> awareness of the benefits of HRM as a place for federal government employment. <ul style="list-style-type: none"> <li>Update and disseminate the integrated business case</li> <li>Engage 12 organizations</li> </ul>  |
|                              | <b>Improve DND Federal Employment</b> <ul style="list-style-type: none"> <li>Increase defense and federal government presence by 3000 persons by 2010; recover half of the job losses since the 1990's</li> </ul> | One amber light      |  |

# Schedule A - Outcome Measures - June 19, 2007

| Leverage our Creative Community | Economic Strategy Outcome Measures   | Chamber Scorecard | GHP Outcome Measures  |
|---------------------------------|--|-------------------|---|
|                                 | <b>Increase Public Investment</b> <ul style="list-style-type: none"> <li>Increase per person public investment to be on par with benchmark cities</li> </ul>                                   | Two red lights    | <b>Attract</b> jobs that are higher than the average weekly wage. <ul style="list-style-type: none"> <li>The average of the 1600 jobs created and/or saved are above the average weekly wage for HRM</li> </ul>   |
|                                 | <b>Enhance Quality Labour Force</b> <ul style="list-style-type: none"> <li>Have the number of people employed with post-secondary degree or diploma at 70 percent within five years</li> </ul> | One red light     | <b>Increase</b> support through the provision of services meeting the priorities of funding partners. <ul style="list-style-type: none"> <li>Public Sector, private sector and project funding: Implement 5-year strategy to increase funding</li> <li>Establish Tri-level Agreement</li> <li>Maintain investor renewal rate</li> <li>90% or greater investor engagement</li> </ul> |
|                                 | <b>Improve Average Income</b> <ul style="list-style-type: none"> <li>Increase average weekly wage to meet the Canadian average within five years.</li> </ul>                                   | One green light   | <b>Increase</b> awareness of strategies to improve community satisfaction and engagement. <ul style="list-style-type: none"> <li>Form a Corporate Social Responsibility Council</li> <li>Assist in development of 10 successful community economic development initiatives</li> </ul>   |
|                                 | <b>Increase Support for Economic Development</b> <ul style="list-style-type: none"> <li>Increase economic development funding over the next five years.</li> </ul>                             | One green light   |   |
|                                 | <b>Attain High Community Satisfaction</b> <ul style="list-style-type: none"> <li>Benchmarks to be set.</li> </ul>  | One red light     |   |
|                                 | <b>Increase Visitors to Heritage Sites</b> <ul style="list-style-type: none"> <li>Increase visitors to heritage sites by five percent a year in five years</li> </ul>                          | Two red lights    |   |

# Schedule A - Outcome Measures - June 19, 2007

| Create a Gung-Ho Business Climate | Economic Strategy Outcome Measures   | Chamber Scorecard | GHP Outcome Measures  |
|-----------------------------------|--|-------------------|---|
|                                   | <b>Increase Public Investment</b> <ul style="list-style-type: none"> <li>Increase per person public sector investment to be on par with benchmark cities within five years</li> </ul>  | Two red lights    | <p><b>Increase</b> awareness on current levels of public investment compared to other cities.</p> <ul style="list-style-type: none"> <li>Set Benchmark</li> </ul> <p><b>Increase</b> new business investment.</p> <ul style="list-style-type: none"> <li>20 new businesses in Partnership business development funnel</li> </ul> <p><b>Increase</b> the number of jobs created in the Capital District.</p> <ul style="list-style-type: none"> <li>350 jobs created in the Capital District</li> </ul> <p><b>Improve</b> the business case for business expansion in HRM.</p> <ul style="list-style-type: none"> <li>Benchmark business incentives</li> <li>Develop competitive incentive packages</li> </ul> <p><b>Increase</b> awareness of construction delays and potential solutions through SmartBusiness program.</p> <ul style="list-style-type: none"> <li>20 referrals sent to Action Team</li> </ul> <p><b>Increase</b> awareness of available research, incubation and industrial space.</p> <ul style="list-style-type: none"> <li>Implementation of Trans-load recommendations</li> </ul> |
|                                   | <b>Increase Private Investment</b> <ul style="list-style-type: none"> <li>Have private investment above the national average within five years</li> </ul>  | One red light     |   |
|                                   | <b>Grow Employment in Capital District</b> <ul style="list-style-type: none"> <li>Attain growth of 1000 jobs within five years</li> </ul>  | No score          |   |
|                                   | <b>Grow Commercial Tax Base</b> <ul style="list-style-type: none"> <li>Attain growth averaging three percent a year in five years.</li> </ul>  | Two green lights  |   |
|                                   | <b>Set Competitive Commercial Taxes</b> <ul style="list-style-type: none"> <li>Have commercial tax rates consistent with an average of benchmark cities within five year</li> </ul>  | One red light     |   |
|                                   | <b>Improve Decision Times for Construction Projects</b> <ul style="list-style-type: none"> <li>Achieve appropriate decision times for major projects that are below the average of benchmark cities within five years</li> </ul> | No score          |   |
|                                   | <b>Enhance Access to Broadband</b> <ul style="list-style-type: none"> <li>Reach 100 percent broadband access within five years</li> </ul>  | One green light   |   |
|                                   | <b>Reduce Crime Rate</b> <ul style="list-style-type: none"> <li>Decrease crime rate per 100,000 so it is below the average of similar Canadian cities within five years</li> </ul>   | One green light   |   |
|                                   | <b>Increase Research and Incubation Space</b> <ul style="list-style-type: none"> <li>Increase research and incubation space by 100,000 sq. ft. within five years</li> </ul>  | No score          |   |

# Schedule A - Outcome Measures - June 19, 2007

|                              |  | Economic Strategy Outcome Measures  | Chamber Scorecard | GHP Outcome Measures  |
|------------------------------|--|---|-------------------|---|
| Capitalize on our Reputation | <b>Improve Business Confidence</b>                               | <ul style="list-style-type: none"> <li>Improve business confidence over the next five years so that it's the highest in Atlantic Canada</li> </ul>  | Two green lights  | <p><b>Increase</b> key stakeholder confidence in HRM's advantages.</p> <ul style="list-style-type: none"> <li>7% increase in media index</li> <li>90% investor satisfaction survey results</li> <li>Increase confidence campaign</li> </ul> <p><b>Improve</b> brand recognition of HRM.</p> <ul style="list-style-type: none"> <li>Complete Phase 1 of the establishment of the Quality of Place Council</li> <li>Approve Brand Audit Priorities and resulting strategy</li> <li>Develop brand benchmark</li> <li>Complete 5 Trans-national Economic Development Initiatives</li> </ul> <p><b>Increase</b> in contact with stakeholders and promote a better understanding of HRM's advantages.</p> <ul style="list-style-type: none"> <li>Maintain website visitations above Economic Strategy target</li> </ul> |
|                              | <b>Enhance Brand Recognition</b>                                 | <ul style="list-style-type: none"> <li>Improve brand recognition of the HRM in national and international markets</li> </ul>  | Two red lights    |   |
|                              | <b>Increase Room Nights Sold</b>                                 | <ul style="list-style-type: none"> <li>Five percent per year</li> </ul>   | Two red lights    |   |
|                              | <b>Foster Greater Awareness of HRM as a place to do business</b> | <ul style="list-style-type: none"> <li>Increase by an average of five percent a year, over the next five years in the number of hits to HRM business development organization websites</li> </ul> | Two green lights  |   |

|                                   |   |  |  |
|-----------------------------------|---|--|--|
| <b>Benchmark Business Climate</b> | <ul style="list-style-type: none"> <li>Establish a comprehensive business climate benchmarking capability within two years</li> </ul> | Two green lights<br><br>Target Reached |  |
|-----------------------------------|---|--|--|

|                                     |   | Economic Strategy Outcome Measures   | Chamber Scorecard | GHP Outcome Measures  |
|-------------------------------------|---|--|-------------------|---|
| Convert Rivalries into Partnerships | <b>Joint Economic Development Initiatives Implemented</b> | <ul style="list-style-type: none"> <li>Priority actions of the strategy are implemented</li> </ul>                         | One green light   | <p><b>Increase</b> the likelihood of the Joint Economic Development initiatives Implemented.</p> <ul style="list-style-type: none"> <li>Set-up a Strategy Implementation Committee to identify rules of engagement, set priorities, set appropriate measures</li> </ul> |
|                                     | <b>Implement Gateway Strategy</b>                         | <ul style="list-style-type: none"> <li>Have a fully operational Gateway Strategy up and running within one year</li> </ul> | Two green lights  |   |