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Item No. 4

Halifax Regional Council
September 30, 2008

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:

Church

Jennifer Church, Managing Director, External & Corporate Affairs

DATE: September 25, 2008

SUBJECT: Memorandum of Understanding with HIAA

INFORMATION REPORT

ORIGIN

A Memorandum of Understanding (MOU) was signed by HRM's Chief Administrative Officer and the President & CEO of Halifax International Airport Authority, on September 8, 2008.

BACKGROUND

HRM and HIAA have many areas of shared interest and have worked together on a number of initiatives in past years. The intention of the MOU is to formalize a strategic relationship between the two organizations. This MOU is not intended to over-ride agreements on specific issues; but rather a high level agreement to increase communication and collaboration around shared priorities. Aligning resources where appropriate and working together to advance common goals will benefit both organizations and the community.

Meetings between the HRM CAO and HIAA President & CEO will continue to review progress as needed. Discussions and outcomes will be reviewed annually and Regional Council will be provided with updates.

DISCUSSION

The MOU identifies five specific areas of mutual interest:

- Atlantic Gateway
- Public transit services
- Taxation (renewal of 2004 development agreement)
- Infrastructure issues
- Land sales and acquisitions

Staff leads have been identified for each area and will work with HIAA staff to advance mutual aims. Any activities or outcomes from these areas will be formalized in separate agreements.

BUDGET IMPLICATIONS

No budget implications at this time. Any budget requirements would be requested through the 2009/10 budget/business planning cycle.

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.

ATTACHMENTS

Memorandum of Understanding between Halifax Regional Municipality and Halifax International Airport Authority.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by : Anne Totten, Corporate Policy Analyst, 490-5623

MEMORANDUM OF UNDERSTANDING

BETWEEN:

Halifax Regional Municipality (“HRM”)

- AND -

Halifax International Airport Authority (“HIAA”)

WHEREAS:

- a) Halifax Regional Council has adopted an economic strategy which encourages collaboration among stakeholders in achieving sustainable economic growth objectives;
- b) HIAA is a major employer and economic generator in the Halifax region, and the Airport contributes \$1.15 billion to the provincial economy and is responsible for almost 12,000 direct and indirect jobs;
- c) HRM is committed to developing the Atlantic Gateway to Canada and North America, and HIAA is the region’s principal full-service airport providing passengers and cargo clients with access to markets across the country, the United States and Europe; and
- d) HRM and HIAA are both committed to the economic development of the Halifax region, the generation of jobs, the efficient movement of goods and people, and the preservation and enhancement of the natural environment
- e) A MOU between HRM and HIAA concerning a Ground Lease agreement was adopted on December 12, 2006, resulting in ongoing discussions between HRM and HIAA. The following is further to such agreement.

THEREFORE HRM and HIAA agree:

- 1) HRM and HIAA each acknowledge the legal independence and authority of one another, and the obligation of each party to act in a manner consistent with its respective enabling legislation and obligations.
- 2) HRM and HIAA commit to continuing open and effective communication on matters of mutual interest. The parties are committed to notifying and consulting one another on physical developments that may affect both parties.

- 3) The Chief Administrative Officer of HRM and President & CEO of HIAA will appoint staff representatives to lead the implementation of initiatives as outlined in this MOU. Regular reports will be prepared and the CAO and President & CEO will arrange joint meetings when both parties mutually agree, to review progress as needed.
- 4) Recognizing that aligning resources will benefit both organizations and the community at large, HRM and HIAA agree to work together in the following areas of mutual interest:
- Growing and building Halifax region as the Atlantic Gateway
 - Public transportation services
 - Taxation
 - Collaboration on infrastructure issues including provision of fire services, water/sewer capacity
 - Future Land sale and acquisition

Activities agreed to will be formalized via a separate and written agreement.

- 5) Outcomes of the cooperative discussions under this MOU will be monitored annually and an update provided to Halifax Regional Council and the HIAA Board of Directors.
- 6) This MOU shall become effective from the date of execution. Either party (HRM Chief Administrative Officer / HIAA President & CEO) may terminate this MOU with 10 business days' written notice to the other party
- 7) Each party shall bear its own costs and expenses unless otherwise mutually arranged and agreed to in writing.

HALIFAX REGIONAL
MUNICIPALITY

HALIFAX INTERNATIONAL
AIRPORT AUTHORITY

Dan English,
Chief Administrative Officer

Tom Ruth,
President & CEO

Date: _____

Date: _____