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Item No. 11.1 .1
Halifax Regional Council
February 1, 2011

TO: Mayor Kelly and Members of Halifax Regional Council

Original Signed by 

SUBMITTED BY:

Wayne Anstey, Acting Chief Administrative Officer

Original Signed by 

Mike Labrecque, Deputy Chief Administrative Officer

DATE: January 20, 2011

SUBJECT: **Greater Halifax Partnership Compliance re: *Regional Community Development Act***

ORIGIN

On-going discussions between the Greater Halifax Partnership (the Partnership) and the Nova Scotia Department of Economic and Rural Development and Tourism (NSDERT) on the subject of aligning regional development agencies to provincial legislation as a condition of receiving operational (core) funding.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Endorse the concept of establishing a community economic development arm of the Greater Halifax Partnership (Partnership) as an entity pursuant to the *Regional Community Development (RCD) Act* (Attachment 1); and
2. Pursuant to Section 6 of the *RCD Act*, authorize the Mayor to prepare a letter to the Minister of NSDERT requesting the Minister to establish a regional development agency for the specific purpose of undertaking community economic development activities within HRM.

BACKGROUND

NSDERT and the Atlantic Canada Opportunities Agency (ACOA) have advised the Partnership that, in order for it to remain eligible for provincial and federal funding of core¹ business operations, the Partnership must become a regional community development agency established by the Minister of NSDERT under the *RCD Act*. (A copy of the provincial legislation is provided as an attachment to this report.) As per the recommendation section of this report, the Minister may establish such an entity upon receipt of a request from a municipality to do so pursuant to Section 6 of the Act.

The combined level of funding from NSDERDT and ACOA to the Partnership's core business functions is currently at \$330,000. Designation under the *RCD Act* would therefore serve to prevent a significant funding shortfall in the Partnership's current and subsequent operating budgets.

DISCUSSION

As a result of various meetings held by the Partnership with provincial representatives, a mutually agreeable approach has been reached to ensure private sector and HRM interests would be maintained. The approach would see the Partnership's current and future activities and funding associated with community economic development segregated from current operations and established as an aligned entity under the *RCD Act*. All other Partnership functions and activities would continue under the current private-public model which operates under the *Societies Act*.

The Partnership Board considered the matter of conditions tied to provincial and federal funding and at a meeting of the Board held on September 23, 2010, consented to the approach being recommended. Prior to bringing forward the request to Council, Partnership staff drafted a set of by-laws for the proposed new entity which were reviewed by the Partnership's solicitor. The draft by-laws were subsequently forwarded to NSDERDT through the CAO's office requesting a formal review for compliance with the *RCD Act*. NSERDT's solicitor has reviewed the documents and subject to a few mutually agreeable modifications, is prepared to recommend Ministerial approval of the new entity's incorporation under the *RCD Act*, subject to consent by HRM Council. In summary, the by-laws stipulate that the same Board of Directors govern both the Greater Halifax Partnership and the new entity; "The Halifax Regional Development Agency".

BUDGET IMPLICATIONS

There are no HRM budget implications associated with the recommended action. HRM currently provides an annual operating grant of \$1.4 Million to support the ongoing operation of the Partnership. The legal and incorporation costs are minimal and will be absorbed under the Partnership's current operating envelope. As the recommended action is intended to fulfill a

¹ Note: The term "core" funding is used in this report in reference to contributions made by funding partners to annual business operations which include costs of salaries, rent, overhead, etc. Most economic development agencies, including the Partnership, also receive funding for specific projects over and above core funding.

provincial requirement, any other costs associated with the provincial staff time, etc. in support of establishing an RDA would be the Province's responsibility. Should the recommended action proceed to the point where the Minister establishes an RDA, the Partnership would then proceed to allocate a proportion of HRM's operating grant equivalent to each of the core funding allocations from the Provincial and Federal Governments to the new entity (currently at \$165,000 annually each).

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation.

COMMUNITY ENGAGEMENT

As a community-based organization, the Partnership has reviewed this matter with various stakeholders, including its Board of Directors.

ALTERNATIVES

1. Council may choose to adopt the recommendation to request that the Minister establish a regional development agency for reasons presented in this report. This is the staff recommendation.
2. Council may choose not to proceed with the recommendation. This will result in a \$330,000 shortfall in the Partnership's 2010-11 operating budget because the funding partners will withdraw their funding as a result of not incorporating under the *RCD Act*.
3. Council may choose to request additional information, including any further reports to be prepared by the Partnership prior to deciding on whether or not to submit a request to the Minister. This will add time to the process of establishing an entity under the legislation, which will negatively impact the Partnership's cash flow situation and its ability meet its financial obligations.

ATTACHMENTS

- Attachment 1: Regional Community Development Act
Attachment 2: DRAFT By-Laws – Halifax Regional Development Agency

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: Jim Donovan, Manager of Economic Development, 490-1742

Report Approved by: _____
Jennifer Church, Managing Director, External & Corporate Affairs, 490-3677

Original Signed

Attachment 1:



Regional Community Development Act

CHAPTER 29

OF THE

ACTS OF 1996

NOTE - This electronic version of this statute is provided by the Office of the Legislative Counsel for your convenience and personal use only and may not be copied for the purpose of resale in this or any other form. Formatting of this electronic version may differ from the official, printed version. Where accuracy is critical, please consult official sources.

An Act to Encourage and Facilitate Community-based Planning for Economic, Social and Institutional Change

Short title

1 This Act may be cited as the *Regional Community Development Act*. 1996, c. 29, s. 1.

Purpose of Act

2 The purpose of this Act is to encourage and facilitate community-based planning for economic, social and institutional change by

- (a) enabling, upon the request of a municipality or of participating municipalities, the establishment of regional community development agencies to work with the community to plan and carry out regional development strategies and action plans that will further the development of the community;
- (b) facilitating the co-ordination of provincial and municipal public sector development programs affecting the roles of private and voluntary sector groups, labour groups, companies, non-profit organizations, co-operatives, universities and community colleges in the support of community development;
- (c) assisting regional communities in developing local planning capability, institutional capability, community entrepreneurship and the essential infrastructure that will promote the creation of business investment, jobs and opportunities for individuals through education, training and participation in locally driven ventures; and

(d) improving the economic and social conditions of rural and urban areas of the Province. 1996, c. 29, s. 2.

Interpretation

3 In this Act,

(a) "agency" means a regional community development organization established pursuant to this Act;

(b) "development" means economic, social and institutional change brought about by a broadly representative community process aimed at improving the community as a better place to live and work;

(c) "Minister" means the Minister responsible for the Nova Scotia Economic Renewal Agency, including Tourism Nova Scotia and the Nova Scotia Marketing Agency;

(d) "municipality" means a regional municipality, town or rural municipality;

(e) "participating municipality" means a municipality that is represented on an agency;

(f) "regional community" means the geographic area of one or more municipalities located within the boundary of an area of locally accepted economic development interest;

(g) "regional development strategy" means a three-year comprehensive multi-sectoral economic and social development program prepared in consultation with community groups and individuals. 1996, c. 29, s. 3.

Supervision and management of Act

4 The Minister has the general supervision and management of this Act. 1996, c. 29, s. 4.

Personnel

5 Such employees as are necessary for the administration of this Act shall be appointed in accordance with the *Civil Service Act*. 1996, c. 29, s. 5.

Regional community development agencies

6 (1) Where a municipality or municipalities propose to prepare and adopt a regional development strategy for the municipality or municipalities, respectively, the municipality or municipalities, as the case may be, may request that the Minister establish a regional community development agency for the area covered by the regional development strategy.

(2) Upon receiving a request from a municipality or municipalities pursuant to subsection (1), the Minister may, by order, establish a body corporate to be the regional community development agency for the area covered by the regional development strategy.

(3) An order made pursuant to subsection (2) may specify

(a) the name of the agency;

(b) the regional community for which the agency may exercise powers;

- (c) the municipalities that are to be represented on the agency;
 - (d) the number of members on the agency's board of directors to be appointed by the councils of the participating municipalities;
 - (e) the number of members of the agency's board of directors to be representatives of the regional community's economic sectors and other relevant groups;
 - (f) the term of office of members of the board of directors of the agency and the conditions under which members of the board of directors cease to be members of the board;
 - (g) the proportions in which each of the participating municipalities shall contribute to and provide the funds required to meet the expenses of the agency, subject to the participating municipalities' ability to approve its contribution on an annual basis;
 - (h) the date when the contribution of each participating municipality is to be paid to the agency;
 - (i) the officers and organization of an agency and how and when meetings of the agency are to be held and the business of the agency transacted;
 - (j) the fiscal year of the agency;
 - (k) such other matters as the Minister deems necessary to carry out effectively the intent and purpose of this Act.
- (4) A vacancy on the board of directors of an agency does not impair the right of the remaining members to act or the corporate capacity of the agency.
- (5) A member of an agency's board of directors or a municipality's advisory committee is not entitled to remuneration for serving on the board or committee, excluding reimbursement of expenses actually incurred.
- (6) An order made pursuant to this Section may be varied or rescinded by the Minister after notice to all participating municipalities.
- (7) The Minister may disestablish an agency and determine the manner of disposing of the assets of the agency. 1996, c. 29, s. 6.

Powers of agency

7 (1) An agency may

- (a) advise the council of any participating municipality with respect to matters affecting the economic and social development of the regional community;
- (b) promote interest in activities of the agency and encourage and assist the participation of public, private and voluntary sector groups;
- (c) prepare, update at regular intervals and implement a strategy and action plan for the development of the regional community;

- (d) encourage interested groups in participating in the strategic planning process and set priorities for development action;
- (e) act as financial, industrial, promotional, marketing, training or planning advisers with respect to the development of the regional community in accordance with a regional development strategy;
- (f) encourage the formation of partnership groups to evaluate, plan and organize implementation of specific development actions and projects that fall within the framework of the regional development strategy;
- (g) facilitate contact with those who may be able to provide technical, professional and policy resources needed to enable project groups to be effective;
- (h) facilitate access to those who may be able to provide funding to implement projects and business plans in accordance with a regional development strategy;
- (i) provide managerial, technical or other support services to other business or operations of any community development group, company, syndicate, labour group, non-profit organization, co-operative, partnership, enterprise or undertaking in respect of achieving the purpose of this Act;
- (j) provide training to those individuals or groups involved in regional community planning to assist in the implementation of a regional development strategy;
- (k) collect, analyze and disseminate information;
- (l) co-operate with governments and agencies of governments;
- (m) perform such other functions or duties as are assigned to an agency by the Minister.

(2) An agency may enter into agreements with the Government of Canada respecting the sharing of expenses associated with the encouraging and facilitating of community development. 1996, c. 29, s. 7.

General powers of agency

8 (1) An agency may exercise such powers as are necessary or conducive to attaining the objects of the agency and, without restricting the generality of the foregoing, may

- (a) acquire by way of grant, gift, devise or otherwise funds to carry out the objects of the agency;
- (b) invest any money of the agency not immediately required for the purpose of the agency;
- (c) enter into agreements with the participating municipalities, the Province or the Government of Canada with respect to the funding of the agency;
- (d) employ such persons as are deemed necessary by the agency to carry out the objects and purpose of the agency and determine the remuneration of such persons;
- (e) do such other acts or things as are incidental or conducive to the attainment of the objects and purpose of the agency.

(2) Subject to the approval of the Minister, an agency may make by-laws for the internal management of the

agency and, without restricting the generality of the foregoing, may make by-laws

- (a) respecting the conduct and duties of the officers and employees of the agency;
- (b) respecting the method of calling meetings and the conduct of business at meetings;
- (c) respecting the order and proceedings at meetings;
- (d) designating a name for the person who presides over meetings. 1996, c. 29, s. 8.

Records and statements

9 (1) An agency shall keep proper books of account and records, which shall be open to the public for inspection upon request.

(2) An agency shall annually cause the accounts of the agency to be examined and audited by a registered municipal auditor who may be paid such remuneration as the board determines.

(3) An agency shall, not later than June 30th in each year, submit to each of the participating municipalities and the Minister an audited statement for the immediately preceding fiscal year showing

- (a) the revenue for the immediately preceding fiscal year;
- (b) the expenditures;
- (c) a revenue fund balance sheet as of the close of the fiscal year;
- (d) changes in the surplus or deficit account during that fiscal year with explanations of such changes;
- (e) an auditors certificate; and
- (f) such other information and accounts as the participating municipalities or Minister may require. 1996, c. 29, s. 9.

Payments by municipalities to agencies

10 (1) An agency shall, not later than January 31st in each year, submit to the council of each participating municipality for approval an estimate of the amount required from each of them for the purpose of the agency for that year.

(2) Sums paid pursuant to this Act are held to be sums required for the ordinary lawful purposes of the municipality.

(3) Sums paid by a council prior to the coming into force of this Act to an incorporated body whose objects are similar to those of an agency under this Act are deemed to be sums required for the ordinary lawful purposes of the municipality. 1996, c. 29, s. 10.

Annual progress reports

11 An agency shall annually submit to the council of each participating municipality and the Minister a report

detailing the progress made in achieving the objectives of the regional development strategy. 1996, c. 29, s. 11.

Interpretation

12 Nothing in this Act means or shall be construed to mean that

(a) an agency created pursuant to this Act is a Crown corporation or an agency of Her Majesty in right of the Province; or

(b) any property, right, privilege or obligation of any agency is the property, right, privilege or obligation of Her Majesty in right of the Province. 1996, c. 29, s. 12.

Regulations

13 (1) The Governor in Council may make such regulations as the Governor in Council deems necessary to carry out effectively the intent and purpose of this Act.

(2) The exercise by the Governor in Council of the authority contained in subsection (1) is regulations within the meaning of the *Regulations Act*. 1996, c. 29, s. 13.

Repeal

14 Chapter 116 of the Revised Statutes, 1989, the *Cumberland Development Authority Act*, is repealed. 1996, c. 29, s. 14.

Proclamation

15 This Act comes into force on such day as the Governor in Council orders and declares by proclamation. 1996, c. 29, s. 15.

Proclaimed - April 22, 1997

In force - April 22, 1997



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ATTACHMENT 2

BY-LAWS OF Halifax Regional Economic Development Agency

- 1) In these by-laws unless there be something in the subject or context inconsistent therewith
 - a) “Agency” means the Halifax Regional Economic Development Agency;
 - b) “Minister” means the Minister of Economic and Rural Development and Tourism, Province of Nova Scotia.
 - c) “Municipality” means the Halifax Regional Municipality;
 - d) “Partnership” means the Halifax Regional Business and Community Economic Development Association, which carries on business under the registered business name, Greater Halifax Partnership;
 - e) “RCD Act” means the Regional Community Development Act S.N.S. 1996 c. 29; and
 - f) “Special Resolution” means a resolution passed by not less than three-fourths of such members entitled to vote as are present in person at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given.

PURPOSE

- 2) The purpose of the Agency is to encourage and facilitate community-based planning for economic, social and institutional change through its SmartBusiness program in accordance with the provisions of the *RCD Act*, Province of Nova Scotia, including as follows:
 - a) To operate as a public partnership in securing operational funding from all levels of government, and to enjoy the support and continued commitment of vested stakeholders in fostering the economic growth and prosperity of the Municipality;
 - b) To position the Municipality as a superior place to do business, locate new business, visit, live and work;
 - c) To promote the benefits and attributes of the Municipality externally and internally, to target capital investment for the Municipality;
 - d) To foster sustainable community development through: institutional growth; community-based economic and socio-economic planning; community entrepreneurship; employment creation for individuals through education, training and participation in locally-driven ventures; and business investment from established and new enterprises;
 - e) To pursue and respond to enabling infrastructure opportunities that promote economic growth within the Municipality, including but not limited to: telecommunications service; public transit; business park development; development of a transportation gateway; development of diversified energy

- sources; and the development of major events and facilities;
- f) To develop relationships and partner with government, communities, institutions and business to promote job creation, commercialization of research and development, investment, business, and trade development in the Municipality through the retention of existing businesses, intra-expansion of existing businesses, the recruitment of new business and investment to the Municipality;
 - g) To plan, advise and implement economic development strategies and action plans that will further the development of the municipal economy, and to review and update such strategies and action plans at regular intervals as appropriate by:
 - i) Creating networks, partnerships and project groups to evaluate, plan and organize the implementation of specific development actions and projects that fall within the framework of the Municipality's economic development strategy;
 - ii) Providing technical, professional and policy resources required to enable project groups to be effective; and
 - iii) Facilitating access to sources of funding that enable projects and business plans to be implemented in accordance with the Municipality's economic development strategy;
 - h) To forge strong partnerships among educators, the provincial and federal government, and the private sector to anticipate and respond to training and provision of skilled labour, with a focus on life-long learning, apprenticeships, and mentoring;
 - i) To develop the human resources potential of the Municipality by developing opportunities for residents to acquire the education and training necessary to further the economic development of the Municipality;
 - j) To provide business development services and counseling where such services are not otherwise available;
 - k) To identify opportunities and, when appropriate, to coordinate federal, provincial and municipal public sector development programs affecting the roles of private and voluntary sector groups, labour groups, companies, non-profit organizations, co-operatives, universities and community colleges in support of community development;
 - l) To build on a network of government, financial institutions, business interests, community, media and other entities that have a mandate for economic, sectoral or resource development in order to: strategically align interests and priorities with the economic development strategy, identify issues of concern and relevance, and communicate these to the appropriate governing authorities;
 - m) Subject to an agreement with the Municipality, to act as financial, industrial, promotional, marketing, training and planning advisors with respect to the advancement of the Municipality in accordance with its economic development strategy;
 - n) To promote the Agency's activities within the Municipality in order to continually enhance awareness, business confidence, participation and understanding of community economic development principles, and to sustain and encourage volunteer activity and business and community support;

- o) To compile, analyze and disseminate information and statistics respecting the economic development of the Municipality, to effectively analyze problems and opportunities within the existing economic base, and to assist local communities to assess their strengths, weaknesses, opportunities and competition;
- p) To undertake such other acts or things as are incidental or conducive to the attainment of the objects and purpose of the Agency.

POWERS OF THE AGENCY

- 3) The Agency shall have all of the powers set out in the RCD Act, and the the ability to:
 - a) Acquire by way of grant, gift, purchase, bequest, subscription, devise or otherwise, funds to carry out the purpose of the Agency;
 - b) Hold or lease such personal property as may be necessary or desirable in the carrying out of the purpose of the Agency;
 - c) Enter into agreements with the Halifax Regional Municipality, the Province of Nova Scotia or the Government of Canada with respect to the funding of projects and operations of the Agency;
 - d) Invest any money of the agency not immediately required for the purpose of the Agency;
 - e) Employ such persons as are deemed necessary to carry out the objects and purpose of the Agency and determine the remuneration of such persons;
 - f) Undertake and promote other activities which improve the economic and socio-economic conditions of the municipality and facilitate the participation of public, private and voluntary sector groups as deemed appropriate by the Agency Board; and
 - g) Enter into a management services agreement with the Partnership to undertake the activities and operations of the Agency.
- 4) The activities of the Agency are to be carried on in the Halifax Regional Municipality, Province of Nova Scotia.
- 5) Provided that nothing herein contained shall permit the Agency to carry on any trade, industry, or business and the activities of the Agency shall be carried on without purpose of gain to any of the members of the Agency and that any surplus or any accretions of the Agency shall be used solely for the purposes of the Agency and the promotion of its objects.

MEMBERSHIP

- 6) The Directors of the Partnership shall be admitted to membership in the Agency in accordance with these by-laws.
- 7) For the purpose of these bylaws, the number of members of the Agency is limited to the number of Directors of the Partnership from time to time. Every member of the Agency shall be entitled to attend any meeting of the Agency and to vote at any meeting of the Agency and to hold any office, but there shall be no proxy voting.
- 8) Membership in the Agency shall not be transferable.

- 9) Formal admission to membership shall be made at the annual meeting of the Agency.
- 10) Membership in the Agency shall cease upon the member no longer being a Director of the Partnership, the death of a member, or by notice of resignation of membership in writing to the Agency, or upon the member ceasing to qualify for membership in accordance with these by-laws.

FISCAL YEAR

- 11) The fiscal year of the Agency shall be the period from April 1 to March 31.

MEETING OF MEMBERS

- 12) The ordinary or annual general meeting of the Agency shall be held within three months after the end of each fiscal year of the Agency.
- 13) An extraordinary general meeting of the Agency may be called by the Chairperson or by the Directors of the Agency at any time, and shall be called by the Directors if requisitioned in writing by at least seventy-five per cent (75%) in number of the members of the Agency.
- 14) Thirty days' notice of a meeting, specifying the place, day and hour of the meeting and, in the case of special business, the nature of such business, shall be given to the Members.
- 15) At each ordinary or annual meeting of the Agency, the following items of business shall be dealt with and shall be deemed to be ordinary business:
 - a) Minutes of preceding general meeting;
 - b) Consideration of the report of the President/CEO of the Partnership;
 - c) Consideration of the financial statements, including balance sheet and operating statement and the report of the auditors thereon;
 - d) Election of Directors for the ensuing year;
 - e) Appointment of Auditors.

All other business transacted at an ordinary or annual general meeting shall be deemed to be special business and all business shall be deemed special that is transacted at an extraordinary general meeting of the Agency.

- 16) No business shall be transacted at any meeting of the Agency unless a quorum of members is present at the commencement of such business and such quorum shall consist of eight members.
- 17) If within one-half hour from the time appointed for the meeting, a quorum of members is not present, the meeting, if convened upon the requisition of the members, shall be dissolved. In any case, it shall stand adjourned to such time and place as a majority of the members then present shall direct and if at such adjourned meeting a quorum of members is not present, it shall be adjourned *sine die*.
- 18) The Chairperson of the Agency shall preside as Chairperson at every general meeting of the Agency. If there is no Chairperson or if at any meeting the Chairperson is not present at the time of holding the same, the Vice-Chairperson shall preside as Chairperson. If there is no Chairperson or Vice-Chairperson or if at

any meeting neither the Chairperson nor the Vice-Chairperson is present at the holding of the same, the members present shall choose someone of their number to be Chairperson.

- 19) The Chairperson shall have no vote except in the case of an equality of votes. In the case of an equality of votes, the Chairperson shall have a casting vote.
- 20) The Chairperson may, with the consent of the meeting, adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting, other than the business left unfinished at the meeting from which the adjournment took place, unless notice of such new business is given to the members.
- 21) At any meeting, unless a poll is demanded by at least three members, a declaration by the Chairperson that a resolution has been carried and an entry to that effect in the book of proceedings of the Agency shall be sufficient evidence of the fact, without proof of the number or proportion of the members recorded in favour of or against such resolution.
- 22) If a poll is demanded in manner aforesaid, the same shall be held such in a manner as the Chairperson may prescribe and the result of such poll shall be deemed to be the resolution of the Agency in general meeting.

VOTES OF MEMBERS

- 23) Every member shall have one vote and no more.

DIRECTORS

- 24) Unless otherwise determined by general meeting, the number of Directors of the Agency shall be thirteen. The Directors of the Partnership shall be the first Directors of the Agency, and shall, at their first meeting, retire from their positions and elect the first full Board of Directors as established in section 29 of these by-laws.
- 25) Any member of the Agency shall be eligible to be elected a Director of the Agency.
- 26) The composition of the Board of Directors shall consist of the thirteen Directors of the Partnership, provided however, that there shall be not less than two members to be appointed by HRM, and not less than eleven members to be representatives of the regional community's economic sectors and other relevant group.
- 27) In addition to the thirteen Board of Directors established in section 26 of these by-laws, the Board of the Agency shall have five *ex officio* members. The *ex officio* members have the right to attend Board meetings and to speak at such meetings, but an *ex officio* member shall not have the right to vote at such meetings. The attendance of an *ex officio* member at a Board meeting shall not be included when determining whether a quorum is present. The *ex officio* members of the Board shall be as follows:
 - a) One member representing the Municipal Council of the Halifax Regional Municipality;
 - b) One member representing the Chief Administrative Office of the Halifax Regional Municipality;
 - c) One member representing the Nova Scotia Department of Economic and Rural Development and Tourism;

- d) One member representing the Atlantic Canada Opportunities Agency; and
- e) One member representing the Commander of Joint Task Force Atlantic.

28) The terms of the Directors of the Agency shall be constituted as follows:

- a) The Members shall elect a first Board with terms for each Director matching their remaining term as Directors of the Partnership;
- b) All subsequent terms for Board members shall be for a two year period, commencing at the end of the annual meeting at which the Director is elected; and
- c) Directors may serve a maximum of three consecutive terms and may re-offer for re-election only after absenting themselves as Director for one term.

29) A Nominating Committee of the Board of Directors shall identify annually the number and nature of vacancies on the Board. The Nominating Committee shall present at each ordinary or annual general meeting of the Agency a full slate of thirteen Directors, including the length of time remaining in each of their terms. The members shall then vote on the complete slate, thus electing new Board members and affirming the continued mandate of those who are in the middle of their two year term.

30) The Agency may, by special resolution, remove any Director before the expiration of the period of office and appoint another person in his or her stead. The person so appointed shall hold office during such time only as the Director in whose place he or she is appointed would have held office if that Director had not been removed.

31) Meetings of the Board of Directors shall be held as often as the business of the Agency may require but not less than twice during each twelve month period, and all meetings of the Board of Directors shall be called by the Secretary. A meeting of Directors may be held at the close of every ordinary or annual general meeting of the Agency without notice. Notice of all other meetings, specifying the time and place thereof, shall be given either orally or in writing to each Director within a reasonable time before the meeting is to take place, but non-receipt of such notice by any Director shall not invalidate the proceedings at any meeting of the Board of Directors.

32) No business shall be transacted at any meeting of the Board of Directors unless a quorum is present at the commencement of such business and such quorum shall consist of eight of the Directors who are entitled to vote.

33) A Director may participate in meetings of the board and in meetings of a committee of the board by means of such telephone or other communications facilities as permit all persons participating in such a meeting to hear each other and a Director participating by such means will be considered to be present at the meeting.

34) The Chairperson or, in the Chairperson's absence, the Vice-Chairperson or, in the absence of both of them, any Director appointed from among those Directors present shall preside as Chairperson at meetings of the Board.

35) The Chairperson may be entitled to vote as a Director and, in the case of equality of votes, the Chairperson shall have casting vote in addition to the vote to which he or she is entitled as a Director.

36) A resolution in writing signed by all of the Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted. A resolution so effected shall be deemed to constitute a waiver of any notice required

under these by-laws, the ministerial order creating the Agency or the RCD Act to have been given for such a meeting, to the extent permitted by law.

- 37) Once a member has been elected to the board as a Director, his or her role as a Director is to serve the interests of the Agency above those of any other organization that he or she may represent.
- 38) A vacancy on the board of Directors of an agency does not impair the right of the remaining members to act or the corporate capacity of the Agency.
- 39) The Directors of the Agency are not entitled to remuneration for serving on the board or any committee thereof, except reimbursement for expenses actually incurred and not otherwise reimbursed by the Partnership.
- 40) Directors who have, or could reasonably be seen to have, a conflict of interest have a duty to declare this interest. The declaration should be made:
 - a) to the members upon nomination, and
 - b) to the Chairperson or Vice Chairperson, as the case may be, if serving as a Director and when the possibility of a conflict is realized.
- 41) A conflict of interest does not prevent a member from serving as a Director provided that the member withdraws from the decision making on matters pertaining to that interest. The withdrawal shall be recorded in the minutes.

POWERS OF DIRECTORS

- 42) The management of the activities of the Agency shall be vested in the Directors who, in addition to the powers and authorities by these by-laws or otherwise expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done by the Agency and are not hereby or by the RCD Act expressly directed or required to be exercised or done by the Agency in general meeting. In particular, the Directors may engage a Chief Executive Officer and to determine the duties, responsibilities and remuneration of said Chief Executive Officer. The Directors may appoint an executive committee, consisting of the officers and such other persons as the Directors decide.
- 43) The Board shall provide overall direction for the Agency's policies and activities and shall monitor the performance of the Agency.
- 44) The Board shall prepare and present annually a budget for the Agency and shall be empowered to solicit contributions to the Agency from various sources of funding and to allocate the Agency's resources. The Board may invite a representative or representatives from any interested funding entity to attend Board meetings as an observer.
- 45) The Board shall have full and final decision making authority in all areas of the Agency's operations.

OFFICERS

- 46) The officers of the Agency shall be the President/Chief Executive Officer and the Corporate Secretary.
- 47) The Directors shall elect one of their numbers to be the Chairperson of the Agency. No ex officio Director is eligible to be elected as Chairperson. The Chairperson shall

perform such duties as maybe assigned to the Chairperson by the members or Directors of the Agency from time to time.

- 48) The Directors may also elect from their numbers a Vice-Chairperson. The Vice-Chairperson shall, at the request of the members and subject to their directions, perform the duties of the Chairperson during the absence, illness or incapacity of the Chairperson or during such period of the Chairperson may request.
- 49) Unless the members of the Agency determine otherwise, the officers of the Agency shall be those persons holding equivalent positions with the Partnership.
- 50) In the event of the temporary absence or incapacity of any officer of the Agency, the Directors may appoint a replacement to fill such role until the next annual meeting of the Agency.
- 51) Except for written employment agreements approved by the Board of Directors of the Agency, officers are not entitled to remuneration except reimbursement for expenses actually incurred and not otherwise reimbursed by the Partnership.

COUNCILS AND COMMITTEES

- 52) The Board of Directors may establish standing and *ad hoc* councils and committees to assist the Agency in fulfilling its functions, to meet needs not otherwise addressed, to undertake special projects or to deal with specific issues in the short or medium term. Any such council or committee is the creation of the board and may be disbanded at the pleasure of the board.
- 53) The Board of Directors may determine the composition of each council or committee, and name individuals to be appointed to such councils or committees. Membership in these committees shall consist of one or more Board members as the Board shall determine and such personnel selected by the Board from the membership or the wider community of the Halifax Regional Municipality.
- 54) Unless the Directors of the Agency determine otherwise, the members of each council or committee of the Board of Directors of the Partnership shall be members of the equivalent committee for the Agency.

FUNDING

- 55) The board shall be authorized to seek out funding from the municipal, provincial and federal levels of government and related agencies and from the community at large. The board shall provide ongoing reports of the Agency's activities, operational and effectiveness and an annual review of strategic direction and results to all funding entities.
- 56) The board shall endeavor to collect funding on or before March 31 of each year. The board shall be authorized to invest any excess funds not required immediately by the Agency.
- 57) The board shall, not later than February 28th in each year, submit to the participating three levels of government, a business plan, including a budget of the amount required from each of them for the purposes of operating the agency for that year.
- 58) The board shall submit annually to the participating three levels of government a report outlining the progress made in achieving the objectives of the economic regional development strategy.

AUDIT OF ACCOUNTS

- 59) The auditor of the Agency shall be appointed annually by the members of the Agency at the ordinary or annual general meeting and, on failure of the members to appoint an auditor, the Directors may do so.
- 60) The Agency shall make a written report to the members as to the financial position of the Agency and the report shall contain a balance sheet and operating account. The auditors shall make a written report to the members upon the balance sheet and operating account, and in every such report, the auditor shall state whether, in the auditor's opinion, the balance sheet is a full and fair balance sheet containing the particulars required by the Agency and properly drawn up so as to exhibit a true and correct view of the Agency's affairs, and such report shall be read at the annual meeting. A copy of the balance sheet, showing the general particulars of its liabilities and assets and a statement of its income and expenditure in the preceding year, audited by the auditor, shall be filed with the Minister within fourteen days after the annual meeting in each year as required by law.

REPEAL AND AMENDMENT OF BY-LAWS

- 61) Subject to the approval of the Minister as determined by the RCD Act, the Agency has power to repeal or amend any of these by-laws by a special resolution passed in the manner prescribed by these by-laws.

MISCELLANEOUS

- 62) Preparation of minutes, custody of the books and records, and custody of the minutes of all the meetings of the Agency and of the Board of Directors shall be the responsibility of the Secretary.
- 63) Contracts, deeds, bills of exchange and other instruments and documents may be executed on behalf of the Agency by the Chairperson or the Vice-Chairperson, or otherwise as prescribed by resolution of the Board of Directors.
- 64) The borrowing powers of the Agency may be exercised by a resolution passed by not less than three-fourths of the Directors entitled to vote as are present in person at a meeting of the Board of Directors of which notice was given specifying the intention to propose the resolution.
- 65) If, for any reason, the operations of the Agency are terminated, wound up, or dissolved and, after satisfaction of all of the debts and liabilities of the Agency, any surplus remaining shall be paid to the Federal Government of Canada, Province of Nova Scotia, and Halifax Regional Municipality on a *pro rata* basis consistent with the funding contribution by each level of government since incorporation of the Agency pursuant to the RCD Act.
- 66) In the event of conflict between these by-laws and the RCD Act, the RCD Act shall apply.