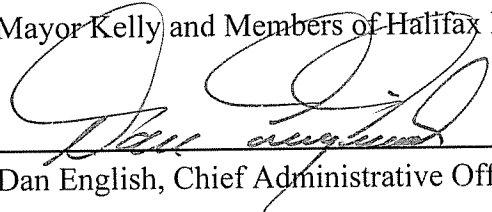




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Halifax Regional Council
September 12, 2006

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: 
Dan English, Chief Administrative Officer

DATE: September 7, 2006

SUBJECT: Update on the HRDA and GHP Merger

INFORMATION REPORT

ORIGIN

- May 10, 2006 Information Report on a proposal to merge the Greater Halifax Partnership (GHP) with the Halifax Regional Development Agency (HRDA) discussed in-camera by Council on May 16, 2006.
- Decision by Council to endorse the merger initiative and to declassify the May 10 report.
- Agreement by the respective Boards of the two organizations to appoint representatives to an Interim Board that will oversee and coordinate the merger.

BACKGROUND

This report is intended to provide an update on the process to merge the GHP with the HRDA. A number of activities have transpired since the last time this matter was before Regional Council.

DISCUSSION

The Interim Board overseeing the merger process has met on various occasions throughout the summer months and has made significant progress towards the development of a schedule, an operation and integration plan for the new entity, agreeing on its core functions and articles of association and the development of a governance structure for the new organization. Following is a summary of meetings held thus far and the principal agenda items:

<u>Meeting Date:</u>	<u>Business Considered</u>
June 1, 2006	<ul style="list-style-type: none">• Review of lead up events• Confirm Interim Board representation• Agree on summer meeting schedule• Review costs, resourcing, operational and transition planning matters for future consideration
July 5, 2006	<ul style="list-style-type: none">• Appoint Co-Chairs (N. Gilfoy, C. Savary)• Confirm Interim Recording Secretary (HRM Clerk)• Confirm Interim Legal Counsel (HRM Solicitor)• Confirm budget for Interim Board• Receive draft operation and integration plan for new entity• Receive draft timeline for creation and integration of new entity• Review approaches to incorporation
July 21, 2006	<ul style="list-style-type: none">• Review draft operation and integration plan• Agree on approach to incorporation (Societies Act)• Review name of organization and memorandum of association• Review approaches to governance structure
August 2, 2006	<ul style="list-style-type: none">• Review draft articles of association for new entity• Discuss governance structure for new Board• Agree on communications to GHP and HRDA staff regarding the merger process
August 31, 2006	<ul style="list-style-type: none">• Facilitated discussion on governance structure, Board membership• Receive draft mission statement, draft business plan for new entity
September 7, 2006	<ul style="list-style-type: none">• Further discussion of governance structure• Finalize memorandum of association

Next Steps

The objective of the Interim Board is to agree on a governance structure and finalize the articles of association and incorporation documents by mid-September. This will enable a legally-constituted Board of Directors for the new organization to oversee the appointment of a chief executive officer and the finalization of operation, integration and business plans for the new entity. Work is proceeding on time and within the current operating budget. It is anticipated that the next phase will be undertaken prior to the end of October.

November and December have been identified as the period in which staff assignments to the new organization and roll-out of communications will occur. GHP and HRDA staff have already initiated joint work activities in anticipation of a transition period that is scheduled to occur between the end of October and the beginning of January, 2007 which is the estimated start-up date for operations

of the newly-formed regional economic development entity.

BUDGET IMPLICATIONS

HRM resources in support of the Interim Board and the merger process are primarily in the form of time provided by staff from various business units and by the Council representatives who serve on the Interim Board. Incidental expenses are minor and are supported by current operations budgets for the Chief Administrative Office and Economic Development.

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

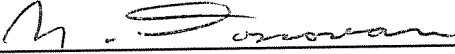
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ATTACHMENTS

None

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:


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