

**AGREEMENT BETWEEN  
THE GREATER PHOENIX ECONOMIC COUNCIL  
AND THE TOWN OF FOUNTAIN HILLS**

**Town Contract No. C2015-110**

The Town Council of the TOWN OF FOUNTAIN HILLS, a municipal corporation (the "Town"), has approved participation in and support of the regional economic development program of the GREATER PHOENIX ECONOMIC COUNCIL ("GPEC"), an Arizona non-profit corporation. The purpose of this agreement ("Agreement") is to set forth the regional economic development program that GPEC agrees to undertake, the support that the Town agrees to provide, the respective roles of GPEC and the Town and the payments of the Town to GPEC for the fiscal year July 1, 2014 - June 30, 2015.

**NOW, THEREFORE**, in consideration of the mutual promises contained herein, the TOWN and GPEC agree as follows:

**I. RESPONSIBILITIES OF GPEC**

**A. MISSION:** GPEC works to attract quality businesses to the Greater Phoenix Region from around the world, and advocate and champion foundational effects to improve the region's competitiveness.

**B. GOALS:** GPEC is guided by and strategically focused on two specific long-range goals:

1. Marketing the region to generate qualified business/industry prospects in targeted economic clusters
2. Leveraging public and private allies and resources to locate qualified prospects, improve overall competitiveness, and sustain organizational vitality

**C. RETENTION AND EXPANSION POLICY:**

1. GPEC's primary role is developing the Greater Phoenix region's market intelligence strategy for high wage, base industry clusters in coordination with representatives of GPEC member communities.
2. Retention and expansion of existing businesses within GPEC member communities is primarily a local issue.
3. GPEC will support its member communities' efforts to retain and expand existing businesses through coordinating regional support and providing research on key retention and expansion projects.
4. GPEC will advise its member communities when an existing company contacts GPEC regarding a retention or expansion issue, subject to any legal or contractual non-disclosure obligations.

**D. ACTION PLAN AND BUDGET:** In accordance with the Mission, Goals and Retention and Expansion Policy set forth above and subject to the availability of adequate funding; GPEC shall implement the Action Plan and Budget adopted by GPEC's Board of Directors, a copy of which has been delivered to the Town, receipt of which is hereby acknowledged. A summary of the Action Plan is attached hereto as **Exhibit A** ("GPEC Action Plan"). The Town shall be informed of any changes in the adopted GPEC Action Plan which will materially affect or alter the priorities

established therein. Such notification will be in writing and will be made prior to implementation of such changes.

Notwithstanding the foregoing, the Town acknowledges and agrees that GPEC may, in its reasonable judgment in accordance with its own practices and procedures, substitute, change, reschedule, cancel or defer certain events or activities described in the GPEC Action Plan as required by a result of changing market conditions, funding availability, unforeseen expenses or other circumstances beyond GPEC's reasonable control. GPEC shall solicit the input of the Town on the formulation of future marketing strategies and advertisements. The GPEC Action Plan will be revised to reflect any agreed upon changes to the GPEC Action Plan.

- E. PERFORMANCE TARGETS:** Specific performance targets, established by GPEC's Executive Committee and Board of Directors, are attached hereto as **Exhibit B** ("GPEC Performance Measures") and shall be used to evaluate and report progress on GPEC's implementation of the GPEC Action Plan.

In the event of changing market conditions, funding availability, unforeseen expenses or other circumstances beyond GPEC's reasonable control, these performance targets may be revised with the Town's prior written approval, or with the prior written approval of a majority of the designated members of GPEC's Economic Development Directors Team ("EDDT"). GPEC will provide monthly reports to the Town discussing in detail its progress in implementing the GPEC Action Plan as well as reporting the numerical results for each performance measurement set forth in **Exhibit B**. GPEC shall provide a copy of its annual external audit for the preceding fiscal year to the Town no later than December 31, 2014.

In the case of any benchmark which is not met, GPEC will meet with the EDDT to provide an explanation of the relevant factors and circumstances and discuss the approach to be taken in order to achieve the target(s). Failure to meet a performance target will not, by itself, constitute an event of default hereunder unless GPEC (i) fails to inform the Town of such event or (ii) fails to meet with EDDT to present a plan for improving its performance during the balance of the term of the Agreement, which, if GPEC fails to comply with either step, will constitute an event of default for which the Town may terminate this Agreement pursuant to paragraph IV.J. below.

## **II. RESPONSIBILITIES OF THE TOWN**

- A. STAFF SUPPORT OF GPEC EFFORTS:** The Town shall provide staff support to GPEC's economic development efforts as follows:
1. The Town shall respond to leads or prospects referred by GPEC in a professional manner within the time frame specified by the lead or prospect if the Town desires to compete and if the lead is appropriate for the Town. When available, the Town agrees to provide its response in the format developed jointly by EDDT and GPEC;
  2. The Town shall provide appropriate local hospitality, tours and briefings for prospects visiting sites in the Town;
  3. The Town shall provide an official economic development representative to represent the Town on the EDDT, which advises GPEC's President and CEO;
  4. The Town shall cooperate in the implementation of GPEC/EDDT process improvement recommendations including the use of common presentation formats, exchange of information on prospects with GPEC's staff, the use of shared data systems, land and building data bases and private sector real estate industry interfaces;

5. The Town shall use its best efforts to respond to special requests by GPEC for particularized information about the Town within three business days after the receipt of such request;
6. In order to enable GPEC to be more sensitive to the Town's requirements, the Town may, at its sole option, deliver to GPEC copies of any Town approved economic development strategies, work plan, programs and evaluation criteria. GPEC shall not disclose the same to the other participants in GPEC or their representatives;
7. The Town shall utilize its best good faith efforts to cause an economic development professional representing the Town to attend all marketing events and other functions to which the Town has committed itself; and
8. The Town agrees to work with GPEC to improve the Town's Competitiveness and market readiness to support the growth and expansion of the targeted industries as identified for the Town in **Exhibit C** ("Targeted Industries).

**B. RECOGNITION OF GPEC:** The Town agrees to recognize GPEC as the Town's officially designated regional economic development organization for marketing the Greater Phoenix region.

### **III. ADDITIONAL AGREEMENTS OF THE PARTIES:**

**A. PARTICIPATION IN MARKETING EVENTS AND PROVISION OF TECHNICAL ASSISTANCE:** Representative(s) of the Town shall be entitled to participate in GPEC's marketing events provided that such participation shall not be at GPEC's expense. When requested and appropriate, GPEC will use its best efforts to provide technical assistance and support to Town economic development staff for business location prospects identified and qualified by the Town and assist the Town with presentations to the prospect in the Town or the prospect's corporate location.

**B. COMPENSATION:**

1. The Town agrees to pay **\$10,066.00** for services to be provided by GPEC pursuant to the Agreement during the fiscal year ending on June 30, 2015, as set forth in this Agreement. This amount is based on \$.4397 per capita, based upon the 2013 Office of Employment and Population Statistics, Arizona Department of Administration population estimate, which listed the Town as having a population of **22,893**. The payment by the Town may, upon the mutual and discretionary approval of the board of directors of GPEC and the Town Council, be increased or decreased from time to time during the term hereof in accordance with the increases or decreases of general application in the per capita payments to GPEC by other municipalities which support GPEC.
2. Funding of this Agreement shall be subject to the annual appropriations of funds for this activity by the Town Council pursuant to the required budget process of the Town;
3. Nothing herein shall preclude the Town from contracting separately with GPEC for services to be provided in addition to those to be provided hereunder, upon terms and conditions to be negotiated by the Town and GPEC; and
4. GPEC shall submit invoices for payment on a quarterly basis. The foregoing notwithstanding, if GPEC has not provided the Town with the audit required pursuant to paragraph I.E. above no later than December 31, 2014, no payments shall be made hereunder until the Town receives the audit report. Invoices and monthly activity reports,

substantially in the form of **Exhibit D** (“Reporting Mechanism for Contract Fulfillment”) attached hereto, are to be submitted to the address listed under paragraph IV.P.

**C. COOPERATION:**

1. The parties acknowledge that GPEC is a cooperative organization effort among GPEC and its member communities. Accordingly, the City and GPEC covenant and agree to work together in a productive and harmonious manner, to cooperate in furthering GPEC’s goals for the 2014-2015 fiscal year. The City and GPEC further covenant and agree to comply with the Regional Cooperation Protocol, attached hereto as **Exhibit F**, in all material respects.
2. The Town agrees to work with GPEC, as necessary or appropriate, to revise the performance measures, and/or benchmarks, and/or goals for the FY 2015-2016 contract.
3. The Town agrees to work with GPEC during the FY2014-2015 program year to develop a revised public sector funding plan, including a regional allocation formula for FY2015-2016, if determined to be necessary or appropriate.

**IV. GENERAL PROVISIONS:**

- A. COVENANT AGAINST CONTINGENT FEES:** GPEC warrants that no person or selling agent has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee. For a breach or violation of this warranty, the Town shall have the right to terminate this Agreement without liability or, in its discretion, to deduct the commission, brokerage or contingent fee from its payment to GPEC.
- B. PAYMENT DEDUCTION OFFSET PROVISION:** GPEC recognizes the provisions of the Town Code of the Town of Fountain Hills which require and demand that no payment be made to any contractor as long as there is any outstanding obligation due to the Town, and directs that any such obligation be offset against payment due to GPEC.
- C. ASSIGNMENT PROHIBITED:** No party to this agreement may assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and no effect.
- D. INDEPENDENT CONTRACTOR; NO AGENCY:** Nothing contained in this Agreement creates any partnership, joint venture or agency relationship between the Town and GPEC. At all times during the term of this Agreement, GPEC shall be an independent contractor and shall not be an employee of Town. Town shall have the right to control GPEC only insofar as to the results of GPEC's services rendered pursuant to this Agreement. GPEC shall have no authority, express or implied, to act on behalf of Town in any capacity whatsoever as an agent. GPEC shall have no authority, express or implied, pursuant to this Agreement to bind Town to any obligation whatsoever.
- E. INDEMNIFICATION AND HOLD HARMLESS:** During the term of this Contract, and to the fullest extent permitted by law, GPEC shall indemnify, defend, hold, protect and save harmless the Town and any and all of its Councilmembers, officers and employees for, from and against any and all actions, suits, proceedings, claims and demands, loss, liens, costs, expense and liability of any kind and nature whatsoever, for injury to or death of persons, or damage to property, including property owned by Town, brought, made, filed against, imposed upon or sustained by the Town, its officers, or employees in and arising from or attributable to or caused directly or indirectly by the negligence, wrongful acts, omissions or from operations conducted by GPEC, its directors, officers, agents or employees acting on behalf of GPEC and with GPEC’s knowledge and consent.

Any party entitled to indemnity shall notify GPEC in writing of the existence of any claim, demand or other matter to which GPEC's indemnification obligations would apply, and shall give to GPEC a reasonable opportunity to defend the same at its own expense and with counsel reasonably satisfactory to the indemnified party.

Nothing in this Subsection E shall be deemed to provide indemnification to any indemnified party with respect to any liabilities arising from the fraud, negligence, omissions or willful misconduct of such indemnified party.

- F. INSURANCE:** GPEC shall procure and maintain for the duration of this Agreement, at GPEC's own cost and expense, insurance against claims for injuries to persons or damages to property which may arise from or in connection with this Agreement by GPEC, its agents, representatives, employees or contractors, in accordance with the Insurance Requirements set forth in **Exhibit E** ("Insurance Requirements"), attached hereto. The Town acknowledges that it has received and reviewed evidence of GPEC's insurance coverage in effect as of the execution of this Agreement.
- G. GRATUITIES:** The Town may, by written notice to GPEC, terminate the right of GPEC to proceed under this Agreement upon one (1) calendar day notice, if it is found that gratuities in the form of entertainment, gifts, or otherwise were offered or given by GPEC, or any agent or representative of GPEC, to any officer or employee of the Town with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performance of such contract; provided that the existence of the facts upon which the Town makes such findings shall be an issue and may be reviewed in any competent court. In the event of such termination, the Town shall be entitled to pursue all legal and equitable remedies against GPEC available to the Town.
- H. EQUAL EMPLOYMENT OPPORTUNITY.** During the performance of this Agreement, GPEC agrees as follows:
1. GPEC will not discriminate against any employee or applicant for employment because of race, color, religion, gender, sexual orientation, national origin, age or disability. GPEC shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, gender, sexual orientation, national origin, age or disability. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. GPEC agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
  2. GPEC will, in all solicitations or advertisements for employees place by or on behalf of GPEC, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, gender, sexual orientation, national origin, age or disability.
  3. GPEC will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement, provided that the foregoing provisions shall not apply to Agreements or subcontracts for standard commercial supplies or new materials.
  4. Upon request by the Town, GPEC shall provide Town with information and data concerning action taken and results obtained in regard to GPEC's Equal Employment Opportunity efforts performed during the term of this Agreement. Such reports shall be accomplished upon forms furnished by the Town or in such other format as the Town shall prescribe.

- I. COMPLIANCE WITH APPLICABLE FEDERAL AND STATE LAWS REQUIRED.** GPEC understands and acknowledges the applicability of the Immigration Reform and Control Act of 1986, the Drug Free Workplace Act of 1989 and the Americans with Disabilities Act, and agrees to comply therewith in performing under any resultant agreement and to permit Town inspection of its records to verify such compliance.
1. GPEC warrants to the Town that, to the extent applicable under A.R.S. § 41-4401, GPEC is in compliance with all Federal Immigration laws and regulations that relate to its employees and with the E-Verify Program under A.R.S. § 23-214(A). GPEC acknowledges that a breach of this warranty by GPEC or any subconsultants providing services under this Agreement is a material breach of this Agreement subject to penalties up to and including termination of this Agreement or any applicable subcontract. The Town retains the legal right to inspect the papers of any employee of GPEC or any subconsultant who works on this Agreement to ensure compliance with this warranty.
  2. The Town may conduct random verification of the employment records of GPEC and any of its subconsultants who work on this Agreement to ensure compliance with this warranty.
  3. The Town will not consider GPEC or any of its subconsultants who work on this Agreement in material breach of the foregoing warranty if GPEC and such subconsultants establish that they have complied with the employment verification provisions prescribed by 8 USCA § 1324(a) and (b) of the Federal Immigration and Nationality Act and the e-verify requirements prescribed by A.R.S. § 23-214(A).
  4. The provisions of this Section I must be included in any contract GPEC enters into with any and all of its subconsultants who provide services under this Agreement or any subcontract to provide services under this Agreement. As used in this Section I “services” are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.
  5. Pursuant to A.R.S. §§ 35-391.06 and 35-393-06, GPEC hereby certifies to the Town that GPEC does not have “scrutinized” business operations, as defined in A.R.S. §§ 35-391 and 35-393, in either Sudan or Iran.
- J. TERMINATION.** Town shall have the right to terminate this Agreement if GPEC shall fail to duly perform, observe or comply with any covenant, condition or agreement on its part under this Agreement and such failure continues for a period of 30 days (or such shorter period as may be expressly provided herein) after the date on which written notice requiring the failure to be remedied shall have been given to GPEC by the Town; provided, however, that if such performance, observation or compliance requires work to be done, action to be taken or conditions to be remedied which, by their nature, cannot reasonably be accomplished within 30 days, no event of default shall be deemed to have occurred or to exist if, and so long as, GPEC shall commence such action within that period and diligently and continuously prosecute the same to completion within 90 days or such longer period as the Town may approve in writing. The foregoing notwithstanding, in the event of circumstances which render GPEC incapable of providing the services required to be performed hereunder, including, but not limited to, insolvency or an award of monetary damages against GPEC in excess of its available insurance coverage and assets, the Town may immediately and without further notice terminate this Agreement.
- K. RESPONSIBILITY FOR COMPLIANCE WITH LEGAL REQUIREMENTS.** GPEC's performance hereunder shall be in material compliance with all applicable federal, state and local

health, environmental, and safety laws, regulations, standards, and ordinances in effect during the performance of this Agreement.

- L. INSTITUTION OF LEGAL ACTIONS.** Any legal actions instituted pursuant to this Agreement must be filed in the county of Maricopa, State of Arizona, or in the Federal District Court in the District of Arizona. In any legal action, the prevailing party in such action will be entitled to reimbursement by the other party for all costs and expenses of such action, including reasonable attorneys' fees as may be fixed by the Court.
- M. APPLICABLE LAW.** Any and all disputes arising under any Agreement to be awarded hereunder or out of the proposals herein called for, which cannot be administratively resolved, shall be tried according to the laws of the State of Arizona, and GPEC shall agree that the venue for any such action shall be in the State of Arizona.
- N. CONTINUATION DURING DISPUTES.** GPEC agrees that, notwithstanding the existence of any dispute between the parties, each party shall continue to perform the obligations required of it during the continuation of any such dispute, unless enjoined or prohibited by an Arizona court of competent jurisdiction.
- O. TOWN REVIEW OF GPEC RECORDS.** GPEC must keep all Agreement records separate and make them available for audit by Town personnel upon request.
- P. NOTICES.** Any notice, consent or other communication required or permitted under this Agreement shall be in writing and shall be deemed received at the time it is personally delivered, on the day it is sent by facsimile transmission, on the second day after its deposit with any commercial air courier or express service or, if mailed, three (3) days after the notice is deposited in the United States mail addressed as follows:

If to Town:      Mr. Kenneth W. Buchanan  
                            Town Manager  
                            Town of Fountain Hills  
                            16705 East Avenue of the Fountains  
                            Fountain Hills, Arizona 85268  
                            Phone: (480) 816-5107  
                            Fax: (480) 837-3145

If to GPEC:      Barry Broome  
                            President and Chief Executive Officer  
                            Greater Phoenix Economic Council  
                            Two North Central Avenue, Suite 2500  
                            Phoenix, Arizona 85004-4469  
                            Phone: (602) 256-7700  
                            Fax: (602) 256-7744

Any time period stated in a notice shall be computed from the time the notice is deemed received. Either party may change its mailing address or the person to receive notice by notifying the other party as provided in this paragraph.

- Q. TRANSACTIONAL CONFLICT OF INTEREST.** All parties hereto acknowledge that this Agreement is subject to cancellation by the Town pursuant to the provisions of Section 38-511, Arizona Revised Statutes.
- R. NONLIABILITY OF OFFICIALS AND EMPLOYEES.** No member, official or employee of the Town will be personally liable to GPEC, or any successor in interest, in the event of any default

or breach by the Town or for any amount which may become due to GPEC or successor, or on any obligation under the terms of this Agreement. No member, official or employee of GPEC will be personally liable to the Town, or any successor in interest, in the event of any default or breach by the GPEC or for any amount which may become due to the Town or successor, or on any obligation under the terms of this Agreement.

- S. **NO WAIVER.** Except as otherwise expressly provided in this Agreement, any failure or delay by any party in asserting any of its rights or remedies as to any default, will not operate as a waiver of any default, or of any such rights or remedies, or deprive any such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.
- T. **SEVERABILITY.** If any provision of this Agreement shall be found invalid or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement will not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law, provided that the fundamental purposes of this Agreement are not defeated by such severability.
- U. **CAPTIONS.** The captions contained in this Agreement are merely a reference and are not to be used to construe or limit the text.
- V. **NO THIRD PARTY BENEFICIARIES.** No creditor of either party or other individual or entity shall have any rights, whether as a third-party beneficiary or otherwise, by reason of any provision of this Agreement.
- W. **ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS.** This Agreement may be executed in up to three (3) duplicate originals, each of which is deemed to be an original. This Agreement, including nine (9) pages of text and the below-listed exhibits which are incorporated herein by this reference, constitutes the entire understanding and agreement of the parties.

- Exhibit A – GPEC Action Plan
- Exhibit B - GPEC Performance Measures
- Exhibit C - Targeted Industries
- Exhibit D - Reporting Mechanism for Contract Fulfillment
- Exhibit E - Insurance Requirements
- Exhibit F – Regional Cooperation Protocol

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Town or GPEC, and all amendments hereto must be in writing and signed by the appropriate authorities of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement this day of July 1, 2014.

TOWN OF Fountain Hills, a municipal corporation  
Mr. Kenneth W. Buchanan

By: Ken Buchanan  
Its: Town Manager

ATTEST:

By: Bevelyn J. Bender  
Bevelyn J. Bender  
Its: Town Clerk

APPROVED AS TO FORM:

By: Andrew J. McGuire  
Andrew J. McGuire  
Its: Town Attorney

GREATER PHOENIX ECONOMIC COUNCIL, an Arizona nonprofit corporation

By: Barry Broome  
Barry Broome  
President & Chief Executive Officer

# SHIFTING TOWARDS INNOVATION

## EXHIBIT A

### FY 2015 ACTION PLAN



**Greater Phoenix**  
ECONOMIC COUNCIL



Renewable  
Energy



Biomedical/  
Personalized  
Medicine



Advanced  
Business  
Services



Manufacturing  
& Logistics



Mission  
Critical



Aerospace  
& Aviation



Emerging  
Tech

#### MEMBER COMMUNITIES

MARICOPA COUNTY  
APACHE JUNCTION  
AVONDALE  
BUCKEYE  
CASA GRANDE

CAVE CREEK  
CHANDLER  
EL MIRAGE  
FOUNTAIN HILLS  
GILA BEND

GILBERT  
GLENDALE  
GOODYEAR  
MARICOPA  
MESA

PEORIA  
PHOENIX  
QUEEN CREEK  
SCOTTSDALE  
SURPRISE

TEMPE  
TOLLESON  
WICKENBURG  
YOUNGTOWN

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## GPEC MISSION

Attract quality businesses to the Greater Phoenix region from around the world, and advocate and champion foundational efforts to improve the region's competitiveness.

### WHAT TO EXPECT IN THE FOLLOWING PAGES

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#### FY14 MILESTONES

Momentum gained in the last year—  
select achievements and key benchmarks

#### FY15 ACTION ITEMS

Sample of activities that adhere  
to a five-year vision and result in progress

#### DRIVES THESE FY15 METRICS

Shows relationship between action items  
and annual performance goals

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## EXECUTIVE SUMMARY AND FIVE-YEAR STRATEGIC PLAN OVERVIEW

In reflecting on our 25 years of existence, GPEC stands strong in our foundation of working to advance the Greater Phoenix economy through quality jobs and investment. Consistent threads in bold leadership, above-market performance and real public-private collaboration have rung true since our inception. Where we have evolved is in our appetite, ability and need to grow the economy differently—beyond the traditional model of attracting business. While the pressures of global competition have forced others to react and recalibrate how to approach economic development, GPEC has spent almost the last decade in front of the curve. Nearly 10 years ago, we shifted from a traditional economic development format to one more comprehensive yet disciplined, building a core, sophisticated research competency that has informed and shaped all aspects of GPEC’s economic development model—from business attraction to competitiveness, strategy and marketing. This shift in behavior and the resulting performance-driven outcomes are what separate our organization from other economic development shops across the country.

As we celebrate a quarter century of accomplishments, all of which would not have been possible without the leadership, commitment and support of our board and stakeholders, we are excited and ready to drive the next transformation of our economy.

### VISION AND PROGRESS

As approved by GPEC’s Board of Directors in FY11, these strategic pillars will guide the organization’s fiscal year activities, and by 2016, lead to the following vision statements:

Strategic Pillar	By 2016
Market Intelligence	GPEC’s market intelligence model will be best-in-class.
Next Generation	GPEC will elevate Greater Phoenix as a leading center of emerging technologies.
Attraction	GPEC will maintain its reputation as a credible, respectable and “go to” organization.
International	GPEC’s foreign direct investment approach will be a national best practice.
Regional Brand	GPEC will successfully define Greater Phoenix as a region that is forward-thinking, innovative and business-friendly.
GPEC Brand	GPEC will be the nation’s premier agency and leader in the economic development realm. In Arizona, GPEC will be the principal leadership organization.
Capital Markets / Venture Formation	GPEC will develop a science and technology-based fund that will drive regional innovation activity.

# GPEC STAKEHOLDERS\*

## MEMBER COMMUNITIES

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Maricopa County	Chandler	Goodyear	Scottsdale
Apache Junction	El Mirage	Maricopa	Surprise
Avondale	Fountain Hills	Mesa	Tempe
Buckeye	Gila Bend	Peoria	Tolleson
Casa Grande	Gilbert	Phoenix	Wickenburg
Cave Creek	Glendale	Queen Creek	Youngtown

## PLATINUM

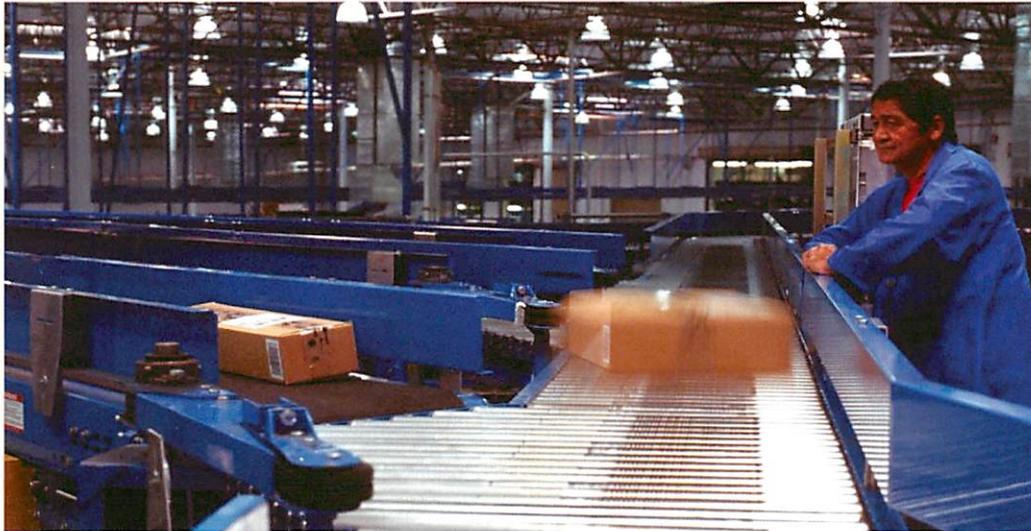
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Alliance Bank of Arizona	D.L. Withers Construction	Maracay Homes	Squire Sanders
APS	Dignity Health	Maricopa Community Colleges	SRP
Arizona Cardinals	DMB Associates	Mayo Clinic	University of Phoenix
Arizona Diamondbacks	Ernst & Young	Meritage Homes	US Airways
Arizona State University	Freeport-McMoRan	MidFirst Bank	Valley Metro
Bank of America	Copper & Gold	National Bank of Arizona	Verizon Wireless
Banner Health	Grand Canyon University	Phoenix Suns	Waste Management
BBVA Compass	Haydon Building Corp	Polsinelli PC	Wells Fargo
Chase	Intel Corporation	Republic Media	
CopperPoint Mutual	Job Brokers	Republic Services	
Cox Communications	Kitchell		

## GOLD

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Abengoa/Abacus	Colliers International	Lee and Associates	Sundt Construction
Aetna	Cushman & Wakefield	Lewis Roca Rothgerber	Target Commercial Interiors
Arizona Business Bank	Davis	Liberty Property Trust	Thunderbird School
BDO	Deloitte	M+W Group	of Global Management
BlueCross BlueShield of Arizona	Digital Realty Trust	Macerich	Total Transit
BMO Harris Bank	DIRTT	The McShane Companies	Transwestern Commercial Services
Bryan Cave	El Dorado Holdings	Mortenson Construction	U.S. Bank
Brycon Construction	Empire Southwest	Nationwide Realty Investors	University of Arizona
Cancer Treatment Centers of America	Fennemore Craig	Okland Construction	USAA
Cassidy Turley/BRE Commercial	Gammage & Burnham	Phoenix Children's Hospital	ViaWest Group
CBIZ MHM	Gilbane Building Co.	Renaissance Companies	Walmart
CBRE	Google	Ryan Companies	Ware Malcomb
CCS Presentation Systems	Green Loop Solutions	Saint Holdings	Weitz Company
Celgene Corporation	Greenberg Traurig	Skanska USA Building	Wespac Construction
CenturyLink	Hensley	SmithGroup	Willmeng Construction
Chanen Development Co.	Hines	Snell & Wilmer	Wist Office Products
Coe & Van Loo Consultants	Infusionsoft	Southwest Airlines	Wood, Patel & Associates
	JE Dunn Construction	Southwest Gas Corporation	
	Jones Lang LaSalle	Sun Health	
	Layton Construction	Sunbelt Holdings	



## SILVER

A.T. Still University  
 AAA Arizona  
 Air Products and Chemicals  
 Arizona Community  
 Foundation  
 Arizona Office Technologies  
 Avnet  
 Balfour Beatty Construction  
 Bank of Arizona  
 Bristol Global Mobility  
 Brownstein Hyatt  
 Farber Schreck  
 Capital Group Companies  
 Carefree Partners  
 Clarius Partners

Clark Hill PLC  
 CORE Construction  
 CoStar Group  
 Deutsch Architecture Group  
 Dibble Engineering  
 Dircks Moving & Logistics  
 Ensemble Real Estate  
 Solutions  
 Fervor Creative  
 Globe Corporation  
 Goodmans Interior  
 Structures  
 Goodwill of Central Arizona  
 GPE Commercial Advisors  
 Green Card Fund

Healthcare Trust of America  
 Jennings, Strouss & Salmon  
 Kelly Services  
 KPMG  
 KTAR  
 Kutak Rock  
 Land Advisors Organization  
 Merit Partners  
 Midwestern University  
 MSS Technologies  
 NRG Thermal  
 On Q Financial  
 Osborn Maledon  
 PHX Architecture  
 The Plaza Companies

Quarles & Brady  
 Queen Creek/Landmark Co.  
 St. Clair Technologies  
 Sun State Builders  
 Sunstate Equipment  
 Company  
 Superior Group  
 Synergy Seven  
 Tallwave  
 Tratt Properties  
 Ultimate Staffing Services  
 University of Advancing  
 Technology  
 Univita  
 Volo Holdings

## BRONZE

The Alter Group  
 Applied Economics  
 Butler Design Group  
 Gallagher & Kennedy  
 Guided Therapy Systems  
 Holualoa Scottsdale Office

Hunt Construction Group  
 IO  
 John C. Lincoln Health  
 Network  
 McCarthy Building  
 Companies

Newmark Grubb  
 Knight Frank  
 Plant Solutions  
 Vermaland

## FY15 METRICS

	THRESHOLD	TARGET	STRETCH
Payroll Generated	\$197,579,525	\$217,337,478	\$239,071,225
Number of Jobs	4,675	5,143	5,657
High-wage Jobs	2,450	2,695	2,964
Average High-wage Salary	\$51,026	\$56,695	\$62,365
Qualified Prospects	208	229	252
Qualified International Prospects	37	41	45
Emerging Tech Assists	10	12	14
Reach of Editorial Placements	183 M	201 M	221 M

# FY15 BUDGET

JULY 1, 2014 - JUNE 30, 2015

Revenues	FY13-14 Forecast	% of Total	FY 2015 Budget	% of Total	FY 2014 Budget	\$ Change	Change
Public Funds	\$ 2,036,000	39.6%	\$ 2,246,500	41.8%	\$ 2,028,400	\$ 218,100	10.8%
Private Funds	2,260,000	44.0%	2,550,000	47.4%	2,300,000	250,000	10.9%
New Pledge Revenue	350,000	6.8%	250,000	4.7%	250,000		0.0%
In-Kind Pledges	110,000	2.1%	59,400	1.1%	92,000	(32,600)	(35.4%)
Special Events, Prog. & Spon.	377,000	7.3%	265,000	4.9%	240,000	25,000	10.4%
Other	8,000	0.2%	3,300	0.1%	5,000	(1,700)	(34.0%)
<b>Total Revenues</b>	<b>\$ 5,141,000</b>	<b>100.0%</b>	<b>\$ 5,374,200</b>	<b>100.0%</b>	<b>\$ 4,915,400</b>	<b>\$ 458,800</b>	<b>9.3%</b>
<b>Operating Expenditures</b>							
Business Development	363,500	6.9%	444,200	8.4%	311,000	133,200	42.8%
Marketing	261,500	5.0%	258,500	4.9%	266,200	(7,700)	(2.9%)
Research & Strategy	162,000	3.1%	265,100	5.0%	155,900	109,200	70.0%
External Relations	252,500	4.8%	84,400	1.6%	95,000	(10,600)	(11.2%)
Resource Management	257,500	4.9%	212,900	4.0%	217,000	(4,100)	(1.9%)
Personnel	3,212,000	61.3%	3,295,100	62.7%	3,342,800	(47,700)	(1.4%)
Facilities	395,000	7.5%	434,200	8.3%	409,200	25,000	6.1%
In-Kind	110,000	2.1%	59,400	1.1%	91,000	(31,600)	(34.7%)
Special Projects	223,000	4.3%	205,000	3.9%	130,000	75,000	57.7%
<b>Total Expenses</b>	<b>\$ 5,237,000</b>	<b>100.0%</b>	<b>\$ 5,258,800</b>	<b>100.0%</b>	<b>\$ 5,018,100</b>	<b>\$ 240,700</b>	<b>4.8%</b>
<b>Net Gain (Loss)</b>	<b>\$ (96,000)</b>		<b>\$ 115,400</b>		<b>\$ (103,000)</b>	<b>\$ 218,100</b>	<b>(211.7%)</b>
Less: Capital Expenditures	(21,000)		(10,000)		(10,000)		
Amortization of Deferred Rent	(65,000)		(64,300)		(43,000)	(21,300)	
Add: Depreciation	30,000		31,000		25,000	6,000	
Net Cash Flows	(152,000)		72,100		(131,000)	203,100	
Beginning Cash	1,802,000		1,650,000		1,726,000	(76,000)	
<b>Ending Cash</b>	<b>\$ 1,650,000</b>		<b>\$ 1,722,100</b>		<b>\$ 1,595,000</b>	<b>\$ 127,100</b>	

(1) Some reclassifications have been made in the current year

## FY14 MILESTONES

### Road to Success

Adding a new dimension to our business development approach, GPEC and eight communities executed three successful road shows to Silicon Valley, Vancouver, B.C., and Chicago. The road shows provided direct engagement among corporate decision-makers and GPEC's mayors, board directors and EDDTs, and led to 15 new prospects, seven leads and two tech assists.

### On a Global Stage

As the only U.S. Mayor invited to the World Economic Forum's Annual Meeting of the New Champions in Dalian, China, Phoenix Mayor Stanton was given rare access to 1,000 global companies and some of the world's most prominent, influential leaders. Mayor Stanton and GPEC President and CEO Barry Broome held one-on-one meetings with 22 C-level executives, giving briefings on the Brookings Metropolitan Business Plan, the Arizona Center-China and other important regional initiatives. This high-profile event generated three leads, 10 companies interested in participating in the metro business plan and more than 800 million people reached through resulting editorial placements in the Wall Street Journal, Bloomberg, CNBC Asia and China's top business channels.

### Community Partnership Program

Launched to further enhance support for our communities, the Community Partnership Program (CPP) provided open dialogue between leadership from our municipalities and GPEC to align current strategies in creating a more competitive region. Productive discussion resulted in a closer assessment of infrastructure, review of each community's economic development strategy, and a need for connectivity to local/national developers and REITs. In the coming year, GPEC will launch a second phase of the CPP to ensure progress with each community is occurring.

## BUSINESS DEVELOPMENT

Create and maintain high-quality jobs and investment through targeted, direct selling

Proactively pursue the best projects that meet community and regional objectives

### FY15 ACTION ITEMS

#### *Seek Investment to Accelerate Development and Community Planning*

As an outcome of the Community Partnership Program, which was designed to assist member cities in planning and development for infrastructure, GPEC will actively promote unique industrial, office and healthcare development opportunities within our communities to local and national developers, real estate investment trusts (REITs) and institutional capital sources.

#### *Host National and International Road Shows*

Following the success of road shows in Silicon Valley, Vancouver, B.C., and Chicago, GPEC will execute another four to six trips in target markets, to be led by the region's mayors and Maricopa County supervisors. GPEC will convene key executives and multipliers (ie, law firms, financial institutions) and demonstrate the investment and supply chain opportunities available in Greater Phoenix.

#### *Place a Razor-sharp Focus on California*

Though the Golden State continues to be a leader in innovation performance, California's operating and regulatory environments remain a growth impediment. Given that California also remains the top location for prospects generated, GPEC will target multiplier networks in Silicon Valley and LA to bolster direct lead-generation efforts, as well as engage California-based corporate headquarters in a site-optimization planning dialogue.



### *Connect with Top 50 Corporations*

As a complement to our Market Intelligence model, GPEC will identify 50 of the region's top corporate office and industrial users—companies that are not based in Arizona—and work to establish relationships between local community leadership and companies' national leadership with the intent to identify areas of opportunity for new growth and expansion.

### *Expand Investment Activities in China, Canada and Mexico*

GPEC and the Arizona Commerce Authority have contracted with the Center of American States (CAS), which represents nine U.S. markets in China, to pursue investment for our state. Represented as the Arizona Center-China, CAS will encourage direct investment into Arizona, as China's companies are expected to employ between 200,000 and 400,000 Americans in the next five years. Since Canada represents one-third of GPEC's international prospects, we will pursue investment interest from the provinces of Alberta and British Columbia, hosting road shows in top Canadian markets. And with countries in the Eurozone experiencing an economic recovery, GPEC will target an outbound technology investment strategy for Western Europe. Finally, GPEC will continue to leverage its network of international multipliers through domestic sales missions and support the collaborative efforts to establish a trade and investment office in Mexico City.

### Staying On Top

GPEC continues to maintain a national reputation as a high-performing, well respected economic development organization, earning top rankings and recognition in FY14 by Site Selection Magazine and Business Facilities.

## DRIVES THESE FY15 METRICS

- Pipeline of qualified prospects
- Pipeline of qualified international prospects
- Total number of jobs created
- Number of high-wage jobs created
- Average high-wage salary
- Payroll generated
- Stakeholder satisfaction with business attraction

## SUPPORTS THESE STRATEGIC PILLARS

- Attraction
- International
- Regional Brand
- GPEC Brand

## FY14 MILESTONES

### Gaining Velocity

In FY14, a broad coalition of business, public and education leaders answered the call to pivot from an economy reliant upon consumption-based industries (ie, retail, construction and tourism) to one driven by advanced industries. Much progress has been made on Velocity, the Metropolitan Business Plan, in creating a vision, conducting a market assessment and identifying specific strategies that will transform Greater Phoenix's economy in the next 10 years. The plan will focus on initiatives that will drive innovation commercialization, develop and retain human capital, upgrade capacity and a built environment for entrepreneurs, and increase connectivity between industries and entrepreneurs to global markets to promote export growth.

### Global Exchange of Best Practices

The Phoenix metro was selected as one of eight markets to participate in a four-year learning and action network that develops and implements regional strategies to encourage global trade and investment. A joint project of Brookings Institution and JPMorgan Chase, the Global Cities Initiative (GCI) is designed to strengthen key metros across the U.S. in becoming more globally competitive. GPEC helped to facilitate content and draw 300 attendees to a GCI forum where prominent U.S. trade and foreign policy leaders like former U.S. Secretary of Commerce Bill Daley, former U.S. Trade Representative Carla Hills and U.S. Secretary of Commerce Penny Pritzker challenged the business community to advocate for increased export activity.

## COMPETITIVENESS

Guide new, strategic business opportunities through geographic and industry trend analyses

Evaluate targeted, sound economic development programs that enhance regional and state competitiveness

### FY15 ACTION ITEMS

#### *Launch Velocity - the Metropolitan Business Plan to Transform the Greater Phoenix Economy*

By providing technical and external relations support, GPEC will help drive the efforts to launch Velocity, the Metropolitan Business Plan, through a public rollout in the fall of 2014. Velocity represents an unprecedented effort to move Greater Phoenix onto new economic footing, transforming Greater Phoenix's economy to be a global force for innovation and technology by 2025.

#### *Focus Market Intelligence on Electronics*

GPEC will assess the depth of electronics companies in the region, broadening our market intelligence program to its third industry focus. Researching these companies in support of our communities' respective retention and expansion programs, GPEC will specifically evaluate next-generation electronics technology opportunities, identified through Velocity, which span several of the region's existing key industries.

#### *Execute Global Cities Initiative*

As a joint project of the Brookings Institution and JP Morgan Chase, the Global Cities Initiative (GCI) is designed to equip city and metro leaders with tools to become more globally connected and competitive. Greater Phoenix is among nine other regions selected as a Global City and stands much to gain from this initiative. Through participation in GCI, the region will not only benefit in the exchange of information with other markets, but also our metro will work alongside Brookings and JP Morgan Chase to develop a plan that will increase export and trade activity.



### *Pursue Grant Opportunities*

While GPEC has not historically sought grants, the organization was successful in securing federal dollars from the U.S. Economic Development Administration in 2013. Pursuit of grants at both the federal level and through private foundations will be a focus in the coming year. Federal grants place an emphasis on collaboration among public and private entities, and GPEC has the reach to work with our partners in aligning around common economic development priorities.

### *Convene Executive Mission to Washington, D.C.*

Building on the effective program and relationships garnered from the 2013 Executive Mission, GPEC will return to Washington, D.C. in the spring of 2015. The focus of this mission will be concentrated on seeking federal resources and support from congressional, government agency and industry partners for innovation, industry-led R&D centers, STEM workforce and education pipeline, exports, and entrepreneurship.

## Plans to Grow Advanced Manufacturing

For the first time ever, GPEC secured a federal grant to develop a strategic plan for the implementation of an Innovation and Commercialization Center for Advanced Manufacturing. Funded by the U.S. Department of Commerce Economic Development Administration, the Investing in Manufacturing Communities Partnership was designed to accelerate the resurgence of manufacturing across the country. In partnership with ASU, GPEC is exploring a plan for an innovation center focused on sensor technologies, leveraging ASU's capabilities and other industry competencies within the region.

## DRIVES THESE FY15 METRICS

- Pipeline of qualified prospects
- Average high-wage salary
- Emerging technology assists
- Competitive position progress

## SUPPORTS THESE STRATEGIC PILLARS

- Market Intelligence
- Next Generation
- Attraction
- International
- Regional Brand
- GPEC Brand
- Capital Markets/  
Venture Formation

## FY14 MILESTONES

### A Leading Voice

Arizona Senate Bill (SB) 1062 had potential to negatively impact current and future business expansion to Greater Phoenix. While GPEC closely monitored SB1062, board leadership moved swiftly to issue a formal veto request to the Governor. GPEC was the first business organization to call for a veto, which led to appearances on CNN, NBC Nightly News and Bloomberg TV, where President and CEO Barry Broome positioned Arizona as a pro-business state. Following the Governor's veto, GPEC sent a letter to Governor Brewer, thanking her for her continued leadership and sound, pro-business policies.

### Marketing Internationally

In an effort to market Greater Phoenix to targeted international audiences, GPEC conducted outreach to organizations that already serve as points of entry for foreign companies like ChinaGoAbroad, American Chamber of Commerce in Shanghai and Canada Arizona Business Council. Through banner ads, GPEC's international toolkit and custom mailers, GPEC made notable strides in bringing awareness of Greater Phoenix as an investment location to companies in China and Canada.

### Seeing Results

After last year's launch of the GPEC California 100 campaign and ongoing efforts by our business development team to cultivate CEO relationships, GPEC celebrated two wins: Matrix Absence Management, an advanced business services company bringing 50 high-wage jobs, and a tech assist.

## MARKETING & COMMUNICATIONS

Market and promote region's strengths and assets in new markets using non-traditional tools

Continue to position GPEC as a reliable resource for stakeholders, policy-makers, citizens and media on key economic development issues

### FY15 ACTION ITEMS

#### *Target Lead-generation Activity for Business Development*

In the next year, GPEC will refine existing search engine optimization activities to drive direct leads for GPEC's business development team to target. We will explore new online marketing tools that generate measurable outcomes and stir qualified interest among companies thinking of expanding their operations. This approach will enable GPEC to capture leads that are engaging with our digital assets and work to convert them into prospects.

#### *Deliver New Tools in Marketing Region*

GPEC will further enhance our social media strategy by strengthening the marketing partnership with business and tourism organizations throughout the state in an effort to enhance the region's brand through our own citizens. Specifically, this partnership will utilize the newly launched Splicity app to develop citizen video content that further promotes our region's lifestyle and business culture.

#### *Revamp GPEC's Online Presence*

The design of GPEC's social media sites will be updated to ensure continuity of the organization's brand, and content will be developed more strategically in order to replicate and extend across all online channels. GPEC will also develop a plan to engage investors in reiterating key business and marketing messages within their respective social media accounts to broaden visibility for the region to new audiences. Finally, GPEC will seek new marketing tools to more directly create dynamic interaction with end users on [gpec.org](http://gpec.org).



### *Promote County Competes*

Serving as the economic development arm of Maricopa County, GPEC has conducted a series of meetings with several key County departments with the objective of learning more about how we can promote Maricopa County's services and partnership capabilities to prospective companies considering an expansion or relocation. Known as the County Competes Program, GPEC will develop a content-specific marketing presence to raise awareness among our clients on the County's proactive and rapid willingness to meet business needs.

### *Support Super Bowl XLIX*

As in 2008, GPEC will partner with the Arizona Commerce Authority and our member communities to support the Arizona Super Bowl Host Committee in implementing a host program targeting C-level executives around Super Bowl XLIX. This four-day program will showcase the business, innovation and lifestyle opportunities that exist in Greater Phoenix and facilitate dialogue among the region's CEOs and community leaders with CEOs and executives from major brand enterprises, up-and-coming companies and Fortune 1000 firms.

### Targeted Outreach

Leveraging the built communications platforms of LinkedIn and Twitter, GPEC's marketing and business development teams worked to engage CEOs in very specific conversations based on executive profile interests and social media activity while effectively integrating the region's value proposition in the dialogue exchange. In a very unconventional way, but that is growing widely acceptable, GPEC has had early and measurable success with this approach.

## DRIVES THESE FY15 METRICS

- Pipeline of qualified prospects
- Pipeline of international prospects
- Total reach of editorial placements

## SUPPORTS THESE STRATEGIC PILLARS

- Attraction
- Regional Brand
- GPEC Brand

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# STAKEHOLDER ENGAGEMENT

The active involvement by GPEC stakeholders carves a path for our region to become world-class and extraordinary. Stakeholder support enables GPEC to pursue economic opportunities while allowing investors to participate in key economic development activities.

## GOVERNANCE

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### Board of Directors

Provides effective oversight of the organization and helps shape GPEC's influence as a regional thought leader.

### Executive Committee

Acts on behalf of the Board of Directors, advising on strategic direction and overall performance of annual goals.

### Board-Level Committees

« Performance Committee

Evaluates the performance of the organization and the President & CEO.

« Nominating Committee

Serves to nominate the At-large Directors and Board officers, and recommends candidates to the board for approval, based on nominations received from mayors of member communities.

« Audit Committee

Assesses internal controls and oversees auditors and the annual audit.

« Finance Committee

Sets financial objectives for the organization and recommends the annual budgets as part of the Action Plan.



## LEADERSHIP COUNCILS AND ADVISORY GROUPS

The collective professional expertise of GPEC's councils and advisory groups helps shape the organization's key initiatives, leverages connections to further business development and competitiveness efforts, and supports implementation of programs.

### **Community Building Consortium\***

Applies collective commercial real estate experience to help capture business development opportunities and increase the region's transactional capabilities.

### **Economic Development Directors Team**

Advises CEO and staff on local economic development trends, offers insight on pulse of city/town council and partners with GPEC to finalize location decisions.

### **Education Council\***

Reviews workforce skills gaps relative to advanced industries and identifies education-to-career path solutions

### **GPEC Next Leadership Council\***

Ensures the organization operates in a model that is innovative, integrated and proactive.

### **Healthcare Leadership Council\***

Works to advance a healthcare initiative for the region and establish Greater Phoenix as a center of excellence anchored by innovative assets and world-class leadership.

### **International Leadership Council\***

Advises on the direction and implementation of GPEC's foreign direct investment efforts, and provides guidance to increase program impacts.

### **Mayors and Supervisors Council**

Convenes mayors of GPEC's municipalities and County supervisors for regular updates on strategic initiatives.

### **Resource Development Committee**

Guides resource development efforts and executes fundraising strategies to ensure sustainability of GPEC's programs and services.

## AMBASSADORS

At the foundation of GPEC's engagement activity are Ambassadors, whose broad range of professional backgrounds lend critical assistance to regional business-climate improvement and business development efforts.

### **Ambassadors**

Help communicate, educate and inform stakeholders, policy-makers, citizens and media about key regional economic development issues.

### **Certified Ambassadors**

Ambassadors who have satisfied program criteria, qualifying them to serve as an extension of the GPEC team. Certified Ambassadors are given unique opportunities to interface more closely with GPEC's staff and board on program initiatives and mission-critical efforts.

### **Ambassador Steering Committee**

Advises on strategic direction of Ambassadors Program; designs activities relevant to and in support of GPEC's mission; serves as a sounding board for emerging initiatives and supports implementation of programs.

*\* Eligibility determined by investment level or strategic appointment*



**Greater Phoenix**  
ECONOMIC COUNCIL

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**EXHIBIT B**  
GPEC PERFORMANCE MEASURES  
FY 2014-2015

Specific performance targets as established by the GPEC Executive Committee and Board of Directors:

<b>1. Payroll Generated</b>	<b>\$197.5M</b>
<b>2. Total Number of Jobs Created</b>	<b>4,675</b>
<b>3. Total Number of High-Wage Jobs</b>	<b>2,450</b>
<b>4. Average High-Wage Salary</b>	<b>\$51,026</b>
<b>5. Emerging Tech Assists</b>	<b>10</b>
<b>6. Number of Qualified Prospects</b>	<b>208</b>
<b>7. Number of Qualified International Prospects</b>	<b>37</b>
<b>8. Total Reach of Editorial Placements/Exposures</b>	<b>183M</b>

GPEC continues to target high-wage industries Advanced Business Services; Advanced Manufacturing; Aerospace & Aviation; Logistics & E-Commerce; Mission Critical; Emerging Technologies (including CyberSecurity & Educational IT); Healthcare & Biomedical; Renewable Energies.

# **EXHIBIT C**

## TARGETED INDUSTRIES FY2014-2015

GPEC and our member communities have identified targeted industries on a local and regional level, incorporating these industries into a regional economic development plan. For fiscal year 2014-2015, GPEC will continue its emphasis on the following: Advanced Business Services; Advanced Manufacturing; Aerospace & Aviation; Logistics & E-Commerce; Mission Critical; Emerging Technologies (including CyberSecurity & Educational IT); Healthcare & Biomedical; Renewable Energies.

Member communities will target the following:

### **Apache Junction**

Business services; environmental technologies research and manufacturing; standard and advanced manufacturing; regional and corporate centers; medical institutions and/or associated satellite operations; mining support facilities; resort/tourist-oriented development; filmmaking (location shooting); expanded retail opportunities

### **Avondale**

Advanced business services/information technology; renewable energies; Bio/medical/life sciences; manufacturing; higher education/lifelong learning, amateur sports and tourism

### **Buckeye**

Advanced business services; renewable energy; high tech (data center and services); environmental technology / sustainability; standard manufacturing; medical and educational institutions; transportation/distribution; small business/incubator; aerospace/aviation

### **Casa Grande**

Aviation/aerospace; biosciences and sustainability; corporate/regional headquarters; healthcare and medical services; standard manufacturing and transportation and distribution

### **Chandler**

Advanced business services; corporate/regional headquarters, high-tech electronics and software development; aerospace/aviation and advanced materials; biosciences and sustainability

### **El Mirage**

Business Services; standard and advanced manufacturing; transportation; warehousing/distribution; heavy industrial; food, fiber, and natural products; aerospace aviation

### **Fountain Hills**

Advanced business services (professional, technical, and scientific services including finance and insurance); healthcare, medical, bio-life sciences and wellness; medical and educational institutions; arts, entertainment and recreation; retail

### **Gila Bend**

Clean technology (manufacturing/central station generation/R&D); warehousing/transportation/distribution; military supply chain; tourism/hospitality; standard manufacturing; agriculture/agri-biotechnology; food, fiber and natural products; aerospace/aviation; heavy industrial

**Gilbert**

Corporate/regional headquarters; advanced business services; information communication technology (R&D, services); next generation electronics (sensors, optics); aerospace and defense (satellite, FAA repair); life and health sciences (R&D, oncology, regenerative medicine, cardiovascular, pharmaceuticals/neutraceuticals); clean technology and renewable energy (R&D, algae, biodiesel)

**Glendale**

Advanced business services; aerospace and defense; education; healthcare/medical; hospitality; renewable energy; technology

**Goodyear**

Advance financial/business services; high-tech electronics and software development; aerospace/aviation; advanced materials; biosciences (treatment, medical diagnostics, research) and senior industries; food, fiber and natural products; transportation/distribution; standard manufacturing; environmental technology; sustainability

**Maricopa (City)**

High-wage employers (salaries averaging at least 125% of the median wage in Maricopa County) that generate at least 80% of income from exporting goods and services outside the region

**Mesa**

Primary Target Industries: Healthcare, Education, Aerospace/Defense and Tourism/Technology

Secondary target industries: Advanced business services; standard and advance manufacturing; regional and corporate centers; environmental technology; research & development; bioscience; sustainability

**Peoria**

Advanced business services; high technology (data centers, R&D); life sciences and healthcare technologies; advanced medical services; educational institutions; advanced and standard manufacturing; clean technologies research and manufacturing; entertainment and tourism

**Phoenix**

Bio-life sciences; advanced business services; manufacturing; sustainable industries and enterprises; higher education; world business, trade and FDI; and established/emerging enterprises; healthcare

**Queen Creek**

Aerospace and aviation; health and wellness; arts, culture and experience; education; clean and renewable energy and water; family/youth & children activity destinations

**Scottsdale**

Bio-life sciences; advanced business services; technology and innovation (including ICT and entrepreneurship/emerging enterprises); hospitality/visitor trade and commerce

**Surprise**

Environmental technology; advanced medical services; biotech; education and healthcare; transportation and distribution

**Tempe**

Advanced business services (financial services); high tech/software (R&D, data center and services); high-tech/next generation electronics; aerospace R&D/aviation; bioscience (research, drug development, treatment, medical diagnostics); corporate/regional headquarters; sustainability (environmental); advanced materials/plastics; senior industries; clean tech, renewable energy and manufacturing

**Tolleson**

Aerospace and advanced materials; food, fiber and natural products; transportation/distribution; standard manufacturing; environmental technology; sustainability

**Wickenburg**

Standard manufacturing; transportation & distribution; rail services; mining support facilities; renewable energy; healthcare and medical; educational institutions; tourism and filmmaking; expanded retail operations

**Youngtown**

Youngtown is in the throes of developing a commerce park. The park will target second-stage small manufacturers with the some related retail and offices.

# EXHIBIT D

FY 2014-2015

## REPORTING MECHANISM FOR CONTRACT FULFILLMENT

### Monthly Activity Report - Month, Year

#### **BUSINESS ATTRACTION PERFORMANCE METRICS:**

##### GPEC Progress Toward Goals

Targeted Opportunities	Annual Contract Goal	Actual YTD	Goal YTD	% of Goal YTD
<b>PAYROLL GENERATED (MILLIONS)</b>				
<b>AVERAGE HIGH WAGE SALARY</b>				
<b>NUMBER OF JOBS</b>				
<b>NUMBER OF HIGH-WAGE JOBS</b>				
<b>EMERGING TECHNOLOGY ASSISTS</b>				
<b>QUALIFIED PROSPECTS</b>				
<b>INTERNATIONAL PROSPECTS</b>				
<b>TOTAL REACH OF EDITORIAL PLACEMENTS</b>				

*GPEC continues to target high-wage industries (Advanced Business Services; Advanced Manufacturing; Aerospace & Aviation; Logistics & E-Commerce; Mission Critical; Emerging Technologies (including CyberSecurity & Educational IT); Healthcare & Biomedical; Renewable Energies*

#### **KEY BUSINESS ATTRACTION ACTIVITIES AND OTHER GPEC ACTIVITIES**

# EXHIBIT E

## INSURANCE REQUIREMENTS

The Town's insurance requirements are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The Town in no way warrants that the minimum limits required of GPEC are sufficient to protect GPEC from liabilities that might arise out of this Agreement for GPEC, its agents, representatives, employees or Contractors and GPEC is free to purchase such additional insurance as may be determined necessary.

**A. Minimum Scope and Limits of Insurance.** GPEC shall provide coverage at least as broad as the categories set forth below with limits of liability in amounts acceptable to the Town.

**1. Commercial General Liability - Occurrence Form**  
(Form CG 0001, ed. 10/93 or any replacements thereof)

General Aggregate/ per Project  
Products-Completed Operations Aggregate  
Personal & Advertising Injury  
Each Occurrence  
Fire Damage (Any one fire)  
Directors and Officers  
Medical Expense (Any one person) Optional

**2. Automobile Liability**  Any Auto or Owned, Hired and Non-Owned Vehicles (Form CA 0001, ed. 12/93 or any replacement thereof) Combined Single Limit Per Accident for Bodily Injury and Property Damage

**3. Workers' Compensation and Employers' Liability**  
Workers' Compensation Statutory  
Employers' Liability

**B. Self-insured Retentions.** Any self-insured retentions must be declared to and approved by the Town. If not approved, the Town may request that the insurer reduce or eliminate such self-insured retentions with respect to Town, its officers, officials, agents, employees and volunteers.

**C. Other Insurance Requirements.** The policies are to contain, or be endorsed to contain, the following provisions:

**1. Commercial General Liability**

a. The Town, its officers, officials, agents, employees and volunteers are to be named as additional insureds with respect to liability arising out of: activities performed by or on behalf of GPEC, including the Town's general supervision of GPEC; products and completed operations of GPEC; and automobiles owned, leased, hired or borrowed by GPEC.

b. GPEC's insurance shall include broad form contractual liability coverage.

c. The Town, its officers, officials, agents, employees and volunteers shall be additional insureds to the full limits of liability purchased by GPEC, even if those limits of liability are in excess of those required by this Agreement.

d. GPEC's insurance coverage shall be primary insurance with respect to Town, its officers, officials, agents, employees and volunteers. Any insurance or self-insurance maintained by Town, its officers, officials, employees or volunteers shall be in excess of GPEC's insurance and shall not contribute to it.

e. GPEC's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

f. Coverage provided by GPEC shall not be limited to the liability assumed under the indemnification provisions of this Agreement.

g. The policies shall contain a waiver of subrogation against Town, its officers, officials, agents, employees and volunteers for losses arising from work performed by GPEC for the Town.

**2. Workers' Compensation and Employers' Liability Coverage.** The insurer shall agree to waive all rights of subrogation against Town, its officers, officials, agents, employees and volunteers for any and all losses arising from work performed by the Contractor for the Town.

**D. Notice of Cancellation.** Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice has been sent to Town at the

address provided herein for the giving of notice. Such notice shall be by certified mail, return receipt requested.

- E. Acceptability of Insurers.** Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the State of Arizona and with a "Best's" rating of not less than A-VII. Town in no way warrants that the above required minimum insurer rating is sufficient to protect GPEC from potential insurer insolvency.
- F. Verification of Coverage.** GPEC shall furnish Town with Certificates of Insurance (ACORD form or equivalent approved by Town) and with original endorsements effecting coverage as required by this Agreement. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverage shall be clearly noted on the Certificate of Insurance.

All certificates and endorsements are to be received and approved by Town before work commences. Each insurance policy required by this Agreement must be in effect at or prior to commencement of work under this Agreement and remain in effect for the duration of the project.

All certificates of insurance required by this Agreement shall be sent directly to Town at the address and in the manner provided in this Agreement for the giving of notice. Town's Agreement/Agreement number, GPEC's name and description of the Agreement shall be provided on the Certificates of Insurance. Town reserves the right to require complete certified copies of all insurance policies required by this Agreement, at any time.

- G. Approval.** During the term of this Agreement, no modification may be made to any of GPEC's insurance policies which will reduce the nature, scope or limits of coverage which were in effect and approved by the Town prior to execution of this Agreement.

# Exhibit F

## Regional Cooperation Protocol Policy Greater Phoenix Economic Council and Economic Development Directors Team

The foundation of this policy is built on trust and the spirit of regional cooperation among the entities involved. GPEC and the Economic Development Directors of its member communities agree and acknowledge that it is important that they work together as partners on projects involving the communities which GPEC represents, regardless of the source of the lead, as follows:

1. Demonstrate a commitment to the positive promotion of the Greater Phoenix, specifically, GPEC member communities, as a globally competitive region.
2. Maintain the highest standards of economic development prospect handling, including confidentiality, without jeopardizing a prospect's trust to secure the probability of a regional locate. Partners agree to respect the prospect's request for confidentiality but also agree to notify each other as to the existence of a project with a confidentiality requirement when able and shall make a good-faith effort to involve the appropriate state, regional or local partners at the earliest possible time.
3. Unless otherwise restricted, agree to coordinate through GPEC for any prospect considering a project in Maricopa County or in any of the communities that GPEC represents, understanding that GPEC is in a unique position to represent and speak on regional economic development issues and on characteristics of the region's economy. Likewise, GPEC acknowledges that communities are in the best position to speak about local incentives and efforts surrounding the local economy.
4. For projects that originate with a GPEC member community, GPEC will be available for confidential research access, topical expertise or as a service provider, to add value to the community in securing the project. Additionally, GPEC will not e-track the project unless the community lead makes such a request to do so.
5. Provide accurate and timely information in response to specific requests by all prospects. When a client has narrowed sites to specific GPEC member communities, GPEC will make a good-faith effort to inform those affected EDDT members first. EDDT members agree to provide information solely on their own community when the information requested is site-specific (i.e., cost of land, taxes, development fees, utility availability and cost, zoning process timing, permit timing and local incentives). When site-specific information related to other GPEC communities is requested, EDDT members agree to (i) direct GPEC prospects back to GPEC or (ii) direct non-GPEC generated prospects to contact the affected communities directly, and as a courtesy, contact the affected communities.
6. Agree that regardless of the lead source, public locate announcements shall be coordinated among the company, GPEC member community, and GPEC to reflect inclusiveness and cooperation of all partners (subject to any confidentiality requirements).
7. GPEC and EDDTs will advocate for a robust operating budget for the state economic development agency, and champion sound statewide economic development programs and policies.
8. Discourage the proactive offering of local, municipal financial incentives for existing jobs to companies with current operations in another GPEC community.
9. Inform GPEC member community when a company visits or physical site visit within that community will occur. Economic Development Directors will be the primary point of contact for the company when community information is needed.

10. Agree that the consideration of a future community to GPEC's membership will be brought before EDDT for discussion in advance of any board consideration. EDDT will make a recommendation on the addition of a new community to GPEC's President and CEO.
11. Formalize a process to convene GPEC and Economic Development Directors of GPEC member communities biannually, and cooperate in the exchange of information and ideas reflecting practices, procedures and policies relating to prospect handling and regional economic development.
12. Work collectively to maintain a high level of trust and integrity by and between GPEC and the Economic Development Directors of GPEC member communities, utilizing differing views as an opportunity to learn.
13. When conducting market intelligence initiative objective, GPEC staff will coordinate with EDDT to ensure coordination and communication.
14. When a PIF is issued by the state economic development agency GPEC will coordinate the region's response. All PIF submissions will be directed to GPEC's attention and GPEC will assemble the response and return to the state economic development agency.
15. It is understood GPEC will or may host annual executour(s) and/or other marketing familiarization tour(s) to promote the regional communities. GPEC will make every attempt to provide as much interaction time between the executour guests and EDDTs. It is understood EDDTs will inform GPEC of any upcoming executour(s) and/or other marketing familiarization tours scheduled by their office.
16. Partners agree to enter into a mediation process if there is evidence that this Protocol has not been observed in a material respect or a professional conflict arises that cannot be settled. This mediation process will be convened by the EDDT Chair, who may, at his/her discretion, consult or involve GPEC's President and CEO in addition to others with topical expertise central to the conflict.