



#25
JUN 13 2013

MEMORANDUM **Economic Development – Council Memo ED13-016**

DATE: MAY 30, 2013

TO: MAYOR AND COUNCIL

THRU: RICH DLUGAS, CITY MANAGER *RD*
 PATRICK MCDERMOTT, ASSISTANT CITY MANAGER *PM*

FROM: CHRISTINE MACKAY, ECONOMIC DEVELOPMENT DIRECTOR *CM*

SUBJECT: GREATER PHOENIX ECONOMIC COUNCIL CONTRACT
 FOR FISCAL YEAR 2013-14

RECOMMENDATION: Staff recommends approval of the proposed Fiscal Year 2013-2014 contract for regional economic development services with the Greater Phoenix Economic Council (GPEC) in the amount of \$94,001, and authorize the Mayor to sign the contract approved by the City Attorney.

BACKGROUND/DISCUSSION: The City of Chandler and other communities in Maricopa County contract with GPEC on an annual basis to provide regional economic development services. The City of Chandler and other major cities have contracted with GPEC since 1989 to conduct marketing and business lead generation activities for the Greater Phoenix market.

City Economic Development staff participates with GPEC on regional economic development activities, including formulating GPEC's Action Plan for FY 2013-2014. Staff participates on the Economic Development Director's Team (EDDT), made up of economic development professionals from each member organization (19 communities, Arizona State University, Maricopa Community College District, Arizona Department of Commerce, Arizona Public Service and Salt River Project).

The EDDT Team works with GPEC to market and attract new quality employers to the market and to develop and implement competitive strategies for the region. With input from the EDDT Team, GPEC's performance measures have evolved over the past

several years to focus less on quantity and more on quality indicators, such as targeting companies that create higher average salary jobs and higher capital investment.

As part of the City's contract with GPEC, Chandler receives two GPEC Board of Director's appointments (Mayor Jay Tibshraeny and Jason Bagley with Intel).

The annual contract amount for GPEC is determined by 2012 Office of Employment and Population Statistics, Arizona Department of Administration population estimate multiplied by a fixed amount per capita of approximately \$.39 per capita. Chandler's proportionate share, based on the 2012 population estimate is \$94,001.

GPEC and the City of Chandler have partnered on five locate projects this fiscal year (GM Innovation Center, AKO Engineering and Phacil), as well as two that are in the pipeline currently for announcements, bringing the total projects to 25 since 2002.

The proposed FY13-14 contract has identifiable and measurable performance targets for GPEC, with monthly and quarterly reporting mechanisms built in. Exhibits to the contract include a scope of work with specific activities identified, performance targets, community industry targets, reporting mechanisms and insurance requirements.

Staff has reviewed the proposed contract and recommends continued support of GPEC's regional economic development efforts.

FINANCIAL IMPLICATIONS:

The contract amount of \$94,001 is budgeted in the Economic Development Division Cost Center (1520).

PROPOSED MOTION:

Move to approve the contract with the Greater Phoenix Economic Council for FY13-14 in the amount of \$94,001, and authorize the Mayor to sign the contract approved by the City Attorney.

ATTACHMENTS:

GPEC Contract
Exhibits

**AGREEMENT BETWEEN
THE GREATER PHOENIX ECONOMIC COUNCIL
AND THE CITY OF CHANDLER
City Contract No. _____**

The City Council of the CITY OF CHANDLER, a municipal corporation (the “City”), 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 City agrees to provide, the respective roles of GPEC and the City and the payments of the City to GPEC for the fiscal year July 1, 2013 - June 30, 2014.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the CITY 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 image building, marketing and new business attraction for the Greater Phoenix region.
2. Retention and expansion of existing businesses is primarily a local issue.
3. GPEC can add value to retention and expansion of existing businesses through regional support and research on key retention and expansion projects.
4. GPEC has a responsibility to advise the City when an existing company contacts GPEC regarding a retention or expansion issue.

D. ACTION PLAN AND BUDGET: In accordance with the Mission, Goals and Retention 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 City, receipt of which is hereby acknowledged. A summary of the Action Plan is attached hereto as **Exhibit A** (“GPEC Action Plan”). The City shall be informed of any changes in the adopted 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 City 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 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 City on the formulation of future marketing strategies and advertisements. The Action Plan will be revised to reflect any agreed upon changes to the 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 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 City'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 City discussing in detail its progress in implementing the 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 City no later than December 31, 2013.

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 City 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 will constitute an event of default for which the City may terminate this Agreement pursuant to paragraph IV.J. below.

II. RESPONSIBILITIES OF THE CITY

- A. STAFF SUPPORT OF GPEC EFFORTS:** The City shall provide staff support to GPEC's economic development efforts as follows:
1. The City 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 City desires to compete and if the lead is appropriate for the City. When available, the City agrees to provide its response in the format developed jointly by EDDT and GPEC;
 2. The City shall provide appropriate local hospitality, tours and briefings for prospects visiting sites in the City;
 3. The City shall provide an official economic development representative to represent the City on the EDDT, which advises GPEC's President and CEO;
 4. The City 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 City shall use its best efforts to respond to special requests by GPEC for particularized information about the City within three business days after the receipt of such request;
6. In order to enable GPEC to be more sensitive to the City's requirements, the City shall, at its sole option, deliver to GPEC copies of any City 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 City shall utilize its best good faith efforts to cause an economic development professional representing the City to attend all marketing events and other functions to which the City has committed itself;
8. The City agrees to work with GPEC to improve the City's Competitiveness and market readiness to support the growth and expansion of the targeted industries as identified for the City in **Exhibit C** (Targeted Industries);

B. RECOGNITION OF GPEC: The City agrees to recognize GPEC as the City'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 City 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 City economic development staff for business location prospects identified and qualified by the City and assist the City with presentations to the prospect in the City or their corporate location.

B. COMPENSATION:

1. The City agrees to pay **\$94,001.00** for services to be provided by GPEC pursuant to the Agreement during the fiscal year ending on June 30, 2014, as set forth in this Agreement. This amount is based on approximately \$.3897 per capita, based upon the 2012 Office of Employment and Population Statistics, Arizona Department of Administration population estimate, which listed the City as having a population of **241,214**. The payment by the City may, upon the mutual and discretionary approval of the board of directors of GPEC and the City 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 City Council pursuant to the required budget process of the City;

3. Nothing herein shall preclude the City 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 City and GPEC; and
4. GPEC shall submit invoices for payment on a quarterly basis. The foregoing notwithstanding, if GPEC has not provided the City with the audit required pursuant to paragraph I.E. above no later than December 31, 2013, no payments shall be made hereunder until the City 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 between GPEC and the City. Accordingly, the City and GPEC covenant and agree to work together in a productive and harmonious working relationship, to cooperate in furthering GPEC's goals for the 2013-2014 fiscal year.
2. The City agrees to work with GPEC, as necessary or appropriate, to revise the performance measures, and/or benchmarks, and/or goals for the FY 2014-2015 contract.
3. The City agrees to work with GPEC during the FY2013-2014 program year to develop a revised public sector funding plan, including a regional allocation formula for FY2014-2015, 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 City 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 City Code of the City of Chandler which require and demand that no payment be made to any contractor as long as there is any outstanding obligation due to the City, 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 City and GPEC. At all times during the term of this Agreement, GPEC shall be an independent contractor and shall not be an employee of City. City 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 City in any capacity whatsoever as an agent. GPEC shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

- E. INDEMNIFICATION AND HOLD HARMLESS:** During the term of this Contract, GPEC shall indemnify, defend, hold, protect and save harmless the City and any and all of its Councilmembers, officers and employees 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 City, brought, made, filed against, imposed upon or sustained by the City, 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 City 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 City 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 City 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 City makes such findings shall be an issue and may be reviewed in any competent court. In the event of such termination, the City shall be entitled to pursue all legal and equitable remedies against GPEC available to the City.
- 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 City, GPEC shall provide City 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 City or in such other format as the City 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 American with Disabilities Act, and agrees to comply therewith in performing under any resultant agreement and to permit City inspection of its records to verify such compliance.

1. GPEC warrants to the City 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 City 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 City 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 City 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 Arizona Revised Statutes § 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 City 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.** City 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 City; 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 City 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 City 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. CITY REVIEW OF GPEC RECORDS.** GPEC must keep all Agreement records separate and make them available for audit by City 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 City: Christine Mackay
 Economic Development Director
 City of Chandler
 PO Box 4008, MS 416
 Chandler, Arizona 85244
 Phone: 480-782-3035
 FAX: 480-782-3040

If to GPEC: Barry Broome
 President and Chief Executive Officer
 Greater Phoenix Economic Council
 Two North Central Avenue, Suite 2500
 Phoenix, Arizona 85004-4469
 (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 City pursuant to the provisions of Section 38-511, Arizona Revised Statutes.
- R. NONLIABILITY OF OFFICIALS AND EMPLOYEES.** No member, official or employee of the City will be personally liable to GPEC, or any successor in interest, in the event of any default or breach by the City 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 City, 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 City 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 ten (10) 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

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 City 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 _____, 2013.

CITY OF CHANDLER, a municipal corporation

By: _____
The Honorable Jay Tibshraeny, Mayor

ATTEST:

By: _____
Its: City Clerk

APPROVED AS TO FORM:

By: _____
Its: City Attorney *SAB*

GREATER PHOENIX ECONOMIC COUNCIL,
an Arizona nonprofit corporation

By: _____
Barry Broome
President & Chief Executive Officer

CENTER OF GRAVITY

FY2014 ACTION PLAN

EXHIBIT A



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

CHANDLER
FOUNTAIN HILLS
GILA BEND
GILBERT
GLENDALE

GOODYEAR
MARICOPA
MESA
PHOENIX
PEORIA

QUEEN CREEK
SCOTTSDALE
SURPRISE
TEMPE
TOLLESON

WICKENBURG
YOUNGTOWN

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.

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FY13 MILESTONES

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

FY14 ACTION ITEMS

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

DRIVES THESE FY14 METRICS

Shows relationship between action items and annual performance goals

EXECUTIVE SUMMARY AND FIVE-YEAR STRATEGIC PLAN OVERVIEW

CENTER OF GRAVITY

One of GPEC's most unique and differentiating traits is our ability to convene public and private-sector leaders around the same table to develop and implement strategies that will transform Greater Phoenix's economic landscape. At GPEC, aspirations of greatness are shared, common ground is found and collectively stood upon, and risks are taken together. In the natural ebb and flow of business and economic cycles, GPEC remains a constant force, striving to outperform other markets for investment, serving our communities through job creation and championing a marked change in the state and region's competitive position. Your leadership, support and participation have made GPEC a center of gravity.

As GPEC approaches our 25th year as the region's economic development authority, we are resolute in our endeavors to maintaining and celebrating a model that has proven its effectiveness time and again.

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

Maricopa County
Apache Junction
Avondale
Buckeye
Casa Grande
Chandler

Fountain Hills
Gila Bend
Gilbert
Glendale
Goodyear
Maricopa

Mesa
Phoenix
Peoria
Queen Creek
Scottsdale
Surprise

Tempe
Tolleson
Wickenburg
Youngtown

PLATINUM

Alliance Bank of Arizona
APS
Arizona Cardinals
Arizona Diamondbacks
Arizona Republic/
Gannett Foundation
Arizona State University
Bank of America
Banner Health
BBVA Compass
Chase
Cox Communications
D.L. Withers Construction

Dignity Health
DMB Associates
Ernst & Young
Freeport McMoRan
Copper & Gold Inc.
Henry & Horne
Hines
Intel Corporation
Job Brokers Inc.
Kitchell
Maracay Homes
Maricopa Community
Colleges

Mayo Clinic
Meritage Homes
MidFirst Bank
PetSmart
Phoenix Suns
Polsinelli PC
Power One
Republic Services
SCF Arizona
Squire Sanders
SRP
University of Phoenix
US Airways

Verizon Wireless
Walmart
Waste Management
Wells Fargo

GOLD

A1A Vista Tech
AAA Arizona
Abengoa/Abacus
Aetna
Arizona Business Bank
Avnet
BDO
BMO Harris Bank
BlueCross BlueShield of
Arizona
Cancer Treatment Centers
of America
Cassidy Turley/BRE Com-
mercial
Carlyle Development-
MetroCenter
CBIZ MHM
CBRE
CCS Presentation Systems

Celgene Corporation
Central AZ Commerce Park,
LLC
CenturyLink
Coe & Van Loo
Consultants, Inc.
Colliers International
Cushman & Wakefield
Deloitte
Deutsch Architecture Group
Digital Realty Trust
El Dorado Holdings
Empire Southwest
Gammage & Burnham
Gilbane Building Co.
Green Loop Solutions
Greenberg Traurig
Hensel Phelps
Hensley

Howard S. Wright
JE Dunn Construction
Jones Lang LaSalle
Keyser
Layton Construction
Lee and Associates
Lewis & Roca LLP
Macerich
The McShane Companies
Mortenson Construction
National Bank of Arizona
Nationwide Realty Investors
Okland Construction
Phoenix Children's Hospital
Renaissance Companies
SmithGroup
Snell & Wilmer LLP
Southwest Airlines
Stinson, Morrison, Hecker

Sun Health
Sundt Construction
Thunderbird School
of Global
Management
Total Transit
University of Arizona
Ware Malcomb
Weitz Company
Wespac Construction, Inc.
Wood, Patel &
Associates, Inc.



SILVER

A.T. Still University
 Air Products and
 Chemicals, Inc.
 All About People
 Arizona Office Technologies
 Bank of Arizona
 Big D Construction
 Bristol Global Mobility
 Bryan Cave
 Capital Commercial
 Investment, Inc.
 Capital Group Companies
 Clark Hill PLC
 Comerica Bank
 CoStar Group

Dibble Engineering
 DIRTT
 Ellman Companies
 Ensemble DevMan
 of Arizona
 Fennemore Craig
 Fervor Creative
 Golder Associates
 Goodmans Interior
 Structures
 GPE Commercial Advisors
 Grant Thornton
 Green Card Fund
 Kelly Services
 KTAR

Kutak Rock
 Land Advisors Organization
 Merit Partners
 MSS Technologies
 Mutual of Omaha
 On Q Financial
 Osborn Maledon
 The Plaza Companies
 Quarles & Brady
 Queen Creek/
 Landmark Companies
 Rose Law Group
 Southwest Gas Corporation
 Sun State Builders
 Target Commercial

Interiors
 Tratt Properties
 Ultimate Staffing Services
 Univita
 USAA
 Volo Holdings, LLC
 WealthTrust Arizona
 Willmeng Construction, Inc.
 Wist Office Products

BRONZE

The Alter Group
 American Solar Electric
 Applied Economics
 Carefree Partners
 CORE Construction
 Dircks Moving & Logistics
 Gallagher & Kennedy

Guided Therapy Systems
 Haworth
 John C. Lincoln Health
 Network
 McCarthy Building
 Companies
 Midwestern University

Newmark Grubb
 Night Frank
 Plant Solutions
 SkySong, Scottsdale
 Innovation Center
 Sunstate Equipment
 Company

FY14 METRICS

	THRESHOLD	TARGET	STRETCH
Payroll Generated	\$194,283,011	\$213,711,312	\$235,082,443
Number of Jobs	4,597	5,057	5,562
High-wage Jobs	2,407	2,647	2,912
Average High-wage Salary	\$50,792	\$56,435	\$62,079
Qualified Prospects	206	227	250
Qualified International Prospects	37	40	44
Emerging Tech Assists	8	10	12
Reach of Editorial Placements	222M	247M	271M

FY14 BUDGET

JULY 1, 2012 - JUNE 30, 2013

Revenues	FY12-13 Forecast	% of Total	FY 2014 Budget	% of Total	FY 2013 Budget	\$ Change	Change
Public Funds	\$ 2,101,000	42.8%	\$ 2,095,000	42.1%	\$ 2,101,000	\$ (6,000)	(.3%)
Private Funds	2,300,000	46.9%	2,300,000	46.2%	2,300,000	-	
New Pledge Revenue	250,000	5.1%	250,000	5.0%	250,000	-	
In-Kind Pledges	92,000	1.9%	92,000	1.8%	92,000	-	
Special Events, Prog. & Spon.	152,000	3.1%	240,000	4.8%	140,000	100,000	71.4%
Other	12,000	0.2%	5,000	0.1%	5,000	-	
Total Revenues	\$ 4,907,000	100%	\$ 4,982,000	100%	\$ 4,888,000	\$ 94,000	1.9%
Operating Expenditures							
Business Attraction	357,000	7.3%	363,000	7.3%	357,000	6,000	1.7%
Marketing	240,000	4.9%	272,000	5.5%	240,000	32,000	13.3%
Research & Strategy	126,000	2.6%	150,000	3.0%	126,000	24,000	19%
External Relations	233,000	4.7%	230,000	4.6%	233,000	(3,000)	(1.3%)
Resource Management	233,000	4.7%	230,000	4.6%	233,000	(3,000)	(1.3%)
Personnel	3,318,000	67.6%	3,432,000	68.9%	3,318,000	114,000	3.4%
Facilities	448,000	9.1%	408,000	8.2%	417,000	(9,000)	2.2%
Total Expenses	4,955,000	101%	\$ 5,085,000	102.1%	\$ 4,924,000	\$ 161,000	3.3%
Net Loss	(48,000)		(103,000)		(36,000)	(67,000)	186.1%
Less: Capital Expenditures	(40,000)	(0.8%)	(10,000)	(0.2%)	(40,000)	30,000	(75.0%)
Amortization of Deferred Rent	(40,000)	(0.8%)	(43,000)	(0.9%)	(40,000)	(3,000)	7.5%
Add: Depreciation	25,000		25,000	0.5%	40,000	(15,000)	(37.5%)
Net Cash Flows	(103,000)	0.5%	(131,000)		(76,000)	(55,000)	
Beginning Cash	1,802,000		1,726,000		1,802,000	(76,000)	
Ending Cash	\$ 1,699,000		\$ 1,595,000		\$ 1,726,000	\$ (131,000)	(7.6%)

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

FY13 MILESTONES

California Dreamin'

Capitalized on CA's increase on personal income taxes by targeting CEOs with a CA 50 campaign. The result? A tremendous immediate response – more than 60 calls within the first week – so the campaign was extended to 100 CEOs of qualified companies. GPEC is currently working with approximately 35 CA CEOs who are at the helm of companies ranging in size from 300 to 10,000 employees and represent industries like financial services, manufacturing, life sciences and technology.

Mining Emerging Tech Opportunities

Still in its infancy stage, GPEC is further developing a system to uncover and pursue emerging tech firms that have a viable funding source. Early identification of these enterprises during the capital infusion process, will afford GPEC the chance to grow technologies within the region's innovation ecosystem.

Strong Deal Flow

Through April, GPEC has delivered on several business development metrics including number of jobs, high-wage jobs and average high-wage salary. Year-end projections suggest GPEC will finish strong—among one of the organization's top five job performances in the last decade.

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

FY14 ACTION ITEMS

Scale California Initiative

Substantial interest in GPEC's California 100 campaign has translated to more than two dozen companies evaluating Greater Phoenix. As GPEC looks to convert these prospects to locates, we will deploy more resources to California markets and articulate Arizona's business case to executives seeking to leave or expand out of the state.

Mine Opportunities in Chicago

GPEC will expand current efforts in Chicago, increasing our presence and outreach to the market that many Arizonans formerly called home. We will study market similarities and juxtapose those areas in which Greater Phoenix has a solid advantage. GPEC will also recalibrate our messaging, historically designed for site-selectors, and cast a more refined communications net targeted at executives.

Size Up the Competition

GPEC will broaden its normal business development travel to include trips that delve into better understanding industries in the competitor markets of Austin, Salt Lake City, Las Vegas, Dallas and Denver. Austin, for example, has a storied past in technology yet continues to surface in rankings and maintain its reputation as an innovative city. Visits with market experts and research due diligence will help GPEC identify how Greater Phoenix stacks up.



Enhance Approach in China and Launch New International Markets

First introduced as the China Z Corridor Strategy, the China-Arizona Alliance has resulted in effective connections to companies and multipliers in Shanghai and its surrounding cities, which boasts the largest concentration of industries in China. The Alliance comprises Arizona Commerce Authority, Arizona State University, Tucson Regional Economic Opportunities and GreenCardFund. GPEC will continue to develop these relationships through a series of investment forums on doing business in Greater Phoenix, not only in China but also in other foreign markets within Western Europe and Western and Eastern Canada.

DRIVES THESE FY14 METRICS

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

FY13 MILESTONES

The State of an Industry

Released findings from a pre-sequestration study that analyzed 114 of the region's most at-risk aerospace and defense companies. GPEC's market intelligence program on this effort received widespread praise among federal officials in Washington, D.C. and could serve as a future national model.

Unprecedented D.C. Mission

Record participation from more than 60 civic and business leaders, noteworthy attendance from Arizona's congressional delegation and a first-ever national panel discussion on immigration uniquely defined the 2013 Executive Mission to Washington, D.C. GPEC organized 44 key meetings over the course of three days.

Having the Innovation Conversation

Outcomes from the work of GPEC's Innovation Council included the launch of industry roundtables, which focused on education IT and healthcare IT, bringing increased attention to emerging technology clusters in the region.

COMPETITIVENESS

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

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

FY14 ACTION ITEMS

Advance the Market Intelligence Program

Following the rollout of our findings from the aerospace and defense analysis and pre-sequestration report, GPEC will continue monitoring this industry to assess the impact from sequestration. GPEC will also expand the market intelligence program to researching information communications technology (ICT). An in-depth look at the region's ICT assets and overall evaluation of industry trends will equip our communities with intelligence beneficial to their respective retention efforts.

Implement a Regional Science and Technology Initiative

Building on the work from FY13, GPEC will coalesce business and community leaders to execute an economic growth plan designed to transform Greater Phoenix into a knowledge-driven economy. The purpose of the initiative is to lead the nation and the world in new technologies and innovation, and ultimately increase the region's prospects for greater prosperity and economic sustainability.

Champion Shifts in Arizona's Competitiveness

GPEC will continue the quest for number one in the Mountain West, and seek the passage of a property tax reclassification tool at the Arizona legislature. Designed to attract export industries, which drive economic growth, this performance-based program will improve GPEC's ability to compete for investments and quality job creation.



Uphold a Compelling Research Model

Over the last several years, GPEC has earned a reputation for our ability to deliver valuable research and analyses to prospective companies, policymakers and business leaders. GPEC will apply our competency in evaluating and translating sophisticated research to increasingly important subjects like education, workforce and emerging industries.

DRIVES THESE FY14 METRICS

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

FY13 MILESTONES

Incredible PR

Capitalized on key national and international themes, which led to an extraordinary 674-plus million media impressions. PR efforts surrounding the International Trade Commission hearing on solar tariffs in China, GPEC's CA 100 campaign in response to Prop 30, and the *Arizona Talks Immigration* panel in Washington, D.C. resulted in solid media placement for GPEC.

An International First

Created a first-ever international guide to doing business for foreign companies seeking to invest in the U.S. This comprehensive toolkit, compiled by some of the region's top experts, is available in print and online in English, Chinese and Spanish at www.gpec.org/toolkit.

Striking Gold in the Golden State

Immediately followed passage of CA's Prop 30, which significantly increased personal tax rates on incomes over \$250,000, with a CA 50 campaign targeted at CEOs. GPEC deployed PR, print advertising, email marketing and social media to promote the campaign, offering 50 qualified CA execs a first-rate market overview to evaluate the region for relocation and expansion opportunities. After non-stop calls within the first week, the campaign was extended to the first 100 qualified CEOs showing interest.

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

FY14 ACTION ITEMS

Build Upon Success in California

An aggressive marketing campaign to lure executives from the Golden state resulted in a highly successful series of media stories about the region and an abundance of new California prospects. GPEC will follow this move with new tactics that include leveraging the support of partners to position the region's brand through digital, print and display mediums across California, as well as a continued media strategy to leverage ongoing opportunities.

Bridge the Region to International Markets

More so than in years past, GPEC will focus on implementing an international marketing campaign that includes increasing awareness for Greater Phoenix and our market offerings. We'll also strengthen ties with Washington, D.C.-based agencies that serve as points of entry for foreign companies, thereby gaining more immediate visibility among firms seeking to invest in the U.S.

Go Bigger in Chicago

GPEC will complement business development activity in Chicago with a more direct campaign targeting executives in the Windy City. Through electronic marketing and a potential, strategic media buy, GPEC will hone in on differentiating market characteristics and promote the benefits of doing business in Greater Phoenix.



DRIVES THESE FY14 METRICS

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

Maintain a High Profile

Media placement for the region and GPEC has been off the charts thanks to more calculated, relevant positions on foreign direct investment (ie, trade and investment with China) and taxes (ie, California's Proposition 30). GPEC will continue to pursue national and international media by developing progressive, fact-based storylines that serve to improve the state and region's brand in outside markets.

Recapture the Conversation

GPEC will explore the revival of our "Convening the Community" series in support of our efforts to implement a regional science and technology initiative. In 2009, these town-hall type forums drew 800-plus attendees and 12,000 television viewers to an important dialogue on the region and state's competitiveness.

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

Board of Directors

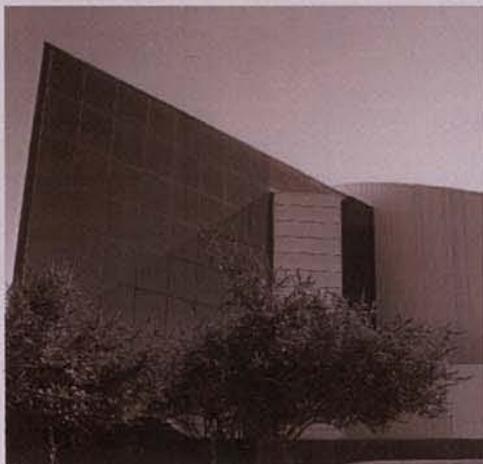
Provides effective oversight of the organization and helps shape GPEC's influence as a regional thought leader.

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.
- « 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* (under consideration)

Reviews current workforce skills gaps, supports the advancement of a science and technology initiative 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.

Innovation Council*

Leverages the region's expanding innovation ecosystem in an effort to foster growth in emerging industries and ultimately diversify the economy.

International Leadership Council*

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

Marketing Committee*

Offers guidance on the development of regional branding, and GPEC's marketing and media efforts in support of our core mission.

Mayors Council

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

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

A qualifying program for Ambassadors who serve as an extension of the GPEC team and 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; design activities relevant to and in support of GPEC's mission; serve as a sounding board for emerging initiatives and support implementation of programs.

** Eligibility determined by investment level or strategic appointment*

Like a whirl of shiny flakes sparkling in a snow globe, Hubble caught this glimpse of many hundreds of thousands of stars moving about in the globular cluster M13, one of the brightest and best-known globular clusters in the northern sky. These stars are packed so closely together in a ball, approximately 150 light-years across, that they will spend their entire lives whirling around in the cluster. Near the core of this cluster, the density of stars is about a hundred times greater than the density in the neighborhood of our sun.



Greater Phoenix
ECONOMIC COUNCIL

2 N. Central Ave., Suite 2500, Phoenix, AZ 85004

Phone: 602.256.7700 | Fax: 602.256.7744 | www.gpec.org

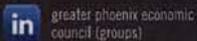


EXHIBIT B
GPEC PERFORMANCE MEASURES
FY 2013-2014

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

1. Payroll Generated	\$194.3M
2. Total Number of Jobs Created	4,597
3. Total Number of High-Wage Jobs	2,407
4. Average High-Wage Salary	\$50,792
5. Emerging Tech Assists	8
6. Number of Qualified Prospects	206
7. Number of Qualified International Prospects	37
8. Total Reach of Editorial Placements/Exposures	222M

GPEC continues to target high-wage industries (Renewable Energy; Biomedical/Personalized Medicine; Advanced Business Services; Manufacturing & Logistics; Mission Critical; Areospace & Aviation; Emerging Tech)

EXHIBIT C

TARGETED INDUSTRIES

FY2013-2014

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 2013-2014, GPEC will continue its emphasis on the following: Renewable Energy; Biomedical/Personalized Medicine; Advanced Business Services; Manufacturing & Logistics; Mission Critical; Aerospace & Aviation; Emerging Tech.

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.

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; high-tech/software (R&D, data center, services); next generation electronics (sensors, optics); aerospace and defense (satellite, FAA repair); biotechnology and life sciences (R&D, oncology, regenerative medicine, cardiovascular science, medical device); 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 advanced 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 science; advanced business services; manufacturing; sustainable industries and enterprises; high education; world business, trade and FDI; and established/emerging enterprises

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

Information technology/software; healthcare/biomedical; financial services; sports/lifestyle; solar/sustainable industries; education

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

Heavy industrial; standard manufacturing; transportation & distribution; rail services; food processing; mining support facilities; renewable energy; environmental technology research & manufacturing; healthcare and medical; educational institutions; tourism and filmmaking; expanded retail operations

EXHIBIT D

FY 2013-2014

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
PAYROLL GENERATED (MILLIONS)				
AVERAGE HIGH WAGE SALARY				
NUMBER OF JOBS				
NUMBER OF HIGH-WAGE JOBS				
EMERGING TECHNOLOGY ASSISTS				
QUALIFIED PROSPECTS				
INTERNATIONAL PROSPECTS				
TOTAL REACH OF EDITORIAL PLACEMENTS				

GPEC continues to target high-wage industries (advanced business services, aerospace, life sciences, renewable energy, high-tech/IT)

KEY BUSINESS ATTRACTION ACTIVITIES AND OTHER GPEC ACTIVITIES

EXHIBIT E

INSURANCE REQUIREMENTS

The City's insurance requirements are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The City 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 City.

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 City. If not approved, the City may request that the insurer reduce or eliminate such self-insured retentions with respect to City, 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 City, 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 City'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 City, 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 City, its officers, officials, agents, employees and volunteers. Any insurance or self-insurance maintained by City, 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 City, its officers, officials, agents, employees and volunteers for losses arising from work performed by GPEC for the City.

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

- 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 City 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. City 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 City with Certificates of Insurance (ACORD form or equivalent approved by City) 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 City 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 City at the address and in the manner provided in this Agreement for the giving of notice. City's Agreement/Agreement number, GPEC's name and description of the Agreement shall be provided on the Certificates of Insurance. City 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 City prior to execution of this Agreement.