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JUN 25 2015

Chandler • Arizona
Where Values Make The Difference

MEMORANDUM **Economic Development – Council Memo ED15-029**

DATE: JUNE 10, 2015

TO: MAYOR AND COUNCIL

THRU: MARSHA REED, ACTING CITY MANAGER
MICAH MIRANDA, ECONOMIC DEVELOPMENT DIRECTOR

FROM: JAMES SMITH, ECONOMIC DEVELOPMENT PROGRAM MGR.

SUBJECT: GREATER PHOENIX ECONOMIC COUNCIL (GPEC) CONTRACT FOR FY2015-16

RECOMMENDATION: Staff recommends City Council approve the proposed FY2015-2016 contract with the Greater Phoenix Economic Council (GPEC) for regional economic development services in the amount of $109,671, and authorize the Mayor to sign all related documents as approved by the City Attorney.

BACKGROUND/DISCUSSION: The City of Chandler and 22 other communities in the Metro Phoenix area contract with GPEC on an annual basis to provide regional economic development services. The City of Chandler has contracted with GPEC since 1989 to conduct marketing and business lead generation.

Economic Development staff participates with GPEC on regional economic development activities, including formulating GPEC's Action Plan for FY2015-2016. Staff participates on the Economic Development Director's Team (EDDT), made up of economic development professionals from each member organization.

The annual contract amount for GPEC is determined by the Arizona Department of Administration's 2014 population estimate for Chandler (249,423) multiplied by a fixed amount per capita ($.4397). The City of Chandler's proportionate share is thus $109,671.

During FY2014-15, the City of Chandler responded to 52 Requests for Proposals (RFPs) generated by GPEC for new businesses considering the Metro Phoenix area. These RFPs provided Chandler with the opportunity to compete for projects that were considering:

- adding nearly 7,300 jobs,
- occupying approximately 4.9 million square feet, and
- making $800 million in capital investment

To date in FY2014-15, GPEC and the City of Chandler have partnered on one locate (Arvato Bertelsmann) that will bring:

- 400 jobs,
- absorb 31,000 square feet of space, and
- $3,000,000 in capital expenditures

GPEC's economic models show the 10-year benefits of this project to be $128 million in direct payroll, $204 million in direct economic output, and $3.8 million in direct tax revenues to the City of Chandler.

Exhibits in the FY2015-16 contract include a scope of work with specific activities identified, performance targets, community industry targets, reporting mechanisms, insurance requirements and the Regional Cooperation Protocol Policy.

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

FINANCIAL IMPLICATIONS:

The proposed expenditure amount of $109,671 for the GPEC contract is budgeted in the Economic Development Division's Cost Center (1520).

PROPOSED MOTION:

Move City Council to approve the contract with the Greater Phoenix Economic Council (GPEC) for FY2015-2016 in the amount of $109,671 and authorize the Mayor to sign the contract as approved by the City Attorney.

ATTACHMENTS:

GPEC Contract
Exhibit A - FY16 Action Plan
Exhibit B - GPEC Performance Measures
Exhibit C - Targeted Industries
Exhibit D - Reporting Mechanism
Exhibit E - Insurance Requirements
Exhibit F - Regional Cooperation Protocol Policy

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, 2015 - June 30, 2016.

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 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 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, 2015.

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 **$109,671.00** for services to be provided by GPEC pursuant to the Agreement during the fiscal year ending on June 30, 2016, as set forth in this Agreement. This amount is based on approximately $.4397 per capita, based upon the 2014 Office of Employment and Population Statistics, Arizona Department of Administration population estimate, which listed the City as having a population of **249,423**. 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, 2015, 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 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 2015-2016 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 City agrees to work with GPEC, as necessary or appropriate, to revise the performance measures, and/or benchmarks, and/or goals for the FY 2016-2017 contract.

3. The City agrees to work with GPEC during the FY2015-2016 program year to develop a revised public sector funding plan, including a regional allocation formula for FY2016-2017, 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:

Micah Miranda
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:

Chris Camacho
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 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 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 _____, 2015.

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

GREATER PHOENIX ECONOMIC COUNCIL,
an Arizona nonprofit corporation

By:_____
Chris Camacho
President & Chief Executive Officer

ARCHITECTING THE FUTURE

FY 2016 ACTION PLAN

Greater Phoenix
ECONOMIC COUNCIL

FY 16 ACTION PLAN

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.

EXECUTIVE SUMMARY

Through a true public-private partnership, the Greater Phoenix Economic Council (GPEC) continues to lead the nation as a best-in-class economic development organization. The collaborative results of regionalism combined with cutting-edge analytics positions GPEC to engineer the future of the Greater Phoenix economy in unprecedented ways. The launch of the Competitiveness Council will bring new voices to the table to join the conversation in shaping the future economy. In-depth market analysis and digital marketing tactics will shed light on the value and desirability of the market. And sophisticated market intelligence will continue to highlight the region's strengths and promote our communities. Going into fiscal year 2016, GPEC's pipeline is stronger than ever, its marketing and communications efforts are elevating the regional brand, and new leadership has invigorated the organization and the community with new direction and aspirational goals. We are excited for the next era of GPEC, and invite you to join us as we architect the future of Greater Phoenix.

WHAT TO EXPECT IN THE FOLLOWING PAGES

FY15 MILESTONES
Momentum gained in the last year — select achievements and key benchmarks

FY16 ACTION ITEMS
Sample of activities that adhere to a five-year vision and result in progress

DRIVES THESE FY16 METRICS
Shows relationship between action items and annual performance goals

STRATEGIC PILLARS

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.

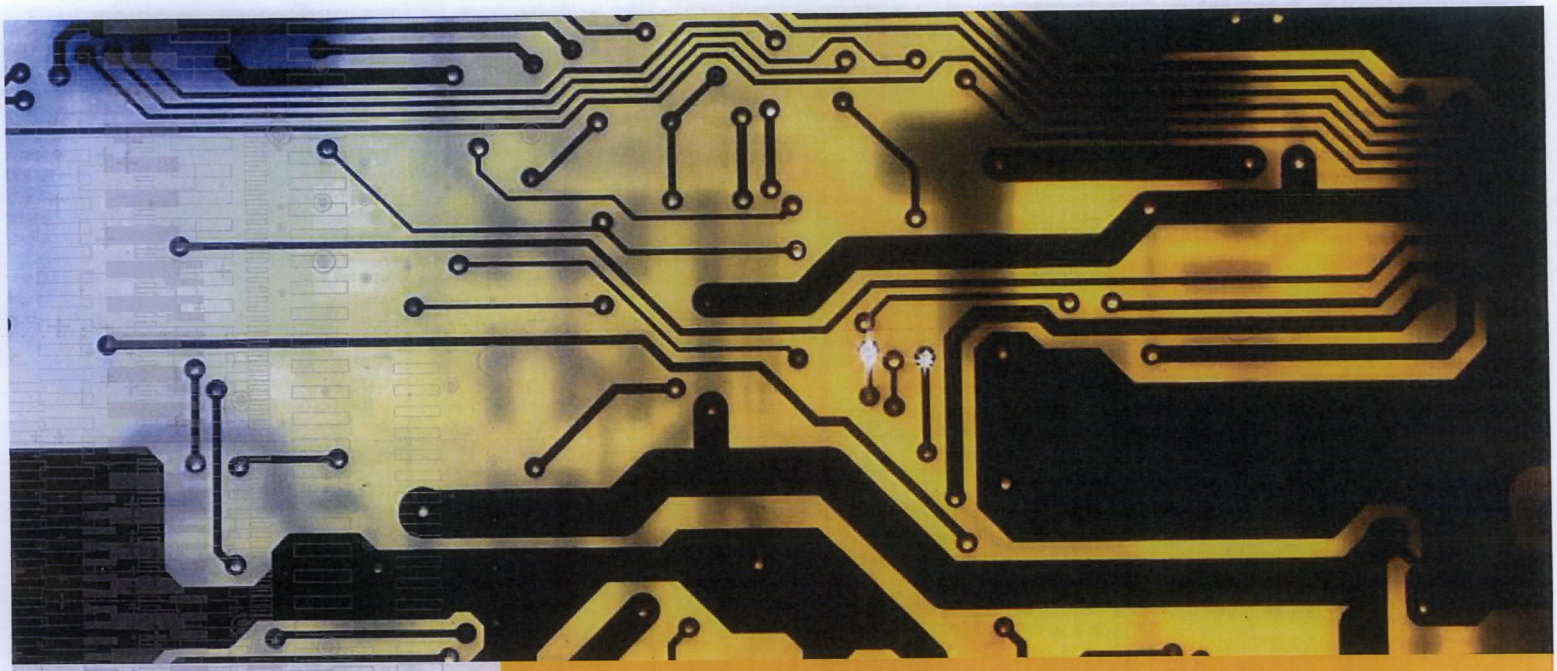
METRICS

METRIC	THRESHOLD	TARGET	STRETCH
PAYROLL GENERATED	$205.48 M	$226.03 M	$248.63 M
NUMBER OF JOBS	4,794	5,273	5,801
HIGH-WAGE JOBS	2,493	2,742	3,016
AVERAGE HIGH-WAGE SALARY	$51,574	$57,304	$63,034
QUALIFIED PROSPECTS	210	231	254
QUALIFIED INTERNATIONAL PROSPECTS	37	41	45
EMERGING TECH ASSISTS	10	12	14
REACH OF EDITORIAL PLACEMENTS	275 M	302 M	332 M

BUDGET

JULY 1, 2015 - JUNE 30, 2016

REVENUES	FY 2015 FORECAST	% OF TOTAL	FY 2016 BUDGET	% OF TOTAL	FY 2015 BUDGET	$ CHANGE	CHANGE
Public Funds	$2,244,000	40.9%	$2,271,100	40.6%	$2,246,500	$24,600	1.1%
Private Funds	2,400,000	43.7%	2,600,000	46.5%	2,550,000	50,000	2.0%
New Pledge Revenue	225,000	4.1%	250,000	4.5%	250,000	-	0.0%
In-Kind Pledges	59,000	1.1%	77,000	1.4%	59,400	17,600	29.6%
Events & Programs	221,000	4.0%	150,000	2.7%	165,000	(15,000)	(9.1%)
Sponsorships	86,000	1.6%	25,000	0.4%	100,000	(75,000)	(75.0%)
Grant Income	250,000	4.6%	212,900	3.8%	-	212,900	100.0%
Other	7,000	0.1%	2,500	0.0%	3,300	(800)	(24.2%)
Total Revenues	**$5,492,000**	**100.0%**	**$5,588,500**	**100.0%**	**$5,374,200**	**$214,300**	**4.0%**
OPERATING EXPENDITURES							
Business Development	419,000	8.2%	416,400	7.7%	434,200	(17,800)	(4.1%)
Marketing	209,000	4.1%	304,100	5.6%	258,500	45,600	17.6%
Research & Strategy	265,000	5.2%	283,000	5.2%	265,100	17,900	6.8%
External Relations	84,000	1.6%	95,200	1.8%	94,400	800	0.8%
Resource Management	200,000	3.9%	240,900	4.5%	199,700	41,200	20.6%
Personnel	2,976,000	58.3%	3,230,400	59.9%	3,295,100	(64,700)	(2.0%)
Facilities	441,000	8.6%	454,900	8.4%	447,400	7,500	1.7%
In-Kind	59,000	1.2%	77,000	1.4%	59,400	17,600	29.6%
Events & Programs	251,000	3.6%	140,000	2.6%	205,000	(65,000)	(31.7%)
Total Operarting Expenditures	4,904,000	96.1%	5,241,900	97.2%	5,258,800	(16,900)	-0.3%
NON-OPERATING EXPENDITURES							
Grant Expenses	200,000	3.9%	152,500	2.8%	-	152,500	100.0%
Total Expenses	**$5,104,000**	**100.0%**	**$5,394,400**	**100.0%**	**$5,258,800**	**$135,600**	**2.6%**
Net Gain (Loss)	**$388,000**		**$194,100**		**$115,400**	**$78,700**	
Less: Capital Expenditures	(14,000)		(95,000)		(10,000)	(85,000)	
Amortization of Deferred Rent	(58,000)		(63,600)		(57,700)	(5,900)	
Amortization of Capital Leases	(15,000)		(10,500)		-	(10,500)	
Add: Depreciation	37,000		50,300		31,000	19,300	
Changes from Operating Activities	(358,000)		12,400		(6,600)	19,000	
Net Cash Flows	(20,000)		87,700		72,100	15,600	
Beginning Cash	1,785,000		1,765,000		1,685,000	80,000	
Ending Cash	**$1,765,000**		**$1,852,700**		**$1,757,100**	**$95,600**	



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

FY 15 MILESTONES

☑ SEEK INVESTMENT TO ACCELERATE DEVELOPMENT AND COMMUNITY PLANNING

Working together, GPEC's Economic Development Directors Team and the Community Building Consortium identified key assets in the region for investment promotion through a REIT/developer task force. GPEC's business development team targeted and attended conferences with leaders in national real estate and development. Building a network of development influencers, GPEC integrated development executives and capital managers into the standard sales mission process which includes site selection consultants, tenant representative brokers and corporate real estate executives promoting the assets of the region.

☑ HOST NATIONAL AND INTERNATIONAL ROAD SHOWS

GPEC successfully hosted road shows in San Francisco, San Jose and Washington, DC. Led by mayors and county supervisors, GPEC convened key executives to demonstrate the investment and supply chain opportunities available in Greater Phoenix.

☑ PLACE A RAZOR-SHARP FOCUS ON CALIFORNIA

The business development team led more than twenty missions into California, targeting high growth technology companies, advanced manufacturing operations and logistics users. The sales missions were part of an aggressive strategy to bolster direct lead-generation through engagement with key multipliers and industry executives. California expansions remain a top source of prospects for GPEC.

FY 16 ACTION ITEMS

ACTION ITEM →	IMPLEMENTATION PLAN
Accelerate California Technology, Corporate Headquarters and Manufacturing Opportunities →	California continues to generate the majority of prospects. As such, GPEC will target advanced manufacturing, distribution and technology companies, as well as key multipliers, REITs, venture capitalists and corporate real estate executives in California, through strategic marketing efforts and direct engagement with companies with California corporate headquarters.
Host National and International Road Shows →	Following the success of road shows in Silicon Valley, Vancouver, and San Francisco, GPEC will execute three missions with major events, to be led by the region's mayors and Maricopa County Supervisors. Supported by GPEC investors, the organization will convene key executives and multipliers and demonstrate the regional value proposition to targeted industry leaders.
Expand FDI Activities in Canada and Enhance Efforts in the United Kingdom and Western Europe and Support Efforts in Mexico →	Following successful missions into Toronto, GPEC will expand its efforts in the Ontario Province while evaluating additional opportunities in Eastern Canada. In addition, the UK is predicted to be the fastest growing economy of the G7, and its economic growth, along with its strong financial services and technology sectors, make it an ideal target for FY16 efforts. Both the UK and Western Europe will be approached through conferences and sales missions, leveraging U.S.-based relationships that have been built over the last two fiscal years. GPEC will continue to support state and city's efforts to strengthen relationships and commerce between Arizona and Mexico.
Progress Corporate 100 Program →	Last year, GPEC identified and began to profile the top 100 employers in the Greater Phoenix region, not headquartered in Arizona. This year, GPEC will accelerate efforts to profile these companies and continue establishing relationships between local community leadership and companies' national leadership in order to mitigate potential contraction, as well as identify areas of opportunity for new growth and expansion.
Solidify Reputation as Best-in-Class Economic Development Organization →	By expanding its visitation program with site selection consultants and multipliers (e.g., law firms, financial institutions), GPEC will continue to solidify its reputation as a best-in-class economic development organization. In addition, top site selection consultants will evaluate the services provided by GPEC's business development team, including the use of advanced labor analytics and cost analysis tools, relative to other market leaders nationally.

DRIVES THESE FY16 METRICS

Pipeline of qualified prospects

Pipeline of qualified international prospects
Total number of jobs created

Payroll generated

Average high-wage salary

Number of high-wage jobs created

Stakeholder satisfaction with business attraction

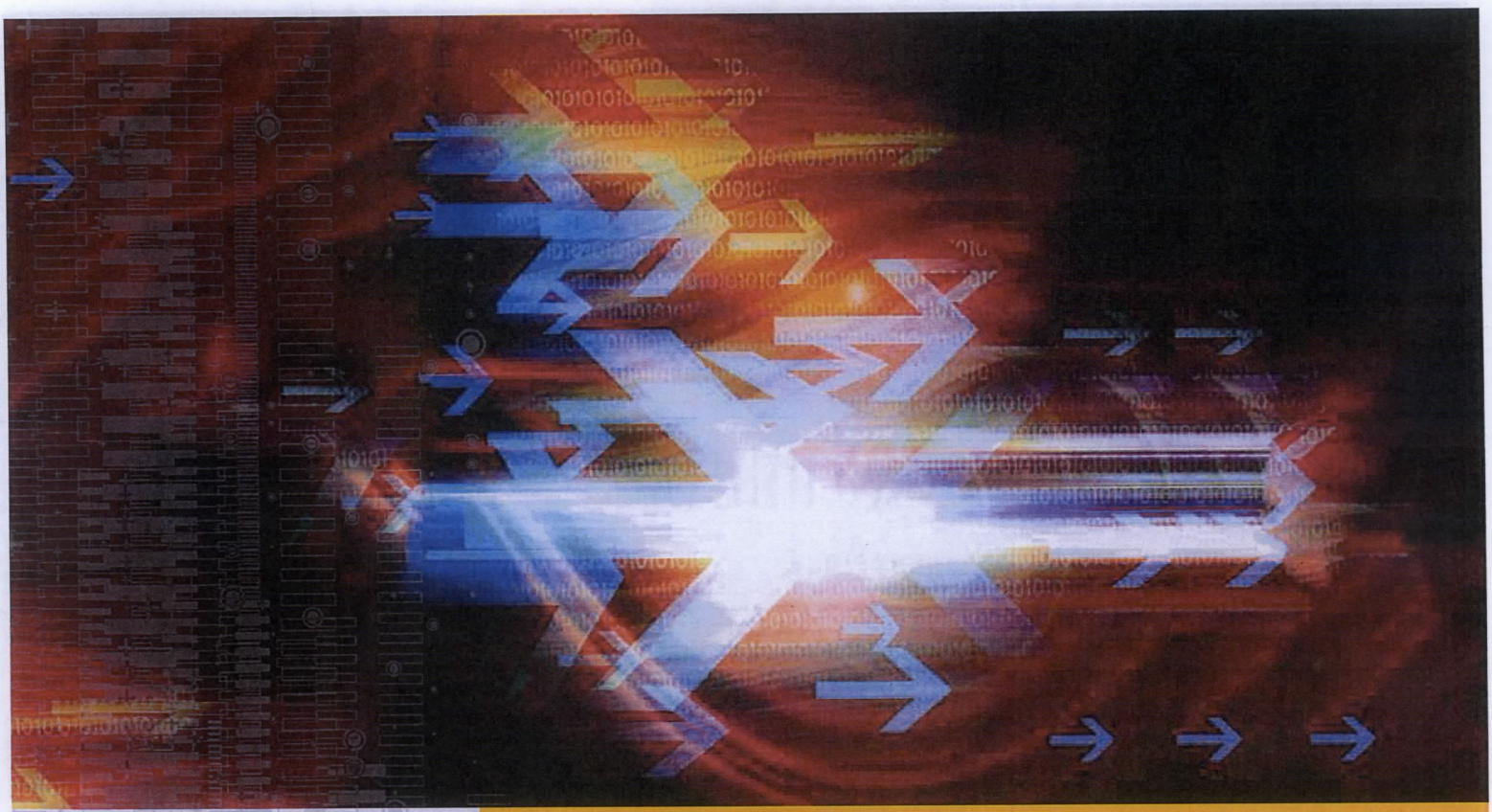
SUPPORTS THESE STRATEGIC PILLARS

Attraction

International

Regional Brand

GPEC Brand



COMPETITIVENESS

GUIDE NEW, STRATEGIC BUSINESS OPPORTUNITIES
through geographic and industry trend analyses

EVALUATE TARGETED, SOUND ECONOMIC DEVELOPMENT PROGRAMS
that enhance regional and state competitiveness

FY 15 MILESTONES

☑ LAUNCH VELOCITY

Velocity has launched with an Interim Board of Directors led by regional business and civic leaders. With guidance from the advisory committee, the Velocity Board began the process of forming an independent 501(c)3 and developing a communication strategy.

☑ EXECUTE GLOBAL CITIES INITIATIVE

Through participation in the Brookings' Global Cities Initiative, the region's export plan was created. The plan will be operationalized with the assistance from the Arizona Small Business Association. Among the first steps in the implementation will be grant development and fundraising, marketing and communication, and creation of Metro Phoenix Export Alliance.

☑ CONVENE EXECUTIVE MISSION TO WASHINGTON D.C.

In May, GPEC led a mission of more than 50 executives, mayors and county supervisors from around the state to Washington, DC for the organization's biennial mission to the nation's capitol. Focusing on workforce development, entrepreneurship and innovation, international investment and trade and aerospace and defense, GPEC met with the state's congressional delegation and influential leaders to discuss the region's competitiveness.

FY 16 ACTION ITEMS

ACTION ITEM →	IMPLEMENTATION PLAN
Operationalize a Council on Competitiveness →	Executives of key regional industries will convene and use data analysis and best practices to make policy recommendations that will lead to an improvement in the region's competitive position.
Elevate Community Partnership Program →	GPEC will continue to evolve the Community Partnership Program, broadening the scope to holistic economic development approaches. In FY16, GPEC will work closely with the economic development directors and civic leadership, engaging and reinforcing regionalism as an effective framework for achieving economic prosperity for all communities.
Launch High-Impact Districts Strategy →	GPEC will look to the density of economic activity in the region, with the aim of analyzing current concentrations and existing assets to profile "High-Impact Districts" and their surrounding areas. GPEC will collaborate with MAG and communities on data analytics, which will support marketing, strategic planning and policy development around growing these districts.
Perfect Market Intelligence Platform →	GPEC will build on the proven market intelligence model, which focuses on expanding industry analysis and the Corporate 100 program. Update the aerospace and defense analysis and assess the continuing impact of sequestration on the industry. GPEC will formalize its market intelligence strategy as a regional business retention and expansion model in collaboration with the chambers and other organizations.
Support Velocity Implementation →	GPEC will continue to engage and support successful implementation of Velocity, which includes operations and governance, the launch of early-stage projects, and communications and outreach.

DRIVES THESE FY16 METRICS

Pipeline of qualified prospects

Average high-wage salary

Emerging technology assists

Competitive position progress

SUPPORTS THESE STRATEGIC PILLARS

Market Intelligence

Next Generation

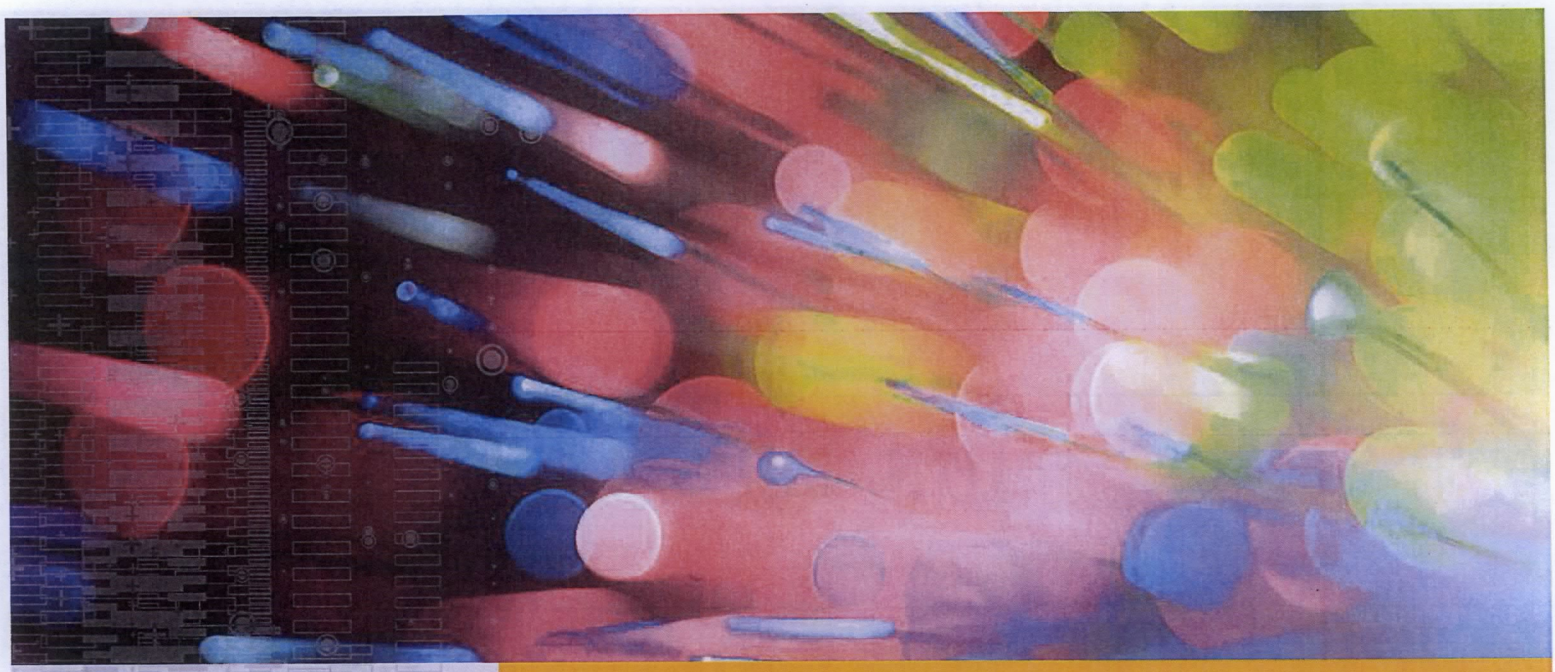
Attraction

International

Regional Brand

GPEC Brand

Capital Markets / Venture Formation



MARKETING & COMMUNICATIONS

MARKET AND PROMOTE THE 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

FY 15 MILESTONES

☑ TARGETED LEAD-GENERATION FOR BUSINESS DEVELOPMENT

A beta-test of a digital lead-gen campaign was executed, allowing GPEC to analyze the behavior of leads to determine what they are trying to identify, how they search, and their preferred method of interaction. The results led to new leads, prospects and locates. A California microsite plan was developed and will be launched in FY16.

☑ PROMOTE COUNTY COMPETES

Partnering with Maricopa County, GPEC developed a content-specific marketing presence to raise awareness among clients on the County's proactive and rapid willingness to meet business needs. The website is being marketed to site selections consultants, key industry executives and serves as a resource for active GPEC clients.

☑ SUPPORT SUPER BOWL XLIX

Targeting the C-Suite of global companies, GPEC supported the Super Bowl Host Committee and Arizona Commerce Authority to host 60 top executives to the region during Super Bowl XLIX. The four-day program showcased business, innovation and lifestyle opportunities that exist in Greater Phoenix and facilitated dialogue among the region's CEOs and community leaders with key executives from major brand enterprises.

FY 16 ACTION ITEMS

ACTION ITEM →	IMPLEMENTATION PLAN
Create a Microsite for California →	GPEC will use strategically-created content and messaging to elevate the regional brand in California markets. Content will influence prospects at key points in their expansion plans, ultimately fueling leads into GPEC's pipeline and directing them to our California microsite with highly-targeted content.
Host In-bound National Media Tour →	GPEC will host leading print and broadcast media, inviting them to tour the Greater Phoenix region. The purpose of these tours will be to showcase the pro-business climate that exists in Arizona, as well as to promote the community vibrancy, diversity and economic character of GPEC's member communities.
Scale Digital Media Strategy →	GPEC will develop regular content on economic development and related industry topics through various social media platforms. The content will be further disseminated through digital ambassadors to promote GPEC as a thought leader in economic development. The strategy is designed to dramatically extend GPEC's media reach.
Construct a Digital Warehouse →	GPEC will create a digital warehouse of GPEC collateral and data to better facilitate business development efforts. The repository will serve as an evolving library to ensure that marketing materials and other key information are current, and easily accessible from any device.
Enhance GPEC's Website with Smart Integration →	The design and content of GPEC's website will be updated to better showcase the organization's advanced analytics capabilities and the region's overall value proposition. The site will be more responsive, take advantage of user-experience best practices and interface with an enhanced customer relationship management software, allowing the organization to better identify and track leads for business attraction.

DRIVES THESE FY16 METRICS

Pipeline of qualified prospects

Pipeline of international prospects

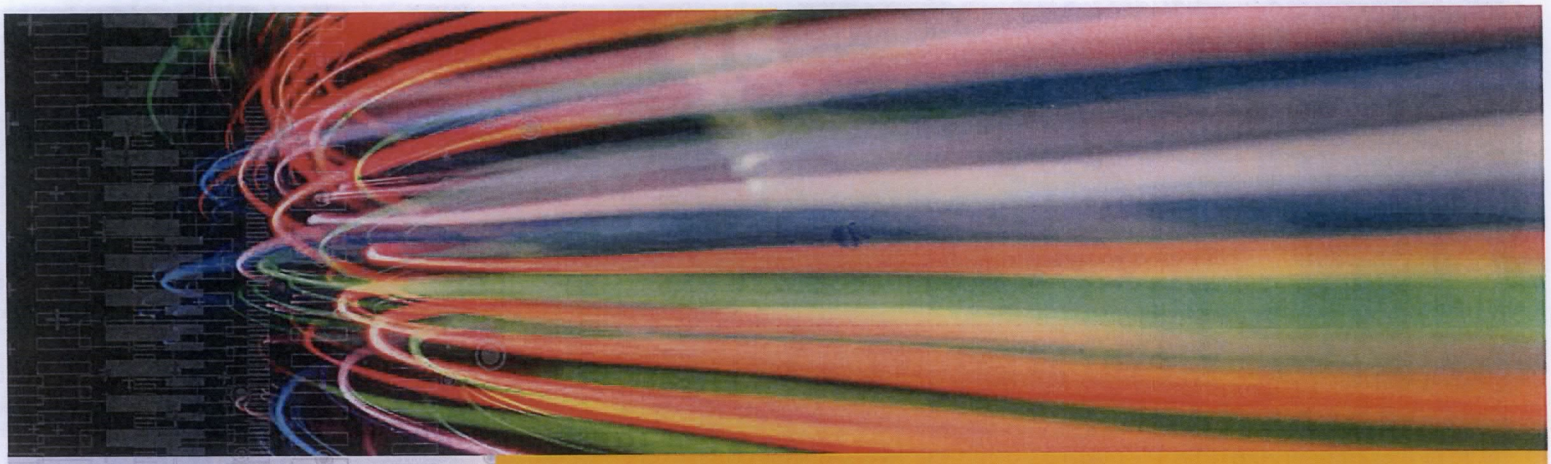
Total reach of editorial placements

SUPPORTS THESE STRATEGIC PILLARS

Attraction

Regional Brand

GPEC Brand



STAKEHOLDER ENGAGEMENT

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.

COMPETITIVENESS COUNCIL*

Executives of key regional industries will convene and use data analysis and best practices to make policy recommendations that will lead to an improvement in the region's competitive position.

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.

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.

* Eligibility determined by investment level or strategic appointment

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.

AUDIT COMMITTEE
Assesses internal controls and oversees auditors and the annual audit.

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.

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

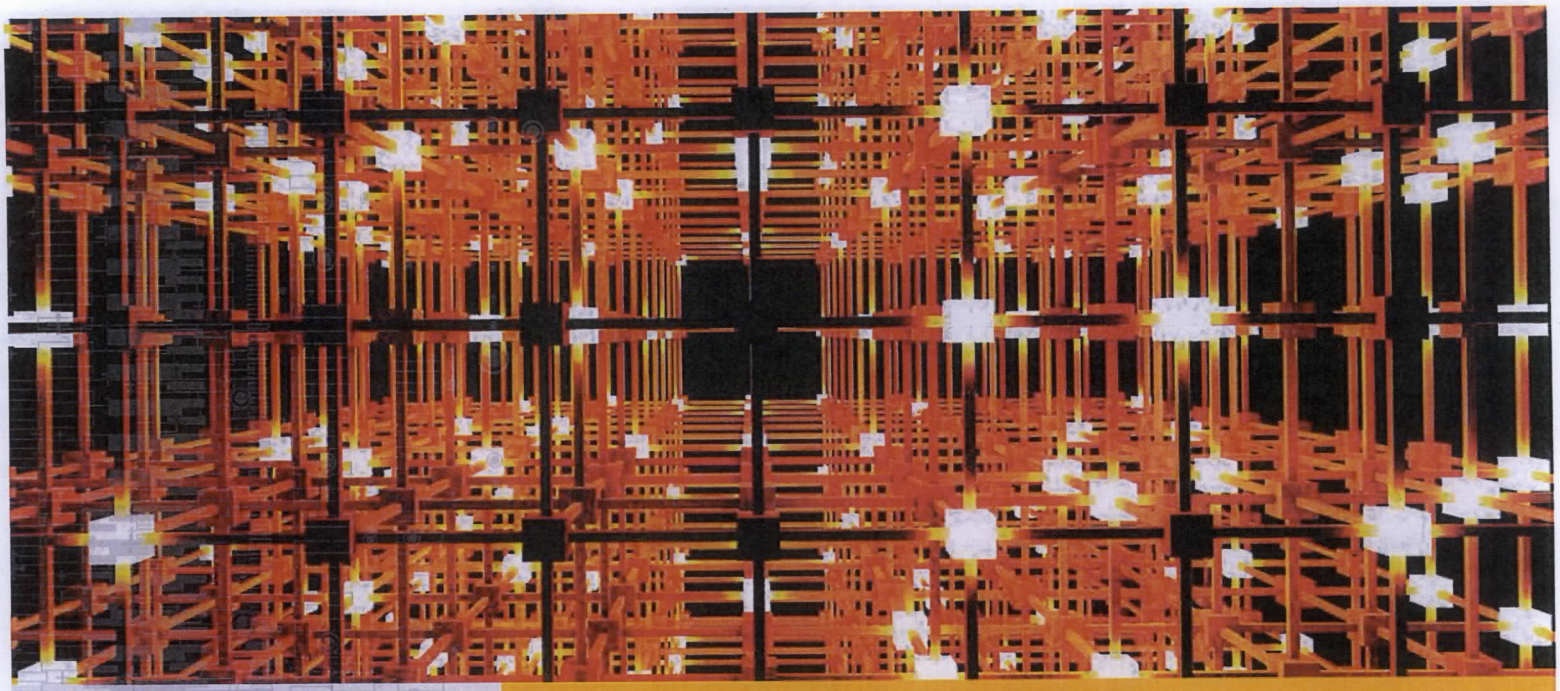
AMBASSADORS

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.



GPEC STAKEHOLDERS

AS OF APRIL 15, 2015

MEMBER COMMUNITIES

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

PLATINUM

Alliance Bank of Arizona
American Airlines
Apollo Education Group
APS
Arizona Cardinals
Arizona Diamondbacks
Arizona State University
Bank of America
Banner Health
BBVA Compass
Cancer Treatment Centers of America
Chase
CopperPoint Mutual
Cox Communications
D.L. Withers Construction
Dignity Health
DMB Associates
Ernst & Young
Freeport-McMoRan Copper & Gold
Goodwill of Central Arizona
Grand Canyon University
Intel Corporation
Kitchell
Maracay Homes
Maricopa Community Colleges
Mayo Clinic
MidFirst Bank
National Bank of Arizona
Parkway Properties
Phoenix Suns
Polsinelli PC
Quarles & Brady
RED Development
Republic Media
Squire Sanders
SRP
Valley Metro
Wells Fargo

GOLD

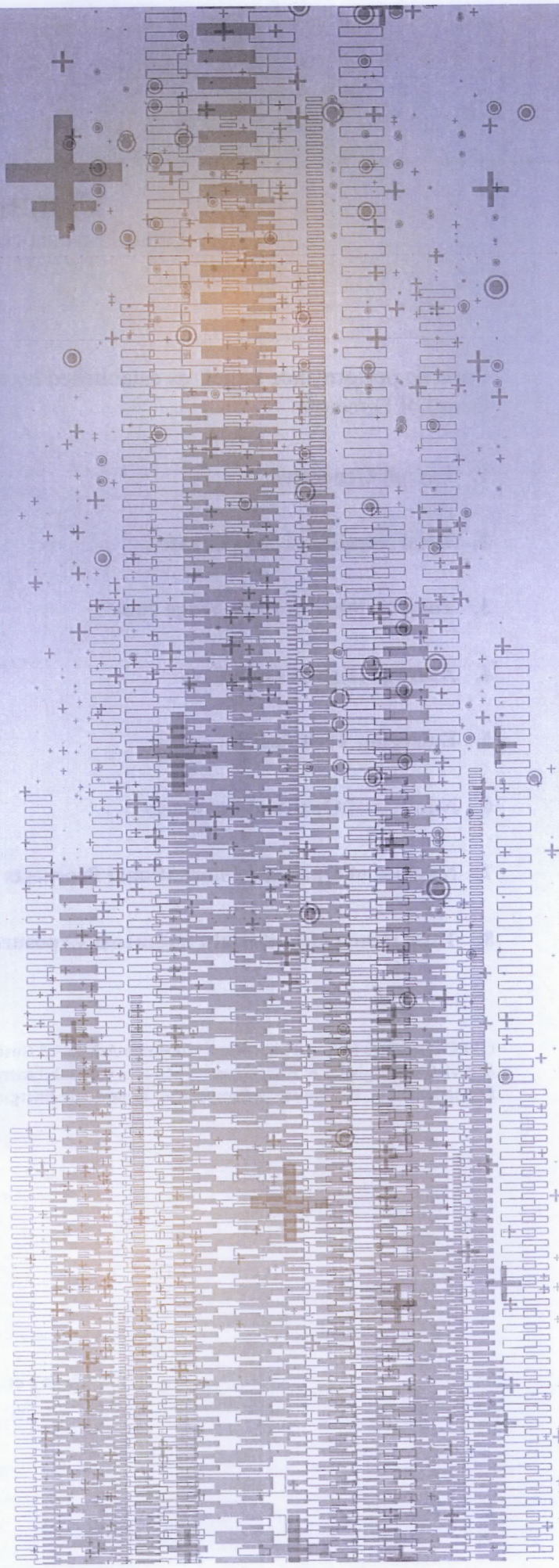
Aetna
BDO
BlueCross BlueShield of Arizona
BMO Harris Bank
Bryan Cave
Brycon Construction
Bury
Canyon State Credit Union
CBRE
Celgene Corporation
CenturyLink
Chanen Development Co.
Colliers International
Crescent Crown Distributing
Cushman & Wakefield
Daedalus Real Estate Advisors
Deloitte
DTZ
El Dorado Holdings
Empire Southwest
Gammage & Burnham
Gilbane Building Co.
Goodmans Interior Structures
Google
Green Loop Solutions
Hensley
Hines
Infusionsoft
JE Dunn Construction
Jones Lang LaSalle
Layton Construction
Lee and Associates
Lewis Roca Rothgerber
Liberty Property Trust
M+W Group
Macerich
The McShane Companies
Meritage Homes
Mortenson Construction
Nationwide Realty Investors
Northern Trust
Okland Construction
Opus Development Company
Phoenix Children's Hospital
Renaissance Companies
Ryan Companies
Saint Holdings
Siemens
Skanska USA Building
SmithGroup
Snell & Wilmer
Southwest Airlines
Southwest Gas Corporation
Sun Health
Sunbelt Holdings
Target Commercial Interiors
Thunderbird School of Global Management
Transwestern Commercial Services
Tratt Properties
TriWest Healthcare Alliance
TruPath
U.S. Bank
University of Arizona
USAA
ViaWest Group
Ware Malcomb
Waste Management
Weitz Company
Wespac Construction
Willmeng Construction
Wist Office Products
Wood, Patel & Associates

SILVER

A.T. Still University
AAA Arizona
Ak-Chin Industrial Park Board
Air Products and Chemicals
Arizona Business Bank
Arizona Community Foundation
Arizona Office Technologies
Avnet
Balfour Beatty Construction
Bank of Arizona
BNSF
Bristol Global Mobility
Brownstein Hyatt Farber Schreck
CBIZ MHM
Clark Hill PLC
Coe & Van Loo Consultants
CORE Construction
CoStar Group
Deutsch Architecture Group
Dibble Engineering
Dircks Moving & Logistics
DIRTT
Fervor Creative
Globe Corporation
Hunt Construction Group
Jennings, Strouss & Salmon
KTAR
Kutak Rock
Merit Partners
Midwestern University
MSS Technologies
NRG Thermal
On Q Financial
Osborn Maledon
PHX Architecture
The Plaza Companies
Queen Creek/Landmark Co.
Radstad
Resolution Copper Mining
St. Clair Technologies
Sun State Builders
Sunstate Equipment Company
Tallwave
Ultimate Staffing Services
Volo Holdings
Voit Real Estate Services

BRONZE

The Alter Group
Applied Economics
Butler Design Group
Gallagher & Kennedy
Guided Therapy Systems
Green Card Fund
Hillwood
HonorHealth
KPMG
Land Advisors Organization
McCarthy Building Companies
Newmark Grubb Knight Frank
Plant Solutions
Sundt Construction
Vermaland



Greater Phoenix
ECONOMIC COUNCIL

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greater phoenix economic council
@gpec
facebook.com/gpec4jobs
gpecgreaterphoenix

EXHIBIT B

GPEC PERFORMANCE MEASURES
FY 2015-2016

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

1. Payroll Generated	**$205.5M**
2. Total Number of Jobs Created	**4,794**
3. Total Number of High-Wage Jobs	**2,493**
4. Average High-Wage Salary	**$51,574**
5. Emerging Tech Assists	**10**
6. Number of Qualified Prospects	**210**
7. Number of Qualified International Prospects	**37**
8. Total Reach of Editorial Placements/Exposures	**275M**

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
FY2015-2016

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 2015-2016, 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
Advanced business services; information communication technology; aerospace/aviation and defense; life sciences; clean and renewable technology; and related corporate/regional headquarters

Glendale
Advanced business services; aerospace and defense; education; healthcare/medical; hospitality/entertainment; manufacturing; 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/aviation/defense and tourism/technology
Secondary target industries: Advanced business services; standard and advance manufacturing; regional and corporate centers; research & development; bioscience; medical devices

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); higher education; hospitality/visitor trade and commerce

Surprise
Energy (emphasis on renewable and firming); sustainability-centric industries; biomedical/medicine; advanced business services; manufacturing and distribution (emphasis on advanced manufacturing); education (K-12, and emphasis on higher education); semiconductor/microelectronics; aerospace and aviation; entrepreneurial/emerging technology

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 some related retail and offices.

EXHIBIT D

FY 2015-2016

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; 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 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) calendar 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.

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.