

**AGREEMENT BETWEEN
THE GREATER PHOENIX ECONOMIC COUNCIL
AND THE TOWN OF FOUNTAIN HILLS
Town Contract No. 292-106**

The Town Council of the TOWN OF FOUNTAIN HILLS, a municipal corporation (the "Town"), has approved participation in and support of the regional economic development program of the GREATER PHOENIX ECONOMIC COUNCIL ("GPEC"), an Arizona non-profit corporation. The purpose of this agreement ("Agreement") is to set forth the regional economic development program that GPEC agrees to undertake, the support that the Town agrees to provide, the respective roles of GPEC and the Town and the payments of the Town to GPEC for the fiscal year July 1, 2011 - June 30, 2012.

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

I. RESPONSIBILITIES OF GPEC

- A. MISSION:** GPEC works to attract quality businesses to the Greater Phoenix Region from around the world, and advocate and champion foundational effects to improve the region's competitiveness.
- B. GOALS:** GPEC is guided by and strategically focused on two specific long-range goals:
 - 1. Marketing the region to generate qualified business/industry prospects in targeted economic clusters
 - 2. Leveraging public and private allies and resources to locate qualified prospects, improve overall competitiveness, and sustain organizational vitality
- C. RETENTION AND EXPANSION POLICY:**
 - 1. GPEC's primary role is 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 Town 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 Town, receipt of which is hereby acknowledged. A summary of the Action Plan is attached hereto as **Exhibit A** ("GPEC Action Plan"). The Town shall be informed of any changes in the adopted Action Plan which will materially affect or alter the priorities established therein. Such notification will be in writing and will be made prior to implementation of such changes.

Notwithstanding the foregoing, the Town acknowledges and agrees that GPEC may, in its reasonable judgment in accordance with its own practices and procedures, substitute, change, reschedule, cancel or defer certain events or activities described in the Action Plan as required by a result of changing market conditions, funding availability, unforeseen expenses or other circumstances beyond GPEC's reasonable control. GPEC shall solicit the input of the Town on the formulation of future marketing strategies and advertisements. The 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 Town's prior written approval, or with the prior written approval of a majority of the designated members of GPEC's Economic Development Directors Team ("EDDT"). GPEC will provide monthly reports to the Town discussing in detail its progress in implementing the Action Plan as well as reporting the numerical results for each performance measurement set forth in Exhibit B. GPEC shall provide a copy of its annual external audit for the preceding fiscal year to the Town no later than December 31, 2011.

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

II. RESPONSIBILITIES OF THE TOWN

- A. STAFF SUPPORT OF GPEC EFFORTS:** The Town shall provide staff support to GPEC's economic development efforts as follows:
1. The Town shall respond to leads or prospects referred by GPEC in a professional manner within the time frame specified by the lead or prospect

if the Town desires to compete and if the lead is appropriate for the Town. When available, the Town agrees to provide its response in the format developed jointly by EDDT and GPEC;

2. The Town shall provide appropriate local hospitality, tours and briefings for prospects visiting sites in the Town;
3. The Town shall provide an official economic development representative to represent the Town on the EDDT, which advises GPEC's President and CEO;
4. The Town shall cooperate in the implementation of GPEC/EDDT process improvement recommendations including the use of common presentation formats, exchange of information on prospects with GPEC's staff, the use of shared data systems, land and building data bases and private sector real estate industry interfaces;
5. The Town shall use its best efforts to respond to special requests by GPEC for particularized information about the Town within three business days after the receipt of such request;
6. In order to enable GPEC to be more sensitive to the Town's requirements, the Town shall, at its sole option, deliver to GPEC copies of any Town approved economic development strategies, work plan, programs and evaluation criteria. GPEC shall not disclose the same to the other participants in GPEC or their representatives;
7. The Town shall utilize its best good faith efforts to cause an economic development professional representing the Town to attend all marketing events and other functions to which the Town has committed itself;
8. The Town agrees to work with GPEC to improve the Town's Competitiveness and market readiness to support the growth and expansion of the targeted industries as identified for the Town in Exhibit C ("Targeted Industries);

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

III. ADDITIONAL AGREEMENTS OF THE PARTIES:

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

B. COMPENSATION:

1. The Town agrees to pay **\$7,442.00** for services to be provided by GPEC pursuant to the Agreement during the fiscal year ending on June 30, 2012, as set forth in this Agreement. This amount is based on approximately \$.39 per capita, based upon the 2010 Maricopa Association of Governments ("MAG") population estimate, which listed the Town as having a population of **22,467** and includes a 15% rate reduction to FY2011-2012 compensation. The payment by the Town may, upon the mutual and discretionary approval of the board of directors of GPEC and the Town Council, be increased or decreased from time to time during the term hereof in accordance with the increases or decreases of general application in the per capita payments to GPEC by other municipalities which support GPEC.
2. Funding of this Agreement shall be subject to the annual appropriations of funds for this activity by the Town Council pursuant to the required budget process of the Town;
3. Nothing herein shall preclude the Town from contracting separately with GPEC for services to be provided in addition to those to be provided hereunder, upon terms and conditions to be negotiated by the Town and GPEC; and
4. GPEC shall submit invoices for payment on a quarterly basis. The foregoing notwithstanding, if GPEC has not provided the Town with the audit required pursuant to paragraph I.E above no later than December 31, 2011, no payments shall be made hereunder until the Town receives the audit report. Invoices and monthly activity reports, substantially in the form of **Exhibit D** ("Reporting Mechanism for Contract Fulfillment") attached hereto, are to be submitted to the address listed under paragraph IV.P.

C. COOPERATION:

1. The parties acknowledge that GPEC is a cooperative organization effort between GPEC and the Town. Accordingly, the Town and GPEC covenant and agree to work together in a productive and harmonious working relationship, to cooperate in furthering GPEC's goals for the 2011-2012 fiscal year.
2. The Town agrees to work with GPEC, as necessary or appropriate, to revise the performance measures, and/or benchmarks, and/or goals for the FY 2012-2013 contract.
3. The Town agrees to work with GPEC during the FY2011-2012 program year to develop a revised public sector funding plan, including a regional allocation formula for FY2012-2013, if determined to be necessary or appropriate.

IV. GENERAL PROVISIONS:

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

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

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

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

Equal Employment Opportunity efforts performed during the term of this Agreement. Such reports shall be accomplished upon forms furnished by the Town or in such other format as the Town shall prescribe.

- I. COMPLIANCE WITH APPLICABLE FEDERAL AND STATE LAWS REQUIRED.** GPEC understands and acknowledges the applicability of the Immigration Reform and Control Act of 1986, the Drug Free Workplace Act of 1989 and the Americans with Disabilities Act, and agrees to comply therewith in performing under any resultant agreement and to permit Town inspection of its records to verify such compliance.
1. GPEC warrants to the Town that, to the extent applicable under A.R.S. § 41-4401, GPEC is in compliance with all Federal Immigration laws and regulations that relate to its employees and with the E-Verify Program under A.R.S. § 23-214(A). GPEC acknowledges that a breach of this warranty by GPEC or any subconsultants providing services under this Agreement is a material breach of this Agreement subject to penalties up to and including termination of this Agreement or any applicable subcontract. The Town retains the legal right to inspect the papers of any employee of GPEC or any subconsultant who works on this Agreement to ensure compliance with this warranty.
 2. The Town may conduct random verification of the employment records of GPEC and any of its subconsultants who work on this Agreement to ensure compliance with this warranty.
 3. The Town will not consider GPEC or any of its subconsultants who work on this Agreement in material breach of the foregoing warranty if GPEC and such subconsultants establish that they have complied with the employment verification provisions prescribed by 8 USCA § 1324(a) and (b) of the Federal Immigration and Nationality Act and the e-verify requirements prescribed by A.R.S. § 23-214(A).
 4. The provisions of this Section I must be included in any contract GPEC enters into with any and all of its subconsultants who provide services under this Agreement or any subcontract to provide services under this Agreement. As used in this Section I "services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.
 5. Pursuant to A.R.S. §§ 35-391.06 and 35-393-06, GPEC hereby certifies to the Town that GPEC does not have "scrutinized" business operations, as defined in A.R.S. §§ 35-391 and 35-393, in either Sudan or Iran.
- J. TERMINATION.** Town shall have the right to terminate this Agreement if GPEC shall fail to duly perform, observe or comply with any covenant, condition or agreement on its part under this Agreement and such failure continues for a period of 30 days (or such shorter period as may be expressly provided herein) after the date on which written notice requiring the failure to be remedied shall have been given to GPEC by the Town; provided, however, that if such performance,

observation or compliance requires work to be done, action to be taken or conditions to be remedied which, by their nature, cannot reasonably be accomplished within 30 days, no event of default shall be deemed to have occurred or to exist if, and so long as, GPEC shall commence such action within that period and diligently and continuously prosecute the same to completion within 90 days or such longer period as the Town may approve in writing. The foregoing notwithstanding, in the event of circumstances which render GPEC incapable of providing the services required to be performed hereunder, including, but not limited to, insolvency or an award of monetary damages against GPEC in excess of its available insurance coverage and assets, the Town may immediately and without further notice terminate this Agreement.

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

If to Town: Ms. Julie Ghetti
Deputy Town Manager /Finance Director
Town of Fountain Hills
16705 E. Avenue of the Fountains
Fountain Hills, Arizona 85268
Phone: (480) 816-5107
Fax: (480) 837-3145

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

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

- Q. TRANSACTIONAL CONFLICT OF INTEREST.** All parties hereto acknowledge that this Agreement is subject to cancellation by the Town pursuant to the provisions of Section 38-511, Arizona Revised Statutes.
- R. NONLIABILITY OF OFFICIALS AND EMPLOYEES.** No member, official or employee of the Town will be personally liable to GPEC, or any successor in interest, in the event of any default or breach by the Town or for any amount which may become due to GPEC or successor, or on any obligation under the terms of this Agreement. No member, official or employee of GPEC will be personally liable to the Town, or any successor in interest, in the event of any default or breach by the GPEC or for any amount which may become due to the Town or successor, or on any obligation under the terms of this Agreement.
- S. NO WAIVER.** Except as otherwise expressly provided in this Agreement, any failure or delay by any party in asserting any of its rights or remedies as to any default, will not operate as a waiver of any default, or of any such rights or remedies, or deprive any such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.
- T. SEVERABILITY.** If any provision of this Agreement shall be found invalid or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement will not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law, provided that the fundamental purposes of this Agreement are not defeated by such severability.
- U. CAPTIONS.** The captions contained in this Agreement are merely a reference and are not to be used to construe or limit the text.

- V. **NO THIRD PARTY BENEFICIARIES.** No creditor of either party or other individual or entity shall have any rights, whether as a third-party beneficiary or otherwise, by reason of any provision of this Agreement.
- W. **ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS.** This Agreement may be executed in up to three (3) duplicate originals, each of which is deemed to be an original. This Agreement, including 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 Town or GPEC, and all amendments hereto must be in writing and signed by the appropriate authorities of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement this day of August 12, 2011.

TOWN OF Fountain Hills, a municipal corporation
Julie Ghetti, Deputy Town Manager/Finance Director

By: Julie Ghetti
Its: INTERIM TOWN MANAGER

ATTEST:

By: Devlyn Bender
Its: Town Clerk

APPROVED AS TO FORM:

By: [Signature]
Its: Town Attorney

GREATER PHOENIX ECONOMIC COUNCIL, an
Arizona nonprofit corporation

By: [Signature]
Barry Broome
President & Chief Executive Officer

GPEC
FISCAL YEAR 2012
Action Plan



A New Horizon.
Vision and Progress





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What to Expect in the Following Pages

FY11 MILESTONES

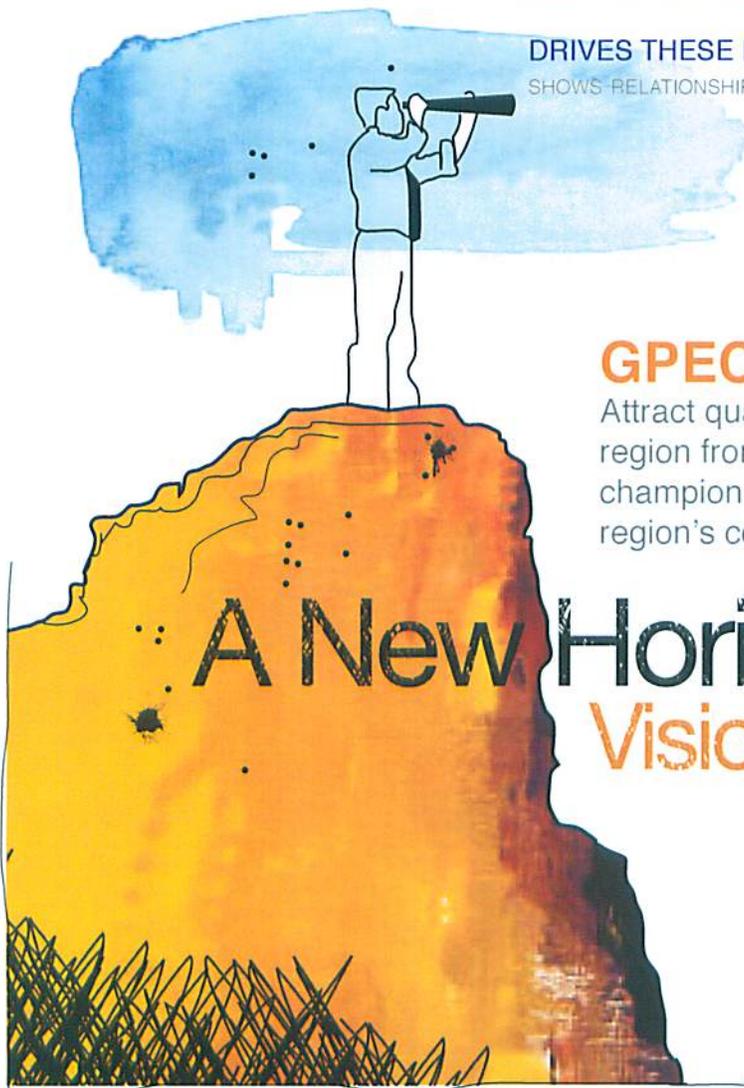
MOMENTUM GAINED IN THE LAST YEAR—SELECT ACHIEVEMENTS AND KEY BENCHMARKS

FY12 ACTION ITEMS

SAMPLE OF ACTIVITIES THAT ADHERE TO A FIVE-YEAR VISION AND RESULT IN PROGRESS

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SHOWS RELATIONSHIP BETWEEN ACTION ITEMS AND ANNUAL PERFORMANCE GOALS



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.

A New Horizon: Vision and Progress

Current State

Amid recent estimates of a longer economic recovery, GPEC's mission has never been more relevant.

GPEC is motivated by the simple desire to make a real difference, and this purpose is reflected in the organization's body of work. Through 2010 and into 2011, GPEC has stretched to accomplish more with less. At a time when many have been forced to diminish their efforts, GPEC has rallied to deliver performance measures and fulfill competitiveness objectives to provide exceptional returns to its constituents. More importantly, GPEC has shifted into higher gear to impact Arizona's families, whose quality of life is dependent on good jobs and new investment in the region's economy.

A New Horizon

While the current outlook indicates an economic rebound after 2014, GPEC's aim and obligation to serve its member communities remain. Accordingly, GPEC has assessed what steps are needed to move Greater Phoenix to the next level and what role the organization should assume within the next five years. GPEC has outlined a new horizon under the mission-critical framework of *Business Development, Competitiveness, and Marketing and Communications*. These strategic "pillars" will serve as the foundation for annual tactics and activities that will be implemented over a five-year period.

Vision and Progress

Strategic pillars will guide GPEC's fiscal year activities and by 2016, lead to the following vision statements:

Strategic Pillar	By 2016
Retention and Expansion	GPEC's R/E 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 principal leadership organization.
Capital Markets / Venture Formation	GPEC will develop a science and technology-based fund that will drive regional innovation activity.

GPEC's

STRATEGIC PLAN REVISITED

In alignment with its objective of ensuring GPEC operates in an innovative, integrated, proactive economic development model, the GPEC Next Leadership Council assembled a task force to chart a new course for the organization over the next five years.

The scope of the task force included:

- Establishing a framework for key areas of focus which will serve as a roadmap for the organization over the next five years
- Evaluating the governance and funding models

Overall findings and recommendations were shared with public-sector members for input, presented to the GPEC Next Leadership Council, and submitted to GPEC's Executive Committee and Board of Directors for consideration and approval.

GPEC Stakeholders



Member Communities

Maricopa County

Phoenix

Mesa

Glendale

Chandler

Scottsdale

Gilbert

Tempe

Peoria

Surprise

Avondale

Goodyear

Buckeye

Casa Grande

Maricopa

Apache Junction

Fountain Hills

Queen Creek

Tolleson

Wickenburg

Gila Bend

Platinum

AAA ARIZONA

ALLIANCE BANK OF ARIZONA

APS

ARIZONA CARDINALS

ARIZONA REPUBLIC / GANNETT FOUNDATION

ARIZONA STATE UNIVERSITY

AT&T

BANNER HEALTH

CHASE

COX COMMUNICATIONS

D. L. WITHERS CONSTRUCTION

DMB ASSOCIATES

ERNST & YOUNG

FREEPORT-MCMORAN COPPER & GOLD INC.

HENSLEY

HUMANA

JOBING.COM*

KTAR*

MARACAY HOMES

MARICOPA COMMUNITY COLLEGES

MAYO CLINIC

MIDFIRST BANK

NAJAFI COMPANIES

NATIONAL BANK OF ARIZONA

PETSMART

PHOENIX SUNS

POWER-ONE

SCF ARIZONA

SRP

ST. JOSEPH'S HOSPITAL & MEDICAL CENTER

STIRLING ENERGY SYSTEMS, INC.

UNIVERSITY OF PHOENIX

USAA

US AIRWAYS*

VERIZON WIRELESS

WASTE MANAGEMENT

WELLS FARGO

WESTCOR

Gold

A.T. STILL UNIVERSITY
AETNA
ARIZONA DIAMONDBACKS
BLUECROSS BLUESHIELD OF ARIZONA
CANCER TREATMENT CENTERS OF AMERICA
CAPITAL COMMERCIAL INVESTMENT, INC.
CASSIDY TURLEY/BRE COMMERCIAL
CB RICHARD ELLIS
CELGENE CORPORATION
CENTRAL ARIZONA COMMERCE PARK, LLC
COE & VAN LOO CONSULTANTS, INC.
COLLIERS INTERNATIONAL
COMPASS BANK
COSTAR GROUP*
CRESAPARTNERS
CUSHMAN & WAKEFIELD
DELOITTE
DEUTSCH ARCHITECTURE GROUP*
EL DORADO HOLDINGS
ENSEMBLE DEVMAN OF ARIZONA
GAMMAGE & BURNHAM
HDR ARCHITECTURE
HINES
HOWARD S. WRIGHT CONSTRUCTORS
IASIS HEALTHCARE
JE DUNN CONSTRUCTION
JENNINGS, STROUSS & SALMON, P.L.C.
JOHN C. LINCOLN HEALTH NETWORK
JONES LANG LASALLE
KITCHELL
KLUTZNICK COMPANY
LAYTON CONSTRUCTION
LEWIS & ROCA LLP*
M&I BANK
MCCARTHY BUILDING COMPANIES
MORTENSON CONSTRUCTION
ON Q FINANCIAL
PAYPAL
PHOENIX CHILDREN'S HOSPITAL
POLSINELLI SHUGHART
PTE REAL ESTATE GROUP, LLC
RENAISSANCE COMPANIES
SINDEL TECHNOLOGY SOLUTIONS*
SMITHGROUP
SOLARCITY
SOUTHWEST AIRLINES*
SQUIRE, SANDERS & DEMPSEY
SUN HEALTH
SUNDT CONSTRUCTION
UPS
WEALTHTRUST ARIZONA
WESPAC CONSTRUCTION, INC.

Silver

A1A VISTA TECH
ADOLFSON & PETERSON CONSTRUCTION
AMERICAN INSTITUTE OF ARCHITECTS
ARIZONA OFFICE TECHNOLOGIES
AUSTIN COMMERCIAL
AVNET
BANK OF ARIZONA
BRIDGERS & PAXTON CONSULTING ENGI-
NEERS, INC.
BRYAN CAVE
CAPITAL GROUP COMPANIES
CLEAR CHANNEL OUTDOOR
COVANCE
DIBBLE ENGINEERING
DPR CONSTRUCTION
THE ELLMAN COMPANIES
FACILITEC
FENNEMORE CRAIG
FERVOR CREATIVE*
GOODMANS INTERIOR STRUCTURES
GRANT THORNTON
INTEL CORPORATION
JABIL
JOB BROKERS INC. / JBI ENERGY
JOHNSON CARLIER
KAHALA CORPORATION
KELLY SERVICES
KPMG, LLP
LAND ADVISORS ORGANIZATION
MARSH
MC SHANE DEVELOPMENT COMPANY
MSS TECHNOLOGIES
NORTHERN TRUST BANK
OSBORN MALEDON
THE PLAZA COMPANIES
QUARLES & BRADY
QUEEN CREEK / LANDMARK PROPERTY
RISC
RYLEY, CARLOCK & APPLEWHITE
SCOTTSDALE HEALTHCARE
SNELL & WILMER LLP
SOUTHWEST GAS CORPORATION
TARGET COMMERCIAL INTERIORS
UNIVERSITY OF ARIZONA
UNIVITA
WEST VALLEY NATIONAL BANK
WIST OFFICE PRODUCTS COMPANY*
WOOD, PATEL & ASSOCIATES, INC.
WYNDHAM PHOENIX*

Bronze

APPLIED ECONOMICS*
ADVANTAGE OFFICE SUITES
CAREFREE PARTNERS
DIRCKS MOVING SERVICES
GALLAGHER & KENNEDY
IRGENS DEVELOPMENT PARTNERS, LLC
MIDWESTERN UNIVERSITY
ORCUTT/WINSLOW PARTNERSHIP
PERINI BUILDING COMPANY, INC.
PLANT SOLUTIONS*
SKYSONG, THE ASU SCOTTSDALE INNOVATION
CENTER
SUNSTATE EQUIPMENT COMPANY

**IN-KIND SUPPORT*

A New Horizon:
Vision and Progress

FY12 Metrics

	Threshold	Target	Stretch
Payroll Generated	\$168.7M	\$187.5M	\$206.2M
Number of Jobs	4,005	4,450	4,895
High-Wage Jobs	1,701	1,890	2,079
Average High-Wage Salary	\$47,398	\$52,664	\$57,930
Emerging Technology Assits	8	10	12
Total Number of Qualified Prospects	187	208	229
Total Number of Qualified International Prospects	28	31	34
Total Reach of Editorial Placements	99M	110M	121M
Stakeholder Satisfaction with Business Attraction	7.0*	7.3*	7.6*
Competitive Position Progress	**	**	**
Meet or Exceed Cash Reserve Target	98%	100%	102%

* BASED ON A SCALE OF 1 TO 10

** AS DETERMINED BY GPEC'S EXECUTIVE COMMITTEE

FY12 Budget

JULY 1, 2011 THROUGH JUNE 30, 2012

Revenues	FY10-11 Budget	FY10-11 Forecast*	% of total	FY11-12	% of total	Variance**	Change
Public Funds	\$ 1,905,340	\$ 1,954,971	41.8%	\$ 1,883,032	40.2%	\$ (71,939)	-3.7%
Private Funds	2,562,700	2,710,700	58.0%	2,792,000	59.6%	81,300	3.0%
Other Income	8,000	8,000	0.2%	8,000	0.2%	-	0.0%
Total Revenues	\$ 4,476,040	\$ 4,673,671	100.0%	\$ 4,683,032	100.0%	\$ 9,361	0.2%
Operating Expenditures							
Business Attraction	\$ 342,900	\$ 367,900	7.9%	\$ 273,500	5.8%	\$ (94,400)	-25.7%
Marketing	305,500	307,500	6.6%	177,200	3.8%	\$ (130,300)	-42.4%
Research & Strategy	152,000	150,000	3.2%	128,600	2.7%	\$ (21,400)	-14.3%
External Relations	275,120	293,120	6.3%	240,300	5.1%	\$ (52,820)	-18.0%
Resource Management	231,300	246,300	5.3%	236,000	5.0%	\$ (10,300)	-4.2%
Personnel	3,169,381	3,169,381	67.8%	3,264,510	69.7%	\$ 95,129	3.0%
Facilities	485,052	485,052	10.4%	464,000	9.9%	\$ (21,052)	-4.3%
Expenses	\$ 4,961,253	\$ 5,019,253	107.4%	\$ 4,784,110	102.2%	\$ (235,143)	-4.7%
Net Income/(Loss)	\$ (485,213)	\$ (345,582)	-7.4%	\$ (101,078)	-2.2%	\$ 244,504	-70.8%
Less: Capital Expenditures	(25,000)	(25,000)	-0.5%	(20,000)	-0.4%	5,000	-20.0%
Add: Rent	146,142	176,820	3.8%	-	0.0%	(176,820)	-100.0%
Add: Depreciation	96,000	67,000	1.4%	50,000	1.1%	(17,000)	-25.4%
Net Cash Movement - Operations	(268,071)	(126,762)	-2.7%	(71,078)	-1.5%	\$ 55,684	-43.9%
Net change in cash reserves	\$ (268,071)	\$ (126,762)		\$ (71,078)		\$ 55,684	-43.9%

Notes

* Forecasted results as of April 30, 2011

A New Horizon:
Vision and Progress

Business Development

FY11 Milestones

Delivered Arizona as the Top Spot for Renewable Energy Companies

Industry leaders First Solar, Fluidic Energy, Gestamp and Power One announced major manufacturing/technology locations, joining China-based Suntech's U.S. headquarters.

Reached New Heights with Site Selectors

Deepened relationships with key national consultants, visiting approximately 80 in face-to-face briefings.

Increased International Activity

GPEC assisted five international locates and increased the international prospect pipeline by 16%.

Achieved a Record Performance

Through April, GPEC already solidified a record year in performance over the last decade. Year-end projections indicate GPEC is on-track to deliver a best-ever year in the organization's 22-year history.

ExecuTours

About 20 of the nation's esteemed site-selection consultants visited the region as part of the ExecuTour series.

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

Proactively pursue the best projects that meet community and regional objectives

FY12 Action Items

Bolster International and Go Forth in China

GPEC's international program will assume a more dominant role in business attraction efforts.

Go China: China will remain at the top of opportunity-rich markets. Exploration will continue for a formal investment relationship with Jiangsu province and business development efforts will focus on attracting supply-chain companies.

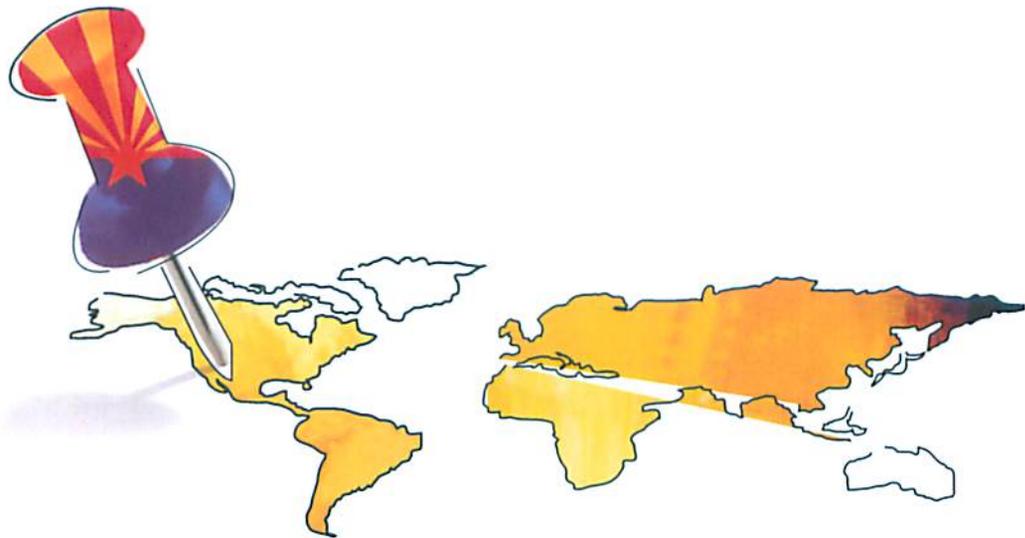
Global Connect: GPEC will build its global brand by expanding targeted sales missions, increasing participation at conferences, and delivering keynote presentations in Western Europe, Spain, Germany and Canada.

Broaden Site-Selector Approach

In the past year, GPEC has seen a 10.5% increase in prospect activity from national site selectors. GPEC will continue to build a strong program to engage the top 100 national site selectors as an integral part of direct-selling efforts.

Expand ExecuTour Model

With a well-established ExecuTour model in place, GPEC will continue to target national site-selection consultants while also including international delegations, investment organizations and chief-level executives of prospective locates. GPEC will also expand the ExecuTour business forum structure to gain the perspectives and participation of national public relations experts, economic development thought leaders and top executives from national and international media outlets.



Leverage Opportunity in California

As a natural partner to the Golden State, GPEC will continue to build the case for California businesses to expand or relocate to the region.

Sun Corridor: Approaching year three, the Sun Corridor Partners (GPEC, Tucson Regional Economic Opportunities, Greater Yuma Economic Development Corporation, City of Flagstaff and Pinal County) are enhancing the current joint California strategy with a refined selling strategy.

Los Angeles: Target 10,000 small to medium-sized enterprises in California to expand the value chain and manufacturing capabilities for Arizona's key anchor companies.

Regional Headquarters: Additional focus will be placed on companies that have offices in California with headquarters in other domestic markets.

Drives These FY12 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
- Competitive position progress

A New Horizon:
Vision and Progress

Competitiveness

FY11 Milestones

Arizona's Competitiveness Package (HB2001)

Worked closely with the Governor's office and state leadership to shape the economic development programs introduced in the package.

Invest Arizona (SB1041)

GPEC assumed a greater role in leading the conversation about Arizona's competitiveness with policy makers. The effort to pass Senate Bill 1041 in the legislature required broad shoulders and fixed determination—both of which were effectively demonstrated by GPEC stakeholders and its partners.

Partnered with Maricopa County to Develop New Jobs Program

The Economic Development Jobs Program was launched to attract high-tech manufacturing and corporate headquarter jobs to Greater Phoenix.

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

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

FY12 Action Items

Launch Pilot Retention and Expansion Model

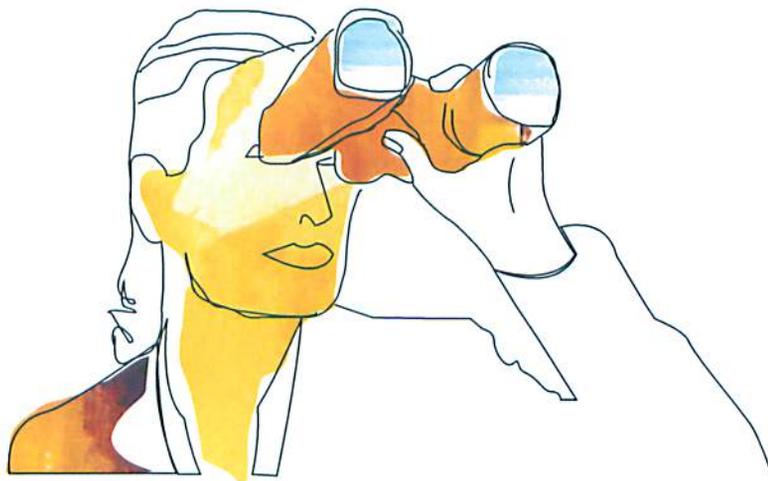
GPEC will create a retention and expansion mechanism based on the strengths of its research and call campaign structure. By organizing and communicating intelligence, GPEC will support public-sector partners in identifying companies that are primed to expand or contract.

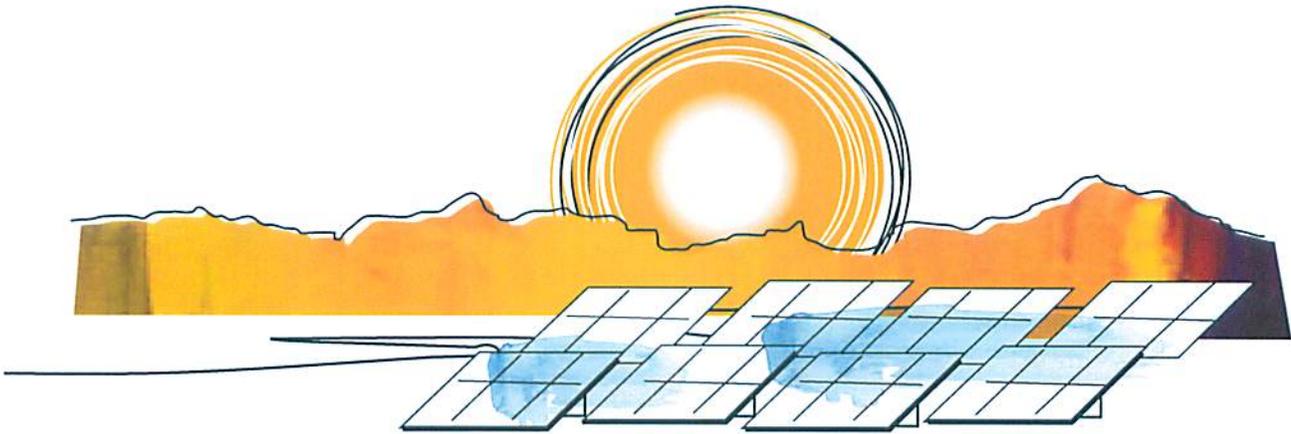
Work with Communities to Develop Competitiveness Programs

Building on policy experience and research on incentives best practices, GPEC will partner with municipalities to design economic development programs at the local level. GPEC will help communities meet their respective, individual objectives while following sound economic development principles.

Continue Monitoring Competitiveness

GPEC will continue to assess the competitive landscape of state and local incentives that target the reduction of capital and operation costs in the Mountain West region. GPEC will evaluate the feasibility of a tool that will enable modeling capabilities for project-specific analyses and economic development policies.





Pursue Emerging Innovation

GPEC will monitor innovative technology trends and develop a viable, return-driven venture capital strategy to pursue opportunities that will lead to a cluster of new competencies in the region. Within two years, these efforts may manifest into suggested changes in tax policy, referendum items or a bond initiative.

Identify Areas for Federal-level Consideration

Through research, GPEC will explore economic opportunities for the region that might benefit from a concerted effort with Arizona's Congressional delegation. Potential areas could include the attraction of national labs that align with the region's core competencies, as well as the retention of the aerospace and defense industries. GPEC will consider routine meetings with Congressional representatives while in Arizona and also serve as a resource to partners who have an existing federal agenda in place.

Drives These FY12 Metrics

- Pipeline of qualified prospects
- Pipeline of international prospects
- Total number of jobs created
- Number of high-wage jobs created
- Average high-wage salary
- Emerging technology assists
- Competitive position progress

A New Horizon:
Vision and Progress

Marketing and Communications

FY11 Milestones

A GPEC Production

The documentary titled "Arizona's Great Economic Transformation" debuted at the Orpheum Theatre, aired on Cox On Demand, Arizona Capitol TV, KAET, various public access channels and was utilized at several events and forums.

Innovative Industry Profiles

Industry-specific microsites were launched, including the creation of the umbrella portal—az4industry.com—showcasing Greater Phoenix's value proposition for each industry to national site selectors and executives.

A Leading Voice on Stopping the Boycotts

StopAZboycotts.com presented another side of the boycotts, and earned media coverage on *CNN*, *FOX News* with Greta Van Susteran, *World News*, *Christian Science Monitor*, *European Union Times*, eight local media outlets, 25 blogs and chatter among social mediums.

Promoting Market Offerings

GPECpartners.com was launched, initiating a pilot program designed to provide helpful resources to companies entering the market, while also positioning GPEC as an ongoing partner for each new company.

Market strengths and assets using new, non-traditional tools
Communicate, educate and inform stakeholders, policy-makers, citizens and media about key economic development issues.

FY12 Action Items

Differentiate the Region's Brand

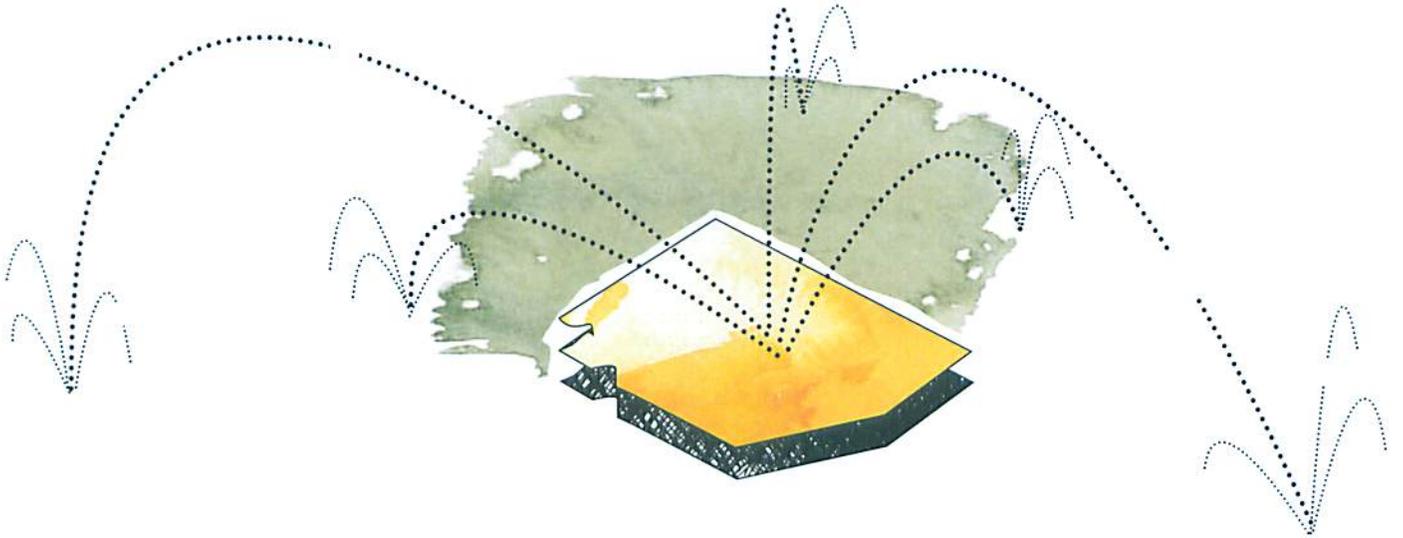
Tasked with marketing the region to attract quality companies, GPEC and its public partners will launch a substantial effort to distinguish the Greater Phoenix brand. GPEC will launch a six-month pilot campaign targeted at select California markets prior to a FY13 roll-out in other key domestic markets.

Boost Digital Marketing Efforts

GPEC will rebuild its primary website to better brand the region in a digital medium, showcase GPEC communities and investors, incorporate more calls-to-action and provide better functionality. The new website will incorporate information adopted from the Metro Phoenix Partnership for Arts and Culture while also integrating the OpportunityGreaterPhoenix.com concept. GPEC will increase efforts to drive target audiences to the digital portal by way of e-mail marketing, social media, and search engine marketing and optimization.

Broaden Broker Engagement

Parallel to GPEC's regular site-selector communication and outreach, GPEC will strengthen ties to the region's local brokers. In an effort to improve mutually beneficial outcomes, GPEC will develop routine e-marketing mailings, provide on-site presentations, convene quarterly roundtable events and create collateral specific to this valuable network.



National Media Tour

GPEC's communications outfit will conduct outbound media tours in New York city, San Francisco, LA and other major markets to convey positive news about Greater Phoenix, while also highlighting key regional assets to prominent national and international media outlets and trade publications.

Media Engagement

GPEC will strive to establish itself as a thought leader by promoting economic development objectives in a variety of mediums including panel discussions, frequent podcasts, video statements, and original content and briefings.

International Media

Building on GPEC's successful international business development strategies, GPEC will drive the planning process for future international media ExecuTours in foreign markets. The primary goal of these media missions is to elevate the region's profile by introducing international business and industry leaders to Greater Phoenix and relay the benefits of doing business here.

Drives These FY12

- Pipeline of qualified prospects
- Pipeline of international prospects
- Total Reach of Editorial Placements

A New Horizon:
Vision and Progress

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 guides the CEO on key initiatives, leverages connections to further business development and competitiveness efforts, and supports implementation of programs.

GPEC Next Leadership Council*

High-level advisory group designed to ensure the organization operates as "GPEC Next" model: innovative, integrated, proactive.

Suggested FY12 Focus

- Launch Retention / Expansion Model
- Identify Areas for Federal-level Consideration

Healthcare Leadership Council*

Works together to establish and differentiate Greater Phoenix as a center of excellence for personalized medicine.

Suggested FY12 Focus

- Pursue Emerging Innovation
- Identify Areas for Federal-level Consideration

International Leadership Council*

Advises on the direction and implementation of GPEC's foreign direct investment efforts; responsible for monitoring progress and providing guidance to increase program impacts.

Suggested FY12 Focus

- Bolster International and Go Forth in China
- Expand ExecuTour Model
- International Media Strategy

**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.

Suggested FY12 Focus

- Bolster International Strategy
- Leverage Opportunity in California
- Build Community Partnership Program
- Build Retention / Expansion Intelligence
- Develop Competitiveness Database

Community Building Consortium*

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

Suggested FY12 Focus

- Broaden Site-Selector Approach
- Leverage Opportunity in California
- Continue Monitoring Competitiveness
- Expand ExecuTour Model
- Broaden Broker Engagement

Marketing Committee*

Offers guidance on the development of regional branding, marketing and media efforts in support of our core mission of business development and regional competitiveness.

Suggested FY12 Focus

- Develop Regional Brand
- Boost Digital Marketing Efforts
- National Media Tour
- Expand ExecuTour Model
- Media Engagement
- International Media Strategy

Innovation Council**

Rooted in research, this council will explore university-based, asset-driven emerging technology.

Suggested FY12 Focus

- Pursue Emerging Innovation

Ambassadors: Foundation of Stakeholder Engagement

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 team 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*

***Proposed new leadership council*



A New Horizon:
Vision and Progress

A New Horizon: Vision and Progress



Greater Phoenix
ECONOMIC COUNCIL

2 N. Central Ave., Suite 2500, Phoenix, AZ 85004 • 602.256.7700 • www.gpec.org

EXHIBIT B
GPEC PERFORMANCE MEASURES
FY 2011-2012

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

1. Payroll Generated	\$168.7M
2. Total Number of Jobs Created	4,005
3. Total Number of High-Wage Jobs	1,701
4. Average High-Wage Salary	\$47,398
5. Emerging Tech Assists	8
6. Number of Qualified Prospects	187
7. Number of Qualified International Prospects	28
8. Total Reach of Editorial Placements/Exposures	99M

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

EXHIBIT C
TARGETED INDUSTRIES
FY2011-2012

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 2011-2012, GPEC will continue its emphasis on the following: advanced business services, aerospace/aviation, life science, high tech/IT and renewable energy.

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

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; life science; high-tech/IT; renewable energy; post-secondary institutions, tourism

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

Gilbert

Advanced business 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 diagnosis); corporate/regional headquarters; and sustainability (environmental)

Glendale

Aviation/aerospace; software development; sports and entertainment; high-tech consultants; research and development; defense; financial services and insurance headquarters; resorts; healthcare and medical services; engineering and architectural

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)

Business services and software; high-tech electronics; aerospace and advanced materials; agri-bio; transportation/distribution; standard manufacturing; environmental technology

Maricopa County

Food, fiber and natural products; transportation/distribution; standard manufacturing; environmental technology

Mesa

Primary Target Industries: Healthcare, Education, Aerospace and Tourism

Secondary target industries: Advanced business services, regional and corporate centers, environmental technology, research & development, bioscience, sustainability

Peoria

Business services; information technology; healthcare technology and advanced medical services; educational institutions; standard manufacturing; environmental technology

Phoenix

Advance business services; aerospace and defense materials; bioscience; high tech/IT; renewable energy

Queen Creek

Aerospace and aviation; health and wellness; advanced financial/business services; arts, culture and experience; education

Scottsdale

Advanced business services (financial services); bioscience (research, drug development, treatment, medical products); high-tech/software; sustainability (environmental); corporate/regional headquarters

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

Tolleson

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

Wickenburg

Transportation/ distribution; standard manufacturing; environmental technology; food, fiber & natural products; advanced business services

EXHIBIT D
 FY 2011-2012
 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 Town's insurance requirements are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The Town in no way warrants that the minimum limits required of GPEC are sufficient to protect GPEC from liabilities that might arise out of this Agreement for GPEC, its agents, representatives, employees or Contractors and GPEC is free to purchase such additional insurance as may be determined necessary.

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

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

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

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

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

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

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

1. Commercial General Liability

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

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

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

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

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

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

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

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

D. Notice of Cancellation. Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be

suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice has been sent to Town at the address provided herein for the giving of notice. Such notice shall be by certified mail, return receipt requested.

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

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

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

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