CITY COUNCIL REPORT

Meeting Date: June 25, 2019
General Plan Element: ***Economic Vitality***
General Plan Goal: ***Foster economic and employment opportunities***

ACTION

Approve annual contract with GPEC for economic development marketing. Adopt Resolution No. 11470 authorizing General Funds in the amount of $120,181 for provision of regional economic development marketing services, and Approve Contract No. 2019-068-COS with the Greater Phoenix Economic Council.

BACKGROUND

The Greater Phoenix Economic Council (GPEC) is a performance-driven, public-private partnership. Since 1990, the City of Scottsdale has partnered with GPEC, along with Maricopa County, 22 other communities and more than 160 private-sector investors to promote the region's competitive position and attract quality jobs that enable strategic economic growth and provide increased tax revenue for Scottsdale. GPEC was originally created as a result of a desire by all of the communities within the Greater Phoenix area to provide a more cost-effective approach to regional economic development marketing. GPEC has a robust research department and business attraction team which generates new business prospect leads for its member communities. This contract will allow the City to continue to benefit from new business prospect opportunities during the coming fiscal year and utilize the research and marketing support offered by GPEC. In addition to its traditional activities, in the past three years GPEC has expanded its member services by continuing its market intelligence initiative, launching a new foreign direct investment strategy, increasing direct marketing to California companies, spearheading a Smart Region initiative, promoting an aggressive 'Connected Place' marketing strategy, and conducting competitive policy analysis.

In addition, as a community member, the City of Scottsdale has the opportunity to provide input into the annual GPEC Action Plan (Exhibit A to the attached contract) and receives monthly updates throughout the year regarding GPEC's performance targets (Exhibit B to the attached contract). The cost of this program is determined utilizing the 2018 Office of Employment and Population Statistics, Arizona Department of Administration population estimate, which lists the City of Scottsdale as having a population of 245,417 and calculated at a per capita rate of $0.4897 for a total of $120,181.

In the past five years, GPEC has directly assisted with 27 business locates in Scottsdale. These businesses represent 3,511 new jobs region wide, $199.5 million in capital investment, $520 million in total consumer spending, and $34 million in new direct revenue. According to GPEC's economic impact calculations, the City of Scottsdale has received a return on investment from its relationship with GPEC of 66:1 over this period.

The GPEC contract further supports and expands Scottsdale's economic development efforts by broadening the city's national and international reach by collectively marketing the Phoenix Metro region. The funds necessary to undertake these initiatives are the result of regional cooperation and membership with GPEC.

Action Taken _____

ANALYSIS & ASSESSMENT

Recent Staff Action

The City of Scottsdale is an active participant with GPEC and attends monthly Economic Development Directors Team (EDDT) meetings. In addition, the department partners with GPEC on market intelligence visits, business attraction missions and collaborates on client visits along with the Arizona Commerce Authority.

Community Involvement

The local and regional business community remains an active participant and proponent of GPEC, and the City of Scottsdale nominates two representatives in the business community to GPEC's Board of Directors.

RESOURCE IMPACTS

Available Funding

The City's investment in GPEC for the FY 2019/20 fiscal year will be $120,181; this full amount is currently included in the Economic Development FY 2019/20 budget.

OPTIONS & STAFF RECOMMENDATION

Recommended Approach

Adopt Resolution No. 11470 authorizing General Funds in the amount of $120,181 for provision of regional economic development marketing services, and approve Contract No. 2019-068-COS with the Greater Phoenix Economic Council.

RESPONSIBLE DEPARTMENT(S)

Economic Development

STAFF CONTACTS (S)

Rob Millar, Economic Development Acting Director, 480-312-2533, rmillar@scottsdaleaz.gov

APPROVED BY

Rob Millar, Economic Development Acting Director
480-312-2533, rmillar@scottsdaleaz.gov

Date: 6/10/19

For Jim Thompson, City Manager
480-312-2811, jthompson@scottsdaleaz.gov

Date: 6/10/19

ATTACHMENTS

1. Resolution No. 11470
2. Contract No. 2019-068-COS
3. Community Benefits Report

RESOLUTION NO. 11470

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING EXECUTION OF CONTRACT NO. 2019-068-COS WITH THE GREATER PHOENIX ECONOMIC COUNCIL (GPEC) FOR REGIONAL ECONOMIC DEVELOPMENT MARKETING SERVICES IN THE AMOUNT OF $120,181.

WHEREAS, City of Scottsdale, Arizona (the "City") and the Greater Phoenix Economic Council ("GPEC") desire to enter into Contract No. 2019-068-COS for GPEC to provide Regional Economic Development Marketing Services to the City in FY 2019/20.

WHEREAS, City desires to provide $120,181 in general funds to GPEC for fiscal year 2019/20 so that GPEC can administer regional economic development marketing programs for the City pursuant to the terms of the Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. The Mayor is hereby authorized and directed to execute Contract No. 2019-068-COS on behalf of the City.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona, on this _____ day of _____, 2019.

CITY OF SCOTTSDALE, an Arizona municipal corporation

_____
W.J. "Jim" Lane, Mayor

ATTEST:

_____
Carolyn Jagger, City Clerk

APPROVED AS TO FORM:

_____
Bruce Washburn, City Attorney
By: William Hylen
Senior Assistant City Attorney

AGREEMENT BETWEEN
THE GREATER PHOENIX ECONOMIC COUNCIL
AND THE CITY OF SCOTTSDALE

The City Council of the CITY OF SCOTTSDALE, 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, 2019 - June 30, 2020 ("FY2020").

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

I. RESPONSIBILITIES OF GPEC

A. **MISSION:** Attract and grow quality businesses and advocate for Greater Phoenix'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 shall 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 shall advise its member communities when an existing company contacts GPEC regarding a retention or expansion issue, subject to any legal or contractual non-disclosure obligations.

D. **ACTION PLAN AND BUDGET:** In accordance with the Mission, Goals and Retention and Expansion Policy set forth above and subject to the availability of adequate funding, GPEC shall implement the Action Plan and Budget adopted by GPEC's Board of Directors, a copy of which has been delivered to the City, receipt of which is hereby acknowledged. A summary of the Action Plan is attached hereto as **Exhibit A** ("GPEC Action Plan"). GPEC shall inform the City 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 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, 2019.

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. Either of the preceding conditions 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 City determines the lead to be appropriate for the community. If the City responds, 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 may, 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 the prospect's corporate location.

B. **COMMUNICATION PROCESS RELATED TO BUSINESS RETENTION AND EXPANSION:**

1. GPEC and the City agree that that expansion of existing businesses within Scottsdale is first and foremost a local issue, and that GPEC will support the City's efforts to retain and expand existing businesses through coordinating regional support and providing research on key retention and expansion projects upon request of the City.

C. **COMPENSATION:**

1. The City agrees to pay **$120,181.00** for services to be provided by GPEC pursuant to the Agreement during the fiscal year ending on June 30, 2020 as set forth in this Agreement. This amount is based on $.4897 per capita, based upon the 2018 Arizona Office of Economic Opportunity population estimate, which listed the City as having a population of **245,417**. 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, 2019, 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)

D. 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 FY2020. 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 FY2021 contract.

3. The City agrees to work with GPEC during FY2020 to develop a revised public sector funding plan, including a regional allocation formula, for FY2021, if determined by the parties 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 immediately 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 Scottsdale 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 agrees that any such obligation may 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 of 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 no GPEC employee, director or agent shall be considered 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 Council members, 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, including 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, 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 one (1) calendar day written notice to GPEC, terminate this Agreement , 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 placed 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 FEDERAL AND STATE LAWS:** GPEC understands and acknowledges the applicability of the American with Disabilities Act, the Immigration Reform and Control Act of 1986, the Drug Free Workplace Act of 1989, A.R.S. § 34-301, "Employment of Aliens on Public Works Prohibited," and A.R.S. § 34-302, as amended, "Residence Requirements for Employees," and agrees to comply therewith in performing under any resultant agreement and to permit City inspection of its records to verify such compliance. GPEC will include the terms of this provision in all contracts and subcontracts for work performed for the City under this Agreement, including supervision and oversight.

1. Under the provisions of A.R.S. §41-4401, GPEC warrants to the City that GPEC and all its subcontractors performing work for the City will comply with all Federal Immigration laws and regulations that relate to their employees and that GPEC and all its subcontractors performing work for the City now comply with the E-Verify Program under A.R.S. §23-214(A).

2. A breach of this warranty by GPEC or any of its subcontractors performing work for the City will be considered a material breach of this Agreement and may subject GPEC or any subcontractor performing work for the City to penalties up to and including termination of this Agreement or any subcontract.

3. The City retains the legal right to inspect the papers of any employee of GPEC or any subcontractor who performs work for the City under this Agreement to ensure that GPEC or any subcontractor performing such work is complying with the warranty given above.

4. The City may conduct random verification of the employment records of GPEC and any of its subcontractors performing work for the City to ensure compliance with this warranty.

5. The City will not consider GPEC or any of its subcontractors performing work for the City under this Agreement in material breach of this Agreement if GPEC and any subcontractors performing work for the City under this Agreement establish that they have complied with the employment verification provisions prescribed by 8 USCA §1324(a) and the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. §23-214(A). The "E-Verify Program" means the employment verification pilot program as jointly administered by the United States Department of Homeland Security and the Social Security Administration or any of its successor programs.

6. GPEC agrees to include the provisions of this section in any contract GPEC enters into with any and all of its subcontractors who provide services to the City under this Agreement. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor for the City. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property for the City. GPEC will take appropriate steps to assure that all subcontractors performing work for the City comply with the E-Verify Program. The City may consider GPEC's failure to assure compliance by all its subcontractors performing work for the City with the E-Verify Program a material breach of this Agreement.

7. GPEC acknowledges that, pursuant to the Americans with Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to the disabled public. GPEC will provide the services specified in this Agreement in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. GPEC agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Agreement and further agrees that any violation of this prohibition on the part of GPEC, its employees, agents or assigns will constitute a material breach of this Agreement.

J. **TERMINATION:** City shall have the right to terminate this Agreement if GPEC fails 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. The City may terminate this Agreement with 30 days' written notice, however in the event of a termination for convenience the City will remain responsible for all payments under section III(C).

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/CONTRACT ADMINISTRATOR:** 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:

Mr. Rob Millar
Economic Development Director
City of Scottsdale
3839 North Drinkwater Boulevard, 2nd Floor
Scottsdale, Arizona 85251
Phone: (480) 312-7601

Ms. Casey shall be the City's Contract Administrator for this Agreement.

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. **ISRAEL BOYCOTT PROVISION:** GPEC certifies that it is not currently engaged in and agrees for the duration of the Agreement not to engage in a boycott of Israel as defined in A.R.S. § 35-393.

S. **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 for 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 GPEC or for any amount which may become due to the City or successor, or for any obligation under the terms of this Agreement.

T. **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.

U. **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.

V. **CAPTIONS:** The captions contained in this Agreement are merely a reference and are not to be used to construe or limit the text.

W. **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.

X. **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 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.

Y. **TERM AND APPROVALS:** GPEC and the City agree that Agreement shall be effective on July 1, 2019 and shall expire on June 30, 2020. The City's Economic Development Director shall approve all invoices prior to payment.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement this _____ day of _____, 2019.

CITY OF SCOTTSDALE,
A municipal corporation

By: _____
W. J. "Jim" Lane, Mayor

ATTEST:

_____
Carolyn Jagger, City Clerk

CITY OF SCOTTSDALE REVIEW:

_____
Robert Schoepe
Purchasing Director 1955018

APPROVED AS TO FORM:

_____
Bruce Washburn, City Attorney
By: William Hylen
Senior Assistant City Attorney

GREATER PHOENIX ECONOMIC COUNCIL,
an Arizona nonprofit corporation

By: _____
Chris Camacho, President &
Chief Executive Officer

_____
Katie Callaway
Risk Management Director

_____
Rob Millar
Economic Development Director



Greater Phoenix
ECONOMIC COUNCIL

ACTION PLAN

FISCAL YEAR 2020



OUR MISSION:

Attract and grow quality businesses & advocate for Greater Phoenix's competitiveness.

OUR VALUES:



WE ARE AN INCLUSIVE, DIVERSE FAMILY



WE REMAIN ON THE EDGE



WE LEAD FROM THE FRONT



WE ARE AGILE AND ADAPT TO CHANGE



WE ARE CHANGE AGENTS



WE ARE TENACIOUS



WE PROMOTE INTELLECTUAL CURIOSITY



WE ARE COMMITTED TO SELFLESS SERVICE

For each year of our three-year Strategic Plan, GPEC composes an Action Plan that articulates specific initiatives to prioritize in that year. Our fiscal year 2020 Action Plan builds on past successes and leaps forward to facilitate a next-generation, multidisciplinary approach that advances business attraction, competitiveness, branding and stakeholder engagement.

PAST SUCCESSES

STRATEGIC

PLAN

BRANDING

LEAPS FORWARD

COMPETITIVENESS

NEXT-GENERATION

ADVANCES

BUSINESS

ATTRACTION

STAKEHOLDER

ENGAGEMENT

MULTIDISCIPLINARY

APPROACH

ACTION PLAN

GOAL #01

Elevate the brand identity to deepen our reach into targeted markets

In less than a decade, Greater Phoenix recovered to become a top five growth market in GDP and a leader in job creation. As a rapidly evolving market, the region is uniquely qualified to leapfrog traditional stages of economic growth and determine its own identity, unencumbered by the entrenched legacies that often impede modernization elsewhere. This year, GPEC will work cohesively with stakeholders to cultivate the local, national and global perception of Greater Phoenix as a welcoming, vibrant economy.



TACTICS:

- Launch a refreshed GPEC brand that manifests our vision to position Greater Phoenix as a metropolitan center of innovation
- Energize The Connected Place campaign by deploying digital tactics that promote the region as a hub of scalable tech-centricity
- Assess creative methods to involve companies, investments and talent outside the market

MILESTONES:

- Deployed new logo and brand guidelines across GPEC-owned digital channels and physical spaces
- Evaluated a dynamic online toolkit that enables investors and community members to better access data and content
- Completed a feasibility study of a new tech-centric event that would draw global and domestic tech talent and capital
- Increased traffic to GPEC's website and social media channels

STRATEGIC PLAN OBJECTIVES:

- ☑ Elevate the brand identity using new forms of media to deepen our reach into targeted markets
- ☑ Promote initiatives that reinforce the region as a place to test, launch and advance innovation
- ☑ Create an enhanced and efficient stakeholder engagement model

GOAL #02

Attract and grow businesses while cultivating new models that create and retain quality jobs in globally competitive sectors

GPEC will continue to serve as a beacon of resources for base industries that identify our region as a potential location of choice. These industries increasingly operate at the crossroads of primary and secondary markets as evidenced by the doubling of institutional investment into our companies over the past decade. As local market fundamentals mature, GPEC will seek relationships across a wider universe of decision-makers.

TACTICS:

- Amplify meaningful engagement with brokers and site selectors
- Maintain regional transparency in business attraction efforts with our stakeholders
- Identify select sectors in which Greater Phoenix *should* be uniquely positioned to lead the global curve
- Expand the soft-landing program to ease the market entry by international prospects
- Promote export resources for local small- and medium-sized companies
- Calibrate new funding mechanisms and connectivity with capital markets

MILESTONES:

- Surpassed contracted jobs created and prospects generated, including higher participation by companies within The Connected Place verticals
- Conducted a pre-determined volume of in-person meetings with key brokers, site selectors and other multipliers to share industry sector narratives
- Upgraded tools that provide transparency into the prospect pipeline for communities
- Completed a comprehensive analysis on targeted industry sectors
- Leveraged capital markets to drive partnerships in emerging technology

STRATEGIC PLAN OBJECTIVES:

- ☑ Expand tools and processes to create new top-line metrics that increase outcome-driven collaboration and coordination
- ☑ Promote initiatives that reinforce the region as a place to test, launch and advance innovation

ACTION PLAN GOALS

GOAL #03

Drive organizational effectiveness in business development and regional competitiveness through data science, predictive analytics and value-added research

Better data informs better insights that produce better outcomes. GPEC will engineer a robust data science apparatus to serve member communities and other stakeholders with business intelligence resources.

TACTICS:

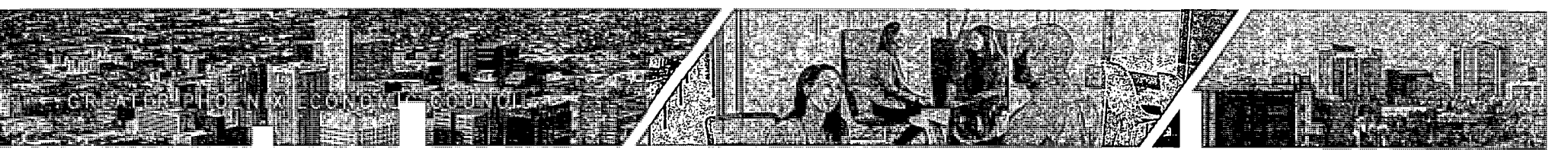
- Employ state-of-the-art analytical and automation platforms to systematize tailored recruitment efforts
- Assemble a central repository of information to empower knowledge-sharing
- Modernize statutory economic development programs to support current and future industries

MILESTONES:

- Generated higher conversion from lead to prospects, and prospects to locates
- Provided timely, accurate and actionable information to stakeholders
- Exhibited a map of the existing value and ancillary networks that benefit new locates
- Completed industry use cases and market intelligence reports
- Developed and advanced policy proposals urging modernization of the region's economic development toolkit

STRATEGIC PLAN OBJECTIVES:

- ☑ Deepen internal expertise and upgrade research and analytic capabilities
- ☑ Expand tools and processes to create new top-line metrics that increase outcome-driven collaboration and coordination
- ☑ Utilize market and industry intelligence to drive economic diversification and resilience



GOAL #04

Elevate engagement with stakeholders and foster strategic relationships

GPEC has had the privilege of serving Greater Phoenix as a dedicated steward for the past 30 years. Over the next year, we will actively integrate into our organization the communities and partners whose unfaltering commitment and unparalleled mentorship have, are, and will continue to guide our mission.

TACTICS:

- Host thoughtful, inspiring events that invite decision-makers and their teams from both public and private sectors
- Evangelize a regional brand through The Connected Place Council to drive new emerging tech strategies

MILESTONES:

- Doubled the number of Certified Ambassadors, who represent the highest level of measurable member engagement
- Activated The Connected Place Council to build champions of an intentional brand that drives advanced technology investment
- Increased stakeholder satisfaction based on annual survey results
- Lowered investor attrition
- Increased demonstrated knowledge of the GPEC mission and regional priorities by our communities and investors



STRATEGIC PLAN OBJECTIVES:

- ☑ Create an enhanced and efficient stakeholder engagement model
- ☑ Increase and diversify GPEC's financial resources in alignment with regional priorities



GOAL #05

Heighten awareness of and participation in topics addressing diversity, inclusion, sustainability and an equitable economy

If Greater Phoenix is to experience a resilient growth that withstands economic cycles, regional representatives must engage directly, continuously and honestly. GPEC will pursue two relevant strategies:

- Modern Economy Plan: engender community dialogue and incubate ideas for an inclusive growth reflective of both our region's ambitions and restrictions
- Community Partnership Program: present growth plans tailored to each community's individual economic assets

TACTICS:

- Measure market behavior and rationalize trends resulting from programs led by GPEC
- Deliver member-specific analyses on competitive positioning, land development and place-making
- Champion the efforts of peer organizations through analytical heft in infrastructure, transportation and education policies

MILESTONES:

- Completed the first phase of a dashboard to monitor programming, social performance and shared prosperity
- Supplied robust data and analytics to partners implementing programs at state and regional levels on P-20 education, workforce and infrastructure
- Assessed and designed strategies for current and future commerce corridors

STRATEGIC PLAN OBJECTIVES:

- ☑ Change the paradigm among community and civic leadership to one that prioritizes education, job access and intentional long-term investment into drivers of competitiveness
- ☑ Develop regional resilience programs

MODERN ECONOMY PLAN:

The Modern Economy Plan (MEP) is an initiative designed to advance the region's competitiveness and economic opportunity for all. MEP strengthens the drivers of a competitive economy: high-value added industries, workforce development and talent pipeline, innovation and entrepreneurship, and modern digital and physical infrastructure.

COMMUNITY PARTNERSHIP PROGRAM:

The Community Partnership Program (CPP) was created to further enhance each member community's support and engagement within GPEC. The program is designed to provide an opportunity for open dialogue between GPEC and each member community while aligning current strategies and efforts to create a more competitive region. The individual focus and strategy for the CPP adapts to reflect the advancing economic development landscape each year.

GOAL #06

Embed an organizational culture of operational discipline and relentless commitment to The GPEC Way

To deliver the 22 milestones identified above, GPEC must manage an internal portfolio of processes and behaviors – and only what can be measured can be managed. Accordingly, for the first time since inception, we will apply our externally reputed analytical rigor to our internal activity and build a center of economic development excellence.



TACTICS:

- Dissect current processes and identify appropriate measurements to set a baseline for future performance
- Standardize mechanisms of data collection and knowledge transfer
- Create a formal professional development plan
- Test creative initiatives while maintaining GPEC's position as a market leader
- Explore new areas of performance measurement with the intent of proposing updated top-line metrics in FY21

MILESTONES:

- Captured opportunities for organizational efficiencies
- Minimized latency in communication feedback loops
- Increased both managerial and functional expertise across all staff
- Authored a comparative study of leading Economic Development Organization (EDO) detailing best practices
- Been consistently ranked as one of the nation's top EDOs

STRATEGIC PLAN OBJECTIVES:

- ☑ Cultivate a world-class talent organization that exemplifies the GPEC Way
- ☑ Deepen internal expertise and upgrade research and analytic capabilities

REVENUES	FY 2019 FORECAST	% OF TOTAL	FY 2020 BUDGET	% OF TOTAL	FY 2019 BUDGET	$ CHANGE	% CHANGE
Public Funds	2,577,000	40%	2,717,700	39%	2,577,000	140,700	5%
Private Funds	2,686,000	41%	3,146,900	45%	2,820,900	326,000	12%
New Pledge Revenue	425,000	7%	350,000	5%	350,000	-	0%
In-kind Pledges	78,000	1%	253,500	4%	118,500	135,000	114%
Events & Programs	215,000	3%	150,000	2%	200,000	(50,000)	-25%
Sponsorships	70,000	1%	55,000	1%	-	55,000	-
Grant Income	425,000	7%	324,600	5%	182,800	141,800	78%
Other	1,400	0%	1,300	0%	1,300	-	0%
TOTAL REVENUES	**6,477,400**	**100%**	**6,999,000**	**100%**	**6,250,500**	**748,500**	**12%**
OPERATING EXPENDITURES							
Business Development	487,000	7%	449,600	6%	395,300	54,300	14%
Marketing & Communications	526,800	8%	492,000	7%	536,000	(44,000)	-8%
Research (Formerly Research & Strategy)	209,400	3%	249,300	3%	225,000	24,300	11%
Engagement	118,000	2%	152,500	2%	120,300	32,200	27%
Strategy & Regional Initiatives (Formerly Other Initiatives)	99,000	1%	362,900	5%	80,400	282,500	351%
Administration/Operations	480,500	7%	552,200	7%	444,200	108,000	24%
Personnel	3,831,400	57%	3,828,500	51%	3,781,500	47,000	1%
Facilities	695,000	10%	737,000	10%	728,500	8,500	1%
Events & Programs	257,000	4%	160,000	2%	280,000	(120,000)	-43%
TOTAL OPERATING EXPENDITURES	**6,704,100**	**99%**	**6,984,000**	**94%**	**6,591,200**	**392,800**	**6%**
NON-OPERATING EXPENDITURES							
Grant Expenses	50,000	1%	470,000	6%	50,000	420,000	840%
TOTAL EXPENSES	**6,754,100**	**100%**	**7,454,000**	**100%**	**6,641,200**	**812,800**	**12%**
NET GAIN (LOSS)	**(276,700)**		**(455,000)**		**(390,700)**	**812,800**	
Less: Capital Expenditures			(45,000)		(40,000)	(5,000)	
Amortization of Deferred Rent	(86,000)		(86,000)		(86,000)	-	
Add: Depreciation	373,000		374,500		372,900	1,600	
Add: Allowance for Doubtful Accounts	-		-		25,000	(25,000)	
Changes from Operating Activities	5,000		-		1,100	(1,100)	
Net Cash Flows	15,300		(211,500)		(117,700)	(93,800)	
Beginning Cash	2,572,200		2,587,500		2,572,200	15,300	
ENDING CASH	**2,587,500**		**2,376,000**		**2,454,500**	**(78,500)**	

FY20 PROPOSED

	CONTRACT	TARGET	STRETCH
Payroll (in Millions)	$389.65	$428.62	$492.91
Jobs	7,620	8,381	9,639
High Wage Jobs	3,343	3,677	4,228
Average High Wage Salary	$58,180	$64,644	$71,108
Qualified Prospects	229	252	277
Qualified International Prospects	38	42	46
GPEC Assists	10	12	14

CHAIRMAN'S COUNCIL

CORPORATE COUNCIL

EXECUTIVE COUNCIL

DIRECTORS' COUNCIL

- Alliance Bank of Arizona
- American Airlines
- Arizona Cardinals
- Arizona Coyotes
- Arizona Diamondbacks
- Bank of America
- Banner Health
- BBVA Compass
- Cancer Treatment Centers of America
- CBRE
- CenturyLink
- Chicanos Por La Causa
- Cousins Properties
- Cypress Office Properties
- Desert Financial Credit Union
- Dignity Health
- DMB Associates
- Empire Southwest
- Ernst & Young
- Freeport McMoRan Inc.
- Goodmans Interior Structures
- Goodwill of CentralArizona
- Grand Canyon University
- Intel Corporation
- Kitchell
- Layton Construction
- Lucid Agency
- Maracay Homes
- Mayo Clinic
- M Culinary
- MidFirst Bank
- Mortenson
- Mutual of Omaha Bank
- Northern Trust
- Oaktree Capital Management
- On Q Financial
- Perkins Coie LLP
- Phoenix Suns
- Pivotal Group
- Polsinelli PC
- Quarles & Brady
- Republic Media
- Sherman & Howard
- Snell & Wilmer
- Squire Patton Boggs
- University of Phoenix
- Valley Metro

LEADERSHIP COUNCIL

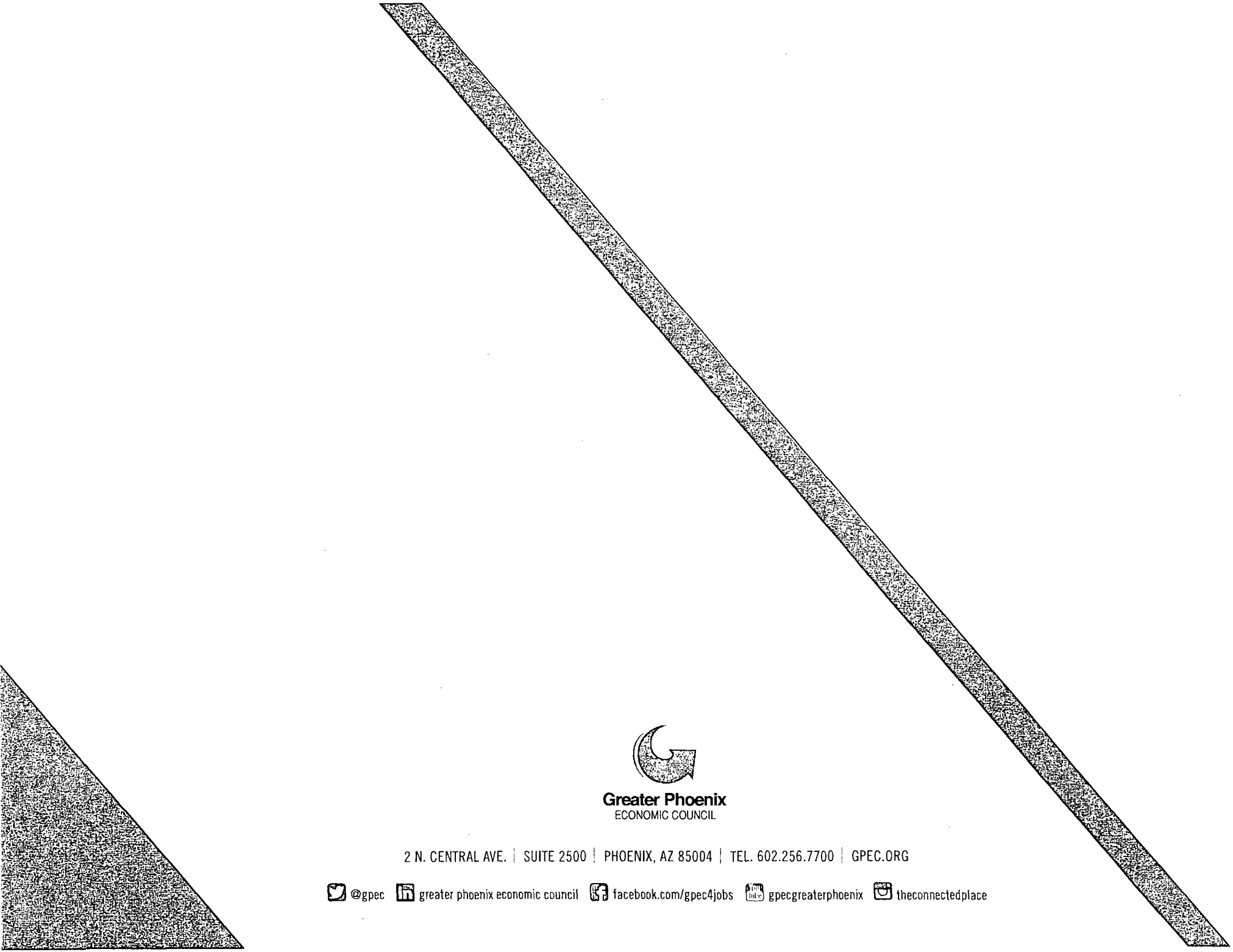
- Aerotek
- Aetna
- Archicon L.C. Architecture
- Benchmark Electronics, Inc.
- Blue Cross Blue Shield of Arizona
- Brookfield Residential
- Bryan Cave Leighton Paisner LLP
- BRYCON Construction
- Caliber Companies
- Celgene Corporation
- Colliers International
- Corgan
- Cresa
- Crescent CrownDistributing
- Crown Realty & Development
- Cushman & Wakefield
- Davis Architecture
- Deloitte
- Deutsch Architecture Group
- DP Electric
- DPR Construction
- El Dorado Holdings
- EmployBridge
- Equality Health
- FacilitySource
- Fenix Development
- Fidelity National Title Agency
- Gammage & Burnham
- Grant Thornton
- GreenLoop Solutions
- hardison/downey construction
- Hensley
- Hines
- Holualoa Companies
- Honeywell
- IMEG Corp
- JLL
- Knight-Swift Transportation
- Lee & Associates
- LGE Design Build
- Meritage Homes
- MST Solutions
- Nationwide Realty Investors
- NewmarkKnight Frank
- Okland Construction
- Opus Development Company
- Phoenix Children's Hospital
- Renaissance Companies
- Saint Holdings
- Savills Studley
- Skanska USA Building
- SmithGroup
- Southwest Airlines
- Southwest Gas Corporation
- Spencer Fane LLP
- Sunbelt Holdings
- The Plaza Companies
- Transwestern Commercial Services
- Tratt Properties
- Tuft & Needle
- University of Arizona
- USAA
- Van Trust Real Estate LLC
- ViaWest Group
- Weitz Company
- Wespac Construction
- Willmeng Construction
- Wist Office Products

AMBASSADOR

- ADP
- Air Products and Chemicals
- Arizona Community Foundation
- Arizona Office Technologies
- Atmosphere Commercial Interiors
- AvenueWest Phoenix Corporate Housing
- Avnet
- BNSF
- CoStar Group
- Growe Talent
- Industrial Storage
- IRIS USA
- Jokake Construction
- KTAR
- Landmark Companies
- Lovitt & Touché
- Macerich
- Merit Partners
- Midwestern University
- MSS
- Ottawa University
- Prologis
- RED Development
- Rose Law Group PC
- Ryan Companies
- St. Clair Technologies
- Sunstate Equipment Company
- Union Pacific Railroad Company
- UPS

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



Greater Phoenix
ECONOMIC COUNCIL

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

EXHIBIT B

GPEC PERFORMANCE MEASURES
FY 2020

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

1. Payroll Generated	**$389.65M**
2. Total Number of Jobs Created	**7,620**
3. Total Number of High-Wage Jobs[1]	**3,343**
4. Average High-Wage Salary	**$58,180**
5. GPEC Assists[2]	**10**
6. Number of Qualified Prospects	**229**
7. Number of Qualified International Prospects	**38**

Footnotes:

1. High Wage Jobs: High wage jobs are those that are over 130% of the Maricopa County Median Wage (currently $48,558).
2. GPEC Assist: Companies that located in the region, for which GPEC provided assistance, that do not qualify as a locate due to project size, for example; and would otherwise be listed as "non-reported locates." This replaces the Emerging Tech Assist metric from previous reports to better capture GPEC activities.

EXHIBIT C

TARGETED INDUSTRIES
FY2020

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 2020, GPEC will continue its emphasis on the following: Advanced Business Services; Aerospace & Defense; Emerging Technologies; Healthcare and Biomedical; Manufacturing & Logistics; Mission Critical Operations; and Software

Member communities will target the following:

Apache Junction
Business services; standard and advanced manufacturing; regional and corporate centers; medical institutions and/or associated satellite operations; mining support facilities; resort/tourist-oriented development; expanded retail opportunities; and high-density residential

Avondale
Financial business services; manufacturing; amateur sports; tourism and hospitality; healthcare/medical services; emerging technology and innovation; and corporate regional headquarters

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

Casa Grande
Advanced manufacturing; transportation/distribution; healthcare/medical services; aviation/aerospace; and hospitality/entertainment

Chandler
Advanced business services; corporate/regional headquarters; advanced manufacturing; software development; aerospace/aviation; automotive technology; and applied research

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

Gilbert
Advanced business services; information communication technology; aerospace/aviation and defense; life sciences; clean and renewable technology; Manufacturing; and related corporate/regional headquarters

Glendale
Advanced business services; aerospace, aviation and defense; healthcare and bioscience; manufacturing; technology and innovation

Goodyear
Advanced business services; advanced manufacturing; aerospace and aviation; corporate and regional headquarters; entrepreneurial and emerging technology; environmental technology; food, fiber and natural products; healthcare and biomedical services (treatment, medical diagnostics, research); advanced distribution centers; higher education; information technology and data centers

Maricopa (City)
Professional and Business Services; Healthcare Services; Small Business and Entrepreneurship; Higher Education and Education Technology; Agribusiness/Agrisciences; and Visitor/Hospitality Commerce

Mesa
Primary Target Industries: Medical device and technology; aerospace/aviation/defense; cybersecurity; and tourism/technology
Secondary Target Industries: Advanced business services; standard and advanced manufacturing; regional and corporate centers; research & development; and bioscience

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

Phoenix
BioSciences/healthcare; advanced business services; advanced manufacturing; data centers; sustainable enterprises; emerging industries; higher education; trade and FDI.

Queen Creek
Agritainment/agribusiness; healthcare and biotechnology; higher education; software and information technology; and manufacturing

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

Surprise
Advanced manufacturing and rail-served industry; innovation/entrepreneurship/emerging technology; medical, healthcare and life science technologies, services; and specialty services for global companies/FDI.

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
E-Commerce/Fulfillment Centers; resort/tourist-oriented development; expanded retail opportunities; small manufacturers with some related retail and offices

Wickenburg
Standard manufacturing; transportation & distribution; rail services; mining support facilities; healthcare and medical (emphasis on behavioral healthcare); senior industries; tourism and filmmaking (location shooting); resort/tourist-oriented development; equestrian entertainment; and 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 2020

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)				
NUMBER OF JOBS				
NUMBER OF HIGH-WAGE JOBS				
AVERAGE HIGH WAGE SALARY				
QUALIFIED PROSPECTS				
QUALIFIED INTERNATIONAL PROSPECTS				
GPEC ASSISTS				

KEY BUSINESS ATTRACTION ACTIVITIES AND OTHER GPEC ACTIVITIES

GPEC continues to target high-wage industries (Advanced Business Services; Aerospace & Defense; Emerging Technologies; Healthcare and Biomedical; Manufacturing & Logistics; Mission Critical Operations; and Software)

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

General Aggregate/ per Project	$2,000,000
Products-Completed Operations Aggregate	$2,000,000
Personal & Advertising Injury	
Each Occurrence	$1,000,000
Fire Damage (Any one fire)	$300,000
Directors and Officers	$2,000,000

2. **Automobile Liability** - Any Auto or Owned, Hired and Non-Owned Vehicles

Bodily Injury and Property Damage –	
Combined Single Limit Per Accident	$1,000,000

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

Workers' Compensation	Statutory
Employers' Liability	$100,000/$100,000/ $500,000

B. **Self-insured Retentions.** Any self-insured retentions must be declared to and approved by the City. 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. GPEC is solely responsible for any deductible and/or self-insured retention.

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 under the commercial general liability and auto liability policies.

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 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 Prospect Information Form (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.

Greater Phoenix
ECONOMIC COUNCIL

COMMUNITY BENEFITS REPORT

INVESTING IN GPEC

SCOTTSDALE

This report summarizes the significant benefits and return on investment GPEC delivers to the City of Scottsdale and this region.

REVENUE RETURN

66:1

SCOTTSDALE INVESTMENT

Funding Request for FY20: $120,181
(AZ Office of Economic Opportunity 2018 Population)

Previous Funding for FY19: $ 112,708
(AZ Office of Economic Opportunity 2017 Population)

RETURN ON INVESTMENT (5-YR TREND)

$66
of direct revenue[1] for every $1 invested.

$116
of total revenue[2] for every $1 invested.

$295.4M
in new consumer spending[3] generated by new Scottsdale jobs and employed Scottsdale residents. An addition of $224.4 million created by multiplier effects results in total consumer spending of $519.7 million.

$33.8M
in new Scottsdale direct revenues[3] (boosted to $59.7 million when including related multiplier effects of $25.9 million).

REGIONAL RESULTS SUMMARY

	FY 19*	FY 18	5 YEAR TOTAL
Payroll Generated (in millions of dollars)	$463.8.0	$565.3	$2,136.4
Jobs	8,418	8,606	39,138
High-wage Jobs	4,478	5,143	19,162
Average Salary	$55,096	$65,686	$54,587
Qualified Prospects	254	279	1,314
Assisted Locates	47	42	206
Capital Investment (in millions of dollars)	$1,065.2	$1,182.7	$4,983.0

**Through May 30, 2019*

RESULTS THROUGH REGIONAL SUCCESS

The City of Scottsdale benefits from site location projects and GPEC activities that occur across the region. Economic development projects create value by generating public and private revenues.

Commute patterns and retail studies show that employees of 'locates' live and spend their incomes in all Greater Phoenix communities. Thus, when a company selects a Greater Phoenix location, all communities benefit with increased tax revenues. GPEC-assisted locates have created 3,737 jobs region-wide for Scottsdale residents over the past 5 years.

3,737 jobs

1Includes property, sales and utility taxes, as well as state-shared and other local revenues.
2Includes direct revenues plus those generated by related supplier and consumer jobs.
3Estimates are from the Greater Phoenix Consensus Impact Model. In 1999, GPEC and our members developed the region's first-ever consensus-based revenue and economic impact model. Based on nationally accepted multiplier data provided by IMPLAN, the model is customized to calculate economic and revenue benefits for GPEC's members and the State of Arizona.

COMMUNITY LEADERSHIP

Leadership is critical to ensuring the success of your community, GPEC and the region's economic vitality.

ENGAGEMENT OPPORTUNITY	COMMUNITY INVOLVEMENT
GPEC Board of Directors	John Graham, Brad Parker
Executive Committee	John Graham
Economic Development Directors Team (EDDT)	Rob Milar, Mark Paratore, Josh Utterback

ABOUT GPEC NEXT

Operating as a more comprehensive and innovative practice, GPEC Next pursues opportunities with greatest potential for the region through deeper collaboration with our stakeholders, communities and partners. By integrating international attraction and an emerging technologies focus with GPEC's core domestic competency, we will satisfy the market's needs for a stronger, better, proactive regional economic development organization. GPEC Next will achieve a thorough understanding of our competitiveness, realize a streamlined, direct-selling approach to competitor and global markets, and make dynamic improvements to the region's business climate.

ABOUT GPEC

The Greater Phoenix Economic Council (GPEC) is a performance-driven, public-private partnership. GPEC partners with the City of Scottsdale, Maricopa County, 21 other communities and around 160 private-sector investors to promote the region's competitive position and attract quality jobs that enable strategic economic growth and provide increased tax revenue for Scottsdale.

RETURNING VALUE

GPEC has assisted 206 locates in Greater Phoenix in the last five years, including 27 in Scottsdale, creating 3,511 jobs and $199.5 million in capital investment.

FY19

Nationwide Insurance | Zillow
Spring Venture Group | Universal Electronics
Sendoso | Frank Recruitment Group
Lemonade | Diabnext
IMNA Systems | Anomalie

FY18

Acronis
mfour
Connect Wireless

FY17

ClearLink | Katerra
Indeed | Ingenu
AVAD
GreenTree Hospitality Group

FY16

The Hartford
Bridge2Solutions
Turo

FY15

Booker Software
Outbound Engine
Boomtown
Minitab | Zenefits

STRATEGIC COLLABORATION

Scottsdale advances GPEC's mission of attracting quality companies to the region by:

- Responding to prospect requests for proposals.
- Participating in prospect community visits.
- Hosting ExecuTours, tailored events for high-level decision-makers.
- Prospecting at trade shows, conferences and sales missions to expand the project pipeline.

COMPETITIVE INTELLIGENCE

GPEC offers Scottsdale access to the following unique tools and expertise:

- Comprehensive demographic, labor, targeted industry information and marketing assistance.
- CoStar real estate database.
- MetroComp operating cost-comparison software for 50 markets.
- Community Building Consortium.
- Greater Phoenix Consensus Impact Model analysis.

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Greater Phoenix
ECONOMIC COUNCIL

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