

CITY OF HIGH POINT AGENDA ITEM



Title: Contract – Guilford County Economic Development Alliance

From: City Manager Greg Demko,
High Point EDC President Loren Hill

Meeting Date: March 21, 2016

Public hearing: No

Advertising Date: n/a

Attachments: Contract

Advertised by: n/a

PURPOSE:

To allow each government to fund the Guilford County Economic Development Alliance (\$100,000 each), the High Point City Council, the Greensboro Council, and the Guilford County Board of Commissioners need to authorize the mayor to sign this contract. The Guilford County Board of Commissioners voted in the affirmative at its Feb. 18, 2016 meeting. The Greensboro City Council has not yet considered it, but it will be on an upcoming agenda.

BACKGROUND:

The High Point City Council, the Greensboro Council, and the Guilford County Board of Commissioners met jointly on November 20, 2015, and approved the creation of the Guilford County Economic Development Alliance. The City Attorney has determined that the November 20th vote was not sufficient and that this contract needs to be put in force.

BUDGET IMPACT:

No additional funding is required -- \$100,000 was set aside in the current City of High Point budget for the GCEDA.

RECOMMENDATION / ACTION REQUESTED:

The city manager and the president of the High Point EDC request that the City Council authorize the mayor to sign this contract.

STATE OF NORTH CAROLINA

GUILFORD COUNTY

GUILFORD COUNTY ECONOMIC DEVELOPMENT ALLIANCE AGREEMENT

THIS CONTRACT is hereby made and entered into this _____ day of _____, 2016, by and between **GUILFORD COUNTY**, hereinafter referred to as the “**COUNTY**,” the **CITY OF GREENSBORO**, hereinafter referred to as “**GREENSBORO**,” the **CITY OF HIGH POINT**, hereinafter referred to as “**HIGH POINT**,” the **GREENSBORO PARTNERSHIP**, hereinafter referred to as the “**PARTNERSHIP**” and the **HIGH POINT ECONOMIC DEVELOPMENT CORPORATION**, hereinafter referred to as the “**HPEDC**,” and collectively referred to as the “**Parties**” for the purpose of establishing the **GUILFORD COUNTY ECONOMIC DEVELOPMENT ALLIANCE**, hereinafter referred to as the “**ALLIANCE**.”

WITNESSETH:

WHEREAS, for the purpose and subject to the terms and conditions hereinafter set forth, the Parties hereby agree as follows, in accordance with action duly taken by each of their respective Boards.

WHEREAS, the Parties agree that the purpose and organizational overview of this Agreement are to specifically outline the organizational structure of the newly formed GUILFORD COUNTY ECONOMIC DEVELOPMENT ALLIANCE and the duties, responsibilities and obligations of the COUNTY, GREENSBORO, HIGH POINT, the PARTNERSHIP and the HPEDC as members of the ALLIANCE.

NOW, THEREFORE, the Parties agree to the following terms and conditions:

1. The GUILFORD COUNTY ECONOMIC DEVELOPMENT ALLIANCE shall be a coalition of local governments and economic development organizations in Guilford County, North Carolina, established to coordinate and align all economic development recruitment and retention activities to enhance economic conditions within the county and the region and present a united message to all corporate development prospects.
2. The ALLIANCE will be responsible and accountable for ensuring that the PARTNERSHIP and the HPEDC work closely and officially together on all economic development matters and keep the elected officials and administrators of the local governments fully apprised.
3. The ALLIANCE shall not employ any staff but shall have an annual operating budget of \$300,000 to be used for marketing and operations to be shared by the PARTNERSHIP and the HPEDC. The COUNTY, GREENSBORO and HIGH POINT shall provide funding to the ALLIANCE annually on an equal basis.
4. **Leadership/Accountability.** The Parties agree and understand that the ALLIANCE’s primary oversight body will be the Leadership Group. The Leadership Group will be made up of local government and economic development agency leaders and will be responsible for developing goals for the ALLIANCE as well as approving and overseeing the ALLIANCE’S

annual budget. The Business Advisory Council will also be established to provide advice and insight to the Leadership Group as well to provide support to the ALLIANCE's economic development activities. The Business Advisory Council will be made up of community and business stakeholders. The HPEDC and the PARTNERSHIP are to be unified in their efforts to attract and retain corporate investments and jobs in Guilford County.

A. The ALLIANCE Leadership Group shall be an eight (8) person board that will directly oversee the economic development efforts of the PARTNERSHIP and the HPEDC. The Leadership Group will be responsible for ensuring that the two economic development organizations collaborate in a proactive and coordinated fashion to promote the assets of Guilford County and the region to site selection consultants and to corporations in targeted sectors. The group will also develop and maintain professional working relationships between the organizations and establish goals and report and share information with their respective organizations.

B. The membership of the ALLIANCE Leadership Group shall include:

- The Chairman of the Guilford County Board of Commissioners
- The Mayor of the City of High Point
- The Mayor of the City of Greensboro
- The Guilford County Manager
- The High Point City Manager
- The Greensboro City Manager
- The Chairman of the High Point Economic Development Corporation Board
- The Chairman of the Greensboro Partnership Board
- The President of the Greensboro Partnership shall serve as an ex-officio member
- The President of the High Point Economic Development Corporation shall serve as an ex-officio member.

C. The chairmanship of the ALLIANCE Leadership Group shall be shared on an alternating basis by the chairs of the two economic development organizations with the PARTNERSHIP chairman serving as chairman in odd-numbered years and the HPEDC chairman serving as chairman in even-numbered years.

D. On all matters requiring action by the Leadership Group, all regular members shall have one vote. In the event of a tie, the vote will be recast with the local government managers not participating. THE ALLIANCE DIRECTOR will provide staff support to take minutes for all regular and special meetings.

E. The Leadership Group shall meet at least once per month. The chairman or a majority of the regular members may call a special meeting. The majority of the Leadership Group may vote to cancel a regularly scheduled meeting. Meetings of the Leadership Group shall be public meetings subject to the North Carolina Open Meetings Law. A closed session may be included on the meeting agenda to discuss confidential information related to specific development prospects. The members of the group shall decide the date time and location of the meetings.

F. Five (5) regular members of the Leadership Group shall constitute a quorum. No formal action shall be taken by the group without a quorum present.

G. The duties and responsibilities of the Leadership Group shall include, but not be limited to the following:

- Approving the annual operating budget and regularly reviewing the expenditures of the ALLIANCE
- Establishing economic development goals for the ALLIANCE with input from all of the Parties and the Guilford County Economic Development ALLIANCE (GCEDA) Business Advisory Council
- Receiving information from the PARTNERSHIP and HPEDC staff and sharing with their respective organizations
- Providing direction to the PARTNERSHIP and the HPEDC regarding economic development goals, target industries and corporations and infrastructure
- Providing feedback and advice regarding the presentation and coordination of individual economic development incentive requests to the COUNTY, and GREENSBORO and HIGH POINT when appropriate
- Approving all joint marketing materials of the PARTNERSHIP and the HPEDC
- Approving an economic development strategic plan for Guilford County and regular updates based on input from all of the Parties
- Maintaining open lines of communication and monitoring the activities of the PARTNERSHIP and the HPEDC to ensure positive and professional working relationships and strong collaboration between the respective economic development organizations and proactively resolve misunderstandings and conflicts, if necessary
- Participation in economic development recruitment meetings and other activities when necessary and appropriate
- Promote economic development within Guilford County and regionally

5. Technical Expertise and Community Involvement. The Parties agree and understand that there are many individuals in Guilford County who possess the business and technical skills, experience and knowledge to help advance economic development efforts in the County through a significant advisory role.

A. The Guilford County Economic Development ALLIANCE Business Advisory Council shall be created to provide input, expert technical and business advice to the ALLIANCE Leadership Group on economic development matters and to support the economic development work of the ALLIANCE, HPEDC and the PARTNERSHIP.

B. The twelve (12) member Business Advisory Council shall be composed of:

- The President of Guilford Technical Community College
- The Director of the Greensboro/High Point/Guilford Workforce Development Board

- Five (5) members appointed by the chairman of the PARTNERSHIP Board of Directors, who shall serve a one-year term and shall be eligible for reappointment for one additional one-year term
- Five (5) members appointed by the chairman of the HPEDC Board of Directors, who shall serve a one-year term and shall be eligible for reappointment for one additional one-year term
- The chairs of the PARTNERSHIP and HPEDC Boards shall appoint individuals with the background, credentials and experience to provide sound advice on a broad range of economic development matters, including but not limited to, banking and finance, engineering, utilities and infrastructure, transportation, development law, real estate, education, corporation management, advanced manufacturing, marketing and communications.
- Individuals appointed to the Business Advisory Council shall be permanent residents of or have a primary place of business in Guilford County.

C. In even-numbered years, the Business Advisory Council shall be chaired by the GTCC President, and the workforce development board director will be vice chair. In odd-numbered years, the Workforce Development Board Director shall chair the Business Advisory Council and the GTCC president will be vice chair.

D. At least twice per year, the Leadership Group shall schedule meetings with the Business Advisory Council. Either the chair or the vice-chair of the Business Advisory Council may call additional meetings of the Advisory Council at their discretion. All meetings of the Advisory Council shall be subject to the North Carolina Open Meetings Law.

E. The primary responsibilities and duties of the Business Advisory Council shall be to advise the Leadership Group on significant economic development matters, including but not limited to:

- Assisting in the development of a Guilford County economic development strategic plan
- Providing expert advice to the Leadership Group and the staffs of the PARTNERSHIP and HPEDC to assist in the recruitment and retention of corporations to the community and region
- Providing advice and insight on how the Parties can collaborate to position Guilford County and the region to be more attractive to corporations and development prospects

6. ALLIANCE Director/Staffing. The Parties agree and understand that the ALLIANCE shall not directly employ any staff, but shall rely on the staff and employees of the PARTNERSHIP and the HPEDC to perform the economic development work and activities.

A. To ensure that there is one individual responsible for leading and managing the activities and actions of the ALLIANCE the two economic development organizations will alternate annually on being the lead group. In odd-numbered years, the HPEDC president shall serve as the ALLIANCE Director and in even-numbered years the PARTNERSHIP president shall serve as the Director.

B. The responsibilities of the Director shall include but not be limited to the following:

- Publishing notices of the meetings of the Leadership Group and the Business Advisory Council and ensuring that a staff member will be present to record the minutes of the meetings
- Developing meeting agendas in coordination with the chairman of each board and prepare supporting documentation
- Serving as the lead administrator for the Leadership Group and the Business Advisory Council
- Communicating economic development information to the Leadership Group and all of the Parties on a regular basis
- Serving as the primary contact person for the Economic Development Partnership of North Carolina, the North Carolina Department of Commerce and other organizations regarding development projects or prospects
- Leading all goals and initiatives of the ALLIANCE
- Recommending the annual budget to the Leadership Group and administer the budget following adoption

C. The Parties agree that the ALLIANCE will fund the efforts to conduct research for client proposals, collect data and work with local real estate professionals to maintain a database of available buildings and sites for clients for both the PARTNERSHIP and the HPEDC.

7. Activities of the ALLIANCE. The PARTIES understand that with the establishment of the ALLIANCE there will be some specific actions that must be undertaken initially in the short term to get the coalition moving in a positive direction and there will be other activities that will be required on an ongoing long term basis.

A. The Parties agree and understand that the following actions shall be addressed in the short term:

- Creation of an economic development strategic plan for Guilford County which will include recommended target industries and target companies which would likely have expansion projects in the next 1-3 years.
- Engaging national and local public relations and marketing firms to conduct a branding study for the area to build upon the collaborative work of regional economic development organizations.
- Creating a “rapid response team” of local business leaders and public officials for the purpose of hosting visiting prospects. The group will hold regular “practices” to be sure that everyone knows their role.
- Creating state of the art response materials to be utilized for information inquiries from consultants and businesses.

B. The Parties agree and understand that the following actions shall be conducted on an ongoing basis:

- Staff will make regular visits to site location consultants in Atlanta, Dallas, New York, Chicago, Greenville, SC, and other appropriate cities.
- By utilizing the target list created in the strategic plan, staff will make strategic visits to companies in order to familiarize them with Guilford County.

- Create regular e-mail updates to send to site location consultants and other parties of interest.
- Executing the branding/marketing recommendations from the study.
- Development of a software driven project tracking system that will allow quick response to projects and ensure regular follow up.

8. Operational Protocols for the PARTNERSHIP and the HPEDC. The Parties agree that one of the primary purposes of establishing the ALLIANCE is to facilitate a very collaborative working relationship between the PARTNERSHIP and the HPEDC which will allow for united economic development activities in Guilford County. Therefore, it is crucial to clearly outline the understanding and expectations for operating protocols related to joint marketing efforts, operations, and working with clients so the desired outcomes are achieved without misunderstandings and conflict.

The Parties agree and understand that the operating protocols between the PARTNERSHIP and the HPEDC shall be strictly adhered to in order to achieve the desired results of the coalition. The operating protocols shall be as follows:

- Information on all clients/prospects of the PARTNERSHIP or HPEDC shall be shared with the other organization.
- If a company, site selection consultant, or other entity brings a project to either the PARTNERSHIP or the HPEDC directly, that information will be shared with the other group.
- If the prospect is a local company considering expanding in its current jurisdiction only, the information on the possible expansion will be shared with the other economic development group.
- The Economic Development Partnership of North Carolina, and other appropriate organizations, will be asked to funnel all projects for Guilford County to the lead person for the ALLIANCE. Should that fail to happen, the organization receiving the information will share it promptly with the other group.
- HPEDC and the PARTNERSHIP will jointly work projects considering grounds of the Piedmont Triad International Airport (PTIA) and any other areas in Guilford County designated by the Leadership Group.
- The HPEDC will be the lead group for projects considering only sites in the High Point city limits and those areas on the High Point side of the annexation agreement boundaries now in effect.
- The PARTNERSHIP will be the lead group for projects considering only the remaining parts of Guilford County.
- The HPEDC and the PARTNERSHIP will jointly work projects considering both areas.
- Even though not in Guilford County, the two groups will work together on the regional effort to develop and land clients at the Greensboro-Liberty Megasite.
- Since the City of High Point lies in three other counties besides Guilford, the HPEDC will handle projects within its city limits in Randolph, Forsyth and Davidson counties, along with its counterparts in those counties and will share information on those projects with the PARTNERSHIP.

- The presidents of the PARTNERSHIP and the HPEDC will communicate at least weekly with one another and will meet in person at least every other week.
- The two presidents and the respective economic development recruiting staff members of group will meet at least every other month.
- Currently, the PARTNERSHIP and the HPEDC each conduct research for client proposals, collect data, and work with local real estate professionals to maintain a database of available buildings/sites for clients. Those functions will now be done jointly.

9. Communications and Reporting to the Parties. The Parties agree and understand that maintaining open lines of communication is vital to the success of the coalition.

A. The presidents of the HPEDC and the PARTNERSHIP will confidentially share information to the Leadership Group on all of the clients / prospects of the ALLIANCE

B. At least every six months, as a unified team, the HPEDC and PARTNERSHIP staff will jointly present to and/or meet with the Guilford County Board of Commissioners, the Greensboro City Council and the High Point City Council in a regular meeting or briefing session of each respective body.

C. The HPEDC and the PARTNERSHIP will meet with senior County and City staff on economic development matters and projects, even if sites under consideration are only in one of the two organizations' jurisdiction.

D. The two presidents will meet with small groups of the three elected bodies when appropriate as directed by the Leadership Group.

10. Budget/Finance. The Parties agree and understand that financial resources provided to the ALLIANCE shall be appropriated and administered strategically and optimally to advance economic development efforts in Guilford County.

A. The ALLIANCE will have an annual Budget of \$300,000. The COUNTY, GREENSBORO and HIGH POINT will each contribute \$100,000 annually to the ALLIANCE. The local government contributions shall be made on or before January 15th of each year.

B. The Fiscal Year for the ALLIANCE shall be based on the calendar year beginning January 1 and ending on December 31. Unexpended funds at the end of the fiscal year shall be retained by the ALLIANCE and the use of those funds shall be determined at the sole discretion of the Leadership Group in keeping with the Section **10.E.** of this Agreement.

C. The economic development president serving as the director shall be responsible for presenting a recommended budget to the Leadership Group on or before November 1st. The Leadership Group shall be responsible for adopting the annual budget at their December meeting or no later than December 31.

D. The ALLIANCE DIRECTOR shall be responsible for administering the budget and shall give a budget/financial report at each meeting of the Leadership Group.

E. The Parties agree and understand that the ALLIANCE budget funds shall be used exclusively for economic development purposes such as funding to conduct research,

consulting services related to marketing and branding, costs associated with developing and producing marketing materials, advertisements in publications, direct mail to consultants, website development and maintenance and other expenses related to the recruitment of business and industry to Guilford County, as authorized by the Leadership Group.

F. An independent audit of ALLIANCE finances shall not be required, however, at any time the COUNTY, GREENSBORO, or HIGH POINT may review the financial records of the ALLIANCE.

11. Independent Contractor. The Parties shall operate as independent contractors for all purposes and are not employees, agents, joint ventures, or partners of the other. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between any of the Parties or between their employees or agents.

12. Indemnification. The Parties agree to each be solely responsible for their own acts or omissions in the performance of each of their individual duties hereunder, and shall be financially and legally responsible for all liabilities, costs, damages, expenses and attorney fees resulting from, or attributable to any and all of their individual acts or omissions to the extent allowable by law.

13. Notices. All notices pursuant to this Agreement shall be in writing and delivered personally or mailed by certified mail, registered mail, postage prepaid, with return receipt requested, at the addresses appearing below, but each Party may change such address by written notice in accordance with this paragraph. Notices delivered personally will be deemed communicated as of actual receipt. Mailed notices will be deemed communicated as of three (3) days after mailing.

Marty K. Lawing, Guilford County Manager
GUILFORD COUNTY
P.O. Box 3427 (zip code 27402)
301 West Market Street
Greensboro, NC 27401

Jim Westmoreland, City Manager
CITY OF GREENSBORO
P.O. Box 3136
300 West Washington Street
Greensboro, NC 27401

Loren Hill, President
HIGH POINT ECONOMIC DEVELOPMENT
CORPORATION
P.O. Box 3136
211 South Hamilton Street, Suite 200
High Point, NC 27261

Greg Demko, City Manager
CITY OF HIGH POINT
P.O. Box 230
211 South Hamilton Street
High Point, NC 27261

Brent Christensen, President & CEO
GREENSBORO PARTNERSHIP
342 North Elm Street
Greensboro, NC 27401

14. Responsibilities and Commitments of the Parties. The PARTIES agree and understand that all five organizations have a significant role in the success of the ALLIANCE. There shall be certain commitments and responsibilities associated with the role of each organization in this coalition.

A. The COUNTY shall be responsible for the Chairman of the Board of Commissioners and the County Manager to attend all meetings of the Leadership Group. The Chairman may designate another County Commissioner to attend a meeting if he or she is unable to attend. The County Manager may also designate another management staff member to attend a meeting if he or she is unable to attend. The COUNTY shall contribute \$100,000 annually to the ALLIANCE.

B. GREENSBORO shall be responsible for the Mayor and the City Manager to attend all meetings of the Leadership Group. The Mayor may designate another member of the City Council to attend a meeting if he or she is unable to attend. The City Manager may also designate another management staff member to attend a meeting if he or she is unable to attend. GREENSBORO shall contribute \$100,000 annually to the ALLIANCE.

C. HIGH POINT shall be responsible for the Mayor and the City Manager to attend all meetings of the Leadership Group. The Mayor may designate another member of the City Council to attend a meeting if he or she is unable to attend. The City Manager may also designate another management staff member to attend a meeting if he or she is unable to attend. HIGH POINT shall contribute \$100,000 annually to the ALLIANCE.

D. The HPEDC shall be responsible for the Chairman of the Board and the President to attend all meetings of the Leadership Group. The Chairman may designate another HPEDC officer to attend a meeting if he or she is unable to attend. The HPEDC Board Chairman will serve as the Chairman of the Leadership Group in even-numbered years and shall appoint five (5) members to the Business Advisory Council. The HPEDC board and staff agree to work proactively and collaboratively with the PARTNERSHIP to recruit business and industry to Guilford County.

E. The PARTNERSHIP shall be responsible for the Chairman of the Board and the President to attend all meetings of the Leadership Group. The Chairman may designate another PARTNERSHIP officer to attend a meeting if he or she is unable to attend. The PARTNERSHIP Board Chairman will serve as the Chairman of the Leadership Group in odd-numbered years and shall appoint five (5) members to the Business Advisory Council. The PARTNERSHIP board and staff agree to work proactively and collaboratively with the HPEDC to recruit business and industry to Guilford County.

15. Entire Agreement. This Agreement shall be binding upon all of the Parties hereto. This instrument embodies the entire Agreement of the Parties. There are no promises, terms, conditions, or obligations other than those contained herein, and this Agreement shall supersede all previous communications, representations or agreements regarding this subject matter, either verbal or written, between the Parties hereto.

16. Term. This Agreement shall be effective as of January 1, 2016, and shall continue until December 31, 2017, with the option for automatic one (1) year renewals, until such time as being amended or terminated by the Parties. The terms of this Agreement are subject to be

reviewed on as frequent a basis as desired, to ensure that the Agreement remains in concurrence with the needs and requirements of the Parties.

17. Termination. The Parties agree that, during the term of this Agreement, it shall remain in full force and effect, subject to the annual budget process and budget revisions, provided that any Party shall have the right, at any time and without penalty, to terminate their interest in this Agreement by giving the other Parties ninety (90) days written notice. If notice is so given, this Agreement will partially or wholly terminate upon expiration of the ninety (90) days, and liability of the Parties hereunder for the further performance of the terms of the Agreement shall thereupon cease, but they shall not be relieved of the duty to perform their obligations up to the date of termination. If a Party terminates their interest in this Agreement, the ALLIANCE will retain the remainder of their \$100,000 contribution for the year, to be used for operating costs.

18. Appropriation. This Agreement is subject to annual appropriation of funds by the Parties, or other funding source, pursuant to N.C.G.S. Chapter §153A-13.

19. Amendment. Except as set out herein, the terms and conditions of this Agreement may only be amended, changed, modified or altered by written Agreement executed by the Parties hereto.

20. Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision thereof.

21. Jurisdiction. The Parties agree that this Agreement is subject to the jurisdiction and laws of the State of North Carolina. The Parties will comply with applicable laws, including N.C.G.S. §143-129(j) regarding E-Verify. Any controversies arising out of this Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina.

(The remainder of this page is intentionally left blank.
This Agreement continues on the following page.)

IN WITNESS WHEREOF, the Parties have set their hands and seals, all pursuant to authority duly granted, as of the day and year first above written.

ATTEST:

GUILFORD COUNTY

Clerk to the Board

Jeff Phillips, Chairman

(COUNTY SEAL)

ATTEST:

CITY OF GREENSBORO

City Clerk

Nancy Vaughan, Mayor

(CITY SEAL)

ATTEST:

CITY OF HIGH POINT

City Clerk

Bill Bencini, Mayor

(CITY SEAL)

ATTEST/WITNESS:

GREENSBORO PARTNERSHIP

Printed Name & Title:

Lee Lloyd, Chairman

(CORPORATE SEAL, if applicable)