

written accounting and documentation of all of its receipts and disbursements relating to the grant funds which are the subject of this Agreement. The City reserves the right to require a certified audit pertaining to the use of the grant funds, or may perform the audit through the use of its staff.

(4) The Grantee shall furnish to the City a copy of its audit report performed by a certified public accountant as soon as such becomes available to the Grantee.

(5) Funds will be disbursed to the Grantee, in accordance with Exhibit C, by reimbursement to the Grantee for expenses incurred in accordance with the attached budget, unless otherwise specified in the attachments. Further, should the Grantee overspend the attached budget, the City shall have no obligation to reimburse the Grantee for such expenditures.

(6) The City may suspend or terminate the payment of grant funds in whole or in part for any violation of this Agreement. Suspension or termination may be affected for the following reasons as determined by the City, but not limited to these reasons:

- (1) Improper use of grant funds;
- (2) Failure to comply with the terms and conditions of the Agreement;
- (3) Submission to the City of reports which are incorrect or incomplete in any material respect;
- (4) Uncontrollable circumstances, rendering the carrying out of this Agreement improper or infeasible.

In addition, the City may suspend or terminate payment of grant funds if the Grantee fails to make satisfactory progress toward meeting the project services which are the subject of this Agreement and the determination of whether satisfactory progress has been made shall be in the sole discretion of the City.

If for any reason the payment of grant funds is suspended or terminated, the Grantee agrees to promptly remit to the City any payments previously received by the Grantee which the City deems to have been paid and received in violation of this Agreement.

(7) Any and all alternatives in the restrictions and conditions upon the grant of the funds herein shall be subject to prior review and written approval by the City.

(8) This Agreement and the grant funds which are the subject of this Agreement are expressly non-assignable without the prior written consent and approval of the City. Additionally, this agreement or the funds herein may not be continued by a successor to the Grantee herein named or subcontracted without the prior written consent to the City.

(9) Non-expendable property purchased under this Agreement shall remain the property of the Grantee, unless the attached conditions or budget provide that such property shall become the property of the City.

(10) The attached Exhibits are:

- (1) The Budget;
- (2) The Work Program;
- (3) Purposes and/or Restrictions and Conditions; and
- (4) Report Requirements.

These exhibits are incorporated herein by reference and shall have the same force and effect as if set forth herein.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its behalf; and the Grantee has caused the same to be duly executed in its behalf as of the date first above written.



ATTEST

Renee L. Phillips (SEAL)
Renee L. Phillips, City Secretary

CITY OF WINSTON-SALEM

BY: *Lee D. Garrity*
Lee D. Garrity, City Manager

ATTEST

Penny Whiteheart (SEAL)
Penny Whiteheart, Asst. Secretary

Piedmont Triad Partnership

BY: *Donald A. Kirkman*
Donald A. Kirkman, Chairman - President

APPROVED AS TO FORM AND LEGALITY

Angela I. Carmon
Angela I. Carmon, City Attorney

THIS DOCUMENT HAS BEEN PRE-AUDITED IN ACCORDANCE WITH THE NC LOCAL GOVERNMENT BUDGET AND FISCAL CONTROL ACT

Denise C. Bell
Denise C. Bell, Chief Financial Officer
Lisa Saunders Asst.

**Piedmont Triad Partnership
EXHIBIT A: BUDGET**

Expenditures

**Budgeted
2010-2011**

Please see attached budget.

Total Expenditures

Revenues

**Budgeted
2010-2011**

Total Revenues

PIEDMONT TRIAD PARTNERSHIP
2010-2011 Budget

Revenues

Investor Funding	\$	600,000
Restd Invest. Funding-Clusters		1,400,000
Funding by Counties (formula)		134,000
Funding by Municipalities		99,303
State Funding		625,000
Restricted Fund Balance Trnsfr		6,000
Resticted Funding		-
Interest Income		12,000
Foreign Trade Zone Income		37,000
Other Income		160,500
Total Revenues		<u>3,073,803</u>

Marketing, Research & Recruitment

External Marketing & Branding		100,000
Marketing Planning & Message Development		100,000
Client Development		127,000
Marketing - Consultants and Advisors		66,000
Media Advertising		40,000
Collaterals and Communications		84,000
External Public Relations		45,000
International Marketing		42,000
Research		7,000
Subtotal-Marketing, Research & Recruitmnt		<u>511,000</u>

Clusters of Opportunity

Logistics & Distribution		118,100
Logistics & Distribution Marketing/Recruitment		66,000
Logistics & Distribution Cluster Development		52,100
Furnishings		235,000
Furnishings Marketing/Recruitment		210,000
Furnishings Cluster Development		25,000
Nanotechnology		145,000
Nano Marketing/Recruitment		25,000
Nano Cluster Development		120,000
Regenerative Medicine		400,000
Regen. Med Marketing/Recruitment		400,000
Regen. Med. Cluster Development		-
Other Cluster Expenditures		190,000
Other Cluster Expenditures		50,000
Allocated Administration		140,000
Subtotal Clusters of Opportunity		<u>1,088,100</u>

PIEDMONT TRIAD PARTNERSHIP
2010-2011 Budget

Foreign Trade Zone	11,000
ED Fund	<u>50,000</u>
Statewide Regional Applications & Promotion	
Regional Programming	5,500
Statewide Programming	21,500
Ally Development	16,500
Subtotal-Statewide Regional Apps. & Promo	<u>43,500</u>
Piedmont Triad Community Development	
Film Industry (Recruitment)	10,000
Regional Initiatives	10,000
Internal Public Relations	47,000
Investor Relations	30,000
Subtotal-Piedmont Triad Community Develop	<u>97,000</u>
Personnel Expenses	
Payroll Expense	1,129,802
Payroll Tax Expense	78,064
Employee Benefits	233,841
PTP Temp Labor Expense	3,000
Subtotal-Personnel Expenses	<u>1,444,707</u>
Administration Expenses	
General Travel Expenses	800
Meetings-Refreshments	6,000
Prsnl.Dvlpmnt, Cnfrncs, Mmbrshp	29,000
Rent Expense	63,750
Utilities/Janitorial/Maintenan	750
Professional Contract Services	30,000
Insurance	8,500
Bank Charges	500
Telephone /FAX	11,000
Internet Access	1,500
Copier	15,000
Technology Supplies/Support	25,000
Postage/Delivery/Meter	4,000
Office Supplies	17,000
Subscriptions	2,000
Stationary/Printing Expns	2,500
Benevolent Fund	500
Administration Allocated to Clusters	(140,000)
Capital Expenditures	14,500
Subtotal - Administration Expenses	<u>92,300</u>
Total Expenses	<u>3,337,607</u>
Net Income (Loss)	<u>(263,804)</u>

Piedmont Triad Partnership
EXHIBIT B: WORK PROGRAM

Please see Attached Activity Information

Raise awareness of the Piedmont Triad with third party advisors to business. Ensure that these parties contact the PTP when they need information on the region relating to a business expansion or relocation.

Primary Targets:

- Site Location Consultants and National Brokers
- NC Department of Commerce Business & Industry Division
- NC International Trade Representatives
- International Trade Representatives in Southeast US
- North Carolina Biotechnology Center
- North Carolina Logistics Task Force
- NC Aerospace Roundtable

Tactics:

- Visits/Briefings in their Offices
- Special Hospitality Events in their Cities
- Networking/Hospitality at Industry events
- Invitations to visit the Piedmont Triad
- Periodic Communications
 - Holiday Gift
 - "E-blast" of timely news
 - Quarterly E-news "Pacesetter"
- Provide outstanding research and community support for their clients considering the Piedmont Triad Region

Identify companies outside this region that will make a decision on a new investment, relocation, or expansion in the next three years. Ensure that these companies consider the Piedmont Triad Region for their operation.

Primary Targets:

- Medical Technology Companies
- Logistics/Distribution
- "Advanced Manufacturing"
- Aviation/Aerospace
- Food Processing

Piedmont Triad Partnership

Tactics:

- Prospecting and meetings at Industry Trade Shows
- Seminars/Hospitality events at Industry Events
- Advertising in Targeted Industry Media
- Medical Technology Emphasis/support through BioEmerge Partners
- www.piedmonttriadnc.com
- Direct Calls in their offices
- Contract Research
- Periodic Communications with Leads
- Cultivation of local industry leaders in target industries

Maintain a presence on the web (www.piedmonttriadnc.com) that provides comprehensive, accurate, timely data for the Piedmont Triad Region associated with business relocation decisions.

- Weekly updates, additions
- Web-based communications
- Periodic structural/design revisions
- Administer www.ncsitesearch.com for the Piedmont Triad Region
- Dynamic Report Generation of Local and Regional Data

Leveraging the North Carolina Brand, raise awareness of the Piedmont Triad in Europe and Asia with companies that may consider expansion into the US, and with third party advisors

- Direct Calls in their offices
- Prospecting/Meetings at Industry Trade Shows
- Participate in NCDOC Sponsored Missions
- Seminars/Hospitality/Meetings at Industry Events
- Periodic Communications
- Strong relationships with NC DOC Staff "on the ground"
- Media and Online Advertising

Raise awareness of the Piedmont Triad as a positive location for business.

- Editorial Media Placement Program
- Special Research/Public Relations Projects (Boyd Study)
- Logistics-Centered electronic medium campaign
- Spring Media Event around Aviation/Logistics

Piedmont Triad Partnership

Produce collateral marketing materials that communicate the key messages of the Piedmont Triad, with comprehensive and targeted content

- Piedmont Triad Business Magazine
- Targeted Industry Brochures
- "General Brochure"
- Customizable Client Response/Proposal
- Postcard response series
- e-News, Pacesetter
- PowerPoint Template
- Marketing Specialties
- Social Media and Online Media

Assist state and local economic developers with research and community information in support of their own active projects

- Databases of Piedmont Triad Companies
- Site-based demographic reports
- Knowledgeable marketing and research staff
- Appropriate collateral materials
- Assist with community visits/briefings/hosting
- Asset Map for Talent and Real Estate

Piedmont Triad Partnership

EXHIBIT C: RESTRICTIONS AND CONDITIONS

1. Funds paid in accordance with this contract are to be used to finance the general operations of the Grantee.
2. City funds shall not be used to pay for private club memberships.

Piedmont Triad Partnership
EXHIBIT D: REPORT REQUIREMENTS

1. The Grantee will submit semi-annual financial reports, detailing the expenditures and revenues of its operation to the City.

5. The Grantee will submit a copy of its fiscal year 2009-2010 Return of Organization Exempt from Income Tax (IRS Form 990).

3. The Grantee will submit an audited financial report concerning all funds expended and received at the end of the fiscal year.

4. The Grantee will submit semi-annual narrative reports of the activities performed by the grantee in accomplishing its fiscal year 2010-2011 Work Program.