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UPDATED FACT SHEET FROM THE CITY OF GLENDALE REGARDING NHL COYOTES

Due to the complexity of the lease agreement between Glendale and potential Coyotes owner, Matthew Hulsizer, the city is updating its fact sheet to ensure the main deal points are as succinct as possible.

FACT SHEET

Financial Highlights:

City secures a long-term commitment from a major league sports franchise, the National Hockey League (NHL) Coyotes, retains professional arena management and avoids financial losses of more than \$500 million.

Parking Rights

- Glendale will purchase the right to charge for parking from the demand created by the new arena manager and the Coyotes. The fee associated with this demand will generate more than \$200 million over the term of the agreement.
- The new parking revenue will be generated year-round at every event at the arena, not just Coyotes games.
- The city is expected to sell long-term bonds to finance the purchase cost and these bonds will be paid from newly implemented parking user fees that are consistent with every other major arena facility in the country.
- Glendale has a very long track record of successful, conservative debt management, as demonstrated by the city's strong bond rating, and the issuance of bonds related to this transaction will be consistent with the management philosophy.

Operation and Management of Jobing.com Arena

- The agreement assures independent, professional facility management for the arena with a very high-level of operations and services. The new arena manager will work with the city to continue the establishment of the arena's role as a premier venue for a variety of popular events.
- As the owners of the arena, Glendale has the responsibility to maintain the arena, incur the costs of day-to-day repair and maintenance, and incur the other expenses associated with its ownership. The agreement with the new arena manager caps the city's expense obligations while assuring professional management services remain in place.
- Management fees paid to the arena manager will initially reflect operating expenses and the intensive management effort required to continue the arena's stature within the venue market. After the initial period, the



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management fee reflects operating costs—costs that the city would incur directly without a major league team as a primary tenant—and offers the potential to reduce those expenses to the city.

- The city has a variety of potential financial sources to pay the yearly arena cost including: parking revenues, arena sales taxes and arena ticket surcharges.

Annual Rent Collected from Owner

- The city will receive annual rent from the arena manager.
- The city will collect taxes, fees, expenses, and surcharges that are projected to be approximately \$8 million a year.

Regional Impact

- The Jobing.com Arena and the Coyotes were the impetus for the creation of Glendale's Sports and Entertainment District, including the University of Phoenix Stadium, Camelback Ranch-Glendale, Westgate City Center and all of the surrounding amenities.
- Those amenities enabled Glendale to host a Super Bowl, annual Fiesta Bowls, a BCS championship game and other similar events such as WrestleMania. In 2008, the economic impact of the Super Bowl was more than \$500 million and other large scale events bring a very substantial financial benefit to the region, including, for example, \$420 million is projected for the 2011 Fiesta Bowl and BCS Championship Series game, and \$45 million from the 2010 WrestleMania event.
- The Coyotes and Jobing.com Arena have been economic catalysts that have brought visitors from around the world to area hotels, restaurants and shopping centers.

Regional Economic Impact of the Coyotes and Jobing.com Arena

- During the last 1½ years, Glendale has faced two choices. The city could work to keep the Coyotes as the primary tenant in the arena built for their occupancy. Or, the city could allow the team to move and the city would suffer the loss of significant financial benefits, as much as \$500 million, and forego the substantial community benefits that are enjoyed because the Coyotes make their home in Glendale.
- The new approved agreements assure that the city continues to benefit from the Coyotes remaining in Glendale. The restaurants, retail outlets and hotels surrounding the city-owned arena will continue to service Glendale citizens and the hundreds of thousands of visitors that come to the Sports and Entertainment District each year.
- The new agreements also position Glendale to host the NHL All Star Game in 2013; providing a potential economic impact of \$10 to \$30 million.
- The new agreement provides tremendous national and international exposure, which is a key asset to the business community and serves to attract and retain businesses, employment opportunities, and visitors. It also attracts and serves those residents who consider sports in a community a quality of life factor and provide financial benefits to all residents of the city and the surrounding communities.

Glendale has worked to protect its investment in the Sports and Entertainment District and bring a resolution to the Coyotes situation which began 1 ½ years ago when the team's owner unexpectedly filed for bankruptcy. Glendale believes a long-term commitment to the community is critical to the economic viability of the entire region.