

2007 STATE OF THE CITY BUSINESS ADDRESS
MAYOR ELAINE SCRUGGS

Good afternoon, and thank you for being here. It is my extreme pleasure to present Glendale's 2007 State of the Business Community Address.

And please let me begin by saying, Glendale is doing incredibly well. Unlike other cities in the nation, Glendale isn't just getting older – it's getting better.

Over the past decade our population has increased by 48 percent, making us one of the fastest-growing cities in the United States – so we have grown bigger.

Our higher education institutions, including Arizona State University at the West Campus, the Thunderbird School of Global Management, Midwestern University, and Glendale Community College are all expanding – so we're getting smarter.

And I would like to take a moment here to congratulate Thunderbird, which recently was ranked the number one international business school in the nation by US News and World Report and the Wall Street Journal.

Our medical facilities have also been undergoing major physical improvements including a \$198 million expansion of Banner Thunderbird Hospital and a 174,000 square ft expansion of Arrowhead Hospital.

Major sports and entertainment venues have been built. Glendale is now home to 4 professional sports --- The Arizona Cardinals, The Phoenix Coyotes, The Arizona Sting, and the AVP Pro Beach Volleyball Tour.

In addition, our Jobing.com Arena has brought in world-class entertainment such as U2, Paul McCartney, Prince, and the Rolling Stones. The Rolling Stones were so impressed by Glendale they came back one year later – something they seldom do on their tours. Their second appearance was in the University of Phoenix Stadium in November 2006. So all of this says we've become more athletic and more entertaining.

Throughout our entire city we've added new businesses, stores, and restaurants; we've added thousands of new jobs – making us more productive.

Over the last decade, we've nearly doubled our per capita income while the value of our homes has increased by 50% – all of which makes us wealthier.

We've improved traffic management in and around the city, including an underpass on Grand Avenue that doubles the travel capacity of that critical corridor – so we're moving faster.

And we've made substantial investments in the renovation of both our downtown and our residential neighborhoods – so we're also more charming and beautiful than ever.

Bottom line: Every one in Glendale, all of us here, is getting smarter, healthier, wealthier and better looking. And that makes Glendale a pretty wonderful place to live, work, and play, wouldn't you agree?

And boy, did we play this year! When we said Glendale's Got Game, we weren't kidding!

Our sports, entertainment and retail Mecca is now a reality along Loop 101. It is increasing Glendale's economic power and making us a destination city. In fact, our Glendale Visitor's Center has already seen a 75% increase in calls this season from tourists who want to come to our city.

In August of last year the University of Phoenix Stadium was opened and the Arizona Cardinals began their first season in their new home. With its 64,000 seats, retractable roof, and retractable grass playing field, the stadium was recognized by Business Week as one of the Top 10 sporting structures in the world. And it's the only building in the United States to make that list.

In the past 6 months, we have welcomed the Arizona Cardinals, the NFL and Monday Night Football, the Fiesta Bowl and The BCS National Championship. It was great to show the rest of the country that when it comes to a good time, Glendale has no competition! As the victorious Boise State team said at the end of their unforgettable performance in the January 1st Fiesta Bowl game – "we didn't come to tie – we came to win" -- And that is the same attitude we have in Glendale.

And who are the real winners? The residents and businesses in Glendale. They continue to live in and prosper in a city with a great quality of life and they have the opportunity to enjoy the best sports and entertainment you can find in the country – right in their own backyard! Now that's something to cheer about!

As you know, adjacent to our Arena and a parking lot away from the Stadium is the magnificent Westgate City Center, which opened Phase One this past fall.

When completed, this \$1 billion complex will include 6 and a half million square feet of retail, office and residential space. Westgate is also home to a 320-room Renaissance hotel and Spa, and three spectacular city-owned facilities: an 80,000 square foot convention center, a 30,000 square foot expo hall and a 900-space parking structure to accommodate the hotel guests and those attending events in this spectacular complex.

Our Expo Hall building also houses the city of Glendale's state-of-the-art Media Center which was built to accommodate the local, national, and international media, and to host players, officials and VIP's for press conferences, announcements and interviews. As an example, the Press Conference announcing the Super Bowl logo, theme, and mascot was held in the Glendale Media Center on Tuesday.

The Center provides the media with live shot and stand-up locations with fantastic panoramic views of our Sports & Entertainment District. We opened our Media Center just in time to be used extensively by the national media during the Fiesta Bowl and the BCS National

Championship games. Those stunning views of the Stadium at night and the adjacent Westgate City Center were shot from our Glendale Media Center.

Announcements in 2006 that Fox Sports Grill selected Glendale's Westgate City Center as the site for its second Valley restaurant, and that Jimmy Buffett's Margaritaville Café will make Westgate the home of its 6th location in the United States help assure that all roads will not only lead to Glendale, they will lead to Westgate City Center in Glendale.

Just North of Glendale Avenue between 91st and 95th Avenues construction is fast-paced in Zanjero, a 150-acre mixed use project that is planned to include mid-rise residential towers and loft condominiums, several hotels, more than 200,000 square feet of office space, and more than a half million square feet of retail development.

This past year also marked the grand opening of Cabela's – the world's foremost outfitter of hunting, fishing, camping and outdoor gear. Cabela's location in Zanjero has been a major Glendale attraction in itself. Projections are that by next summer 4 million people will have shopped at Cabela's with more than 30 percent visiting from neighboring states. When these outdoor enthusiasts aren't stocking up on the latest and greatest gear, they are projected to spend more than \$20 million a year on services such as food, lodging and entertainment.

The redevelopment of our downtown Glendale remains one of our top priorities. Among the projects completed in 2006 is our New Civic Center Annex and Downtown Pedestrian Plaza. We are now adding another \$19 million of infrastructure and improvements, such as trees, street furniture, streetscape and lighting to welcome pedestrian visitors into our downtown area. We've already added new electrical infrastructure to make sure our lights are the brightest during our downtown signature events.

Our historic, yet urban City Center is now ready for Vanguard CityHomes' new residential project, which will include 52 townhomes just east of this building and another 20 housing units in Catlin court.

Last year, we introduced you to Paul and Teresa Seabrook who were so captivated by the charm and opportunity of our downtown that they bought an 80-year-old brick building on Glendale Avenue and opened the Gaslight Inn Bed and Breakfast. In its first year the Inn has quickly visitors who enjoy a historic setting, fine food and the soothing sounds of jazz. As Teresa will tell you, she's never had buyer's remorse!

We also launched our downtown Dining District Program this past year - which should 'feed' our downtown's much envied revitalization. Through the Dining District, we offer up to \$40,000 in rebates to new restaurant start-ups or expansions.

Several restaurants have already applied for the incentives, with Michelle and Gerald's Southern Cuisine the first to receive the funding and open their restaurant in Catlin Court. Residents and visitors alike are excited to see new downtown eateries and welcome them to join the other 20 restaurants in the heart of our city.

Of course, after you eat – there must be time for shopping! Nearly 1 million visitors come to our Downtown every year to do just that . Both USA Today and Sunset Magazine have recognized Downtown Glendale as one of the country’s best areas to shop for antiques and collectibles.

With all of this activity, you might ask – where is everyone going to park? Last year I told you we would be building a new parking structure and I am happy to report our city council did approve that project in 2006. Construction will start next month on a 600-space garage just north of the city-owned Bank of America building, which is a half block west of here. The structure will also have 11,000 square feet of ground floor retail to compliment the pedestrian character of the area.

Finally, continuing to make news are downtown Glendale’s many renowned festivals – recognized as top special events for people of all ages – Glendale Glitters, Glitter and Glow, the Chocolate Affair, the Jazz and Blues Festival – all very special events with a hometown feel that say “This is Glendale”!

Glendale’s northern region has also seen growth and change during the past year. Triple A has moved its Operations Center to the Bell road Corridor and will grow to 1,200 new jobs. We welcome them as corporate partners bringing quality employment to our city and providing significant financial investment in Talavi business park.

The Bell Road Corridor and Arrowhead Towne Center continue to be incredible retail hot spots. I’m certain that if you want to buy anything – you can find it on Bell Road. And just when it seems that the area is nearly built out – new development takes place. Mammoth properties just completed a new, 4 story, class-A 79,000 square foot office building west of Arrowhead Towne Center and new shopping and employment areas are opening routinely.

But it is not just about Bell Road. Glendale is reaping the benefit of local development firms bringing their vision and commercial expertise to our northern area. Il Palazzo, Corte Freccia and The Citadelle, are beautiful mixed used developments, which together total more than 150,000 sq ft and offer impressive architecture, quality retail and restaurants and state of the art office space. These projects by P. J. Stephens further enhance the desirability of Arrowhead Ranch, which was created by P. J.’s father 25 years ago. Arrowhead Ranch is Glendale’s first master-planned community and it opened up economic development opportunities that our city had not had previously. It is gratifying to see this premier location is getting better all the time ---- only now called “in fill projects”.

In 2006 we proudly joined Midwestern University in celebrating the 10th anniversary of their north Glendale campus. Midwestern is the largest medical university in Arizona, and has graduated close to 2,200 physicians in the last 10 years. Last year, Midwestern earmarked another \$140 million toward new programs including a new Dental School.

And I would like to take a moment to congratulate the President of Midwestern University, Dr. Kathleen Goepfinger, on being elected to serve as Chairman of the Board of the Greater Phoenix Economic Council. As we all know, GPEC does great work in bringing quality economic development projects to the valley.

In 2006, the Thunderbird School of Global Management made great strides to secure their future in Glendale. In December the City Council approved a Major General Plan Amendment that will allow Thunderbird to redevelop the vacant land on their campus, and also reinvest in their current facilities to ensure they remain the best international management school in the country.

For the past five years I have focused each state of the city business speech on what could be and what should be happening in Glendale given our attributes of land, transportation, and work force. Now it's time for our city's report card. Basically, did we do what we said we would do, and have we improved our city?

Over the last few years, we said we would make Glendale a destination city and we have. The economic impact of visitors to our new Sports and Entertainment District is estimated at more than \$1 billion over the next two years alone.

We said we would increase the number of jobs in our city, and we have dramatically delivered. In just five years the number of businesses in Glendale doubled. In addition many existing businesses, such as Wells Fargo and Coca Cola are expanding their operations here right now.

We said we would fix the traffic problem at 59th and Glendale Avenues, and we did. In July, the \$26 million project to install an underpass and convert Grand Avenue into a fast-moving four-lane expressway was completed. Driving on Grand Avenue is now faster, safer, more environmentally friendly and better for business.

We said we'd build a parking garage to handle the growing popularity of our downtown area, and we are doing that right now.

We recognized that achieving our city's vision for the future depended on our commitment to make the most of the opportunities for development of our western area. And there is no doubt we did make the right decisions not only for Glendale, but also for Glendale as a connection to other parts of the west valley. In a meeting in this very room last week, Elliott Pollack spoke about the west valley to hundreds of business and civic leaders. He said, "You're not only growing, but you're now the major player in the game".

We have been and we continue to be successful. But we could not do it alone.

**I want to thank our private sector partners for their confidence and investment in the city of Glendale.

**I want to thank the civic leaders for their belief in us and encouragement as they promoted our city and have led others to bring us their projects.

**I want to thank our enthusiastic residents for their pride in Glendale and for supporting us in our decisions and embracing the changes that have come.

**I want to thank my colleagues on the Glendale City Council for their courage to make the right decisions at the right times which have defined Glendale as the progressive, dynamic big city with small town values.

**I want to thank the members of the Glendale staff for their dedication to providing the best customer service possible and for putting in the many extra hours needed to fast track projects when needed. And I want to thank all of those who have kept the day-to-day services to our residents at the highest level while all of the extraordinary events have been occurring.

All of you --- our private sector partners, our civic leaders, our residents, our elected officials, and our staff --- have contributed to the successes we are **celebrating today and those that you will be hearing about in the months to come.

There's no doubt about it. Life is good in Glendale. Today, we are the 81st largest city in the United States, but we still maintain our historic beauty and charm. We're limited in our land area, but we're home to major businesses, and world-class attractions.

Today, you have heard from several of our business partners, each saying that we **are a business friendly city. And we are. As I HAVE said in past years, we are aggressive; we are committed to competing; we are willing to do everything possible to assist you to succeed.

Our business priorities for 2007 are ambitious and cover three major areas:

- generating new high quality jobs throughout our city
- continuing the redevelopment and reinvestment in our City Center and downtown areas
- and building on the tremendous synergy in our Sports and Entertainment District all the way from Northern Avenue down to Camelback Road on both sides of the Agua Fria Loop 101 Freeway.

**And, as always, we invite you to partner with us as we build Glendale's best possible future. I hope you have enjoyed our "report card" on the state of business in our community. And I hope you will join me in being proud to say, "This is Glendale!"

Thank you very much for allowing me to share Glendale's news of the past year with you. There is one piece of news that I left out, however. And that is because hearing it from my very special guest at this luncheon today will make it much **more interesting and exciting.

My special guest is the owner of the Chicago White Sox and the Chicago Bulls. Each day he has the dilemma of deciding which of his 7 championship rings he wants to wear. He is only the third owner in the history of North American sports to win a championship in two different sports. He is making more Glendale history by partnering with Frank McCourt, the owner of the Los Angeles Dodgers, in a decision to bring both teams here to be part of Cactus League Spring Training. Ladies and gentlemen, please join me in extending a warm welcome to Jerry Reinsdorf!