

GLENDALE MAYOR ELAINE SCRUGGS' STATE OF THE CITY ADDRESS

FEBRUARY 16, 2011

CITY OF GLENDALE, ARIZONA

WHEN WE LOOK OBJECTIVELY AT THE PAST YEAR WE SEE SUCCESSES THAT WERE ACHIEVED IN A TIME OF ECONOMIC ADVERSITY FOR BUSINESS, GOVERNMENT AND EVERYONE IN THIS ROOM.

19 COMPANIES MOVED IN TO GLENDALE AND 3 EXPANDED THEIR OPERATIONS IN OUR CITY DURING THE PAST YEAR. THESE ACTIONS RESULTED IN 1,776 NEW JOBS BEING CREATED IN OUR COMMUNITY.

THESE CORPORATE LOCATES AND EXPANSIONS FILLED MORE THAN 1.4 MILLION SQUARE FEET OF EXISTING INDUSTRIAL AND OFFICE SPACE.

HUMANA IS ONE OF THE COMPANIES NOW CALLING GLENDALE HOME. HUMANA RELOCATED THEIR OFFICES INTO A NEW THREE-STORY OFFICE BUILDING THAT HAD BEEN VACANT MOST OF THE PREVIOUS TWO YEARS DUE TO THE RECESSION. IN ADDITION TO THE 300 JOBS HUMANA MOVED FROM TEMPE TO GLENDALE, THEY HAVE PLANS TO ADD 150 MORE EMPLOYEES THIS YEAR.

WE ARE EXTREMELY PLEASED AND PROUD THAT HUMANA --- WHICH IS A FORTUNE 100 COMPANY --- HAS INVESTED IN OUR COMMUNITY.

WE WERE ALSO EXTREMELY PLEASED TO WELCOME De VRY UNIVERSITY TO GLENDALE LAST YEAR. IN A UNIQUE BUSINESS STRATEGY, DeVRY LOCATED IN 18,000 SQUARE FEET OF OFFICE/RETAIL SPACE IN WESTGATE. THEY CAN SERVE 500 STUDENTS AT THIS LOCATION.

BASED ON THE FACT THAT 96 OF THE FORTUNE 100 COMPANIES CURRENTLY EMPLOY DeVRY GRADUATES, WE FEEL SURE THEIR PRESENCE WILL BE YET ANOTHER GLENDALE AMENITY.

WE APPRECIATE DeVRY'S INVESTMENT IN THE CITY OF GLENDALE.

LAST YEAR, THE WATEROUS COMPANY CONSOLIDATED ITS ARIZONA OPERATIONS INTO A 51,000 SQUARE FOOT INDUSTRIAL BUILDING IN GLENDALE. WATEROUS IS ONE OF THE WORLD'S LEADING

MOBILE FIREFIGHTING EQUIPMENT MANUFACTURERS. IN ADDITION TO 32 NEW JOBS, GLENDALE WILL REALIZE MORE THAN \$700,000 IN DIRECT REVENUE OVER 10 YEARS.

EXPANSION OF BUSINESSES ALREADY DOING BUSINESS IN GLENDALE IS JUST AS IMPORTANT TO OUR ECONOMIC VITALITY AS BRINGING IN NEW BUSINESSES. I WOULD LIKE TO RECOGNIZE TWO OF THOSE THAT CONTINUE TO GROW IN SIZE AND SERVICE TO OUR COMMUNITY.

2010 MARKED THE COMPLETION OF BANNER THUNDERBIRD MEDICAL CENTER'S \$290 MILLION PROJECT THAT ADDED 200 IN-PATIENT BEDS, A NEW EMERGENCY DEPARTMENT FOR ADULTS, AN EMERGENCY ROOM JUST FOR CHILDREN, A HEART AND VASCULAR CENTER, A NEW SURGICAL AREA, – AND -- THE WEST VALLEY'S FIRST PEDIATRIC INTENSIVE CARE UNIT .

BANNER THUNDERBIRD NOW EMPLOYS MORE THAN 3,000 PEOPLE – MAKING IT OUR CITY'S LARGEST PRIVATE EMPLOYER.

WE THANK THE BANNER HEALTH SYSTEM FOR THEIR CONTINUED INVESTMENT IN THE CITY OF GLENDALE.

IN 2010 MIDWESTERN UNIVERSITY CONTINUED CAMPUS EXPANSIONS AS THEY CELEBRATED THEIR 15-YEAR ANNIVERSARY IN GLENDALE. FROM 144 STUDENTS IN THEIR FIRST MEDICAL CLASS IN 1996, MIDWESTERN IS NOW HOME TO 2,464 STUDENTS AND FIVE COLLEGES OFFERING 12 DEGREES.

MIDWESTERN HAS INVESTED MORE THAN \$300 MILLION IN GLENDALE AS IT HAS CONSTRUCTED 33 BUILDINGS TOTALLING MORE THAN ONE MILLION SQUARE FEET.

MIDWESTERN EMPLOYMENT HAS GROWN FROM 50 IN 1996 TO 560 FACULTY, STAFF AND MEDICAL RESIDENTS TODAY --- AND AN ADDITIONAL 50 JOBS ARE PLANNED FOR 2011.

MORE THAN 4,100 STUDENTS HAVE GRADUATED FROM MIDWESTERN'S GLENDALE CAMPUS IN THEIR 15 YEARS HERE AND OVER 40% OF MIDWESTERN'S STUDENTS STAY IN ARIZONA TO PRACTICE.

WE THANK MIDWESTERN UNIVERSITY FOR THEIR CONTINUED INVESTMENT ---NOT ONLY IN THE CITY OF GLENDALE BUT ALSO IN THE STATE OF ARIZONA.

THESE EXAMPLES OF QUALITY JOB GROWTH IN SUCH DIFFICULT TIMES ARE SOME OF THE SIGNS THAT OUR ECONOMY IS SHOWING INDICATIONS OF SLIGHT IMPROVEMENT. THERE IS REASON FOR CAUTIOUS OPTIMISM.

DURING THIS TIME WHILE SO MANY PROJECTS REMAIN ON HOLD WE MUST CONTINUE OUR PLANNING EFFORTS IN ORDER TO BE READY FOR NEW OPPORTUNITIES. TRANSPORTATION HAS ALWAYS BEEN AND WILL ALWAYS BE KEY TO ECONOMIC SUCCESS FOR CITIES IN THIS METROPOLITAN REGION. FOR THAT REASON I AM HAPPY TO SHARE POSITIVE NEWS ABOUT THE LONG-AWAITED NORTHERN PARKWAY.

MORE THAN A DECADE AGO GLENDALE'S TRANSPORTATION AND PLANNING STAFF DEVELOPED THE IDEA OF WIDENING NORTHERN AVENUE INTO A PARKWAY. I AM PLEASED TO REPORT THAT FEDERAL TRANSPORTATION OFFICIALS RECENTLY GAVE FINAL APPROVAL TO FUND A LARGE PORTION OF THIS \$330 MILLION PROJECT.

CONSTRUCTION WILL BEGIN SOON ON THE FIRST PHASE OF THE 12.5 MILE PARKWAY, WHICH WILL TURN NORTHERN AVENUE INTO A HIGH-CAPACITY ACCESS-CONTROLLED, SIX-LANE EXPRESSWAY RUNNING WEST TO EAST FROM LOOP 303 TO GRAND AVENUE. WE EXPECT THE FIRST FOUR MILES TO BE COMPLETED FROM LOOP 303 TO DYSART ROAD WITHIN TWO YEARS.

THIS NEW ROADWAY WILL NOT ONLY HELP COMMUTERS --- IT WILL ALSO BE A MAJOR ECONOMIC BOOST FOR OUR ENTIRE REGION.

TRANSPORTATION IS A CRITICAL ELEMENT OF EVERY CITY'S ECONOMIC PLAN FOR PROSPERITY. THERE ARE FEW BETTER EXAMPLES OF THIS THAN LOOP 101 AND THE SURROUNDING MAJOR ARTERIAL CORRIDORS WHICH HAVE PROVIDED WESTERN GLENDALE AND OTHER WEST VALLEY COMMUNITIES THE OPPORTUNITY TO FINALLY PARTICPATE IN ONE OF ARIZONA'S LARGEST INDUSTRIES --- TOURISM.

WESTGATE CITY CENTER AND THE SPORTS VENUES IN GLENDALE MOST LIKELY WOULD NOT HAVE OCCURRED WITHOUT THE EASE OF ACCESS TO THESE ATTRACTIONS.

TOURISM IS DEFINITELY A DYNAMIC BUSINESS SECTOR IN GLENDALE TODAY.

THE MOST RECENT MEGA TOURIST EVENT HELD IN OUR CITY WAS COLLEGE FOOTBALL'S NATIONAL CHAMPIONSHIP GAME BETWEEN THE #1 AUBURN TIGERS AND THE #2 OREGON DUCKS.

78,603 ATTENDED THE GAME IN GLENDALE. THAT WAS A NEW STADIUM RECORD. TENS OF THOUSANDS MORE WERE IN RESTAURANTS IN AND AROUND WESTGATE. GLENDALE HOTELS OPERATED AT 100% OCCUPANCY.

IN THE WEEK-AND-A-HALF LEADING UP TO THE GAME, OUR GLENDALE'S GOT GAME WEBSITE HAD ALMOST 400,000 VISITORS.

THE GAME WAS CARRIED ON ESPN AND WAS WATCHED BY 27,316,000 VIEWERS --- MORE THAN ANY PROGRAM IN THE HISTORY OF CABLE TELEVISION.

THROUGHOUT THE GAME AS WELL AS THE WEEKS LEADING UP TO IT AND SEVERAL DAYS AFTER IT, THE NAME GLENDALE ARIZONA WAS BEING SAID AND READ ABOUT AND HEARD THROUGHOUT THE UNITED STATES.

NAME IDENTITY ... BRANDING ... SEPARATING YOURSELF FROM THE PACK ... IT'S VERY EXPENSIVE AND VERY DIFFICULT TO ESTABLISH.

YOUR BUSINESS, YOUR STORE, YOUR LAND AND YOUR INVESTMENT IS IN GLENDALE, ARIZONA.

GLENDALE IS HELPING TO ACHIEVE THAT DISTINCTION AND COMPETITIVE EDGE FOR YOU IN OUR BUSINESS COMMUNITY AS WELL AS FOR OUR CITY. ALL YOU HAVE TO DO IS FIGURE OUT HOW TO LEVERAGE OUR EFFORTS INTO GREATER SUCCESS FOR YOUR ORGANIZATIONS.

THE POSITIVE IMPACT FROM EVENTS IN OUR SPORTS AND ENTERTAINMENT DISTRICT REACH BEYOND OUR WESTERN AREA.

ONE EXAMPLE IS OUR GLITTER AND GLOW EVENT HELD THE SATURDAY BEFORE THE NATIONAL CHAMPIONSHIP GAME. A CROWD OF 100,000 PEOPLE ARRIVED IN DOWNTOWN GLENDALE TO ATTEND OUR ANNUAL BLOCK PARTY. THEY WERE HERE FROM ALL OVER THE UNITED STATES; THEY WERE HAPPY; AND THEY WERE SPENDING MONEY FREELY.

MANY DOWNTOWN MERCHANTS REPORTED RECORD SALES --- MEANING RECORD SALES IN THE HISTORY OF THEIR BUSINESSES IN OLD TOWNE AND CATLIN COURT.

BUT WE ARE NOT RELYING ON THE LAST BIG GAME THAT CAME TO TOWN. WE ARE CONTINUALLY LOOKING FOR WAYS TO KEEP GLENDALE GOING FORWARD.

TRANSFORMING OUR 10-YEAR-OLD GLENDALE VISITORS CENTER INTO A STATE-SANCTIONED CONVENTION AND VISITORS BUREAU LAST YEAR IS ONE OF THE WAYS WE ARE MORE AGGRESSIVELY MARKETING GLENDALE AND OTHER WEST VALLEY HOT SPOTS.

IT IS ESTIMATED THAT 32 MILLION TRAVELERS VISIT THE WEST VALLEY EACH YEAR TO ATTEND PROFESSIONAL AND COLLEGE FOOTBALL, HOCKEY AND SPRING TRAINING GAMES, NASCAR, TENNIS TOURNAMENTS, CONCERTS, PERFORMING ARTS, SIGNATURE SPECIAL EVENTS, CONFERENCES, TRADESHOWS AND OTHER RELATED EVENTS AND ACTIVITIES.

THE GLENDALE CVB ALLOWS THE ENTIRE WEST VALLEY TO COMPETE IN THE NATIONAL AND INTERNATIONAL TOURISM MARKETPLACE AND PROMOTE OUR PREMIERE DESTINATIONS TO AN EVEN WIDER AND MORE DIVERSE AUDIENCE.

WE ARE VERY PLEASED TO HAVE TWO WEST VALLEY CITIES AS MEMBERS OF THE FIRST CVB WEST OF I-17. THE CITY OF SURPRISE AND ITS SURPRISE RECREATION CAMPUS FEATURING THEIR BEAUTIFUL TENNIS COMPLEX, SPRING TRAINING FACILITY, AND OTHER AMENITIES IS NOW A MEMBER. AND THE CITY OF PEORIA AND ITS VERY POPULAR PEORIA SPORTS COMPLEX HAS JOINED TO TAKE ADVANTAGE OF THIS EXTRA WAY TO INCREASE TOURISM REVENUE.

IF YOU SEE HOW YOUR BUSINESS CAN BENEFIT AS A MEMBER OF THE GLENDALE CVB, YOU CAN EASILY GET INFORMATION ON OUR VISITGLENDALE.COM WEBSITE. WE WILL LOOK FORWARD TO HEARING FROM YOU.

AS WE BEGIN THIS NEW YEAR, OUR ECONOMIC DEVELOPMENT PRIORITIES CONTINUE TO FOCUS ON THE GLENDALE CENTERLINE PROJECT WHICH WE LAUNCHED IN 2008. THE GOAL OF THIS PROJECT IS TO

CREATE A REDEVELOPMENT STRATEGY FOR THE GLENDALE AVENUE CORRIDOR FROM 43RD TO 67TH AVENUES BETWEEN OCOTILLO ROAD AND MYRTLE AVENUE.

INITIATIVES WILL BE DIRECTED AT EFFORTS TO ENHANCE AND EXPAND LOCAL BUSINESSES, CREATE HOUSING OPTIONS AND IMPROVE PUBLIC INFRASTRUCTURE. THE GLENDALE CENTERLINE OVERLAY DISTRICT WHICH PROVIDES NEW STRATEGIES TO ACHIEVE THOSE GOALS WILL BE PRESENTED TO THE CITY COUNCIL FOR CONSIDERATION IN LATE MARCH.

ALTHOUGH THE ECONOMY HAS KEPT CENTERLINE FROM PROGRESSING AS RAPIDLY AS WE HOPED, THERE IS RECENT GOOD NEWS.

SOUTHWEST AMBULANCE MOVED ITS WEST VALLEY HEADQUARTERS INTO A VACANT 18,000 SQUARE FOOT BUILDING AT 52ND AND GLENDALE AVENUES. CURRENTLY 60 EMPLOYEES ARE WORKING OUT OF THAT FACILITY AND BRINGING NEW COMMERCIAL ACTIVITY TO OUR DOWNTOWN BUSINESSES.

SOUTHWEST AMBULANCE HAS ALSO RECENTLY ENTERED INTO AN AGREEMENT TO MOVE INTO THE PROMENADE AT PALMAIRE, WHICH IS JUST WEST OF THIS BUILDING.

SOUTHWEST AMBULANCE WILL FILL THE REMAINING VACANT SPACE AT THE PROMENADE WITH THEIR 24-HOUR DISPATCH CENTER. THEIR 70 EMPLOYEES WILL GENERATE NEW SPENDING AT DOWNTOWN BUSINESSES.

WE THANK SOUTHWEST AMBULANCE FOR LOCATING TWO VITAL COMPONENTS OF THEIR BUSINESS ALONG OUR CENTERLINE CORRIDOR AND FOR PLACING THEIR CONFIDENCE AND TRUST IN THE VISION WE HAVE CREATED FOR THE AREA.

MORE GOOD NEWS FOR OUR DOWNTOWN IS THAT THIS CITY-OWNED CIVIC CENTER BROKE ALL ATTENDANCE RECORDS THIS PAST YEAR --- HOSTING MORE THAN 70,000 GUESTS IN 2010. ONCE AGAIN, OUR CIVIC CENTER WAS NAMED ONE OF THE BEST VENUES IN THE STATE FOR MEETINGS, EVENTS, WEDDINGS AND CONFERENCES IN THE "RANKING ARIZONA" COMPETITION SPONSORED BY THE PHOENIX BUSINESS JOURNAL.

THIS MAKES THE FOURTH YEAR WE'VE BEEN RANKED AMONG THE TOP FIVE CONFERENCE FACILITIES IN THE STATE.

I WANTED TO LEAD OFF MY REMARKS TODAY WITH INFORMATION ABOUT GOOD AND POSITIVE BUSINESS ACTIVITIES THAT HAVE COME TO GLENDALE IN THE PAST YEAR. I THINK ALL OF US ARE PRETTY TIRED OF HEARING CONSTANT NEGATIVE STORES. AT THE SAME TIME WE CAN'T IGNORE THE ECONOMIC REALITIES THAT HAVE BUILT OVER THE PAST FEW YEARS.

ALTHOUGH WE HAVE REASON TO THINK WE HAVE WEATHERED THE WORST OF THE RECESSION, THE FACT REMAINS THAT OUR CURRENT REVENUES REMAIN AT 2005 LEVELS.

PRESIDENT ABRAHAM LINCOLN ONCE SAID, *"YOU CAN'T ESCAPE THE RESPONSIBILITY OF TOMORROW BY EVADING IT TODAY."*

I AM PROUD TO TELL YOU THAT GLENDALE CITY GOVERNMENT HAS FACED UP TO OUR RESPONSIBILITIES AND HAS BEEN TAKING CORRECTIVE ACTIONS TO MAINTAIN A BALANCED BUDGET DURING SEVERE ECONOMIC DECLINES.

OVER THE PAST THREE FISCAL YEARS WE HAVE CUT \$249 MILLION FROM OUR TOTAL CITY BUDGET. THIS 27% DECREASE WAS ACCOMPLISHED THROUGH A VARIETY OF METHODS INCLUDING A 15% REDUCTION OF BUDGETED GENERAL FUND POSITIONS FROM 1,412 DOWN TO 1,202; AN EMPLOYEE FURLOUGH PROGRAM WHICH IS THE EQUIVALENT OF A 5% PAY CUT TO EMPLOYEES; REDUCTIONS IN DEPARTMENT OPERATING BUDGETS RANGING FROM 10% TO 27%; REDUCTION OR ELIMINATION OF SERVICES FOR WHICH DEMAND HAS DIMINISHED; AND THE DELAY OR TOTAL CANCELLATION OF CAPITAL PROJECTS.

NONE OF THIS WOULD HAVE BEEN POSSIBLE WITHOUT OUR DEDICATED CITY EMPLOYEES WHO ARE RESPONSIBLE FOR DELIVERING THE HIGHEST QUALITY SERVICES AND PROVIDING EXCEPTIONAL CARE FOR ALL CITIZENS --- AND DOING IT WITH FEWER RESOURCES.

NEXT MONTH, THE CITY COUNCIL WILL BEGIN HEARING OUR MANAGEMENT TEAM'S RECOMMENDATIONS FOR GLENDALE'S FISCAL YEAR 2011-2012 BUDGET. WE HAVE BEEN TOLD TO EXPECT A NO-FRILLS, STRAIGHTFORWARD FINANCIAL PLAN.

IN ADDITION TO BUDGET ISSUES, GLENDALE IS INVOLVED IN TWO MAJOR CHALLENGES AND TODAY'S STATE OF THE CITY SPEECH WOULD NOT BE COMPLETE WITHOUT DISCUSSING THOSE.

THE FIRST ISSUE BEGAN TWO YEARS AGO LEADERS OF THE TOHONO O'ODHAM NATION INFORMED CITY AND STATE LEADERS THAT THEY WOULD BE FILING AN APPLICATION WITH THE UNITED STATES DEPARTMENT OF INTERIOR TO TAKE LAND INTO TRUST NEAR 91ST AND NORTHERN AVENUES IN GLENDALE. THEIR APPLICATION WAS TO TURN IT INTO AN INDIAN RESERVATION FOR THE PURPOSE OF DEVELOPING A CASINO ON THE SITE. THAT APPLICATION WAS FILED THE NEXT DAY, JANUARY 29, 2009.

OTHER THAN THIS LAND WITHIN THE EXTERIOR BOUNDARIES OF THE CITY OF GLENDALE, THE LANDS OF THE TOHONO O'ODHAM NATION ARE LOCATED WITHIN THE SONORAN DESERT IN SOUTH CENTRAL ARIZONA. BOUNDARIES BEGIN SOUTH OF CASA GRANDE AND ENCOMPASS PARTS OF PINAL, PIMA AND MARICOPA COUNTIES BEFORE CONTINUING SOUTH INTO MEXICO. CLOSEST TO GLENDALE IS THE NATION'S SAN LUCY DISTRICT LOCATED NEAR THE CITY OF GILA BEND.

THE GLENDALE LAND THAT THE TOHONO O'ODHAMS NOW WANT INCLUDED AS A PART OF THEIR RESERVATION IS THE ABORIGINAL LAND OF THE AKAMEL O'ODHAM PEOPLE WHO ARE NOW PART OF THE GILA RIVER INDIAN COMMUNITY. THIS IS A VERY SIGNIFICANT ISSUE FOR THEIR COMMUNITY.

THE LAND WAS PURCHASED BY THE TOHONO O'ODHAM NATION ON AUGUST 21, 2003 UNDER THE NAME RAINIER RESOURCES, INC., A DELAWARE CORPORATION WITH A SEATTLE MAILING ADDRESS. IT WAS HELD IN THIS ASSUMED NAME FOR SIX YEARS WHILE THE SURROUNDING COMMUNITY DEVELOPED, INCLUDING A HIGH SCHOOL ACROSS THE STREET. THE TRIBE NEVER MENTIONED ONE WORD ABOUT THEIR LAND OWNERSHIP NOR THEIR PLANS.

AFTER SEVERAL CONVERSATIONS AND MEETINGS BETWEEN VARIOUS CITY OFFICIALS AND THE TRIBE, THE GLENDALE CITY COUNCIL CONSIDERED LEGAL, SOCIAL AND FINANCIAL ANALYSES OF IMPACTS TO OUR CITY IF THE TOHONO O'ODHAM NATION'S APPLICATION WAS APPROVED.

ON APRIL 9, 2009 AFTER VARIOUS MEETINGS AND DISCUSSIONS ON THIS TOPIC, THE GLENDALE CITY COUNCIL APPROVED A RESOLUTION EXPRESSING THE CITY'S OPPOSITION TO THE CREATION OF AN INDIAN RESERVATION ON A PARCEL WITHIN THE GLENDALE MUNICIPAL PLANNING AREA.

I WANT TO DRAW YOUR ATTENTION TO THE WORDS, "OPPOSITION TO THE CREATION OF AN INDIAN RESERVATION."

THE TOHONO O'ODHAM INITIALLY PROPOSED A COMPLEX THAT INCLUDED A HOTEL, CONFERENCE CENTER, SPA, AND OTHER COMMERCIAL USES IN ADDITION TO A CASINO. OF ALL OF THOSE, ONLY A CASINO REQUIRES THAT THE LAND BE CONVERTED INTO AN INDIAN RESERVATION --- WHICH IS A SOVEREIGN NATION REMOVED FROM STATE AND LOCAL LAWS AND REGULATIONS THAT NON-TRIBAL BUSINESSES AND DEVELOPERS FOLLOW FOR THE HEALTH, SAFETY, AND WELFARE OF ALL OTHER RESIDENTS AND BUSINESSES.

GLENDALE REMAINS WILLING AND EAGER TO WORK WITH THE TOHONO O'ODHAM NATION ON THE DEVELOPMENT OF THEIR PROPERTY AS ALL OTHER PRIVATELY OWNED LANDS HAVE BEEN DEVELOPED -- IN COMPLIANCE WITH EXISTING LAWS AND REGULATIONS OF GLENDALE, MARICOPA COUNTY AND THE STATE OF ARIZONA. IN THAT WAY ALL OF THE JOBS BEING PROPOSED WILL COME TO FRUITION --- AND THERE WILL BE REVENUE GENERATED AND PAID TO THE JURISDICTIONS PROVIDING THE SERVICES TO THE PROJECT.

UNFORTUNATELY, THE TRIBE HAS RECENTLY REVISED THEIR PROPOSAL AND THE CASINO IS NOW THE ENTIRE FIRST PHASE OF THEIR PLAN --THE ONE ENDEAVOR THAT REQUIRES THE LAND TO BE CONVERTED INTO AN INDIAN RESERVATION. IT IS VERY IMPOORTANT TO UNDERSTAND THAT THE TOHONO O'ODHAM HAS WITHDRAWN ITS REQUEST FOR FEDERAL APPROVAL OF GAMING. ALL THEY HAVE REQUESTED IS CREATION OF A RESERVATION AND NOT APPROVAL FOR A VERY LARGE GAMING FACILITY.

THERE ARE MANY COMPLEX ISSUES RELATED TO THE SUBJECT OF GAMING ON THIS LAND OWNED BY THE TOHONO O'ODHAM NATION. FOR THAT REASON ARIZONA'S ATTORNEY GENERAL AND LEGISLATURE, ALONG WITH THE GILA RIVER INDIAN COMMUNITY, HAVE FILED LEGAL ACTIONS.

THIS IS NO LONGER JUST A GLENDALE ISSUE. IT IS A STATES' RIGHTS ISSUE. THIS WAS MADE CLEAR WHEN GOVERNOR BREWER FILED A LEGAL BRIEF IN SUPPORT OF THE CITY OF GLENDALE AND ISSUED THIS STATEMENT: "THIS MASSIVE CASINO PLAN IN THE MIDDLE OF AN URBAN AREA IS EXACTLY WHAT ARIZONA VOTERS SOUNDLY REJECTED IN 2002. THE PROPOSED CASINO NOT ONLY UNDERMINES THE

LIMITED GAMING MODEL THAT THE STATE AND TRIBES AGREED UPON IN ENTERING THE COMPACTS, IT ALSO VIOLATES FEDERAL LAW.”

THIS ISSUE IS ALSO OF GREAT CONCERN TO OTHER ARIZONA INDIAN NATIONS. HERE ARE JUST A FEW OF THE STATEMENTS FROM RESOLUTIONS AND OTHER OFFICIAL ACTIONS PASSED BY VARIOUS ARIZONA INDIAN NATIONS IN OPPOSITION TO THE TOHONO O’ODHAM’S PROPOSED CASINO:

“IT VIOLATES THE SPIRIT OF PROPOSITION 202 THEREBY FUELING SUPPORT FOR OFF-RESERVATION AND NON-INDIAN GAMING.”

“IT IS IN OPPOSITION OF THE INITIATIVE PREPARED BY THE 17 ARIZONA TRIBES AND COMMUNICATED TO THE VOTERS OF THE STATE OF ARIZONA THAT VOTED TO APPROVE THAT INITIATIVE.”

“THE TOHONO O’ODHAM NATION HAS NEITHER AN ABORIGINAL CLAIM, NOR HISTORIC OR CULTURAL TIES, TO THE AREA WHERE IT IS SEEKING TO PLACE A MAJOR CASINO. ITS ACTIONS ARE AN ABUSE OF TRIBAL GOVERNMENT AUTHORITY AND RESPONSIBILITY, AND INCONSISTENT WITH THE UNDERSTANDINGS AMONG TRIBES IN ARIZONA.”

LADIES AND GENTLEMEN, THIS IS A VERY COMPLEX AND VERY SERIOUS ISSUE. I WOULD GUESS THIS IS THE FIRST TIME YOU HAVE HEARD A LOT OF WHAT I HAVE SAID TODAY. I ENCOURAGE YOU TO VERIFY THESE STATEMENTS FOR YOURSELF. THEY ARE ALL IN PUBLIC DOCUMENTS. MOST CAN BE FOUND ON OUR GLENDALEAZ.COM WEBSITE.

I FERVENTLY HOPE YOU WILL LEARN MORE ABOUT THIS ISSUE WHICH HAS THE POTENTIAL TO MAKE FUNDAMENTAL CHANGES IN THE STATE OF ARIZONA.

I FEEL SURE YOU CAN GUESS THAT THE SECOND MAJOR CHALLENGE FACING THE CITY OF GLENDALE AT THIS TIME INVOLVES THE CITY-OWNED JOBING.COM ARENA AND THE COYOTES HOCKEY TEAM.

I WOULD LIKE TO GIVE BACKGROUND INFORMATION WHICH SOME OF YOU MAY KNOW AND SOME HAVE NEVER HEARD BEFORE.

IN 2001 THE GLENDALE CITY COUNCIL ENTERED INTO VARIOUS AGREEMENTS FOR THE PURPOSE OF CREATING A HIGH-QUALITY MAJOR ECONOMIC CENTER CONSISTING OF OFFICES, HOTELS, ENTERTAINMENT, RETAIL AND RESTAURANTS. AS PART OF THIS ACTION THE COUNCIL ENTERED INTO A RELATED AGREEMENT FOR THE REDEVELOPMENT OF THE FORMER MANISTEE TOWN CENTER INTO WHAT IS NOW THE VERY SUCCESSFUL NORTHERN CROSSING RETAIL DEVELOPMENT LOCATED AT 59TH AND NORTHERN AVENUES.

IN MY EARLIER REMARKS I TALKED ABOUT OUR ARENA AND WESTGATE AND ALL THAT THEY HAVE DONE TO CREATE NEW REVENUE FOR OUR CITY AND HELP US DEVELOP INTO A TOURISM DESTINATION. THAT HAPPENED BECAUSE THE MEMBERS OF THE GLENDALE CITY COUNCIL IN 2001 RECOGNIZED WE HAD AN OPPORTUNITY TO CREATE A STRONG, ECONOMICALLY VIABLE FUTURE FOR OUR RESIDENTS. AND SO THE AGREEMENTS WERE APPROVED BY UNANIMOUS VOTES IN APRIL 2001.

UNEXPECTEDLY IN MAY 2009 THE FORMER TEAM OWNER FOR FEDERAL BANKRUPTCY PROTECTION.

UP UNTIL THAT TIME GLENDALE'S INVESTMENT WAS MEETING ALL FINANCIAL PROJECTIONS AND ATTRACTING ECONOMIC DEVELOPMENT TO THE AREA.

DURING THE BANKRUPTCY PROCEEDINGS, THE NATIONAL HOCKEY LEAGUE PURCHASED THE ASSETS OF THE COYOTES BUT DID NOT ASSUME THE ARENA MANAGEMENT, USE AND LEASE AGREEMENT. FOR THE PAST TWO YEARS CITY MANAGEMENT HAS BEEN WORKING WITH POTENTIAL BUYERS OF THE COYOTES TO STRUCTURE AN ARRANGEMENT THAT WOULD KEEP THE TEAM IN GLENDALE. THAT WORK HAS ALWAYS BEEN WITH THE FULL SUPPORT OF THE GLENDALE CITY COUNCIL.

THE CRITERIA SET BY THE COUNCIL INCLUDED KEEPING THE TEAM IN GLENDALE FOR THE FULL LENGTH OF THE LEASE, KEEPING THE EXISTING ARENA REVENUES INTACT, AND PROVIDING OPPORTUNITY FOR THE CITY TO SHARE IN NEW REVENUE STREAMS WHEN FEASIBLE.

DURING THE SPRING OF 2010 THE GLENDALE CITY COUNCIL UNANIMOUSLY APPROVED TWO SEPARATE AGREEMENTS WITH TWO POTENTIAL BUYERS OF THE PHOENIX COYOTES HOCKEY TEAM. NEITHER POTENTIAL BUYER MOVED FORWARD WITH VIABLE PLANS TO PURCHASE THE TEAM.

NOW A NEW ENTITY WISHES TO PURCHASE THE HOCKEY TEAM AND MANAGE OUR ARENA.

DEBATES ABOUT WHY THE CITY OF GLENDALE IS TRYING TO KEEP THE COYOTES HOCKEY TEAM IN GLENDALE HAVE BEEN RAMPANT FROM THE BEGINNING.

HERE ARE THE FACTS OF THE MATTER.

THE CITY OF GLENDALE OWNS THE ARENA AND IS RESPONSIBLE FOR ALL OPERATION AND MAINTENANCE COSTS AND FOR ENSURING THAT EVENTS AND PERFORMERS ARE BOOKED SO THE BUILDING CONTINUES PRODUCING REVENUE.

THE PROJECTED EXPENSES ASSOCIATED WITH MANAGING THE ARENA ARE APPROXIMATELY \$17 MILLION PER YEAR. THAT AMOUNT IS CURRENTLY OFFSET BY THE REVENUE EARNED BY HAVING THE COYOTES AS THE ARENA'S MAIN TENANT. IF THE TEAM VACATES THE ARENA, THE EXPENSES WOULD REMAIN. HOWEVER A SUBSTANTIAL SOURCE OF FUNDS TO PAY THE EXPENSES WOULD BE ELIMINATED.

DURING THE BANKRUPTCY PROCEEDINGS, IT WAS DETERMINED THAT THE ECONOMIC IMPACT OF THE COYOTES TO THE CITY OF GLENDALE WAS APPROXIMATELY \$511 MILLION. THE AGREEMENT BY THE COYOTES NOT TO RELOCATE DURING THE TERM OF THE ARENA LEASE AND MANGEMENT AGREEMENT HAS BEEN INDEPENDENTLY VALUED AT BETWEEN \$270 MILLION AND \$338 MILLION.

WHAT THIS SAYS IS THAT THE AGREEMENT NOT TO RELOCATE THE TEAM --- WITHOUT FACTORING IN ALL OF THE OTHER FEES, RENT, ETC. --- HAS A VALUE TO THE CITY TODAY --- RIGHT NOW --- OF BETWEEN \$270 MILLION AND \$338 MILLION. EVERYBODY IS AGREEING TO THAT AND THE TEAM IS AGREEING THAT IS THE VALUE OF THE DAMAGES THEY WOULD HAVE TO PAY IF THEY BROKE THE LEASE AND MOVED.

SEEMS IT WOULD BE HARD FOR SOMEONE TO DISPUTE THAT – BUT THEY DO.

WE WILL SOON REACH THE CONCLUSION OF THIS ALMOST THREE YEAR SAGA. AND, HOWEVER IT TURNS OUT, WE WILL KNOW THE CITY OF GLENDALE HAS DONE EVERYTHING WE CAN AND HAVE BEEN

ASKED TO DO. WE HAVE STAYED WITHIN THE BOUNDS, LEGAL AND FINANCIAL, IN MAKING DECISIONS IN THE BEST INTERESTS OF THE CITY OF GLENDALE.

GLENDALE RESIDENTS AND OUR BUSINESS COMMUNITY IN ALL PARTS OF OUR CITY BENEFIT FROM REVENUES GENERATED BY THE SUCCESS OF OUR SPORTS AND ENTERTAINMENT DISTRICT --- AND THE NEW AGREEMENT WITH MR. HULSIZER WILL CONTINUE TO HELP CREATE JOBS, INCREASE GLENDALE'S TAX BASE AND STIMULATE ADDITIONAL DEVELOPMENT OPPORTUNITIES.

AS WITH THE PREVIOUS TOPIC, I ENCOURAGE YOU TO CHECK OUT THESE FACTS AND DRAW YOUR OWN INFORMED CONCLUSION ON THIS ISSUE WHICH WILL AFFECT YOU AND YOUR BUSINESS IN SOME WAY FOR YEARS TO COME.

AND NOW IT IS MY PLEASURE TO WELCOME OUR GUEST, MR. STEVE ELLMAN, TO THE STAGE. STEVE'S VISION OF HOW 220 ACRES OF FARMLAND BETWEEN 91ST AND 99TH AVENUES FROM GLENDALE AVENUE SOUTH TO MARYLAND AVENUE COULD BE DEVELOPED TO TRANSFORM GLENDALE FROM A BEDROOM COMMUNITY INTO A NATIONALLY AND INTERNATIONALLY KNOWN DESTINATION CITY WAS THE CATALYST FOR ALL THAT WE KNOW TODAY AS GLENDALE'S SPORTS AND ENTERTAINMENT DISTRICT.

IT'S PRETTY EASY TO RIDE WAVES OF SUCCESS --- BUT FEW ARE WILLING TO BE THE FIRST TO INVEST THEIR OWN MONEY AND BEGIN WITH A BLANK CANVAS. EVEN FEWER HAVE THE FINANCIAL RESOURCES TO FOLLOW THROUGH ON IDEAS.

STEVE ELLMAN HAD THE VISION --- HE HAD THE RESOURCES ---AND HE STAYED THE COURSE EVEN THOUGH THE EVENTS OF 9/11 INTERVENED BETWEEN THE APPROVAL OF OUR PRELIMINARY AGREEMENT IN APRIL 2001 AND THE APPROVAL OF OUR FINAL AGREEMENT IN NOVEMBER 2001.

MR. STEVE ELLMAN

THANK YOU, STEVE, FOR YOUR INSIGHTS INTO THE EVOLUTION AND GROWTH OF WESTGATE AND FOR YOUR CONTINUED BELIEF AND INVESTMENT IN GLENDALE'S SPORTS AND ENTERTAINMENT DISTRICT.

WE HAVE ACCOMPLISHED A TREMENDOUS AMOUNT IN A SHORT TIME SPAN AND WE HAVE LAID THE GROUNDWORK FOR ONGOING SUCCESS.

GLENDALE IS NOW THE 72ND LARGEST CITY IN THE UNITED STATES. YES, WE HAVE GROWN SIGNIFICANTLY. BUT WE HAVE ALSO GROWN SMARTLY.

WE CHOOSE TO CONTINUE INVESTING IN OUR CITY BY BUILDING THE NECESSARY INFRASTRUCTURE TO BE COMPETITIVE AS WE EMERGE FROM THE ECONOMIC DOWNTURN.

WE CHOOSE TO PROVIDE SERVICES AND PROGRAMS THAT MAKE OUR COMMUNITY A GREAT PLACE TO LIVE.

AS I HAVE STATED MANY TIMES BEFORE, ACCOMPLISHING MORE DOES NOT COME WITHOUT ITS CHALLENGES.

WE HAVE BUILT A SOLID FOUNDATION AND CREATED A STRONG VISION. OUR ECONOMY IS MORE DIVERSIFIED THAN EVER AND CONTINUES TO GROW.

WE WILL CONTINUE TO BALANCE PRIORITIES DURING LEAN TIMES AND KEEP OUR CITY POSITIONED AS A LEADER IN THE REGION AND THE STATE. WE SINCERELY HOPE YOU WILL WORK WITH US AS WE CONTINUE TO MOVE GLENDALE FORWARD TO OUR BEST POSSIBLE FUTURE. THANK YOU FOR ATTENDING TODAY. I WISH YOU SUCCESS IN ALL YOUR ENDEAVORS IN THE YEAR AHEAD.