

*Formed as a result of voter approval of Prop. 302 in Nov. 2000, AZSTA is dedicated to enhancing Maricopa County's economy and the community's quality of life through the development of professional and amateur sports facilities, the attraction of entertainment, sporting, and business events, and through tourism promotion.*

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### Super Bowl XLII Gives Arizona Economy a Boost



A study released by the Arizona Super Bowl Host Committee estimated Super Bowl XLII, held at the University of Phoenix Stadium this past January, generated an economic impact of \$500.6 million for the state.

The survey revealed visitors stayed in Arizona for an average of 3.9 nights and spent an average of \$617 each day on hotels, food, alcohol, transportation, recreation, shopping, and other categories.

Arizona State University's W.P. Carey School of Business completed the economic-impact report based on surveys of more than 1,500 visitors who came to the Valley to attend the game or take part in the festivities.

AZSTA contributed \$406,833 in game day expenses for the game. AZSTA also contributed the sales tax recapture that was associated with game day tickets, which totaled \$2,394,920. All told, AZSTA provided an overall contribution of \$2,801,753 in monetary terms to help secure and stage Super Bowl XLII.

### AZSTA Biennial Grant Recipients and Updates

#### YMCA Maryvale

As a 2008 AZSTA Biennial Grant recipient, the Maryvale YMCA held a grand opening ceremony on April 5th. More than 300 community leaders, donors and members of the community were present.



*The 31,000 square-foot facility features a gym, teen center, aquatics center, among many other positive features for the community.*

AZSTA awarded \$220,000 for the construction of the facility. The new 31,000 square foot facility features: an indoor basketball court, outdoor heated swimming pool, strength and exercise equipment, a youth game room and much more. The facility was built to accommodate group exercise classes, teen programs, preschool and after-school care, personal training, and healthy lifestyle appointments. There is also a credit union that is located inside the YMCA that is aimed to financially educate members of the community. During this fall, a juvenile probation office will also be located in the facility to give the troubled youth a positive atmosphere.

John Youngberg, Chief Development Officer for the Valley of the Sun YMCA expressed the overwhelming response of the community and noted there were over 600 memberships started within the first month, and that they are expecting to hit the 1,000 mark at the end of June.

"We are very thankful for the AZSTA grant," Youngberg said. "The Maryvale community is known for having high-crime rates and city official have said the YMCA will help stabilize the entire community."

#### Arizona Karting Association

Also as a 2008 Biennial Grant Recipient, the Arizona Karting Association (AKA) recently installed new light poles, to provide lighting for safe evening racing and were able to



upgrade the quality of the race-track with AZSTA's award of \$40,000.

The AKA, established in 1987, is an organization that provides a less expensive alternative to race cars. The non-profit organization promotes the family sport of kart racing and the overall enjoyment of racing Karts.

Located in the Northwest Valley of Phoenix, the one-fifth mile track, offers classes and competitions for ages five through 18. AKA members stated the lighting upgrades to the race track and pit areas have been successful in two main areas, being a safer place for the racers to compete and gathering more interest in kart racing.

"AZSTA has provided an improvement where we, by ourselves, would have taken 10 years to achieve," Fred Hintz, President of AKA said. "Because of our climate, night racing is a necessity in Phoenix. For our members who were unable to afford generators for lighting and struggled with flashlights to perform work on their karts, this improvement is by their account, 'like a gift from heaven'. My son Zach, who is in a junior division of racing said his ability to see more clearly makes passing much easier and that he feels safer."

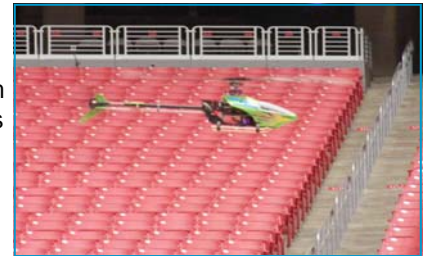


*The one-fifth mile track now offers lighting for the safety of the participants.*

The Arizona Game and Fish Department, fascinated guests with their expertise in birds in how they relate to aircraft design.

A representative of the Electric Flight Expo (EFX) stated how impressed they were with the

University of Phoenix Stadium. "The University of Phoenix Stadium is the newest and most technologically-advanced facility on the West Coast when it comes to indoor flying. This facility is absolutely stunning with more airspace than any other. It is a sight to behold."



*Shown here, the stadium provided an open space indoors to fly aircraft.*



*Vendors displayed merchandise for anyone interested in getting started to those advanced in electric flight.*

## **UNIVERSITY OF PHOENIX STADIUM EVENTS**

### **Electric Flight Expo**

The world's largest indoor electric competition and trade show was held at the University of Phoenix Stadium on April 25-27. Nearly 4,000 attended the three-day event that featured indoor electric airplane, pylon, combat, and flight simulator competitions.

Key figures and organizations of flight were also present for the event. Mr. Dick Rutan, the pilot of the first around the world, non-stop and un-refueled flight in the Voyager Aircraft spoke to guests and participants during the event.



*Guests were able to buy directly from the vendors at the expo.*

### **Women's Expo**



The 16th Annual Women's Expo was held at the University of Phoenix Stadium on April 19 and 20. More than 13,000 attended the two-day event that featured hundred of exhibitors from animal rescue organizations to beauty companies.

With the event targeting women, men were given the option to relax and watch television in the "men's lounge", while the women browsed the booths full of jewelry amongst many other feminine-products.

Each year the expo hosts a slate of celebrity guests. This year included; Marie Osmond, a well-known actress and singer, John Gray, author of *Men are From*

Mars Women are From Venus, and Linda Cobb, the Queen of Clean.



Guests lined up to meet and get autographs from members of Phoenix's Channel 3's media personalities

Guests were able to sample all-types of products, food and beverages, were offered discount beauty treatments, and were even able to participate in the live-hair show.



### The Arizona Cardinals 2008 Draft Party

Open to the public, nearly 2,500 attended this years Arizona Cardinals Draft Party on April 26. The party was held on the club level of the University of Phoenix Stadium.

Guests were able to line-up for Cardinal players' and cheerleaders' autographs. Face-painting and balloon artists were on-hand for the kids.



Cardinals Fans filled the Club-Level to show their support for the NFL Draft.



Ken Whisenhunt, Arizona Cardinals Head Coach was on-hand to sign autographs for fans.

### Kenny Chesney's Poets and Pirates Tour Promotions

With the date of the 2nd biggest tour of 2007 coming to Glendale on May 31st, Global Spectrum employees have been working hard to promote the Kenny Chesney's Poets and Pirates Tour.



Global Spectrum employees at one of the stadium's expos.

Global's marketing department has declared the month of May as "Kenny Daze", featuring tons of activities and ways to win tickets for fans including a "Tightest Jeans" contest to a "Where's Kenny?" contest during May.

The concert, which will be the biggest concert event of the summer also features Keith Urban, LeAnn Rimes, Gary Allen, and Sammy Hagar. For more information on the concert visit [www.ticketmaster.com](http://www.ticketmaster.com).



### AZSTA Profile of Month: Debbie Johnson, AZSTA Chairman

Job Title: *President and CEO, Valley Hotel and Resort Association*

Where did you go to school? *University of Wyoming for two years and then Arizona State University graduating with a degree in marketing*

Birthday Month: *December*  
Family: *Husband Vince, kids: Sean, 15, Meghan, 11, and Erin, 6*

Hometown: *Laramie, Wyoming: born and raised*

Moved to Arizona: *1987 to escape the cold weather*

Favorite vacation spot outside of AZ: *Colorado, to enjoy the cooler summer weather and the beautiful mountains*

Favorite vacation spot in AZ: *Sedona*

What's a typical weekend like for you? *Shuffling my kids*



around to all of the various activities they are involved in, family time and occasional date nights that include a movie and dinner with my husband

Describe yourself in one word: *Dedicated*

When you were a kid what did you want to be when you grew up? *A first grade teacher*

Favorite hobby: *Reading. I don't get to do it enough, but it's a great reality escape. I am currently reading "The Whole Truth", by David Baldacci, which was a Mother's Day gift from my kids.*

What is the best thing about being the Chair of the Board? *Having the opportunity to work with so many great people throughout all of our partners*

Favorite television show: *"Brothers and Sisters"*

Favorite movie: *"The Sound of Music", we watch at least once a year and I'm sure my kids will hate the movie once they move out and never watch it again*

Favorite Restaurant: *With my kids, 'Islands'— they have a great kids menu, with my husband, 'Lon's'*

Favorite Athlete/Team Past or Present: *John Elway/Denver Broncos*

Favorite Celebrity past or present: *Katherine Hepburn, actress*  
 Plans for the summer? *Going to be very busy, but we'll take mini-vacations for a couple long weekends. We always enjoy driving up to Flagstaff and down to Tucson. Really anywhere where kids can hang out by the pool.*

Favorite thing(s) about AZ: *The weather and people*

If you could live anywhere else, where? *Colorado, without question*

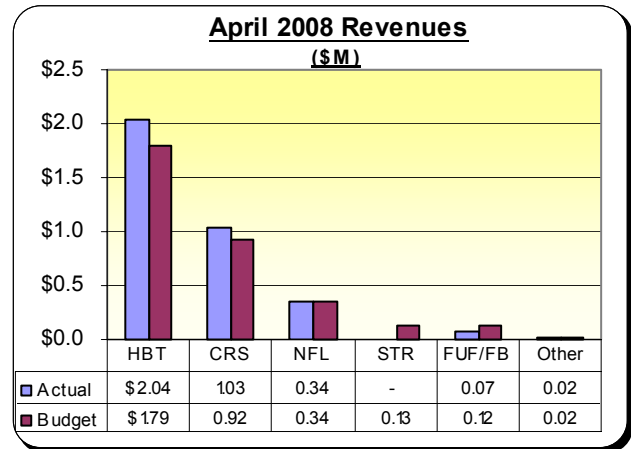
If you were stuck on an island, what three things would you bring with you? *My husband, my IPOD and a chef to cook for us*

Where do you see yourself in five years? *Pretty much where I'm at now, raising my children, continuing to be involved in the community and tourism industry*

What is something about yourself that not many people know? *I am terrified of thunder and lightening, crazy but true!*

**FINANCIAL OVERVIEW**

**Sources** – The following chart provides our monthly revenue results for April 2008 which represents transaction activity from February 2008:



The Authority's **total revenues** for the current month were slightly above our budget forecast by a total of \$172k, 5.2%. Both of the tourism revenues were above budget due to the 'bump' the Valley of the Sun realized from Super Bowl XLII. We did expect some correction to the STR revenues this month from last month's significant drop-off, but this did not happen as we reported zero revenues.

Our core tourism revenues of the hotel bed tax and car rental surcharge beat our forecast by a total of \$350k, 12.9%, as a result of Super Bowl XLII being held at the University of Phoenix Stadium. The combined tourism revenues continue to lag our forecast through the first ten months of the fiscal year by a total of \$1.0M, 5.0% – an improvement over last month's reported results.

The individual revenue components and their performance are detailed as follows:

- The combined **tourism revenues** (hotel bed tax and car rental surcharge) posted \$3.1 million in revenues – \$350.4k, 12.9%, above forecast. The **hotel bed tax** reported \$2.0M in revenues, \$242.2k, 13.5%, above budget. The **car rental surcharge** posted a positive variance of \$108.2k, 11.8%, on \$1.0M in total revenues.
- The **NFL income tax** is determined by the Arizona Department of Revenue prior to the start of each fiscal year. This was on-budget at \$343k for the month. This is nearly \$86k less than for the prior fiscal year with the removal of the guaranteed minimum by the state legislature.

***MAY AND JUNE EVENTS***

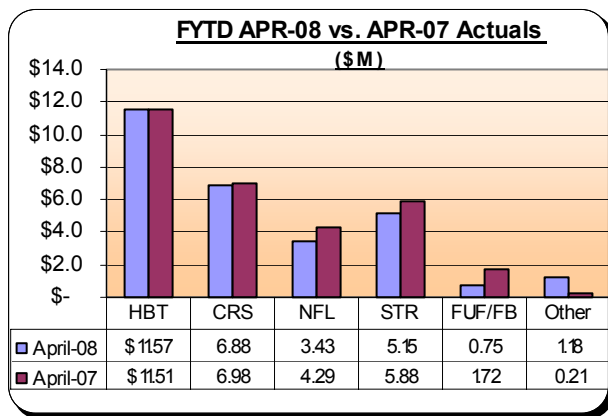
Arizona Skin Art Expo	5/16-18
Tolleson High School District Graduations	5/21
Peoria High School District Graduations	5/22-23
Kenny Chesney's Poets and Pirates Tour	5/31
LA Mesa RV Sale	6/5-8
SPOTLIGHT! Arizona	6/17

Further information available at [www.az-sta.com](http://www.az-sta.com) or [www.universityofphoenixstadium.com](http://www.universityofphoenixstadium.com)

- **Sales tax recapture** revenues for the month were \$0. We expected some positive correction from last month's abysmal results and continue to investigate with ADOR and Glendale why these revenues are not closer to our forecast.
- The combined **facility use fees** and **concession revenues** continued to come in below our forecast. A total of \$73.8k was recorded which was \$50.4k, 40.6%, below budget. These sources are directly tied to the number and types of events held at the stadium as well as the actual attendance figures.

**Other revenues** were comprised of the Arizona Cardinals' rent of \$21.3k.

**Sources – Comparing Fiscal Years 2008 and 2007** – The next chart provides a fiscal year-to-date comparison between April 2008 and April 2007:



The current fiscal year's performance during the first ten months of the year have nearly caught up with last year's same period results. Currently our revenues are \$39.8k, 0.2%, behind last year's results with the hotel bed tax finally eclipsing the amount from last year.

**Senior Bond Debt Service** – The Authority's estimated \$12.8 million in senior bond debt service has grown over the past several months as a result of the subprime mortgage crisis and the credit issues facing bond insurers (see last month's report). The Authority is expected to complete its refunding of its 2005 Variable Rate Demand Bonds by mid-May which will be secured through a direct pay letter of credit and will allow the Authority's variable rate bonds to return to market rates. Approximately 60% of the total amount will be sourced from our tourism revenues.

**Tourism** – During fiscal year 2008 the Authority will provide \$5.4 million to the Arizona Office of Tourism in Prop 302 funds for use in the promotion and marketing of

Maricopa County. This amount is increased by five percent annually.

**Cactus League** – The Cactus League will receive slightly greater than \$3.0 million in the current fiscal year. Of this amount \$2.55 million will be used for subordinate bond debt service payments and the balance is earmarked for spring training baseball renovation projects in the cities of Tempe and Scottsdale.

**Youth and Amateur Sports** – \$1.6+ million will be distributed into this fund this fiscal year. This annual distribution grows by \$100,000 each year. The Authority will also fully fund the \$100k annual increment to the existing \$1.4 million youth and amateur sports reserve fund.

**Authority Operations** – The Authority's operating budget, which is a combination of its own operations plus those of its stadium management firm, is forecasted to be less than the prior fiscal year – the first year of stadium operations. The total approved operating budget is \$13.1 million which is comprised of the Authority's operations at \$1.4 million (including expenses related for Super Bowl XLII), and Global Spectrum's operations at \$11.7 million.



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Note: This monthly report is required by Arizona Revised Statutes Section 5-814. A. which states that.... "Within three weeks after the end of each calendar month the authority shall prepare a report signed by the executive director of the authority and transmit the report to the governor, the legislature, as provided by section 41-1178, and the joint legislative budget committee. The report shall include a progress report of the activities of the authority during the previous month."

**\*\*\*All AZSTA monthly reports are available at [www.az-sta.com](http://www.az-sta.com)**