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Super Bowl Host City Still Reeling Over Sports Deals.

GLENDALE, Ariz. — The entire world will be watching Glendale on Sunday as it hosts the Super Bowl and the legions of fans who are shelling out big bucks to see the big game.

What may be not visible amid all the hoopla is a sobering reality about the Super Bowl host city: Glendale is suffering deep financial issues over its troubled effort to become a sports destination.

Glendale bet big on professional sports in the last 15 years, spending millions of dollars on a hockey arena for the Arizona Coyotes and investing heavily in a spring training ballpark for the Chicago White Sox and Los Angeles Dodgers. Then the economy tanked, and the hockey team went through bankruptcy, with several different owners in recent years.

The city has found stronger financial footing since then and its bond rating has improved markedly, but not without having to raise taxes, trim 25 percent of the municipal workforce, cut back on paving projects, and reduce hours at municipal swimming pools and libraries. The 9.2 percent sales tax that shoppers and diners pay in Glendale is among the highest in the state.

To fiscal conservatives, Glendale serves as a cautionary tale for suburban cities across the United States that want to throw public money at professional sports projects.

“Overall, it’s a bad move for cities,” said Kurt Altman, general counsel for the Arizona-based Goldwater Institute, which fought Glendale over its enticements to the hockey team. “As much as they say it’s going to make the city a destination, it just doesn’t.”

Glendale is a city of about 250,000 people in the northwest part of the Phoenix metro area. The location where the Arizona Cardinals’ stadium and the Arizona Coyotes’ arena were built had been a dusty farm area. The agricultural influence is visible to people driving to games when they pass tractors and farm equipment in nearby fields.

As the Coyotes and Cardinals sought new facilities in the early 2000s and efforts failed to build them in other parts of the Phoenix area, Glendale stepped in. The city helped pay for the Coyotes’ arena with \$167 million in bonds in 2003, and as the hockey team’s finances began to fade during the recession, Glendale went all-in to keep the team in Arizona. The city dished out \$50 million earlier this decade to keep the team and continues to make annual payments toward the arena, but the money it is getting in return has not met expectations.

The football stadium was built in 2006, but Glendale was not on the hook for the costs of the \$450 million retractable-roof facility. It was funded primarily with new taxes on car rentals and hotels in the Phoenix area, but that financing hit a snag last year when a judge ruled that the car rental tax was unconstitutional, leaving a major funding source for the Super Bowl venue in jeopardy. The issue is still being argued in the courts.

Glendale is far from alone. Cities and states nationwide have long struggled with how much public money to spend on stadium projects. The effort to build a new stadium for the Minnesota Vikings

became embroiled in controversy over a financial commitment by the state that opponents said was excessive. The St. Louis Rams are at the center of a debate over whether to spend public money on a new stadium. Topeka, Kansas, is immersed in a fight over a motorsports track that has drawn comparisons to hockey in Glendale.

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As he navigates the financial situation, Glendale Mayor Jerry Weiers returns to a maxim he has repeated many times in his life: "I'm not living in the past. I'm just paying for it."

In the case of the Super Bowl, he believes the city is paying dearly. He said Glendale will actually lose a "couple million dollars" by hosting the event. It's spending huge amounts of money on overtime and police and public safety costs for the Super Bowl but not getting much back.

Super Bowl visitors are mostly staying in Phoenix and Scottsdale and only showing up in Glendale on game day, meaning the city won't see much of a boost in tax revenue. And the city was hoping the state would reimburse Glendale for its police overtime costs, but lawmakers have scoffed at the idea.

Weiers said it pains him that the city had to cut services and lay off workers, but the moves were necessary to ensure financial solvency. He said the outlook has improved in the last year, a far cry from a couple years ago when Glendale was in jeopardy of joining the likes of Detroit in the category of municipal bankruptcies.

"I have to believe that if '1' is perfect as things could be and '10' was bankruptcy, I'd say we were a strong '8,'" Weiers said. "We never had to go there, and I strongly believe we won't have to go there."

By THE ASSOCIATED PRESS

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