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## Event center a boon to Prescott Valley economy

**By Ken Hedler**  
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PRESCOTT VALLEY - Tim's Toyota Center has been a major boon to the town's economy since it opened for minor-league hockey games in late 2006, town and event center officials said.

"One immeasurable benefit is the entertainment value of having such a facility," said Greg Fister, economic development manager for the [Town of Prescott Valley](#). "I think it definitely improves the quality of life of our citizens. I think it is a point of pride for our citizens. I think it certainly has helped our restaurants in town."

The center, located off the Main Street extension and Florentine Road, draws people to as many as 100 events a year, said David Sacchetti, the center's general manager.

In fact, more than 650,000 people have entered the center since it opened, according to a fact sheet from Debbie Marks, the center's marketing manager. Those totals included more than 358,000 fans who attended [Arizona Sundogs](#) Hockey Club games as well as other sporting events, and more than 60,000 guests for 18 concerts.

The center also has stimulated the local economy by creating jobs for people who work at three businesses within the building: the center administration and Sundogs offices and Boston Culinary, which operates the concessions.

The administration office has about 15 full-time employees and about 120 part-time workers, Sacchetti said. Part-timers include ushers, ticket takers, housekeepers, security and conversion crews, who

Courier photos/Les Stukenberg, Matt Hinshaw  
Tim's Toyota Center hosts the Arizona Sundogs hockey games, as well as the Adrenaline indoor football, other sporting events, concerts and exhibitions.



prepare the building for different events.

An adjoining office houses the Sundogs, which has an annual payroll of \$852,000 that peaks at 40 full-time employees during the season and drops to 25 during the off-season, former president Brent Thiessen said. (Thiessen recently left the Sundogs to become director of corporate partnerships with the Florida Panthers of the

National Hockey League in Fort Lauderdale, Fla.)

The event center contracts for concessions with Boston Culinary, which uses 80 full- and part-time employees, according to General Manager Jason Hougard.

The event center came about through a partnership of the family-owned Fain Signature Group in Prescott Valley and Global Entertainment Corp. of Phoenix. The two companies created a limited liability company, Prescott Valley Events Center LLC, which operates the building on a 2.9-acre site.

Fain Signature Group contributed the land for the arena, which cost \$35 million to build, said Rick Kozuback, chief executive officer of Global.

Kozuback said "soft costs," which include interest payments, bond underwriting fees and reserve accounts, make up \$7 million of the total.

He said he expects that it will take the full 25 years to pay off the bond issue from 2005.

"You can't predict the market," Kozuback said. "Who knows if the economy picks up in the next five years? Maybe the bond can be paid in five years. It will be great if we can (pay it off) sooner."

The LLC missed a debt service payment on the bonds this past Oct. 1, according to a press release from Fitch, an international bond-rating company. Fitch announced Monday that it downgraded to "B" from "A-" the rating of the tax revenue bonds.

Global previously approached town officials about owning the building, Town Manager Larry Tarkowski said. However, he explained the town did not want to own the building because it would have assumed debt and been responsible for maintenance.

Instead, the Town Council voted in December 2006 to create a community facilities district for the arena site, effectively taking it off of the property tax rolls. The town does not have a property tax, but landowners pay taxes to special districts.

"That is the same approach that has been taken for every arena in the country," Tarkowski said.

The tax-exempt status spared the LLC from paying \$424,264 in during the 2007 tax year, according to the Yavapai County Treasurer's Office. That figure includes \$196,149 to the [Humboldt Unified School District](#), about \$82,717 to the Central Yavapai Fire District and \$64,920 to the county.

Besides enjoying exemptions from property taxes, the owners of the event center received incentives from the town government under an agreement that the council approved in May 2005, Tarkowski said. He said the town agreed to use \$3 million from the general fund to pay for water and sewer lines, and widening Florentine Road.

The town also agreed to rebate portions of the 2.33 percent sales tax proceeds, according to Tarkowski.

The town agreed to rebate 2 cents on the dollar from ticket sales and purchases within the arena, and a penny on the dollar for sales taxes from transactions within the Entertainment District. The zigzag-shaped district extends from the Fry's shopping center on Glassford Hill Road east to Main Street and south to Highway 69, Management Services Director Bill Kauppi said.

"Those monies are going to be kept separate, and they are going to be used for paying the debt service for the building," Kauppi said.

Kauppi said the town so far has paid the LLC about \$548,308 from sales taxes in the district since the start of construction. For the arena, the town rebated \$69,815 for the 2006-2007 fiscal year that concluded June 30, 2007.

As of March 31, the town rebated \$158,329 for the arena for the current fiscal year, Kauppi said.

The town also agreed to pay \$100,000 a year to rent the building, which, Tarkowski said, "is much less than what we spend running the municipal pool."

The town recovered \$56,239 in fees from ice skaters in 2006-2007, Deputy Town Manager Ryan Judy said.

Town officials believe the rebates and other incentives are well worth it. Tarkowski referred to a study that showed the town would accumulate \$23 million over the 25-year life of the agreement.

The center makes money from ticket sales, building and suite rentals and corporate sponsorships (advertising banners and signs), Sacchetti said.

"We are not just a sports building," he said. "We have trade shows, family shows, concerts."

People who work at the center help Prescott Valley's economy by eating and shopping at nearby businesses, Thiessen said. He said the team rented and furnished nine apartment units for 20 players at the Glassford Hill Apartments off Glassford Hill Road.

The Sundogs organization also has played host to team parties and meals in the district at Buffalo Wild Wings and Augie's Place, Thiessen said. He added the hockey club pays for about 50 team meals a year that accommodate as many as 30 people.

Augie's and other businesses predate the arrival of the center. Ron Fain, managing partner at Fain Signature Group, said the center's presence made it possible for the Fain Signature Group and its Beck family partners to attract a 118-room Hampton Inn - which is under construction - instead of a "non-flagged hotel."

Asked what businesses would not be here without the event center, Fain paused several seconds and said, "I think there are a lot of businesses that are here, and the event center in my opinion is foundational. Kohl's (on Glassford Hill Road) is a good example. They have chosen their location in PV because of the overall master plan: because of the event center, because of the (Yavapai Regional Medical Center) hospital, because of the municipal services."

Fain continued, "They are all pillars and support for the foundation of the community."

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