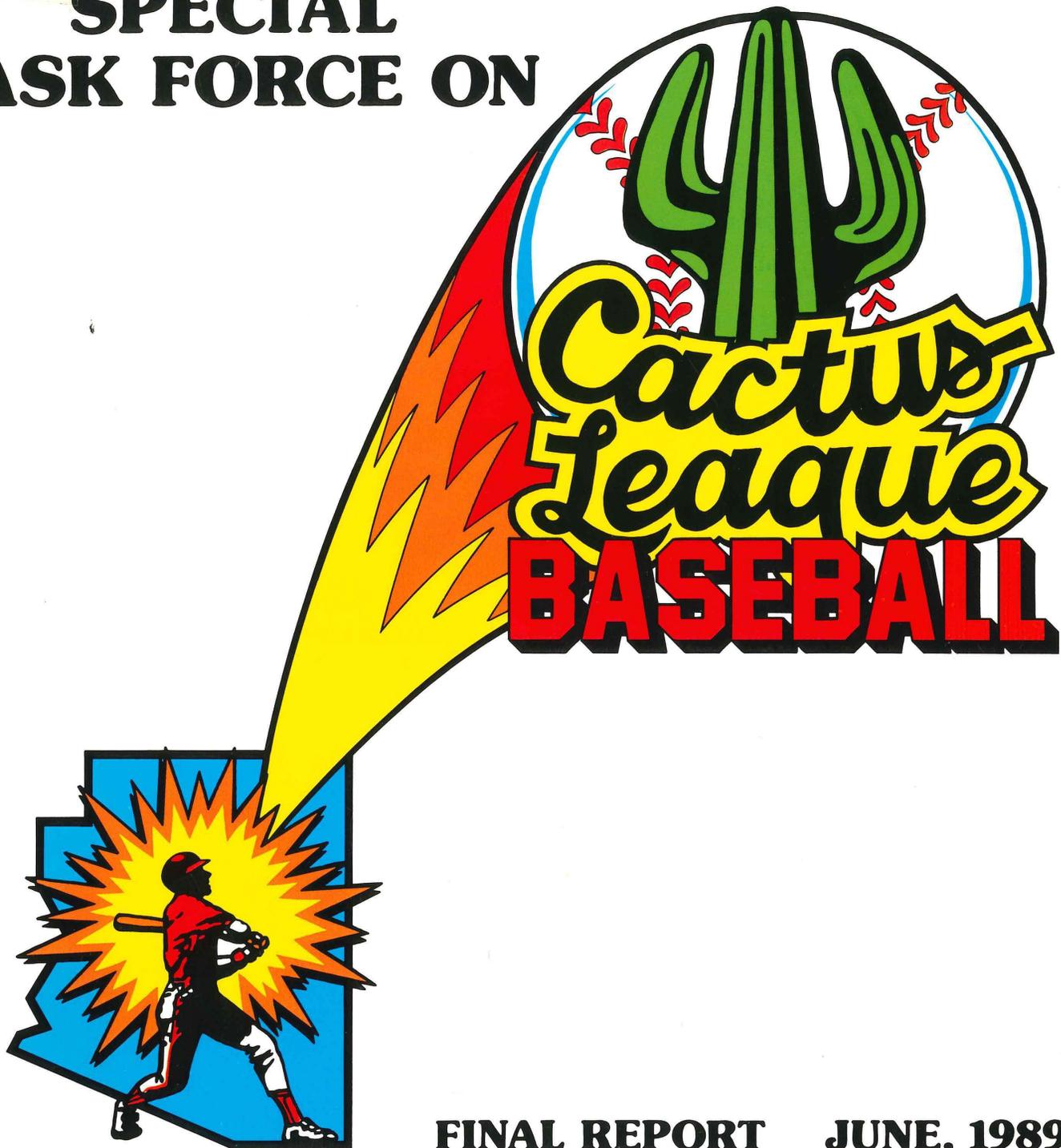


THE GOVERNOR'S SPECIAL TASK FORCE ON



FINAL REPORT JUNE, 1989

TRADEMARKS USED BY PERMISSION OF MAJOR LEAGUE BASEBALL



THE GOVERNOR'S SPECIAL TASK FORCE ON



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- Stephen Frahm
AZ Office of Tourism

July 6, 1989

The Honorable Rose Mofford
Office of the Governor
State Capitol, West Wing
Phoenix, Arizona 85007

Dear Governor Mofford:

It is our pleasure to submit to you the final report of the Governor's Special Task Force on Cactus League Baseball.

During the past year, the Task Force has had the opportunity to review scores of issues impacting Cactus League baseball. Never before has spring training in Arizona been studied and discussed so thoroughly as it has since you recognized the critical status of the League. The process included the participation of the teams, booster groups, city officials, stadium owners and operators, tourism and economic development agencies, the hospitality industry, private developers, and the general public. This report represents a consensus of all of their ideas and opinions; it was unanimously adopted by the entire Task Force.

In general, tremendous strides have been made to strengthen the League. This report highlights the following major points.

- The 1989 season was the most successful spring training in Cactus League history.
- The 1989 season was also successful off the field with significant public and private support.
- All of the current Cactus League communities are aggressively seeking to improve conditions for their own team.
- Although progress has been made, the status of the League is still tenuous because of the Florida competition.
- Arizona must be prepared to contribute resources in order to protect the League.

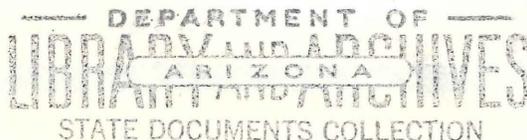
The momentum to save Cactus League baseball continues. For this reason, we recommend that the Task Force's term be extended for one more year to complete some of the work already started. We still plan to develop revenue alternatives, support legislation and budget requests, and follow up on other proposals with various public and private organizations. Our job is incomplete until we can state with confidence that spring training in Arizona will be a major component of the professional sports scene through the 1990s and into the next century.

Thank you for giving us the opportunity to help you and the State of Arizona maintain Cactus League baseball as a valuable asset for our communities.

Sincerely,

Dwight Patterson
Chairman

Joe Garagiola, Jr.



GOVERNOR'S SPECIAL TASK FORCE ON CACTUS LEAGUE BASEBALL

FINAL REPORT

INTRODUCTION

For more than 40 years, Arizonans have benefited from Cactus League baseball. Each spring, as both American and National League teams have prepared for the regular season, baseball fans from Arizona, across the nation, and from Mexico and Canada have enjoyed the special feeling of sitting under a beautiful sun in a picturesque park and watching their favorite players perform the rites of spring. It is a wonderful tradition that has been handed down from generation to generation in Arizona.

Spring training first came to the state with the arrival of the Detroit Tigers in the late 1920s. This was followed in 1934 when the New York Giants and the Cleveland Indians barnstormed through the area. As this rivalry developed, a more permanent structure fell into place with specific territories staked out in and around the Phoenix, Tucson, and, eventually, Yuma areas. Various teams have come and gone and teams have moved around the state, but the entity of Cactus League baseball has become a significant part of the Arizona culture for both residents and visitors.

The future of Cactus League baseball is now in question. While the League has provided considerable enjoyment for thousands of

baseball fans and has generated millions of dollars for local economies, Arizona teams are being recruited with extremely attractive proposals to relocate to Florida. Although it would be nice to believe that the weather conditions, convenient travel, and cozy ballparks are enough to encourage a team to remain, the reality of the situation is that baseball is not just a sport — it is also a business. Business requirements for success are measured on the bottom line rather than in the bottom of the ninth. Spring training losses run into the hundreds of thousands of dollars, and all teams are actively exploring ways to offset the expenses.

Governor Rose Mofford recognized the critical nature of this situation and appointed the Governor's Special Task Force on Cactus League Baseball to protect the entire League, as well as the future of Major League Baseball in Arizona. The Task Force was charged to do the following:

- Strengthen Cactus League baseball so the existing teams have a much firmer base in Arizona.
- Determine how to preserve and protect each team's commitment to keep Arizona its home.

- Strengthen the teams' economic interest in Arizona and consider providing facility support.
- Consult with team representatives, stadium operators, private developers, team support groups, tourism agencies, economic development agencies and other affected organizations to achieve these objectives.

The Task Force represents a broad cross section of interests. This includes team officials, developers, community representatives, elected officials, tourism benefactors, team support groups, business people and fans. To proceed with the number and variety of issues to be studied, the group initially divided into five working committees charged with the following specific responsibilities:

CITY INVOLVEMENT

- Identify existing city and team booster group resources available to support Cactus League activities in each of the current host cities.
- Solicit recommendations regarding potential resources and support from host cities and from support groups.

ECONOMIC DEVELOPMENT

- Identify economic development tools and resources to encourage teams to continue their participation in the Cactus League.
- Consider ordinances and legislation that will respond to the economic needs of the teams.

STADIA AND SUPPORT FACILITIES

- Develop a complete inventory of Cactus League stadia and support facilities.
- Identify desired and necessary modifications and additions to existing Cactus League stadia and support facilities.

PROMOTIONAL ACTIVITIES

- Develop recommendations to increase promotion and awareness of Cactus League activities for residents and visitors.
- Develop preliminary plans for the Governor's Cactus League banquet.
- Extend an invitation to Major League Baseball to hold their 1990 annual winter meetings in the Valley.

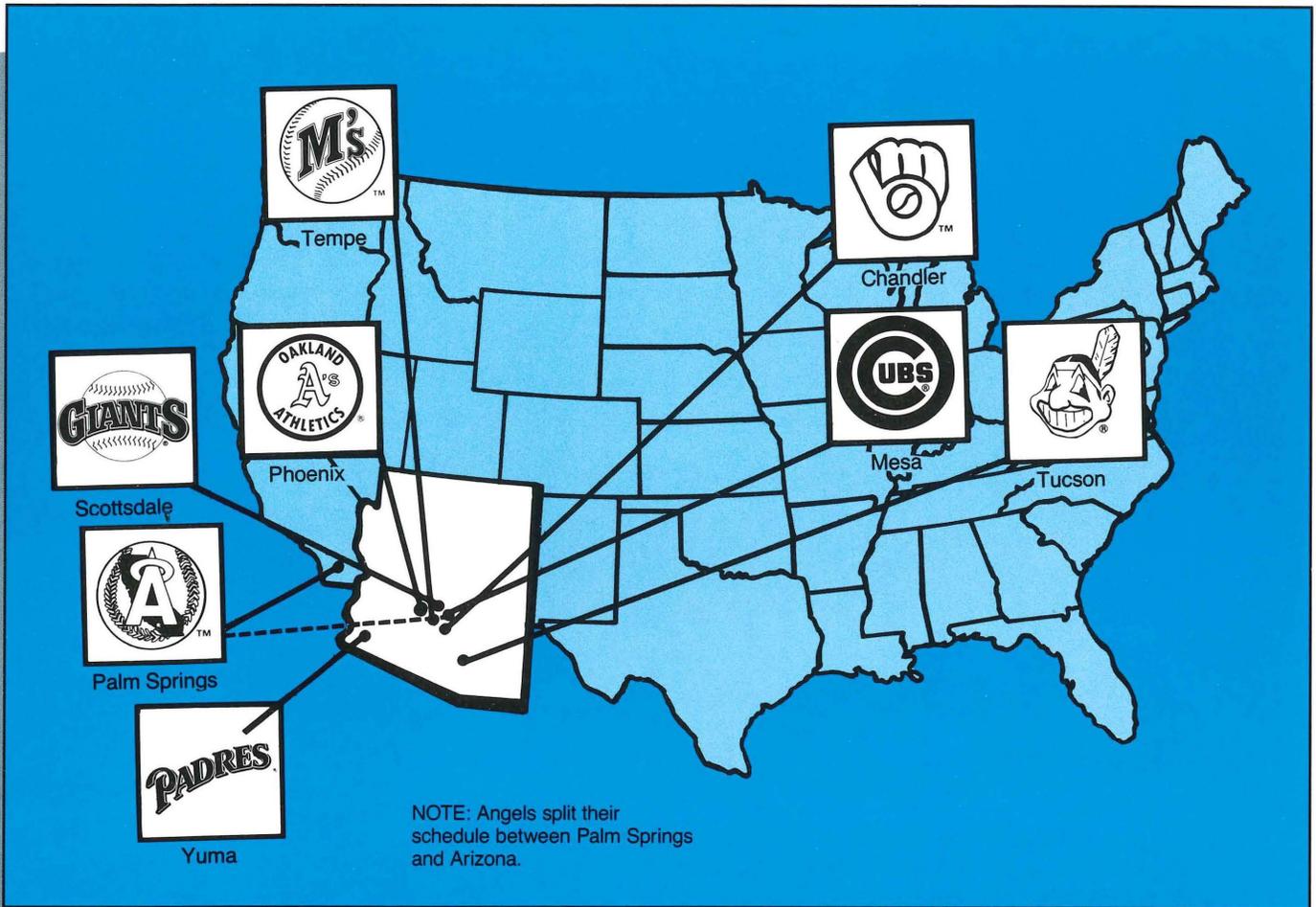
TEAM INFORMATION

- Solicit information from each Cactus League team regarding stadia and support facility needs, economic development interests, and other relevant issues.

CACTUS LEAGUE HISTORY

The Cactus League consists of eight teams, all having a long and successful tradition in Arizona. The Cleveland Indians in Tucson and the San Francisco Giants (formerly the New York Giants) currently in Scottsdale, were the first to arrive on a permanent basis in 1947. The Chicago Cubs soon followed in 1952. The 1950s saw a series of teams, including the New York Yankees, Boston Red Sox and Baltimore Orioles, make Arizona their spring-time home for short periods of time. When Major League Baseball expanded in the 1960s and 1970s, the Houston Colt .45s, California Angels, San Diego Padres and Seattle Mariners selected the Cactus League for their pre-season play. The Oakland Athletics moved from the Florida Grapefruit League to Arizona in 1969, when the team relocated from Kansas City to California.

Spring training has grown in popularity. A record number of fans have attended games during each of the past few years, and total attendance has increased 24 percent since 1987. One sign of the League's popularity is that the Chicago Cubs in Mesa continue to outdraw all the other teams in Arizona and



Florida. In some cases, such as the Cubs, the team cannot keep pace with the demand for tickets, and many fans are turned away. Some days one might think it is the World Series because of the scarcity of tickets and the enthusiasm of the fans for the most popular teams.

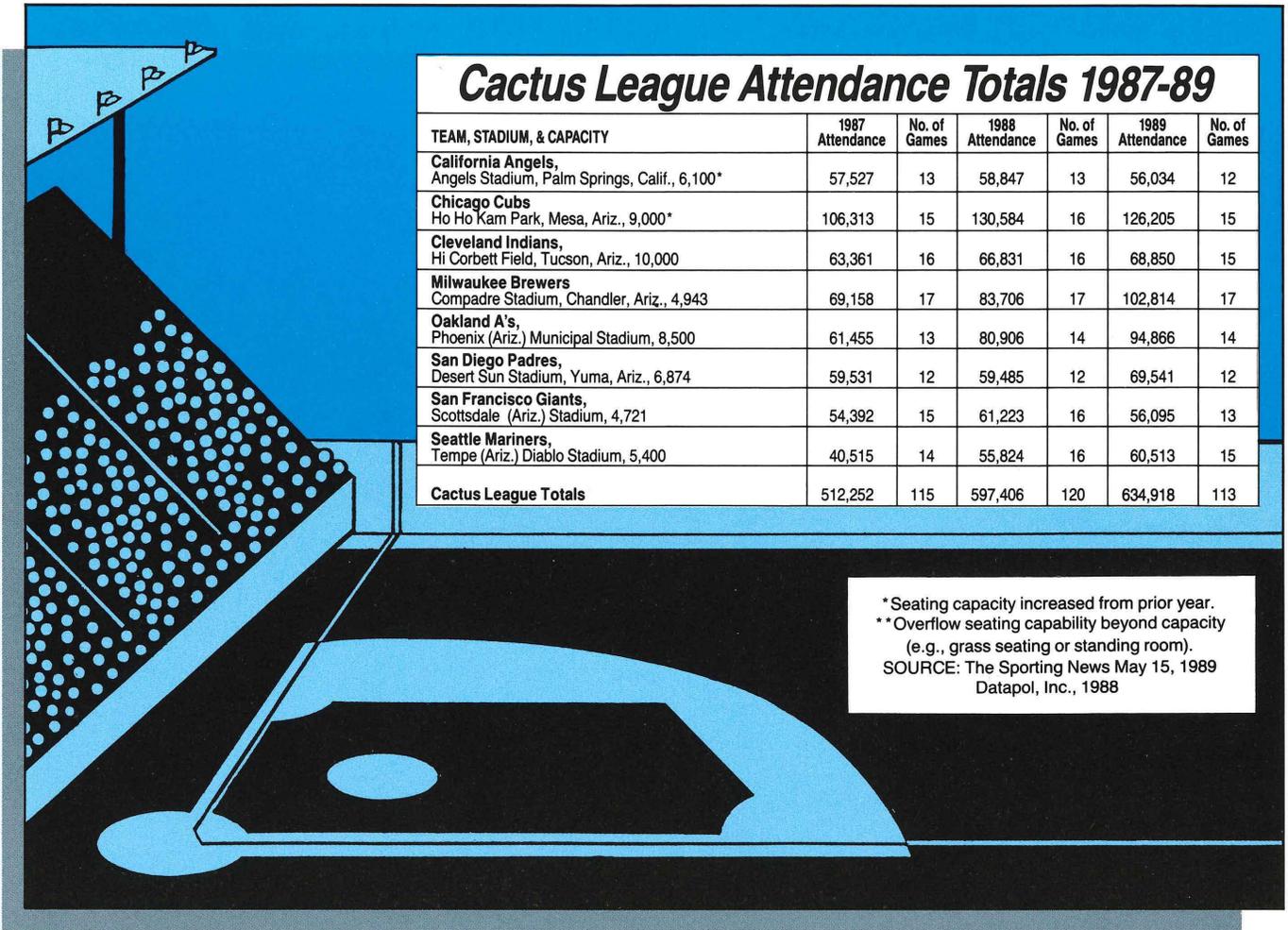
There are many factors contributing to this success. Baseball remains the national pastime, whether it is under the clear blue skies of the desert or under a fabricated dome in cold country. Fans from all over the country follow their favorite teams to Tucson, Yuma, Vero Beach or Fort Lauderdale. Less expensive airfares draw visitors to vacation where they can enjoy games. Winter visitors arrange their leisure time schedules to include a few afternoons in the warm sun. Residents take their friends, families, and business associates

for a few hours of fun and relaxation. Separate from the fast pace of everyday life, spring training offers everyone a sense of community pride and enjoyment.

Included in this report is a chart displaying all of the relevant data and information about each of the team's playing facilities, lease arrangements, attendance, etc. This information was gathered as a basis for determining the current status of the teams as well as a basis for projecting each team's needs in the future.

FLORIDA COMPETITION

There can be no doubt that Florida is a real and serious threat to the Cactus League. The Grapefruit League currently hosts the



remaining 18 Major League Baseball teams, and it is no secret that Florida and its numerous counties are offering attractive packages to lure Arizona teams. Further, the Cactus League, given the number of teams in the League, can ill afford to lose any of them. Even the representatives of the teams whose commitment to Arizona is the strongest expressed the fear that with a relatively few defections to Florida, the competitive posture of the League would be so weakened that the remaining teams would be forced to leave in order to have an adequate spring training.

Florida is already positioned well for the competition. Legislation has been enacted allowing both state and county bed tax revenues to be used for development of professional sports facilities. Sales taxes and trust fund proceeds can be earmarked for

assisting counties in their efforts to attract teams and provide facilities. Million dollar bounties are being offered to counties as an incentive to encourage Major League Baseball teams and their minor league affiliates to relocate to Florida. Private developers are also getting into the act by offering free land as part of the incentive. For professional baseball teams that must, out of necessity, be as concerned about satisfying their owners and stockholders as they are about their fans, these invitations are certainly enticing.

The competition is heating up. The Cubs, for example, have conducted a study to compare the benefits of Arizona vs. Florida. With offers wrapped in land deals and stadium arrangements that make a move to Florida virtually risk free, interested teams can almost name their terms if they wish to leave the

Cactus League. Because of the extremely competitive environment in which Major League Baseball performs today, the Florida situation is a serious challenge to the State of Arizona.

THE CACTUS LEAGUE TEAMS

Until recently, spring training teams were satisfied with a good diamond, a few practice fields, and a place for the players to change into their uniforms. This is not the case in Florida or Arizona today. The teams' needs, desires and expectations are considerably greater and often rival the accommodations and arrangements that they enjoy in their hometowns during the regular season.

The Task Force had the opportunity to hear from all of the teams in the League in order to understand their current situation, as well as their expectations for the future. The teams are pleased with their participation in the League. The Oakland Athletics, for example, stated that they conduct spring training in Arizona not because they have to, but because they want to. Changing economic conditions, however, could be an incentive for a team to reconsider its position.

The teams expressed the greatest satisfaction with the aspects of the League that cannot necessarily be influenced by the efforts of the Task Force. These include the dry heat for player conditioning, the number of playing days available for games without inclement weather, the short travel distances between cities, the concentration of five teams in the Valley and the proximity to the hometown. The short distance between the Padres' homes in Yuma and San Diego, for example, encourages a stronger bond between the local fans and the team. Florida teams experience a different type of

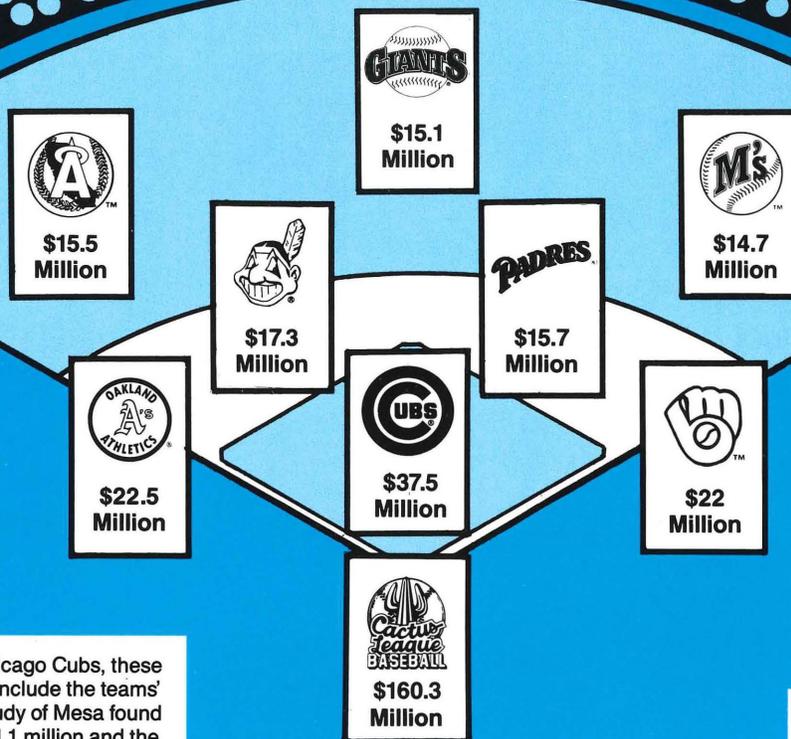
heat, often have games rained out, and travel considerable distances between cities.

The teams expressed the greatest concern about those aspects of the League that definitely can be influenced by the efforts of the Task Force. These include stadium development and operation, operating revenue distribution, promotional support, and any additional economic opportunities. Specifically, the teams identified the following needs to strengthen their participation in the Cactus League:

- A state-of-the-art stadium with surrounding minor league facilities for optimum player conditioning and comfort.
- An equitable revenue distribution from parking and food and drink concessions that helps relieve the economic burden of spring training expenditures.
- A fair stadium rental arrangement that has a positive financial impact on the team's total cost of spring training activities.
- A supportive relationship between the team and the spring training city both during the spring training and the regular season.
- Promotional activities to encourage more hometown and Arizona fans to attend the games.
- Possible economic opportunities ancillary to Cactus League activities that may create a more favorable financial situation for the team/owners.

It is encouraging to learn that the teams, as a group, are generally satisfied with their participation in the League. The California Angels, in fact, have indicated a desire to strengthen their ties to the Cactus League by considering proposals to move their entire spring training operation to the Valley. Each team, however, has a specific and sometimes unique need that should be addressed in order to maintain its long-term future in Arizona.

Spring Training Estimated Economic Impact*



*Except for the Chicago Cubs, these estimates do not include the teams' spending. The study of Mesa found the Cubs spent \$1.1 million and the California Angels \$850,000 there.

SOURCE: Datapol Inc.

ECONOMIC IMPACT

The economic impact of the Cactus League cannot be underestimated. As with most baseball teams in the 1980s, the real financial benefit goes beyond the stadium walls and extends to many different areas of the entire community in which a team plays. Spring training has evolved from a nice attraction for baseball fans in the 1950s and 1960s to a substantial industry for the state economy today.

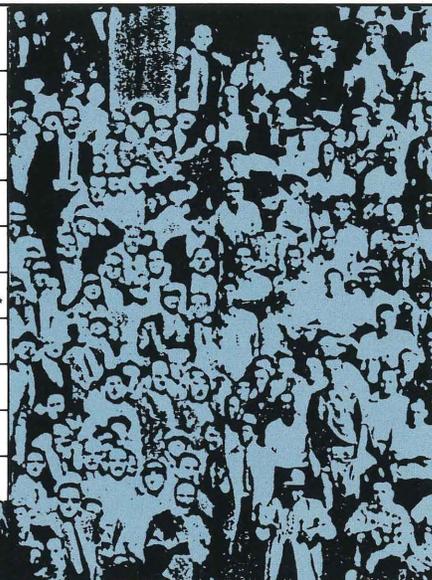
The Task Force reviewed the "Economic Impact of Spring Training in Mesa," prepared

by Datapol, Inc., which highlighted the economic value of spring training to the host cities throughout Arizona. The report concluded that the estimated annual economic impact of the seven teams in Arizona is \$145 million. The California Angels, who play half of their home games in Palm Springs, California, generate \$15.5 million. These figures consist of direct expenditures for retail sales, food and beverages, lodging, travel costs, etc. The Grapefruit League in Florida, with 18 teams, contributes \$295 million to the state's economy.

Although these numbers are impressive, they do not reveal the full impact of spring training

Cactus League Attendance Change 1987-89

TEAM, STADIUM, & CAPACITY	Average Game Attendance			Average Game Attendance % Change			Stadium % Capacity		
	1987	1988	1989	1987 - 88	1988 - 89	1987 - 89	1987	1988	1989
California Angels, Angels Stadium, Palm Springs, Calif., 6,100*	4,425	4,527	4,670	2.3%	3.2%	5.5%	89%	91%	77%
Chicago Cubs Ho Ho Kam Park, Mesa, Ariz., 9,000*	7,088	8,162	8,414	15.2%	3.1%	18.7%	83%	96%	93%
Cleveland Indians, Hi Corbett Field, Tucson, Ariz., 10,000	3,960	4,177	4,590	5.5%	9.9%	15.9%	40%	42%	46%
Milwaukee Brewers Compadre Stadium, Chandler, Ariz., 4,943	4,068	4,924	6,048	21.0%	22.8%	48.7%	82%	100%	122%**
Oakland A's, Phoenix (Ariz.) Municipal Stadium, 8,500	4,727	5,779	6,776	22.3%	17.3%	43.3%	56%	68%	80%
San Diego Padres, Desert Sun Stadium, Yuma, Ariz., 6,874	4,961	4,957	5,795	-0.1%	16.9%	16.8%	72%	72%	84%
San Francisco Giants, Scottsdale (Ariz.) Stadium, 4,721	3,626	3,826	4,315	5.5%	12.8%	19.0%	77%	81%	91%
Seattle Mariners, Tempe (Ariz.) Diablo Stadium, 5,400	2,894	3,489	4,034	20.6%	15.6%	39.4%	54%	65%	75%



* Seating capacity increased from prior year.
 ** Overflow seating capability beyond capacity
 (e.g., grass seating or standing room).
 SOURCE: Sporting News, May 15, 1989
 Datapol Inc., 1988

expenditures. Excluded from the Datapol study was an analysis of the tax revenues generated to the state and the cities due to the expenditures made by the teams and fans. Tax receipts flow into the state and city treasuries for such expenditures as retail sales, hotel and motel accommodations, restaurants, payroll expenses, utilities, and gasoline purchases.

The Cactus League certainly is very important in terms of raw dollars spent and respend to perpetuate the economic cycle. For policy makers and community leaders, however, the issue of perhaps greater interest should be that spring training creates jobs for Arizona residents and activities for Arizona visitors, both essential for the continued economic health of the state. There is no doubt that

Cactus League baseball is a profitable pastime for everyone. In addition, the League gives the state a high-profile nationally through the broadcasting and telecasting of spring training games to the teams' home cities and daily reporting in major newspapers.

FINDINGS AND CONCLUSIONS

Based on the Task Force's study of the issues, the following findings and conclusions are submitted for consideration.

- Cactus League baseball has provided considerable enjoyment for thousands of baseball fans and has generated millions of dollars for the state and local communities.

- The Cactus League teams have been generally satisfied with Arizona as a spring home but require greater attention to their financial situation in the future.
- The Cactus League may not be economically feasible or competitive for the teams if less than eight teams participate.
- Spring training is a substantial industry for Arizona, and significant efforts should be made to retain and increase its presence, protect the teams' financial interests, and provide them with possible ancillary economic opportunities.
- The future of Cactus League baseball is tenuous because the teams are being offered lucrative proposals to relocate to Florida.
- Efforts to promote spring training for both residents and visitors need to be increased and targeted in order to strengthen the fan base for each team and the economic base of the entire League.
- The future of Cactus League baseball requires the creation of a significant public-private partnership with state, county, and city governments, and community and private participation.
- The continued success of spring training will considerably enhance the state's chances for selection as a future site for a Major League Baseball expansion team.

THE 1989 SEASON

The 1989 season was the most successful spring training in Cactus League history. Ticket sales soared throughout the League. Many games were sellouts, and some days only "standing room" tickets were available. Teams scrambled to keep pace with the unusually high volume of ticket orders. During March 1989, spring training baseball was the hottest ticket in town.

The total League attendance was 634,918 compared to 597,406 last year. Nearly 38,000 more fans were able to see their diamond heroes and favorite teams in action while enjoying the relaxing time that spring training affords.

The past year, there were 113 games with an average per-game attendance of 5,619 compared to the average per-game attendance of 5,313 in the Grapefruit League. In 1988, 120 games were played, and the average attendance was 4,978. Every team in the League exceeded last year's figure on a per-game basis.

On an individual basis, four of the teams set all-time high attendance records. The Brewers broke 100,000 to become the third greatest draw of all 26 teams in Major League Baseball. The Athletics continued their pennant-winning ways and barely missed the century mark in attendance. More Indian fans than ever before filled Hi Corbett Field to see a competitive team with new faces and seasoned stars. And the Mariners put on a fresh face for more fans to preview the team's greatest potential in its history as a franchise.

The 1989 season put the Cactus League back in the game but only for the time being. Whereas there are still some fears that the popularity of the League would be hurt by the enticements of Florida, the local communities, the booster clubs, the fans and the teams themselves continued to promote the message that Arizona has a love affair with spring training baseball.

PUBLIC SUPPORT

The 1989 season was also successful off the field. While the fans were flocking to the stadium at a record-setting pace, public officials, corporate representatives, and the local communities were doing their part to say Cactus League baseball is an industry Arizona

cannot afford to lose. Never before has there been such a concerted public effort to support spring training in Arizona.

- Governor Mofford attended several spring training games to show her personal support for the League. She had the opportunity to meet the Commissioner of Baseball, National League President, team owners and executives, players, and many others who support Cactus League baseball.
- The First Annual Governor's Cactus League Baseball Bash was enjoyed by more than 1,200 local fans. Helping the Governor were the new National League President, Bill White, Joe Garagiola, and players and executives from all the teams.
- America West Airlines became the League's principal corporate cheerleader as sponsor of the Baseball Bash. America West provided 50 employee volunteers for the Bash and distributed a Cactus League insert in all America West Magazines on all of its flights.
- The corporate community stepped to the plate. Numerous companies placed advertisements at all the ballparks and helped underwrite the Bash.
- The Governor signed into law a bill that preserves the historic tax treatment of Cactus League booster groups. The groups will not have to pay taxes on the ticket, concession and novelty sales, as well as parking activities they conduct.
- A. Bartlett Giamatti, Commissioner of Baseball, and Bill White, National League President, attended games and expressed words of encouragement for the Cactus League. They indicated that stability is very important to baseball and the movement of teams would receive careful scrutiny by the Commissioner's Office.
- Governor Mofford expressed her personal commitment to the Task Force's efforts by

endorsing specific Interim Report proposals and offering to consider the more difficult, more costly recommendations after the Task Force submitted its Final Report.

- The Arizona Office of Tourism doubled its financial commitment for promoting the 1989 season to \$46,000. This included posters, schedule brochures, "Arizona in Chicago" advertising campaign, and public service radio announcements.
- An Arizona delegation attended the winter professional baseball meetings in Atlanta to promote the Cactus League. The trip was very successful because the group's presence was both recognized and appreciated by many people.
- Private developers have submitted conceptual plans and proposals to individual teams for new sports complexes. These developers have explored opportunities for the marriage of a stadium and associated resort, residential, and commercial projects.
- With most teams using the Dillard's Box Office ticket system, pre-season ticket sales were up 20%. Fans found it more convenient to obtain tickets, visitors were better able to plan their trips, and booster groups received more interest on those proceeds held in accounts prior to the season opening.

LOCAL COMMUNITIES

It has been very encouraging to note that all of the current Cactus League communities are aggressively seeking to improve conditions for their own teams. Consistent with the Task Force objectives, the local communities have taken the initiative to invest both public and private resources for substantial facility enhancements for the teams and the fans. This is an extremely positive sign that the preservation of the Cactus League is viewed as a working partnership.

CACTUS LEAGUE FACILITY INFORMATION

FACILITY INFORMATION

SEATING

TICKET SALES

PARKING

CONCESSIONS

LEASE ARRANGEMENTS

ANGELS — Mesa

- Gene Autry Park
- Built 1984
- Owned and operated by City of Mesa
- Training facility only

ANGELS — Palm Springs

- Angel Stadium
- Built circa 1950
- Owned and operated by City of Palm Springs

ATHLETICS — Phoenix

- Phoenix Municipal Stadium
- Built 1966
- Owned and operated by City of Phoenix

BREWERS — Chandler

- Compadre Stadium
- Built 1985
- Owned and operated by private group (Chandler Baseball Stadium Partnership)

CUBS — Mesa

- Ho Ho Kam Park
- Built 1976
- Owned by City of Mesa
- Operated by booster group Ho Ho Kams

GIANTS — Scottsdale

- Scottsdale Stadium
- Built 1951
- Owned by City of Scottsdale
- Operated by booster group Charros

INDIANS — Tucson

- Hi Corbett Field
- Built 1932
- Owned and operated by City of Tucson

MARINERS — Tempe

- Tempe Diablo Stadium
- Built 1968
- Owned and operated by City of Tempe

PADRES — Yuma

- Desert Sun Stadium
- Built 1973
- Owned by City of Yuma
- Operated by booster group Caballeros de Yuma

No games are played at this facility

6,100

8,500

4,943
(permanent)
+5000
(lawn seats)

9,000

4,721

10,000

5,400

6,874

Angels 60%
Visiting team 40%

Athletics 50%
Visiting team 50%

Brewers 40%
Visiting team 40%
Compadres 20%

Cubs 45%
Visiting Team 40%
Ho Ho Kams 15%

Giants 40%
Visiting team 40%
Charros 20%

Indians 40%
Visiting team 40%
City 20%

Mariners 60%
Visiting team 40%

Padres 40%
Visitors 40%
Caballeros 20%

Local Charities ... 100%

Athletics 100%

Compadres 100%

Ho Ho Kams 100%

Scottsdale Memorial Hospital 100%

No charge

City/
Tempe Diablos ... 100%

Caballeros 100%

Angels 100%

Athletics 100%

Boys Club 65%
Compadres 17.5%
Brewers 17.5%

Boys Club 100%

Boys Club/
Scottsdale Charros 100%

City 100%

City/
Tempe Diablos ... 100%

Caballeros 100%

- 30-year lease
- Two 10-year options
- One 5-year option
- Currently in first 10-year option
- Expires 1995

- 10-year lease
- 5-year option
- Current option expires 1989

- 3-year lease
- Expires 1991

- 10-year lease
- Expires 1996

- 5-year renewable lease
- 2-year extension expires 1990

- 5-year lease
- Lease expires 1991

- 1-year renewable lease
- Expires 1992

- 5-year lease
- 5-year option
- current option expires 1990

- 5-year lease
- 5-year option
- Current option expires 1991

Source: Arizona Office Of Tourism

- The Scottsdale Baseball Committee recommended building a new 7,000 seat stadium in the downtown Scottsdale area for the Giants.
- The Oakland Athletics negotiated a new lease with the City of Phoenix to give the team greater control over stadium operations and revenues.
- The Mesa community continued its good faith efforts to keep the Cubs by making \$400,000 worth of stadium improvements and giving the team a greater percentage of the gate.
- The City of Tempe allocated \$200,000 for parking, ticket operations, and locker room improvements at Diablo Stadium for the Seattle Mariners.
- Hi Corbett Field will receive a \$400,000 facelift from the City of Tucson for new box seats, concession stands, restrooms, and light and sound upgrades for the Indians.
- The Caballeros de Yuma and the San Diego Padres continued their \$260,000 five-year plan to improve and upgrade the stadium to state-of-the-art standards.
- The California Angels have entertained several proposals to relocate their entire spring training operation to Arizona.
- The private owners of Compadre Stadium in Chandler invested funds for new box seating, renovated bathrooms, and additional concession areas.

OPTIONS FOR CONSIDERATION

After a year of concentrated effort on both the state and local levels, the status of the Cactus League is still tenuous. There are definitely success stories, but the Florida competition is just as threatening today as it was last June

when the Task Force commenced its work. The teams are still being courted by visions of state-of-the-art facilities and very advantageous financial terms.

Arizona is not in the same economic position to offer Midas-like arrangements with illusory values, nor do we believe it necessary to do so to achieve our objectives. It is, however, essential to create options for the state, the local communities, and the private sector so the teams' decision to remain in Arizona will be just as profitable in the long run when balanced with the non-economic features of the League.

The Task Force Interim Report identified 29 items as economic, promotion, and facility recommendations. Sixteen of these have either already been accomplished or are in the process at this time with completion to occur in the near future.

The options submitted in this Final Report make a strong case that the Task Force wants all the entities involved to be able to compete with the Florida environment. Our players and strategies may differ slightly, but the motivation and intent to be victorious and retain Arizona's standing as the best spring training environment in the nation remains as strong as ever before.

It is unrealistic, however, to expect the teams and the private sector to accomplish these options alone without the participation of the state, county, and city governments. Simply put, our principal competitor, Florida, is prepared to commit public dollars to spring training. If Arizona is not prepared to at least consider options which either directly or indirectly involve a similar commitment, we should expect to lose teams. This will definitely adversely affect the viability of the entire League.

The following options are submitted for the consideration of the Governor, the State Legislature, county and local elected officials, and the private sector:

INTERIM REPORT RECOMMENDATIONS

4. Facilitate development of loan pool supported by local financial institutions and corporations to provide low- or no-interest loans for spring training ventures, (e.g., team recruitment and retention, facility construction and renovation, etc.).
5. Arrange state and federal long-term land leases suitable for spring training facility development.
6. Encourage private sector entities, that have the capability to consider donating land suitable for stadium and facility development.

FINAL REPORT RECOMMENDATIONS

4. Request the Arizona Department of Commerce to prepare an analysis of this recommendation for the Task Force's consideration.
5. a. Request the State Land Department to identify specific state and federal land suitable for spring training site consideration.
b. Prepare information regarding land availability and the acquisition process to be distributed to prospective spring training site developers.
6. a. Request the State Land Department to identify private property owners with large undeveloped holdings within Maricopa County.
b. Request the Department of Commerce to prepare a package of information for large land owners regarding spring training economic opportunities in Arizona.
c. Request the Department of Commerce to develop information that identifies the benefit of contributing private land for spring training purposes.
d. Request the Department of Commerce to arrange informal sessions to encourage large land owners to participate in spring training projects in Arizona.

INTERIM REPORT RECOMMENDATIONS

7. Provide state funds to cities for reimbursement of specific costs incurred during the successful recruitment of a spring training team. The level of reimbursement would depend upon the total impact of the new franchise upon the state's economy.
8. Encourage the Governor's Office, the Department of Commerce, the Arizona Office of Tourism and other appropriate state agencies to play a more visible, proactive role regarding Cactus League baseball.
9. Foster state support for the Cactus League Baseball Association.
10. Conduct an objective economic impact study through the Arizona Department of Commerce for all of the teams and the League.
11. Develop an equitable matching fund formula, with direct or in-kind contributions from the state and local governments with the private sector, for the development of new facilities and the enhancement of existing facilities within the Cactus League.

FINAL REPORT RECOMMENDATIONS

7. Establish a state Cactus League fund with an initial state contribution of \$500,000 for demonstration spring training projects. Distribution of the fund proceeds would require matching dollars or in-kind services from local or private interests. Funds for intra-state relocation would be subject to certain stipulations, and inter-state relocation would also require the support of the Commissioner's Office.
8. Request the Department of Commerce and the Office of Tourism to develop formal policy objectives regarding their role in Cactus League baseball.
9. Continue supporting private Cactus League organizations that achieve the objectives identified by the Task Force.
10. Request the Department of Commerce to identify and combine state and private resources to conduct and complete an economic impact study by June 1, 1991.
11. Request the State Legislature to consider allocating \$1 million over a three-year period, commencing in 1991, to be equally matched with local and private funds for the construction and renovation of spring training facilities.

INTERIM REPORT RECOMMENDATIONS

12. Where practical, selected cities should examine their tax revenue distribution arrangements from stadium operations to reduce the financial losses incurred by the teams each year.
13. Encourage additional teams from Japanese Major League Baseball to conduct their spring training activities in Arizona.
14. Develop a program that would provide an equitable basis for taxation of stadia and operations which will enhance Cactus League baseball.
15. Develop a coordinated and targeted marketing program to encourage more Arizona residents to attend spring training games and events.

FINAL REPORT RECOMMENDATIONS

12. This recommendation should be submitted to Cactus League cities when the Final Report is completed.
13. The Governor has appointed a Japanese Baseball Committee to create an action plan to achieve this objective and to prepare for a trade mission later this year.
14.
 - a. The Governor will request the State Legislature to examine this concept in its special tax session scheduled in the fall.
 - b. The Governor proposed and the State Legislature approved legislation that preserves the historic sales tax treatment of Cactus League booster groups.
 - c. Develop legislation to assure that the advertising signage within Cactus League stadia be treated as advertising and not subject to taxation.
15.
 - a. The Governor has recommended and the State Legislature has approved an additional \$50,000 for marketing and promoting spring training.
 - b. Request the Office of Tourism to develop a formal Cactus League marketing program with specific activities by September 1, 1990.
 - c. Request the Office of Tourism to work closely with the team booster groups and other involved organizations to develop a coordinated marketing program for 1990.

INTERIM REPORT RECOMMENDATIONS

16. Create a broad-based, public-private statewide Cactus League organization to provide promotional support for spring training activities.
17. Support efforts to encourage Major League Baseball to schedule their 1990 winter meetings in the Valley.
18. Schedule an annual Governor's banquet to kick off spring training.
19. Provide increased financial resources for the Arizona Office of Tourism to develop targeted marketing programs in Major League cities.

FINAL REPORT RECOMMENDATIONS

16. Continue supporting private Cactus League organizations that achieve the objectives identified by the Task Force.
17.
 - a. The Governor has offered her support to the Phoenix Firebirds to encourage Major League Baseball to schedule its winter meetings in the Valley in the 1990s.
 - b. Request the Governor's Office, the Department of Commerce and the Office of Tourism to initiate efforts to coordinate a community-wide effort to achieve this objective.
18.
 - a. The First Annual Governor's Cactus League Baseball Bash was a tremendous success.
 - b. Annual spring training public events will be scheduled with the teams to kick off future spring training seasons.
19.
 - a. The Office of Tourism has doubled its 1989 Cactus League budget to \$46,000.
 - b. The Governor has recommended and the State Legislature has approved an additional \$50,000 for marketing and promoting spring training.
 - c. Request the Office of Tourism to develop creative ways to use public and private funds to support additional marketing and promotional activities.

INTERIM REPORT RECOMMENDATIONS

20. Consider the feasibility of a centralized ticket sales system for the Cactus League teams.
21. Develop ongoing relationships among the teams, local booster groups, and host cities both during spring training and the regular season (e.g., welcoming committees and events, local group trips to Major League cities, player and player family assistance, etc.).
22. Encourage the private sector to provide financial support for promoting Cactus League activities.
23. Provide courtesy *Arizona Highways* subscriptions to representatives of every Cactus League team.
24. Create active booster groups in the Cactus League cities not having this type of community support organization.

FINAL REPORT RECOMMENDATIONS

20. Encourage new private Cactus League organizations to work with the teams to participate in a centralized ticket sales system for all the teams.
21. Encourage the host cities and booster groups to continue providing support. The Governor should submit this recommendation to all host cities and booster groups when the Final Report is completed.
22.
 - a. Request the Department of Commerce to assist and encourage the teams to solicit corporate support and sponsorship for activities.
 - b. Expand opportunities for the corporate community to participate in the Annual Governor's Baseball Bash.
23.
 - a. The Governor has provided courtesy *Arizona Highways* subscriptions to many officials of the Cactus League teams.
 - b. Request the Governor to provide *Arizona Highways* subscriptions to the Japanese baseball team owners.
24. The Governor should submit this recommendation to those host cities without community support organizations when the Final Report is completed.

INTERIM REPORT RECOMMENDATIONS

25. Inform all 26 Major League teams of the advantages of having spring training scheduled in Arizona.
26. Design stadia that incorporate the relaxed intimacy necessary to enjoy spring training baseball and be responsive to the specific needs and desires of the teams when building and operating facilities.
27. Encourage stadium owners and operators to make their facilities available for year-round activities (e.g. concerts, local baseball competition, instructional and rookie leagues, etc.).
28. Consider streamlining local development procedures and timetables to facilitate stadium construction and renovation plans.
29. Create specific economic incentives to encourage private developers to undertake spring training complex projects.

FINAL REPORT RECOMMENDATIONS

25. The Governor has sent the Interim Report to all 26 Major League Baseball teams. The Final Report should be sent to the team owners and general managers when completed.
26. The Department of Commerce should submit this recommendation to prospective stadium developers.
27. The Department of Commerce should submit this recommendation to stadium owners and operators when the Final Report is completed.
28. The Governor should submit this recommendation to the Cactus League cities when the Final Report is completed.
29. a. The Department of Commerce should develop economic incentives to achieve these objectives.
b. Provide Cactus League information to the Major League Baseball Fall business meetings which meet in Scottsdale in the fall.

CONCLUSION

The Task Force concluded in October when submitting its initial findings that “the state as a whole needs to be more aggressive, more organized, and more supportive to secure the Cactus League for today and Major League Baseball for tomorrow.” Substantial progress has been made in just one year since Governor Rose Mofford took a leadership position on this issue, but the future of the League is still uncertain today. There are isolated signs of success in some communities, but the state, the local communities, and the private sector need to continue the momentum to achieve the ultimate goal of a secure and successful League.

The Governor’s Task Force on Cactus League Baseball is optimistic that this goal will be realized. It will require the collective and cooperative efforts of many individuals and organizations to promote the message that Arizona is the most attractive, competitive environment for spring training baseball. It will also require contributions of resources by both public and private entities to provide the physical and financial structure necessary for the teams.

There is no doubt that Cactus League baseball creates jobs; generates revenue for the state and local economics; places our communities in the national spotlight; and provides enjoyment and leisure time activities for residents and visitors. This is the perfect, ideal industry that returns more to the community in terms of financial impact and public enjoyment than it requires in return. Retaining the League would be consistent with the state’s momentum to make Arizona a Southwestern destination for professional sports. To lose Cactus League baseball would be an economic tragedy; to strengthen the League would be a triumph.

Arizona Department Of Commerce

Arizona Office Of Tourism