

-The Tourism and Sports Authority (the "Authority") is an Arizona a corporate and political body and, except as otherwise limited, modified or provided by the law establishing the Authority, has all of the rights, powers and immunities of Arizona municipal corporations. The boundaries of the Authority are the boundaries of any county in Arizona that has a population of more than two million persons (currently, only Maricopa County). Subject to the vote of the qualified electors residing in the Authority to levy a tax or a surcharge for the fiscal needs of the Authority, the Authority is considered to be an Arizona -tax-levying public improvement district.

Summary

The materials furnished in this pamphlet have been prepared to provide voters, within the constraints of space, full disclosure of the obligations imposed by law upon the Authority and how the Authority intends to proceed. We have provided objective and factual information. As required by law, we have also included projections and estimates which have been prepared by consultants to the Authority. The projections of the Authority's, revenues and expenses are believed by the consultants to reflect reasonable expectations based on historical and other data presented to the Governor's Stadium Plan "B" Advisory Task Force (the "Governor's Task Force"). The projections of construction costs and public economic benefits are believed by the consultants to be conservative.

The Authority is established by law to: (i) promote tourism in Maricopa County; (ii) develop a multipurpose facility in Maricopa County for the use of a professional football franchise, a major college bowl sponsor, sports organizations other than football (such as professional **soccer, Pan Am** and World Cup games, and NCAA championship basketball tournament games) and organizers of other events (such as trade shows, concerts and similar attractions); (iii) develop and renovate Cactus League baseball spring training facilities in Maricopa County with other governmental partners; and (iv) develop and improve youth and amateur sports facilities, recreational facilities and other community facilities in Maricopa County with other governmental partners.

The revenues provided to or to be generated by the Authority to accomplish the purposes set forth above can be summarized as follows: (i) upon voter approval, the surcharge on car rentals targets visitors to the State (and includes an exemption for "replacement vehicles" for vehicles undergoing repair or similarly unavailable on a temporary basis), as does, upon voter approval, the 1% tax on hotels within the County; (ii) the other "public" monies come to the Authority from taxes applicable to the users of the multipurpose facility, from taxes applicable to the Arizona Cardinals and their employees, from taxes applicable to the activities and transactions associated with the multipurpose facility (including construction) and from interest on monies held by the Authority; (iii) "private" money, in the amount of \$85 million, which is required to be paid by the Cardinals to the Authority for the development of the facility and for the exclusive football uses of the facility, except for a major college bowl game; and (iv) "private" monies which will be provided for in "user agreements" which the Authority intends to negotiate and enter into with the Arizona Cardinals, the Fiesta Bowl and other regular users of the facility prior to the November 7, 2000 election.

The legislation establishing the Authority directs the Authority to identify possible sites for the multipurpose facility within Maricopa County. The Authority -is required to select one or more sites, giving special consideration to those that are offered (land, infrastructure and parking) without cost in addition to giving consideration to all other factors. The Authority will enter into one or more, agreements for a site or sites before the election, subject to any approvals the offeror may have to obtain; however, final selection may not occur until after the election.

To provide for the fiscal needs of the Authority, the voters of Maricopa County are being asked to vote on a car rental surcharge and a tax on hotels in Maricopa County. Even if the car rental surcharge and the tax on hotels are approved by the voters of Maricopa County, the law establishing the Authority prohibits the State Treasurer from transferring monies to the Authority for tourism and the development of the multipurpose facility until the School Facilities Board, in consultation with the Governor's Office of Strategic Planning and Budgeting and after review by the Joint Legislative Budget Committee, certifies that sufficient monies are, dedicated to the deficiencies corrections fund to make the school improvements required pursuant to A. R.S. § 15-2021.

For a more complete description of the Authority and its purposes and the ballot Proposition, Please review the remainder of this voter pamphlet.

Purposes For and Distribution Of Ballot Proposition Taxes

If approved by Maricopa County voters, the revenues provided from the car rental surcharge and the tax on hotels are required to be paid over a 30-year period to the Authority by the State Treasurer. Under the law establishing the Authority, the Authority is required to distribute the revenues it receives each month for the following purposes and in the following order of priority:

Multipurpose Facility Bonds: To pay the annual principal and interest owed on a portion of the bonds issued by the Authority for construction of the multipurpose stadium facility in Maricopa County. The amount distributed is limited to no more than the annual principal and interest on bonds issued for no more than 50% of \$331 million of the capital costs of the facility, a state-of-the-art, publicly-owned multipurpose stadium. The multipurpose stadium facility will be the home of the Arizona Cardinals, the Tostitos Fiesta Bowl and, possibly, future Super Bowls. With its retractable roof and field, the facility also will be able to host major trade shows, political conventions and premier sporting events such as the NCAA Final Four basketball tournament and World Cup and professional soccer.

Promotion of Tourism in Maricopa County: To the Arizona Office of Tourism to promote tourism within Maricopa County. The amount distributed will be \$4 million. In the first twelve months the ballot proposition taxes are in effect and increases by 5% each year thereafter until the ballot proposition taxes expire. None of these revenues may be used for administrative or overhead expenses. As a result of the funding provided, Maricopa County will be able to compete against other destinations or states such as Florida, Nevada and California, that currently have much larger promotion budgets. The economic benefits to Maricopa County from tourism are substantial.

Cactus League Baseball Spring Training in Maricopa County: To promote Arizona's Cactus League by constructing new Cactus League baseball spring training facilities in Maricopa County, or by renovating existing Cactus League baseball spring training facilities in Maricopa County. Under the law, each Cactus League project undertaken by the Authority must include the county or a city partner that contributes at least one-third of the cost of the project. The amount distributed gradually increases from \$3 million each year in the first seven years of the ballot proposition taxes to \$11 million each year in the last four years the ballot proposition taxes are in effect. The \$75 million to be provided by the Authority, together with matching funds, can provide approximately \$110 million, in today's dollars, to enable Maricopa County to compete with other spring training venues, such as Florida, and new venues being planned, such as Las Vegas. Current sources for spring training funds in Maricopa County are fully allocated through the year 2017.

Operating and Administrative Expenses of the Authority: To provide for operating and administrative expenses of the Authority each year the ballot proposition taxes are in effect. These expenses may include the costs of operating, promoting and furnishing the multipurpose facility to be developed in Maricopa County. The amount distributed each year is limited to no more than the Authority's adopted operating budget for the year.

Youth and Amateur Sports and Recreation Facilities in Maricopa County: To promote youth and amateur recreation and sports within Maricopa County by developing and improving youth and amateur sports facilities, recreational facilities and other community facilities. Under the law establishing the Authority, each community youth and amateur sports and recreational facility project undertaken by the Authority must include a governmental partner (including community organizations, school districts and municipalities) that contributes at least one-third of the cost of each project. The amount distributed is \$1,000,000 in the first year the ballot proposition taxes are in effect and increases by \$100,000 in each subsequent year the ballot proposition taxes are in effect. The \$27 million to be provided by the Authority, together with matching funds, can provide nearly \$41 million, in today's dollars, to fund many new and improved facilities (depending on the types of facilities, possibly in excess of 200) for recreation and for sports activities such as soccer, baseball, swimming, softball, volleyball, basketball and football.

Remaining Funds: After each of the purposes described above have been fully funded in each year the ballot proposition taxes are in effect, any remaining revenues from the ballot proposition taxes will be used each year to establish operating and capital replacement reserves and to prepay bonds in order to reduce interest costs. After all bonds of the Authority are paid or fully provided for and the Authority's capital reserves are fully funded, any remaining revenues each year (after the required distributions for tourism promotion, Cactus League facilities, budgeted operating costs and youth and amateur recreation and sports) are required to be distributed by the Authority, 70% to the Arizona Office of Tourism for tourism promotion of Maricopa County and 30% to be used by the Authority for developing or renovating Cactus League baseball spring training facilities in Maricopa County.

The Tax Levies and Estimated Revenues

Pursuant to the law establishing the Authority, the car rental surcharge and the tax on hotels, if approved by Maricopa County voters, will be levied in Maricopa County for a period of 30 years (360 months). Each levy will become effective on March 1, 2001 and will end on February 28, 2031.

Car Rental Surcharge: The car rental surcharge will replace an existing surcharge of \$2.50 per car rental contract. Revenues from this existing \$2.50 surcharge are distributed by law to the Maricopa County Stadium District for promoting Cactus League baseball spring training in Maricopa County. The proposed rental surcharge which is on this ballot replaces the existing \$2.50 surcharge per rental contract with a surcharge of 3.25% of the amount of each rental contract, but in no event less than \$2.50 per rental contract. Under the law establishing the Authority, the Maricopa County Stadium District continues to receive \$2.50 per rental contract from the proposed surcharge to make payment on outstanding bonds the District has issued with remaining amounts to be received by the Authority.

The proposed car rental surcharge is estimated to generate approximately \$10.1 million in revenues over the first full twelve months of collections. Approximately \$5.4 million of the car rental surcharge revenues estimated to be collected in the first twelve months, representing the estimated \$2.50 per rental contract, will be distributed to the Maricopa County Stadium District. The remaining \$4.7 million of estimated revenues will be available for use by the Authority. The rental surcharge in excess of \$2.50 per rental contract does not apply to a vehicle loaned by a motor vehicle repair facility or dealer or rented by a person temporarily to use while the vehicle it is replacing is not in use because of breakdown, repair, service, damage or loss.

Hotel Tax The ballot proposition tax on hotels in Maricopa County is 1%. The tax is estimated to generate approximately \$10.7 million in revenues to be received by the Authority **over the** first full twelve months of collections.

Anticipated Growth in Revenues: The Authority funding plan anticipates growth of its share of the car rental surcharge and the tax on hotels over time. The assumed growth rates are approximately as follows:

Projected Annual Rates of Growth In Revenues From Car Rental Surcharge		Projected Annual Rates of Growth In Revenues From Tax on Hotels
Years 1 to 10	5.00%	8.00%
Years 11 to 20	5.00%	5.00%
Years 21 to 30	3.00%	3.00%

(1) The amount of the surcharge to be received by the Authority, net of the \$2.50 per rental contract to be distributed to the Maricopa County Stadium District, when expressed in terms of an annual percentage increase, will grow at a higher rate than reflected above.

Costs of the Multipurpose Facility

Multipurpose Facility: The multipurpose facility is anticipated to include approximately 67,000 seats and will have the capacity to accommodate an additional 6,000 seats for special events such as Fiesta Bowls and Super Bowls. Included in the basic seating are 6,800 club seats, 86 suites and supporting amenities such as lounges and restrooms. The seating will be arranged on a field level, main concourse level, club level, two suite levels and an upper concourse level.

The facility will be sized, furnished and equipped in a manner comparable to that of recently completed facilities used by NFL teams. The facility will have concession areas, food service preparation areas and equipment, restrooms, handicapped seating, scoreboards, video screens and sound systems.

To permit use for a wide range of non-sporting events (e.g., conventions, meetings, concerts, trade shows), the facility will include a retractable roof, a moveable wall at one end of the facility, air conditioning throughout and a retractable natural grass field. There will be a concrete floor below the retractable playing field that can be used for various events that do not require the playing field. Because the natural grass playing field will be outdoors except for field sporting events, the roof will not be fully retractable as at Bank One Ballpark where the entire permanent grass playing field must receive sunlight. The design of the facility is the most cost-effective way for the facility to be truly multipurpose throughout the year and provides a natural grass playing surface for field sporting events.

When events are held during hot weather, the roof and moveable wall will be closed and the facility will be air conditioned. During most of the year, the roof and moveable wall would be open so that spectators may enjoy an open air facility experience as well as Arizona's usually pleasant weather.

Cost of Multipurpose Facility. The construction cost of the facility is anticipated to be approximately, but not in excess of, \$331 million. In addition to the features included in the preceding description of the multipurpose facility, this cost includes architectural and engineering fees, testing and inspection, permits, all furnishings and all equipment needed for facility operations. The cost does not include site acquisition, infrastructure, parking, financing costs and owner administration. The county or city in which the multipurpose facility is located shall provide the land, infrastructure and parking facilities associated with the multipurpose facility.

Public Monies and Sources/Private Monies and Sources to be Expended on the Multipurpose Facility

Funding for the estimated construction cost for the multipurpose facility will be provided from both public and private sources. The following sources of public and private monies will be available for expenditure on development of the multipurpose facility:

Tax on Car Rentals and Tax on Hotels: See the discussion above under the heading "The Tax Levies and Estimated Revenues."

Income Taxes on Professional Football Franchise and Franchise Employees: Income taxes collected by the State on the income of any professional football franchise domiciled in Arizona, and on the income of any resident and nonresident employees of any such franchise, are dedicated to the Authority. The State Treasurer is required, beginning in July of 2001, to distribute an amount at least equal to the income taxes collected from these sources in the prior year. The law provides that the minimum distribution to the Authority is \$3,504,000 in the first year of distribution, increasing by 8% in each subsequent year.

Sales Taxes Associated with the Multipurpose Facility: Sales tax (i.e., transaction privilege tax) revenues collected by the State on taxable activities and taxable transactions at or with respect to the multipurpose facility owned by the Authority are dedicated to the Authority. This includes sales taxes collected under the retail, amusement and restaurant classifications under Arizona law. These collections include sales taxes paid at the multipurpose facility on purchases of food and beverages, restaurant sales, retail purchases and on ticket purchases for attending events of any kind at the facility. Sales taxes collected on construction activity for building the multipurpose facility are also included.

Sales Taxes Associated with Professional Football Contests: Sales tax (i.e. transaction privilege tax) revenues collected by the State beginning in July of 2001 on taxable activities or taxable transactions associated with professional football contests held at a stadium under the control of the Arizona Board of Regents are dedicated to the Authority. This includes sales taxes collected under the retail, amusement and restaurant classifications under Arizona law. These collections include sales taxes paid at professional football games held at Sun Devil Stadium on purchases of food and beverages, restaurant sales, retail purchases and on ticket purchases for attending games.

Interest: The Authority **will** earn interest on both public and private monies held by the Authority.

Private User Revenues: Users of the multipurpose facility will be required to enter into lease -or use agreements with the Authority. These users may include a professional football franchise, collegiate football bowl organizations, concert organizers and non-football sports and other event organizers. Regular users of the facility must enter into binding agreements with the Authority for an initial lease term that begins when the facility is complete and ends no sooner than the termination of the car rental surcharge and tax on hotels. The Authority anticipates receiving revenues from lease or use agreements it enters into.

Private Contribution by Professional Football Franchise: The professional football franchise using the multipurpose facility to be owned by the Authority is required to provide \$85,000,000 of the construction and development costs of the multipurpose facility. This contribution is a condition to entering into a binding agreement with the Authority for use of its multipurpose facility. The binding agreement must be entered into prior to November 7, 2000.

Expenditures: The Authority anticipates expending the amounts of public and private monies shown below for developing the multipurpose facility. The amounts are based on the estimated revenues available to the Authority, the estimated costs of developing the multipurpose facility. And the required distribution of monies available to the Authority for purposes other than developing the multipurpose facility. The sources of revenue expended for developing the multipurpose facility may change since the Authority has the discretion to spend certain of the public and private funds (other than the \$85 million contribution to the development of the multipurpose facility by a professional football franchise) for more than one of the Authority's funding obligations (e.g., tourism promotion, Cactus League baseball spring training facilities, operating/administrative costs and youth and amateur sports and recreational facilities).

Current

Funding Source	Dollar Amount]
Car Rental Surcharge	\$115,069,600
Tax on Hotels	47,521,000
Income Taxes on Professional Football Franchise	34,097,000
Sales Taxes Associated with Multipurpose Facility	40,124,000
Contribution by Professional Football Franchise	85,000,000
User Lease Revenues	3,189,000(1)
Interest Earnings on Authority Funds	10,000,000
Total	\$335,000,000

1. Fiesta Bowl estimate based in part on existing arrangements at Arizona State University's Sun Devil Stadium. 2. Includes \$331 million in construction costs and \$4 million in financing costs.

The amounts shown above represent the current dollar value of the amounts anticipated to be expended from each source for development of the multipurpose facility. Additional amounts are anticipated to be available from any or all of these funding sources to fund other requirements of the Authority. The Authority will borrow a significant portion of these amounts through the issuance of bonds. The bonds **will** be repaid, with interest, from any of the public and private **sources -of** monies available to the Authority.

Public Economic Benefits

The public economic benefits to be derived from tourism promotion, the multipurpose facility, Cactus League baseball spring training facilities and youth and amateur sports and recreational facilities are estimated below. This analysis presents a summary of those benefits as compiled from a number of sources. Revenue projections have been provided by the Governors Task Force Final Report dated January 31, 2000. The amounts discussed below are stated in future dollar value amounts.

Tourism Promotion: Part of the revenues provided to and generated by the Authority will be used to promote tourism in Maricopa County. Approximately \$250 million is projected to be available to the Authority for distribution to the Arizona Office of Tourism to promote tourism within Maricopa County over the period the ballot proposition taxes are in effect. In the last six years of the levy of the taxes, an additional \$155.6 million is projected to become available to promote tourism in Maricopa County, assuming all bonds have been paid or fully provided for and reserves have been funded. The economic benefits to be derived from the funds distributed by the Authority to the Arizona Office of Tourism are:

1. The equivalent of 60 full time jobs created each year in advertising and marketing throughout the economy of Maricopa County with a \$7 million impact on economic activity throughout the economy of Maricopa County; and
2. Improvement of the competitive position of Maricopa County so as to permit Maricopa County to maintain its present share of national tourism spending - data provided by the Office of Tourism and D.K. Shifflet and Associates reflect a slow loss of market share to competing states and other tourist destinations. Under conservative assumptions, tourism promotion funding generates an annual average of \$1.4 billion in economic activity throughout the Maricopa County economy and an annual average of approximately 10,690 full time jobs throughout the Maricopa County economy.

Multipurpose Facility: Part of the revenues available to and generated by the Authority will be used to finance the development and ongoing maintenance and operation of the multipurpose facility to be located in Maricopa County. The estimated public economic benefits to be derived from the multipurpose facility include:

1. \$306 million in economic activity throughout the Maricopa County economy and the equivalent of 2,860 full time jobs added to the Maricopa County economy over the multipurpose facility's anticipated two-year construction period;
2. 235 full - time jobs annually throughout the Maricopa County economy and \$31 million in annual economic activity throughout the Maricopa County economy related to the maintenance of the facility;
3. Retention of the Fiesta Bowl that will generate the equivalent of 1,530 full time jobs each year throughout the Maricopa County economy with a projected annual average of \$138 million in economic activity throughout the Maricopa County economy each year the ballot proposition taxes remain in effect;
4. An NFL Super Bowl to be played at the multipurpose facility every five years, beginning in 2005 and continuing while the ballot proposition taxes remain in effect, generating the equivalent of 6,040 full time jobs for each Super Bowl year throughout the Maricopa County economy and a projected average of \$548 million in economic activity throughout the Maricopa County economy for each Super Bowl year;
5. The retention of the Arizona Cardinals NFL franchise in Maricopa County, a business that creates the equivalent of approximately 1,600 full time jobs throughout the Maricopa County economy' annually and with a projected annual average of \$154 million in economic activity throughout the Maricopa County economy; and
6. The opportunity for hosting other major events such as professional soccer, Pan Am and World Cup games, NCAA championship basketball tournament games, trade shows, concerts and similar attractions (for purposes of this analysis, no economic benefit from these events has been calculated).

Cactus League Facilities: Part of the revenues to be provided to and generated by the Authority will be used for Cactus League baseball spring training facilities in Maricopa County. These funds, estimated to be approximately \$194 million, will be used to pay for two-thirds of the development costs of a new dual-team baseball facility and the remodeling/rebuilding of three existing Cactus League baseball spring training facilities in Maricopa County. The Authority anticipates issuing bonds in the fourth year after the passage of this ballot proposition for approximately \$27 million to be used in the development of a \$40 million dual-team facility. Five years, seven years and nine years after the passage of this ballot proposition, \$6 million in bonds will be issued each such year for the remodeling/rebuilding of existing Cactus League baseball spring training facilities in Maricopa County at a cost of \$9 million for each facility. In the last six years that the ballot proposition taxes are in effect, an additional \$66.7 million is projected to be available for Cactus League baseball spring training facilities in Maricopa County, after all bonds are paid or fully provided for and reserves have been funded. The economic benefits are:

The development and remodeling/rebuilding of facilities creating an average of \$22 million in economic activity in Maricopa County and creating an average of 140 full time jobs in Maricopa County during each year that construction and remodeling/rebuilding takes place; and

2. The development of a new dual-team facility and the remodeling/rebuilding of three existing facilities, **all** in Maricopa County, resulting in the addition of two more Cactus League baseball teams for spring training in Maricopa County and the retention of three Cactus League baseball teams currently playing in Maricopa County, whose leases at existing Cactus League baseball stadiums expire over the next ten years. According to studies undertaken by the Cactus League, approximately \$200 million in economic activity is generated each year by baseball spring training games, or an average of approximately \$20 million of economic activity throughout the Maricopa County economy each year for each team. The economic impact to Maricopa County of attracting two new Cactus League baseball teams and retaining three other Cactus League baseball teams for the period the ballot proposition taxes remain in effect is projected to result in annual average economic activity of \$166 million and the equivalent of approximately 1,470 full time jobs added each year throughout the Maricopa County economy.

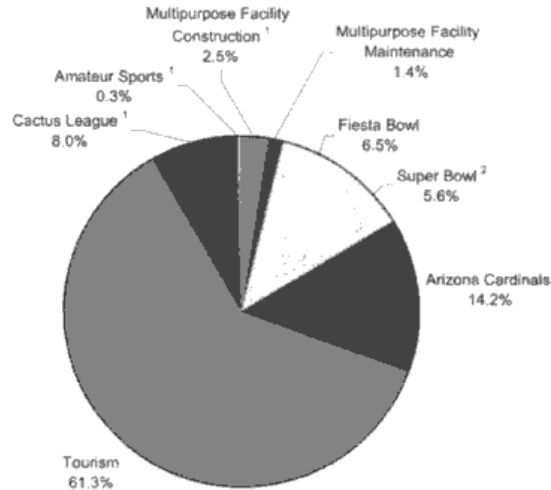
Youth and Amateur Sports and Recreation Facilities: Part of the revenues provided to and generated by the Authority will be used for the construction of youth and amateur sports and recreational facilities in Maricopa County. These funds, projected to be \$70 million over the period that the ballot proposition taxes are in effect, will, through the development of facilities; generate approximately \$4.4 million in economic activity annually throughout the Maricopa County economy and the creation of the equivalent of 30 full time jobs annually throughout the Maricopa County economy.

Summary of Public Economic Benefits: Revenues provided to and generated by the Authority will produce significant benefits for Maricopa County and its residents. Over the period the ballot proposition taxes remain in effect the annual average impact is estimated as follows in future dollar value:

Direct Spending in Maricopa County:	\$1.04 billion
Total Economic Output in Maricopa County:	\$1.95 billion
Jobs Created in Maricopa County:	16,430
Wages in Maricopa County:	\$778 million

Much of the economic impact is the result of spending on tourism promotion of Maricopa County that will enhance the competitive position of Maricopa County and permit it to maintain its market share of national tourism spending. A breakdown of the public economic benefits is as follows:

Summary Of Estimated Economic Benefits Of Revenues Available To And Generated By The Authority



Note: The economic benefits described in the chart are expressed as the annual economic output of all program components generated over the period the ballot proposition taxes remain in effect, discounted to their present value at a 6% discount rate.

Footnotes:

1. The economic benefit from the construction of facilities is averaged over the period the ballot proposition taxes remain in effect.
2. The economic benefit from Super Bowls at the multipurpose facility every 5 years is averaged over the period the ballot proposition taxes remain in effect.

Summary of Estimated Average Economic Benefits					
Economic Activity	Multipurpose Facility				
	Construction (1) Maintenance		Fiesta Bowl	Super Bowl (2)	Arizona Cardinals
Direct Spending	\$165,500,000	\$16,800,000	\$73,800,000	\$290,700,000	\$90,000,000
Total Economic Output	\$306,000,000	\$30,9010,000	\$138,300,000	\$548,000,000	\$154,100,000
Jobs Created	2,860 240		1,530	6,040	1,580
Wages	\$110,000,000	\$12,700,000	\$46,200,000	\$183,000,000	\$92,600,000
Economic Activity	Tourism Promotion		Cactus League		Amateur and Youth Sports Facilities
	Advertising	Increased Spending	Construction/ Reconstruction (3)	Expansion/retention of Teams	Construction
Direct Spending	\$3,500,000	\$720,900,000	\$16,400,000	\$90,400,000	\$2,000
Total Economic Output	\$7,000,000	\$1,369,200,000	\$22,0100,000	\$165,700,000	\$4,400,000
Jobs Created	60 10,690		140	1,470	30
Wages	\$3,200,000	\$532,000,000 1	\$7,900,000,	\$64,800,000	\$1,600,000
Notes:					
(1) Average annual impact over two years of construction.					
(2) Average impact of a Super Bowl, assuming five are held over the life of the levy.					
(3) Average annual impact over ten years of construction activity.					
Sources The Center for Business Research ASU, Arizona Office of Tourism; D. K. Shifflet & Associates; Governor's Stadium Plan "B" Advisory Task Force; Arizona Cardinals; The NFL; Elliott D. Pollack & Co.					