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Fiesta Bowl Events Add \$401.7 Million to Economy

This year's Fiesta Bowl Festival of College Football generated an overall economic impact of \$401.7 million to the local economy.

The Tostitos BCS National Championship Game alone resulting in a record economic impact of \$171.5 million, according to a study by the W. P. Carey Sports Business Program at Arizona State University (ASU).

Three of the four Fiesta Bowl events: the Blue Cross Blue Shield of Arizona Fiesta Bowl National Band Championship, the Tostitos Fiesta Bowl and the Tostitos BCS National Championship Game were held for the first time at the University of Phoenix Stadium.

The economic impact figures broke out as:

- BCS National Championship – \$171.5 million
- Tostitos Fiesta Bowl – \$115.8 million
- Insight Bowl – \$62.2 million
- National Band Championship – \$7.8 million
- Organizational Spending – \$44.4 million

The combined \$401.7 million for the 2006-07



Halftime performances during the thrilling Tostitos Fiesta Bowl held on Jan. 1.

season surpasses the previous best, which was set following the 2002-03 national championship season. It also significantly exceeds the original prediction for the economic impact of the 2006-07 season, which was projected at \$315 million back in September of 2006 by the ASU College of Business.

Researchers also determined the Tostitos BCS National Championship Game, Tostitos Fiesta Bowl and Insight Bowl generated labor demand equivalent to 3,576 jobs; and generated \$10.11 million in state and local taxes.

Fiesta Bowl Events Highlights

- Overall impact on local economy = \$401.7 million
- BCS National Championship out-of-town visitors = 80%
- Fiesta Bowl out-of-town visitors = 70%
- State and local taxes generated = \$10.11 million
- BCS National Championship visitor average stay = 4 nights
- Fiesta Bowl visitor average stay = 3 nights
- BCS National Championship visitor average spend = \$363.70 per day
- Fiesta Bowl visitor average spend = \$297.80

According to the study, out-of-state visitors spent \$178.8 million for lodging, food, entertainment, and other goods and services while in the Valley of the Sun. An additional \$44.4 million was spent by the Fiesta Bowl organization and others associated with the activities. The third element of the overall impact reflects the collective result visitor spending had on Arizona's economy for the three bowl games, which amounted to an induced spending



Gators Quarterback Chris Leak celebrates Florida's upset win over Ohio State.

number of \$349.5 million, the highest ever for the Fiesta Bowl.

The study shows that non-local fans spent an average of \$363.70 per day in the Phoenix area for the Tostitos BCS National Championship Game, \$297.80 per day for the Tostitos Fiesta Bowl per day and \$272.50 per day for the Insight Bowl. The largest expenditures were for air fares, hotels, eating and drinking, retail and car rental. The average length of stay per person across the three bowl games was about four nights.

The Tostitos BCS National Championship Game was sold out and 80% of patrons were visitors; the Tostitos Fiesta Bowl was also sold out and 70% of patrons were visitors. Of visitors who traveled to the Tostitos BCS National Championship Game, 15% did not have tickets to the event. For the Tostitos Fiesta Bowl and Insight Bowl, 1% and 2% respectively did not have tickets to the games.

In addition, out-of-state visitors were also surveyed at the Blue Cross Blue Shield of Arizona Fiesta Bowl National Band Championship. An estimated 3,200 visitors attended this event and stayed an average of five nights. Expenditures associated with the National Band Championship had an impact of \$7.8 million on the local economy.

AZSTA Workshops Reach out to Youth Sports Grant Applicants

Representatives from Valley schools, non-profits and municipalities attended two workshops this month designed to help them tap into funds for youth and amateur sports projects.

More than 150 people attended the workshops

Apr. 9 and 12 put on by AZSTA which is awarding \$2.25 million in grants this year.

"We offered the free workshops for groups interested in learning how to apply for grants for developing and improving youth and amateur sports facilities throughout the Valley," said Chuck Foley, AZSTA's chief financial officer.



Chuck Foley (r.) leads a grant application workshop hosted at the University of Phoenix Stadium for more than 80 attendees.

Foley said AZSTA has provided workshops, town hall meetings and even a major youth sports summit as ways to better serve the stakeholders in the youth and recreational sports areas.

The workshops provided an overview of AZSTA's Biennial Grant and Quick Grant Programs, eligibility requirements for qualified entities and a timetable for the 2007 award cycle.

The deadline for this year's applications is June 1 and AZSTA expects to make the awards in the fall. Information on the Biennial Grant Program and a list of Frequently Asked Questions are available on the AZSTA Web site at: www.az-sta.com/yas_grantcycle.htm.

AZSTA has already made \$8.2 million in awards to more than 30 major youth and amateur sports projects throughout the metropolitan Phoenix area.

Stadium Featured on the History Channel's Television Program "Modern Marvels"

The University of Phoenix Stadium's unique roll-in natural grass field was the star of the show once again, being featured on the nationally broadcast television program, "Modern Marvels: Yard Tech". The show aired on the History Channel, Apr. 12, 13 and 14. It is scheduled to re-air several times in the future.

Highlighted in the program is the amenity most

responsible for the multi-purpose functionality of the facility -- the stadium's natural grass roll-in field. With the field housed in its normal "outboard" position, the facility becomes one of the most versatile sporting and entertainment venues in the country while allowing the Tifway 419 Bermuda hybrid grass to prosper in the Arizona sunshine. When the field is rolled into the stadium, it can be used for football and soccer games.

15th Annual Women's Expo Debuts in University of Phoenix Stadium Apr. 14-15

The 15th annual Women's Expo, produced by local television station KTVK-TV, was held for the first time at the University of Phoenix Stadium.

Named as one of the top five consumer events in Arizona, this successful show is a shopping and entertainment extravaganza that has made the Women's Expo an annual must-attend girls' day out.

This year's event included thousands of square feet of shopping, interactive exhibits, the wine chateau hosted by WineStyles, free food samples courtesy of Fry's, beauty makeovers from Rolfs, a drawing to win a 2007 Chrysler Jeep Patriot Sport, the opportunity to sign-up as a Super Bowl 2008 volunteer, featured speakers such as the popular Queen of Clean Linda Cobb and Relationship Guru Lissa Coffey and a chance to meet KTVK talent, the KASW Six Pak and KOOL and KMLE radio personalities.

In addition, both days featured speaking appearances by actresses Jane Seymour, Sharon Lawrence and Gabrielle Union.

As part of the Expo festivities, KTVK, mysweet-connection.com and Movin 97.5 radio teamed up to choose the first Queen of Expo. The winner was announced on Saturday by KTVK and Movin 97.5 talent and was awarded special gifts.

Reach 11 Soccer Project Featured for Phoenix Residents

The April issue of "Notes", a publication for all residents in Phoenix featured the new Reach 11 Sports Complex, the city's first large-scale soccer facility which is now open.

AZSTA was high-lighted for its contribution of \$1.4 million to the \$11.5 million project which has 10 lighted soccer fields and two playgrounds. The focal point



The main field at Reach 11 features artificial turf.

of the project is a unique synthetic grass field that has permanent stadium style seating.

Phoenix voters have approved \$12.5 million more for a second phase that will add 10 more lighted fields. This project is an example of the type of multi-field complexes which can support regional, national and international tournaments which draw visitors to the metro area.

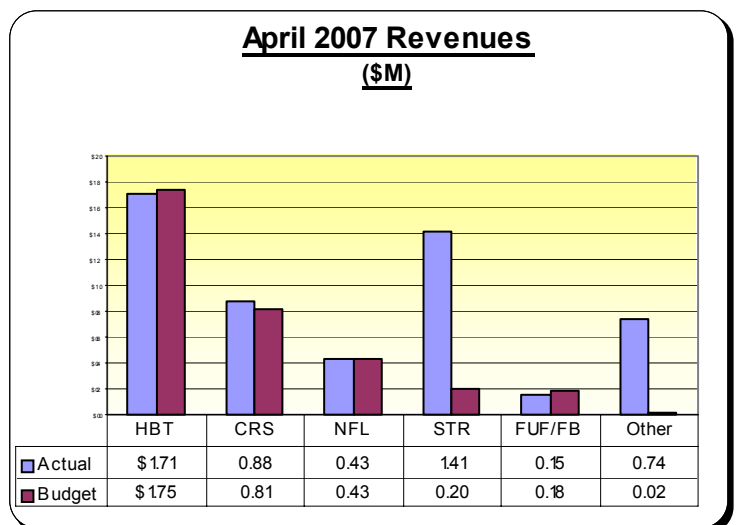


Ted Ferris, AZSTA President/CEO, was the key-notespeaker Apr. 23 at the Summer Youth Program Fund grant awards held in the Nina Mason Pulliam Auditorium at the Burton Barr Central Library. A group of 11 funding organizations, including the Maricopa Council on Youth Sports and Physical Activity (MCYSPA), granted a total of \$365,000 to 26 organizations serving Valley youth during the summer months.



Financial Overview

Sources – The following chart provides our monthly revenue results for April 2007 which represents transaction activity from February 2007:



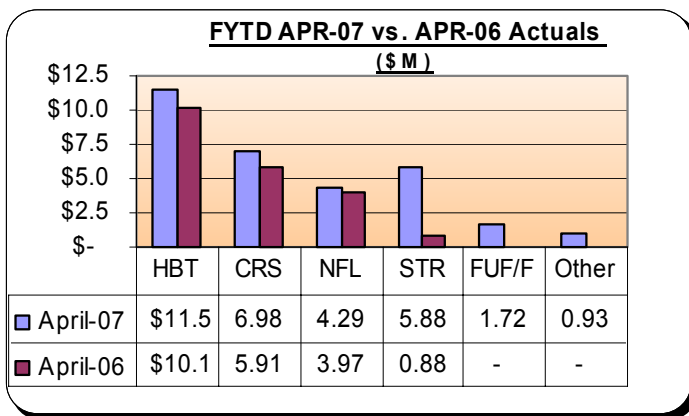
The Authority's **total revenues** for the current month were positive overall with the receipt of the Fiesta Bowl's ticket use fee and the facility use fees from the two bowl games. The individual revenue components and their performance are detailed as follows:

- The combined **tourism revenues** (hotel bed tax and car rental surcharge) posted \$2.59 million in revenues – \$27.7k, 1.1%, above forecast. The **hotel bed tax**, slipped again for just the second time in nearly two years by coming in \$36.5, 2.1% below budget. The **car rental surcharge** continued its positive performance by outdoing its forecast by \$64.2, 7.9%.
- 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 \$429k for the month.
- **Sales tax recapture** revenues for the month of April posted a very significant result for the month with the reporting of the two collegiate games from January. The STR's were 1.2 million, 601.2%, above budget. As a reminder, the sales taxes related to the Fiesta Bowl's BCS National Championship game are to be rebated to the Fiesta Bowl.
- **Facility use fees and concession revenues** were \$147.4k which were \$35k, 19.2%, below budget.

Other revenues include the Arizona Cardinals' rent of \$20.8k and future revenues from the Fiesta Bowl and Glendale for marketing purposes. Due to the Fiesta Bowl's remittance of their ticket use fee and facility use fees we recorded \$739.7k in revenues. Due to lower than expected attendance figures used by the Fiesta Bowl to calculate these two items, on a year-to-date basis, we are below budget for this category by \$114.8k, 11.0%.

Sources – Comparing Fiscal Years 2007 and 2006

– The next chart provides a fiscal year-to-date comparison between April 2007 and April 2006:



Through the first ten months of this fiscal year our revenues continue to be strong as compared to the prior fiscal year. Total FYTD April 2007 revenues were \$31.3 million vs. \$20.9 million for the prior year – an increase of \$10.4 million, 49.7%. All revenue categories have contributed to this positive performance – a good sign indicating strength across the board.

Senior Bond Debt Service – The Authority will pay an estimated \$13.7 million in senior bond debt service during fiscal year 2007 -- \$11.7 million for the 2003A bonds and \$2.0 million for the 2005A bonds. Approximately 60% of the total amount will be sourced from our tourism revenues. The balance will come from the facility revenues – the pledged portion only. This split is based on statutory language that limits the debt service from tourism revenues to the equivalent of no more than \$165.5 million of the bond principal which is \$275.0 million.

Tourism – During fiscal year 2007 the Authority will provide \$5.1 million to the Arizona Office of Tourism 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 another \$3.0 million in the current fiscal year. Of this amount \$2.46 million will be used for subordinate bond debt service payments, \$0.5 million for funding the required bond reserve account and the balance is earmarked for spring training baseball renovation projects in the cities of Tempe and Scottsdale.

Youth and Amateur Sports -- \$1.5 million will be distributed into this fund this fiscal year. This annual distribution grows by \$100,000 each year. The Authority will also fully funded the \$100k annual increment to the existing \$1.3 million youth and amateur sports reserve fund.

Authority Operations – The Authority's operating budget has grown significantly for fiscal year 2007 with the opening of the new stadium and the requirements of operating the building and all its scheduled events. The total approved operating budget is \$21.9 million which is comprised of the Authority's operations at \$1.1 million, Global Spectrum's operations at \$11.7 million and one-time capital expenditures for stadium furniture, fixtures and equipment, tenant improvements, extravaganza seating and the final contribution to the stadium construction project totaling \$9.1 million.

Approved by:

Ted A. Ferris
 President/CEO