

## **Chicago Cubs Memorandum of Understanding Questions and Answers**

### **Why did the Cubs choose Mesa over Florida?**

The Chicago Cubs have a 50 plus year relationship with the City of Mesa and have had great support working with the City in building three different stadiums. That rich history includes tens of thousands of loyal Cub fans who annually make the spring training journey to Arizona. The City's as well as the State's proven commitment to, and experience with, spring training and the Cactus League was also a factor in the decision.

### **Why now, in this economy?**

The City of Mesa looks at the Cubs deal as economic preservation. To lose the Cubs, a significant economic engine for the City and State, at a time when our city faces serious fiscal challenges would only exasperate the revenue shortfalls that already exist reducing already declining sales tax revenues. The revenues generated from the taxable activities associated with spring training, as well as those from the proposed retail enhancements at the new stadium location, provide millions of dollars to the City's general fund used for overall municipal operations including police, fire, parks, libraries, etc. This decision was also based on a long-term economic perspective looking out 25 years.

### **What is the economic impact of the Chicago Cubs to the State of Arizona?**

An economic impact study conducted in 2009 by the Arizona-based Maguire Company indicated that if Mesa lost the Chicago Cubs and backfilled with an "average" major league baseball team, the overall impact to the State's economy would be more than \$52 million. Even more staggering, an update to that same study in January 2010 estimates that if no team were to replace the Cubs, the economic impact would be in excess of \$130 million with more than 1,500 jobs lost.

### **How can Mesa pay for an \$84 million stadium?**

The majority of the funding for the stadium and training facilities would come from revenues generated by tourism and other users of the facility possibly from a minor expansion of the car rental tax or a possible surcharge on spring training tickets. The land for the stadium site would be purchased by the Cubs and donated back to the City for the construction of the facilities. The Chicago Cubs would also incur the ongoing maintenance and operational costs associated with the new facility as well as developing the surrounding "Wrigleyville West" entertainment complex which would enhance taxable revenue opportunities for the City.

## **What about the practice fields?**

The City would build a joint-use park with practice fields used by the Chicago Cubs during spring training and Mesa residents during non-spring training months. It would be built on land owned by the City and funded by voter-approved general obligation bonds.

## **What would happen to Hohokam Stadium and Fitch Park?**

Hohokam Stadium is still one of the best spring training facilities in Major League Baseball. The Cubs, often the biggest draw in all of spring training, have simply outgrown the stadium. The City of Mesa, with the help of the Cubs, will begin immediately to find alternative uses for these facilities possibly backfilling with another major league baseball team.

## **What are the next milestones for the deal to happen and the timeframe?**

With the Memorandum of Understanding being signed by both parties on January 27, the next major milestones are legislative approval of the stadium funding mechanism during this session and Mesa voters approving the funding as required by the City Charter and the associated bond package this November.

## **What are the major deal points of the Memorandum of Understanding (MOU)?**

### Responsibilities of the Chicago Cubs:

- Acquire and donate, yet to be determined parcel(s) of land, to the City that is adequate for the construction of a stadium, associated parking and public access roads.
- Maintain and operate the Stadium and the ancillary facilities (i.e. clubhouse, practice areas) year-round.
- All project construction costs over and above an agreed amount of \$84 million.
- Assist the City of Mesa in its efforts to obtain another professional baseball team as a tenant at HoHoKam Stadium and Fitch Park.

### Responsibilities of the City of Mesa:

- Provide adequate land for the construction of the Cub's ancillary facilities, and a major-league dimensioned, shared-use, 4-diamond baseball complex.
- Meet milestones related to the passage of state legislation required to fund a portion of the construction of the facility and approval by Mesa voters.
- Provide funding adequate to cover the balance of the annual debt not provided for by the legislative actions.
- Coordinate design and construction of the project in association with representatives of the Chicago Cubs.

- Provide necessary public street and utility infrastructure for the new facilities.
- Provide access to parking for spring training games and other stadium events.
- Provide public safety services on public rights-of-way during stadium events.

**Where can I get a copy of the MOU?**

Go to <http://www.mesaaz.gov/bettermesa/cubs.aspx>

**How will the recent CityNorth decision impact the Cubs deal?**

The CityNorth ruling from the Arizona Supreme Court does not apply to the Cubs MOU because the MOU is non-binding. All parties involved in the negotiations for the development agreement between the City of Mesa and the Chicago Cubs will ensure that the final document complies with all state laws including the CityNorth ruling.

**Where can I get more information about efforts to support keeping the Cubs in Arizona?**

Go to [www.cubswininaz.com](http://www.cubswininaz.com).