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MORE SPORTS

States Find Spring Training Not Bonanza It Once Was

By Joe Geier

With the arrival of spring training in Florida (Grapefruit League) and Arizona (Cactus League) comes the renewed optimism that your favorite baseball team may actually have a chance to win the World Series. And it is amazing how much spring training has changed over the years.

Spring training has evolved into more of a money-making opportunity in the eyes of each club and the municipality where its spring home is located. The number of new spring training stadiums built over the past few years is astounding. These facilities are all state-of-the-art, and the teams put a lot of time and energy into making sure they can maximize workouts for the players.

Fans are encouraged now more than ever to visit the parks and watch the teams practice. Though spring training is a huge tourist attraction for many municipalities, the funds available to support the two major leagues have been dropping. Lack of funds has been the driving force behind the migration of teams from their long-standing spring homes. Miami, Pompano Beach, West Palm Beach and now Fort Lauderdale have all been left behind for bigger, more lucrative venues, mostly in Arizona.

The Arizona Sports and Tourism Authority has committed more than \$200 million in the past decade to help build and renovate spring training facilities in Phoenix, Glendale, Goodyear, Tempe, Scottsdale and Surprise, many of which brought teams from Florida or prevented teams already there from leaving. The money necessary to build these new complexes has been brought in by tactics such as imposing new hotel and rental car taxes on travelers, as well as ticket surcharges.

However, even these strategies have not been able to save Arizona from its financial slump. The Cactus League, for example, began fiscal year 2009 with a lowered revenue forecast which, at the midpoint of the fiscal year, was lowered even further by 15 percent for the tourism revenues. The decline has been significant and is projected to grow over fiscal years 2010 and 2011 by 5 percent per year.

In an article on AZSnakepit.com, "Spring Training Finances: The Saga Continues," Jim McClennan wrote: "Expenditure for the last fiscal year was about 110 percent of revenue, forcing the ASTA to dip into its operating reserve for \$3.4 million and the long-term picture is worse yet. Having about broken even through the first decade with a cumulative deficit of only \$2.3 million, the shortfall is projected to rise, by the end of the tax in 2031 to more than \$234 million."

What the authority does to turn the tables in the opposite direction will be interesting to see. Whether it is increasing existing taxes, adding additional ticket surcharges or promoting private investment over state funding, the money has to come from somewhere.

It was recently reported that in 2007 the state of Arizona had a \$2 billion surplus, and already this year the state is reporting a \$600 million deficit. Many Arizona residents may actually get IOUs for their tax refunds in the future. This is going to make it extremely difficult for states and municipalities to continue to support the spring training homes of the privately-owned baseball teams.

It seems money and politics will once again be the primary decision makers for where these baseball teams end up. Like pawns in a chess game, these athletes will have to go wherever the decision makers dictate, and the taxpayers will have to swallow whatever surcharges and taxes are thrown their way to fund these facilities with uncertain revenue streams.

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