

Arizona's World Series

Since 1903, the Major League Baseball World Series – the annual championship series for professional baseball – has been played between the top teams of the American and National Leagues. The games in the best-of-seven game series playoff are split between the two teams that make the Series, with the better-performing in the regular season hosting the extra game. Unlike with other major sporting events that are deliberately assigned a host city (like the Superbowl or the Olympics), the quasi-random assignment of the World Series means cities don't know they will be hosting in advance and cannot compete with incentives and infrastructure.

For the first time since 2001, this year the Arizona Diamondbacks are one of the two teams participating in the World Series. This means that Chase Field in Phoenix will be hosting up to three of the Series' games. Some important facts about the potential economic impact of this opportunity:

- Arizona has a large and diverse Sports & Tourism sector. As CSI highlighted in its February report, the state's sports and tourism sector employs 167,000 people and contributes more than \$40 billion to the state's economy – year round.
- Arizona's 167,000 tourism and hospitality workers were already on hand to support visitors and consumers for the unexpected World Series windfall. Phoenix has more than 69,000 available hotel beds and guest rooms at any time, and Chase Field has a 48,400 spectator capacity.
- Major events can be significant generators of economic activity. According to the House Committee, the Arizona Super Bowl generated \$1.3 billion in total economic activity. The 2022 World Series games in Philadelphia had a \$78 million economic impact on that city, according to the Philadelphia Visitors Bureau.
- Because the events are unplanned and non-competitive, the typical costs associated with attracting and hosting a major event are largely missing during a World Series, and successful hosting depends on a cities natural economic base and infrastructure rather than disposable infrastructure developed specifically for the event.
- Although the Governor ultimately opted to retain the 2:00 AM scheduled "last call" for serving alcohol, the 2023 World Series was the state's first (and an unplanned) opportunity to use this new statutory authority to extend alcohol service during certain major events. Arizona continues regulatory innovation that responds to business and consumer demand while maintaining public safety.

The state's impending successful hosting of a World Series, following a Super Bowl and during an ongoing recovery for the state's conventions and tourism industries, is another opportunity to celebrate its success in cultivating a robust and diverse local economy – including young and healthy infrastructure, a large and perennial tourism industry, and an innovative approach to taxes and regulations that supports business development.

CSI looks forward to continuing to bring <u>attention</u> to ways Arizona can be made even more <u>competitive</u> in the future.