RENovation & Repairs

Proposed Arena Improvements

Examples of What City Will Pay For

Mechanical
Electrical
Plumbing

Fire/Life Safety
Elevators / Escalators
Concourse Expansion
Roof, Structural and Rigging Grid
Security and Technology Infrastructure

Examples of What Suns Will Pay For

Upgrades to Social Spaces
Suite Renovations
Retail Space Improvements
Modernize Locker Room
Relocation of Practice Facility*

* Estimated $25 - 50 Million. Separately funded in addition to $80 Million commitment.
# Proposed Arena Renovation Items

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mechanical, Electrical, Plumbing Infrastructure Upgrades</strong></td>
<td>Replace all pipes, fittings, insulation, valves, instrumentation, air handling equipment and electrical transformers while adding additional electrical circuits and power. Replace old communication systems with modern, digital systems to support new technology. Install new energy efficient LED lighting. These repairs are for more than half a million square feet of space.</td>
</tr>
<tr>
<td><strong>Seating Bowl</strong></td>
<td>ADA modernization, safety upgrades to floors, stairs and railings and improved views of event level action for concourse and concession areas.</td>
</tr>
<tr>
<td><strong>Structural Upgrades - Rigging System</strong></td>
<td>Upgrades to the structural rigging system for staging effects including rope lines, pulleys, and components like curtains, lights, scenery, etc…</td>
</tr>
<tr>
<td><strong>Vertical Circulation</strong></td>
<td>Replace and repair elevators and escalators for improved function and mobility.</td>
</tr>
<tr>
<td><strong>Upper Concourse</strong></td>
<td>Expand walkways for improved flow, safety and better mobility between seats, entrances, exits, restrooms and concessions.</td>
</tr>
<tr>
<td><strong>Roof</strong></td>
<td>Replace entire roof and related structural support.</td>
</tr>
<tr>
<td><strong>Technology &amp; Security</strong></td>
<td>Modernize and replace security systems technology and overhaul digital platforms including video information monitors, system controls and replace scoreboard.</td>
</tr>
<tr>
<td><strong>Main Concourse</strong></td>
<td>Expand walkways for improved flow, safety and better mobility. Logistical improvement examples include additional loading dock and more space for concessions, customers, event staff and security.</td>
</tr>
<tr>
<td><strong>Exterior Wall and Building Envelope</strong></td>
<td>Renovate main exterior walls to improve structural efficiency for heating, cooling and sustainability and improve aesthetics for streetscape appeal.</td>
</tr>
<tr>
<td><strong>Lower Suite Level A</strong></td>
<td>Replace current enclosed suites with inclusive, larger common areas, upgrades to club seats and improve functionality of behind-the-scenes space for logistics and operations.</td>
</tr>
<tr>
<td><strong>Event Level</strong></td>
<td>Convert current practice court to usable space, add multi-purpose storage for needs such as movable chairs and hardwood courts when not in use, renovate locker rooms and VIP spaces.</td>
</tr>
<tr>
<td><strong>Upper Suite Level B</strong></td>
<td>Modernize access, storage and mobility throughout area and recondition aesthetics.</td>
</tr>
<tr>
<td><strong>Signage and Graphics</strong></td>
<td>Increase signage for wayfinding, security, advertising and related communication.</td>
</tr>
<tr>
<td><strong>Furniture, Fixtures &amp; Equipment</strong></td>
<td>Replace worn and non-functioning furniture, fixtures and equipment.</td>
</tr>
<tr>
<td><strong>Artwork Allowance</strong></td>
<td>Replace and add artwork.</td>
</tr>
<tr>
<td><strong>Food Service &amp; Equipment Upgrades</strong></td>
<td>Replace and repair inefficient food service equipment and areas.</td>
</tr>
</tbody>
</table>
## PUBLIC HEARING DATES

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Address</th>
<th>Phone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAT</td>
<td>JAN 5</td>
<td>Talking Stick Resort Arena</td>
<td>201 E. Jefferson St, Phoenix, AZ 85004</td>
</tr>
<tr>
<td>MON</td>
<td>JAN 7</td>
<td>Paradise Valley Community Center</td>
<td>17402 N. 40th St, Phoenix, AZ 85032</td>
</tr>
<tr>
<td>TUE</td>
<td>JAN 8</td>
<td>Goelet A. C. Beuf Community Center</td>
<td>3435 W. Pinnacle Peak Rd, Phoenix, AZ 85027</td>
</tr>
<tr>
<td>WED</td>
<td>JAN 9</td>
<td>South Mountain Community Center</td>
<td>212 E. Alta Vista Rd, Phoenix, AZ 85042</td>
</tr>
<tr>
<td>THU</td>
<td>JAN 10</td>
<td>Desert West Community Center</td>
<td>6501 W. Virginia Ave, Phoenix, AZ 85035 (67th Ave, south of Thomas Rd)</td>
</tr>
</tbody>
</table>

City of Phoenix
RENOVATION & REPAIRS

TSRA IS CURRENTLY THE SMALLEST & OLDEST ARENA IN THE NBA WITHOUT A SIGNIFICANT RENOVATION

TALKING STICK RESORT ARENA
BUILT IN 1992

AGING INFRASTRUCTURE
MULTI-USE ARENA

130+ MAJOR TICKETED EVENTS EACH YEAR

40 MILLION+ TICKETED GUESTS

IN ADDITION

200+ COMMUNITY EVENTS ANNUALLY

INCLUDING:
YMCA - BOYS & GIRLS CLUB - SPECIAL OLYMPICS
JR. SUNS - JR. MERCURY
COMMUNITY EVENTS

City of Phoenix
ARENA OWNERSHIP AND OPERATIONS

THE CITY OF PHOENIX OWNS THE BUILDING AND LAND
THE PHOENIX SUNS ARE THE TENANT

THE SUNS HAVE OPERATED THE ARENA SINCE 1992
AT $0 COST TO THE TAXPAYERS

OPERATING COSTS PAID BY THE SUNS TO DATE
$310 MILLION

THE ARENA IS STAFFED BY THE SUNS AND OPERATIONAL
365 DAYS A YEAR, 24 HOURS A DAY

THE ARENA IS HOME TO

City of Phoenix
ARENA FUNDING

TOURISM TAX
HOTEL ROOMS & CAR RENTALS

MORTGAGE/DEBT SERVICE

MAJOR CAPITAL IMPROVEMENTS/RENOVATIONS

EVENT REVENUE/SALES TAX

GENERAL FUNDS AS PART OF ANNUAL BUDGET
(POLICE, FIRE, PARKS, STREETS, ETC.)
ARENA FUNDING

THE SPORTS FACILITIES FUND WAS ESTABLISHED BY THE PHOENIX CITY COUNCIL IN 1989

THE FUND CONSISTS OF TOURIST TAXES GATHERED FROM HOTEL ROOMS AND CAR RENTALS IN PHOENIX

INVESTMENT SPLIT IS 50/50 OVER THE COURSE OF THE DEAL

THE DEAL EXTENDS THE LEASE THROUGH 2037
THE CITY WILL CONTRIBUTE $2 MILLION PER YEAR TO CAPITAL IMPROVEMENTS FOR 12.5 YEARS
THE SUNS WILL CONTRIBUTE $1 MILLION PER YEAR TO CAPITAL IMPROVEMENTS FOR 12.5 YEARS
THE SUNS WILL BUILD A SEPARATE PRACTICE FACILITY, WITHIN PHOENIX, AT A COST OF $25 TO $50 MILLION
ECONOMIC IMPACT

$182 MILLION
ANNUAL DIRECT ECONOMIC IMPACT

$12.8 MILLION
ANNUAL REVENUE TO CITY OF PHOENIX

$14 MILLION
ANNUAL TAXES TO COUNTY & STATE

EMPLOYEES AT
Talking Stick Resort Arena

380 FULL TIME
700+ PART TIME/SEASONAL

AS OF 12/1

ADDITIONAL 1,140 JOBS REPRESENTING $82 MILLION IN PAYROLL
DIRECTLY ATTRIBUTABLE TO ARENA OPERATIONS AND VENDORS

City of Phoenix
ECONOMIC IMPACT
PHOENIX SUNS AT A GLANCE

THE ORIGINAL PRO SPORTS FRANCHISE IN PHOENIX
SUNS & MERCURY ARE ONLY FRANCHISES TO WEAR PHOENIX ON THEIR JERSEY

7TH ALL-TIME WIN-PERCENTAGE (.535)

3 MVP AWARDS BY 2 DIFFERENT PLAYERS

62 ALL-STAR APPEARANCES BY 23 DIFFERENT PLAYERS

29 PLAYOFF APPEARANCES

12 BASKETBALL HALL OF FAME ENSHRINEES
THE NBA REPRESENTS PHOENIX WORLDWIDE

1.5 BILLION PEOPLE WORLDWIDE TUNE IN TO AN NBA GAME

215 COUNTRIES SHOWING AN NBA BROADCAST IN 50 DIFFERENT LANGUAGES

1.5 BILLION LIKES AND FOLLOWERS ON NBA SOCIAL MEDIA COMMUNITIES FOR LEAGUE, TEAM, AND PLAYERS

26 MILLION YOUTH ATTENDING CAMPS, CLINICS, AND NBA AFFILIATED EVENTS IN 71 COUNTRIES

NBA MARKETING PARTNERS ENGAGING FANS WORLDWIDE

2K Sports, Adidas, Nike, Under Armour, Spalding, Tissot, AB InBev, PepsiCo, Exxon, and SAP