

City of Santa Clara Council and Stadium Authority Meeting

Item 13.A. Santa Clara Stadium Authority Financial Status Report

August 18, 2015



Santa Clara Stadium Authority Financial Status Report

- Initial report covers the 2014-15 fiscal year (April 1, 2014 to March 31, 2015)
- Recommend that the report be prepared quarterly going forward
- The annual audit of the Santa Clara Stadium Authority (Stadium Authority) is currently underway and the results will be presented to the Audit Committee and Stadium Authority Board in September
- Reports available on the Finance Department's webpage



Stadium Authority Structure

- The Stadium Authority is structured so that the City is not liable for the debts or obligations of the Stadium Authority
- Stadium Authority hired the Forty Niners Stadium Management Company LLC (Stadium Manager) to manage the stadium on its behalf
- Services provided by the City to the Stadium Manager are fully reimbursed
- Staff track costs using special account codes in the City's financial system and submit invoices after each event

3

NFL Events

- The San Francisco Forty Niners played 10 home games in Levi's Stadium during the fiscal year (two preseason and eight regular season games)
- A total of 682,095 tickets were sold (an average of 68,210 per game)
- The 10% NFL ticket surcharge brought in \$8.4 million during the year in support of Stadium Authority operations
- The \$0.35 per ticket Senior and Youth Fee brought in \$239 thousand which was transferred to the General Fund

4

NFL Events (Cont'd)

- A total of 90,024 cars were parked in permitted offsite lots generating \$443 thousand in offsite parking fees which partly offset public safety costs
- A total of 28,289 cars were parked on the golf course and Tasman lots generating \$141 thousand in parking fees (\$116 thousand to partially offset lost golf course revenue and \$25 for the General Fund)

5

NFL Events (Cont'd)

- A total of \$2.41 million of public safety services were provided for NFL events
- \$443 thousand were covered by the offsite parking fees
- \$1.97 million were reimbursed by the Stadium Manager and the Stadium Authority
- In addition, there were \$181 thousand of golf course public safety costs reimbursed by the Stadium Manager

6

Non-NFL Events

- Nine large scale non-NFL events were held during the fiscal year (an eight month initial operating year)
- A total of 377,312 tickets were sold
- In addition, there were 186 smaller special events with 62,357 attendees
- The \$4 per ticket non-NFL ticket surcharge generated \$1.4 million (half for stadium operations and half for Stadium Authority discretionary account)

7

Non-NFL Events (Cont'd)

- The Stadium Authority generated \$5.0 million in net non-NFL revenue
- The net non-NFL event revenue is remitted by the Stadium Manager to the Stadium Authority after the end of each fiscal year
- 50% of the net non-NFL event revenue is paid to the City as performance rent (net of any performance rent credits)

8

Non-NFL Events (Cont'd)

- A total of 26,156 cars were parked in offsite lots generating \$129 thousand in offsite parking fees which were used to partially offset public safety costs
- A total of 12,004 cars were parked on the golf course resulting in \$60 thousand in parking fees used to partially offset lost golf course revenue

9

Non-NFL Events (Cont'd)

- A total of \$1.79 million of public safety services were provided for non-NFL events
- \$129 thousand of the public safety costs were covered by the parking fees and the remaining \$1.66 million were reimbursed by the Stadium Manager

10

Operating Budget

- Total revenues of \$57.1 million exceeded budget by \$38.1 million primarily due to higher than expected SBL collections
- Total expenses of \$10.0 million were \$1.3 million below budget
- Individual budget line item variances were taken into account in development of the 2015-16 budget

11

Debt Service Budget

- Total revenues of \$169.2 million exceeded budget by \$15.9 million primarily due to higher than expected SBL collections
- Total outstanding debt as of March 31, 2015 is \$561.6 million or \$67.2 million below expected year end (down from a peak of \$675.8 million)

12

CIP Budget

- The Stadium Authority's share of the construction budget for Levi's Stadium is \$1.015 billion
- A total of \$906 million was expended by the Stadium Authority through 2014-15 with an estimate to complete of \$24 million bringing the total to \$930 million
- A cost allocation study is expected to shift \$48 million of costs from Stadium Authority to StadCo lowering the total cost at completion to \$882 million or \$134 million under budget and allowing for a like-dollar reduction in debt

13



General Fund Benefits

- Revenues of \$8.4 million exceed expenditures of \$5.6 million by \$2.8 million
- This does not include additional sales tax and transient occupancy tax flowing to the General Fund
- \$4.4 million of public safety costs and \$1.2 million of administrative costs fully reimbursed
- Ground lease payments of \$180 thousand in fixed base rent plus \$2.41 million performance rent
- \$239 thousand for senior and youth programs

14



City of Santa Clara Council and Stadium Authority Meeting

Item 13.A. Santa Clara Stadium
Authority Financial Status
Report

August 18, 2015

