Meeting Date: 3-24-15

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 5.B SA

Date: March 20, 2015

To: Executive Director for Stadium Authority Action

From: Finance Director/Treasurer/Auditor for Stadium Authority

Subject: Approval of the 2015-16 Santa Clara Stadium Authority Budget and Amendment to the 2014-15 Santa Clara Stadium Authority Budget

EXECUTIVE SUMMARY:

The 2015-16 Santa Clara Stadium Authority Budget will cover the Stadium Authority's twelve month fiscal year which runs April 1, 2015 through March 31, 2016. The budget is composed of operating, capital improvement, and debt service budgets.

This proposed budget is based on the best information available at this time. It should be noted that the capital improvement and debt service budgets may need to be amended following completion of the final accounting for stadium construction costs.

Key highlights for the Stadium Authority's 2015-16 budget are as follows:

- Revenues –
  - The Stadium Authority expects to carry forward $24,469,000 in reserves from fiscal year 2014-15.
  - 2015-16 projected revenues include $30,596,000 in Stadium Builder License (SBL) revenue, $8,918,493 in contributions from the Successor Agency and the Community Facilities District, and $22,953,897 in miscellaneous other revenues. Revenues also include $24,500,000 in rent from Forty Niners SC Stadium Company (StadCo); however, that amount is expected to be adjusted when the rent reset is completed in July 2015 pursuant to the Stadium Lease.
  - The budget also includes transfers out totaling $54,563,000. $3,090,000 of these monies will be transferred to the capital projects fund for future stadium capital improvements. The remaining $51,473,000 will be transferred out to the debt service fund.

- Appropriations –
    - The proposed operating budget of $17,201,085 includes the Stadium Authority's share of expenses covered under the Management Agreement along with monies sufficient to reimburse the City for its staff support, ground rent, and performance rent. It also includes an estimated $239,000 in Senior/Youth Fees that will be passed to the City to support Parks and Recreation Department programs.
    - The proposed capital improvement budget of $3,000,000 is requested for capital improvements expected to be needed during the fiscal year.
    - The proposed debt service budget of $60,391,493 is based on currently anticipated debt service payments.

- Reserves – Total reserves are expected to be $30,844,812 at the end of the 2015-16 fiscal year. This is composed of an operating reserve of $10,300,000, an operations and maintenance (O&M) reserve of $9,639,812, a capital expenditure reserve of $2,790,000 and a debt service reserve of $8,115,000.

Construction-related expenditures for Levi's Stadium are winding down and expected to be finalized in the near future. KPMG is nearing completion on a detailed analysis which will document the allocation of the total project costs to the Stadium Authority. Certain construction period expenditures will be allocated to StadCo as tenant improvements. The preliminary indication is that the final Stadium Authority costs will be significantly lower than the approved development cost budget of $1.01 billion. It appears that the final development costs will be more than $80 million lower than the approved budget. This favorable variance will result in lower overall project debt for the Stadium Authority, with correspondingly lower debt service.

During the construction period, SBL proceeds were collected in the capital project fund for the construction of Levi's Stadium. To the extent that the SBL proceeds are not used for construction, they are required under our loan documents to be used for Stadium Authority debt service. It is expected that the Stadium Authority will be required to make an additional debt service payment in the Stadium Authority's 2014-15 fiscal year corresponding to the availability of these excess SBL proceeds. Additionally, the Community Facilities District (CFD) collected more than what was projected and therefore contributed more to the Stadium Authority's debt service fund to pay CFD Advance debt service. As a result, staff is requesting that the Board approve an $80 million 2014-15 budget amendment to accommodate our requirements under the loan documents. This is a positive development for the Stadium Authority, as it will result in lower overall debt, lower future debt service, and reduced variable rate interest risk.

Once the KPMG cost segregation analysis has been completed, the one-time rent reset process can proceed. This process may or may not result in an adjustment to the rent due from StadCo under the Stadium Lease. The Lease permits the parties to reset rent if there is a change in debt service or operating expenses. The proposed 2015-16 budget reflects both the current rent and the current debt service. Staff anticipates that any change in rent will reflect the change in debt service and will not adversely affect the budget.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

Santa Clara Stadium Authority Board action in approving the 2015-16 budget by March 31, 2015 allows the Stadium Authority to continue its operations for the 2015-16 fiscal year.

ECONOMIC/FISCAL IMPACT:

The proposed 2015-16 budget includes $17,201,085 for operating costs, $3,000,000 for capital expenditures, and $60,391,493 for debt service. The proposed 2014-15 budget amendment includes an additional appropriation of $80,000,000 for debt service.

RECOMMENDATION:

That the Santa Clara Stadium Authority Board:

1) Approve the Stadium Authority 2015-16 operating budget of $17,201,085, capital improvement budget of $3,000,000, and debt service budget of $60,391,493; and
2) Approve the Stadium Authority 2014-15 debt service budget amendment of $80,000,000.

APPROVED:

Gary Ameling
Finance Director/Treasurer/Auditor

for Julio J. Fuentes
Executive Director

Documents Related to this Report:

1) ***Stadium Authority Budget – Fiscal Year 2015-16***
2) ***Levi's Stadium Authority Cash Flows by Month – Fiscal Year 2015-16***
3) ***Stadium Authority Budget Amendment – Fiscal Year 2014-15 Debt Service***

STADIUM AUTHORITY BUDGET

Fiscal Year 2015-16

	Operating	Capital Projects [1]	Debt Service
Beginning Balances	$ 13,654,000	$ 2,700,000	$ 8,115,000
Estimated Revenues:			
Ticket Surcharge	8,366,000	-	-
SBL Proceeds	30,596,000	-	-
SBL Resale Proceeds	500,000	-	-
Net Revenue from Non-NFL Events	5,000,000	-	-
Naming Rights Revenue	6,000,883	-	-
Sponsorship Revenue (STR)	541,414	-	-
Rent Revenue	24,500,000	-	-
Senior/Youth Fee Revenue	239,000	-	-
Fanwalk Brick Revenue	112,600	-	-
Non-NFL Ticket Surcharge	2,194,000	-	-
Contribution from Successor Agency	-	-	6,209,333
Contribution from Community Facilities District	-	-	2,709,160
Transfers	(54,563,000)	3,090,000	51,473,000
Total Beginning Balances, Estimated Revenues, and Operating Transfers	**$ 37,140,897**	**$ 5,790,000**	**$ 68,506,493**
Appropriations:			
Stadium Manager Operating Expenditures	$ 6,446,000	$ -	$ -
SBL Sales and Service	1,574,000	-	-
Insurance	2,626,996	-	-
Senior/Youth Program Fees	239,000	-	-
Other Expenditures	3,020,089	-	-
Ground Rent	215,000	-	-
Performance Rent	2,410,000	-	-
Discretionary Fund Expense	670,000	-	-
Capital Expenditures	-	3,000,000	-
Agency Advance Debt Service	-	-	6,209,333
CFD Advance Debt Service	-	-	2,709,160
Term A & B Debt Service	-	-	45,046,000
StadCo Subordinated Loan Debt Service	-	-	6,427,000
Total 2015-16 Appropriations	**$ 17,201,085**	**$ 3,000,000**	**$ 60,391,493**
Reserves:			
O&M Reserve	$ 9,639,812	$ -	$ -
Operating Reserve	10,300,000	-	-
Capital Expenditure Reserve	-	2,790,000	-
Debt Service Reserve	-	-	8,115,000
Total 2015-16 Reserves	**$ 19,939,812**	**$ 2,790,000**	**$ 8,115,000**
Total 2015-16 Appropriations and Reserves	**$ 37,140,897**	**$ 5,790,000**	**$ 68,506,493**

[1] The Stadium Authority Capital Projects Fund has prior year appropriations, which are shown in the Capital Improvement Project Budget book in Fund 875.

Levi's Stadium

FY15-16 Authority Cash Flows By Month

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	2015-16
Cash Flows													
Authority Revenues													
Ticket Surcharge	-	-	-	-	815,000	2,096,000	1,032,000	2,735,000	1,688,000	-	-	-	8,366,000
SBL Proceeds	-	-	-	-	-	-	-	-	-	-	-	30,596,000	30,596,000
SBL Resale Proceeds	-	-	-	-	-	-	-	-	-	-	-	500,000	500,000
Net Revenues from Non-NFL Events	-	-	5,000,000	-	-	-	-	-	-	-	-	-	5,000,000
Naming Rights	-	-	-	-	-	-	2,956,100	-	-	-	-	3,044,783	6,000,883
Rent	2,041,667	2,041,667	2,041,667	2,041,667	2,041,667	2,041,667	2,041,667	2,041,667	2,041,667	2,041,667	2,041,667	2,041,667	24,500,000
Senior & Youth Program Fees	-	-	-	-	47,000	48,000	24,000	72,000	48,000	-	-	-	239,000
Non-NFL Event Ticket Surcharge	-	514,000	320,000	360,000	-	400,000	600,000	-	-	-	-	-	2,194,000
Contribution from Successor Agency	-	-	-	6,209,333	-	-	-	-	-	-	-	-	6,209,333
Contribution from Community Facilities District	-	653,937	-	-	656,738	-	-	744,876	-	-	653,609	-	2,709,160
Sponsorship Revenue (STR)	27,083	243,497	27,083	27,083	27,083	27,083	27,083	27,083	27,083	27,083	27,083	27,083	541,414
Fanwalk Revenue	-	-	28,150	28,150	28,150	28,150	-	-	-	-	-	-	112,600
Subtotal Authority Revenues	2,068,750	3,453,101	7,416,900	8,666,233	3,615,638	4,640,900	6,680,850	5,620,626	3,804,750	2,068,750	2,722,359	36,209,533	86,968,390
Authority Expenses													
Operating Expenses - Stadium Manager	537,167	537,167	537,167	537,167	537,167	537,167	537,167	537,167	537,167	537,167	537,167	537,167	6,446,000
SBL Sales and Service	131,167	131,167	131,167	131,167	131,167	131,167	131,167	131,167	131,167	131,167	131,167	131,167	1,574,000
Insurance	278,333	41,333	41,333	41,333	1,935,333	41,333	41,333	41,333	41,333	41,333	41,333	41,333	2,626,996
Senior & Youth Program Fees	-	-	-	-	47,000	48,000	24,000	72,000	48,000	-	-	-	239,000
Ground Rent	-	-	-	215,000	-	-	-	-	-	-	-	-	215,000
Performance Rent	-	-	2,410,000	-	-	-	-	-	-	-	-	-	2,410,000
Other Expenses	349,749	349,749	349,749	349,749	68,667	68,667	68,667	68,667	68,667	68,667	349,749	859,342	3,020,089
Discretionary Fund Expense	-	-	670,000	-	-	-	-	-	-	-	-	-	670,000
Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-	3,000,000	3,000,000
Agency Advance Debt Service	-	-	-	6,209,333	-	-	-	-	-	-	-	-	6,209,333
CFD Advance Debt Service	-	653,937	-	-	656,738	-	-	744,876	-	-	653,609	-	2,709,160
Term A & B Debt Service	7,133,123	63,270	63,270	63,270	63,270	63,270	7,133,123	63,270	63,270	63,270	63,270	30,210,324	45,046,000
StadCo Subordinated Loan Debt Service	-	-	-	-	-	-	-	-	-	-	-	6,427,000	6,427,000
Total Expenses	8,429,538	1,776,622	4,202,685	7,547,018	3,439,341	889,603	7,935,456	1,658,479	889,603	841,603	1,776,294	41,206,332	80,592,578
Authority Reserves													
O&M Reserve													5,985,812
Operating Reserve													300,000
Capital Expenditure Reserve													90,000
Debt Service Reserve													-
Total Reserves													6,375,812
Total Expenses and Reserves													86,968,390

STADIUM AUTHORITY BUDGET AMENDMENT

Fiscal Year 2014-15 Debt Service

	Adopted Budget	Budget Amendment	Final Budget
Estimated Revenues:			
Contribution from Successor Agency	4,198,333	-	4,198,333
Contribution from Community Facilities District	615,000	70,000	685,000
Transfers	68,586,105	79,930,000	148,516,105
Total Beginning Balances, Estimated Revenues, and Operating Transfers	**$ 73,399,438**	**$ 80,000,000**	**$ 153,399,438**
Appropriations:			
Agency Advance Debt Service	4,198,333	-	4,198,333
CFD Advance Debt Service	615,000	70,000	685,000
Term A & B Debt Service	44,153,842	57,500,000	101,653,842
StadCo Subordinated Loan Debt Service	23,521,863	22,430,000	45,951,863
Total 2014-15 Appropriations	**$ 72,489,038**	**$ 80,000,000**	**$ 152,489,038**
Reserves:			
Debt Service Reserve	910,400	-	910,400
Total 2014-15 Reserves	**$ 910,400**	**$ -**	**$ 910,400**
Total 2014-15 Appropriations and Reserves	**$ 73,399,438**	**$ 80,000,000**	**$ 153,399,438**

03/24/15

5B
SA

Santa Clara Stadium Authority

FY 2015-16 Operating Budget Presentation

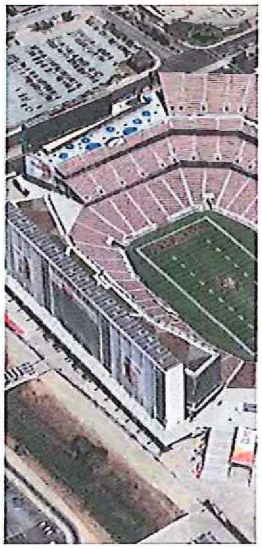
March 24, 2015

SCSA
SANTA CLARA STADIUM AUTHORITY

Levi's® STADIUM

Order of Presentation

- Stadium Authority Overview
  Julio Fuentes, Executive Director Stadium Authority
  - Public Private Partnership – Roles & Responsibilities
  - Stadium Manager Responsibilities
- Stadium Manager
  Jim Mercurio, Vice President Stadium Operations & Security
  - Stadium Non-NFL Events, Customer Satisfaction Surveys
  - Public Transit, Upcoming Events
- Public Safety Support & Event Parking/Transportation
  Mike Sellers, Chief of Police
  - Regional Partnerships, City Double Badging, CSOs
  - Offsite Parking Permits, Creek Trail Access
- Stadium Authority Budget & Financial Update
  Gary Ameling, Finance Director/Treasurer/Auditor
  - Stadium Construction Related Revenues & Expenditures



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POST MEETING MATERIAL

Public Private Partnership

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Stadium Lease

- Stadium Lease Agreement approved March 13, 2012
- Lease Year is divided into two seasons
  - Tenant Season (August 1 to January 31)
  - Stadium Authority Season (February 1 to July 31)
- StadCo responsible for operating costs of the Stadium during Tenant Season
- Stadium Authority responsible for operating costs of the Stadium during Stadium Authority Season

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Stadium Manager

- Stadium Lease Agreement executed in March 2012 with Forty Niners Stadium Management Co. LLC (ManagementCo) to manage the Stadium for a term of 25 years
- Responsibilities include:
  - Day to day management of stadium, maintenance and security (e.g. Concessions 5 year deal with Volume Services, Inc.)
  - Schedule events
  - Create and maintain annual operations plans and budgets
  - Market, promote and book Non-NFL Events
  - Servicing Stadium Building Licenses
  - Procure all necessary Stadium supplies and services

WRESTEMANIA 31

TAYLOR SWIFT: THE 1989 TOUR

MONSTER JAM

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Santa Clara Stadium Authority

Stadium Manager Focused on Performance

The Stadium Manager:

- Has conducted surveys after all Non-NFL Events
- Actively reviews the guest feedback to find not only areas of strengths but also areas for improvement
- Manages Offsite Parking Facilities, and
- Coordinates with Public Transit Agencies

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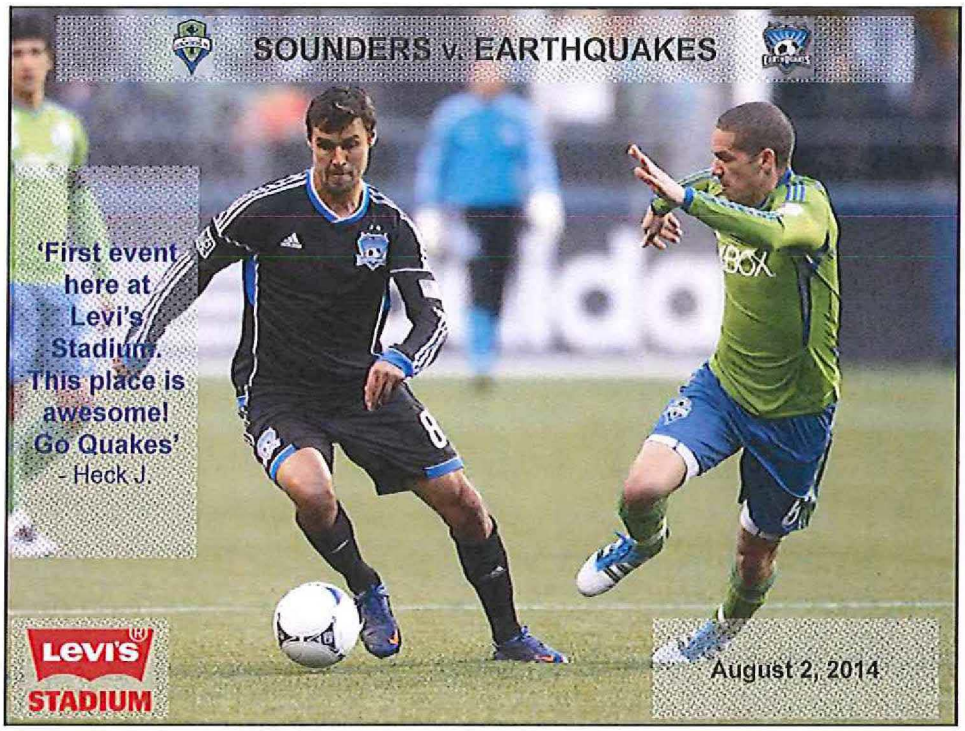
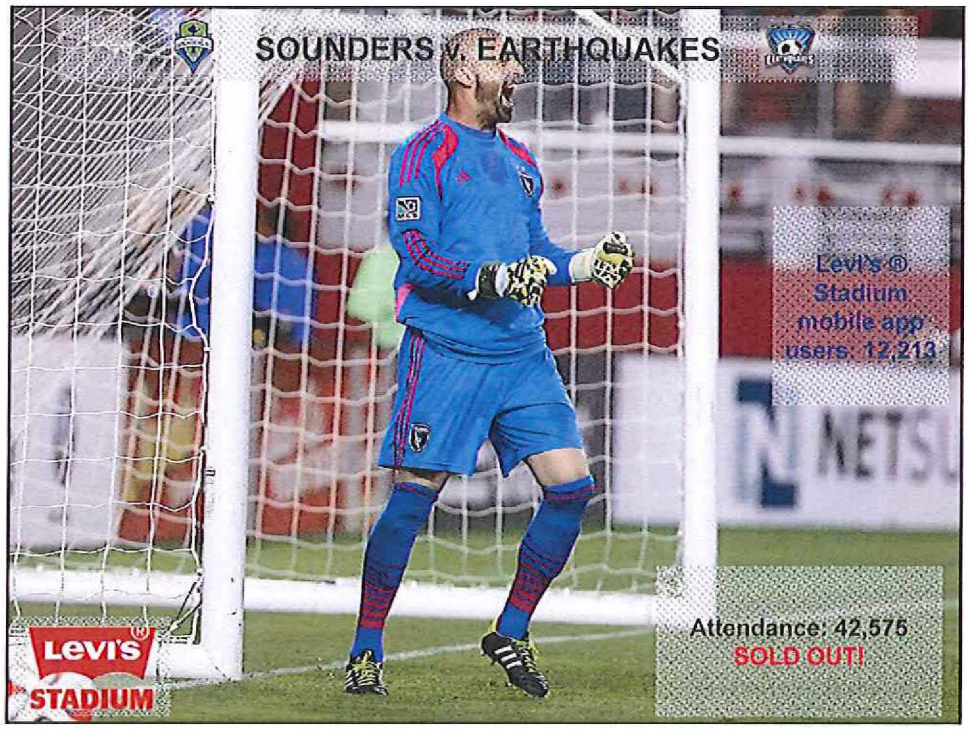
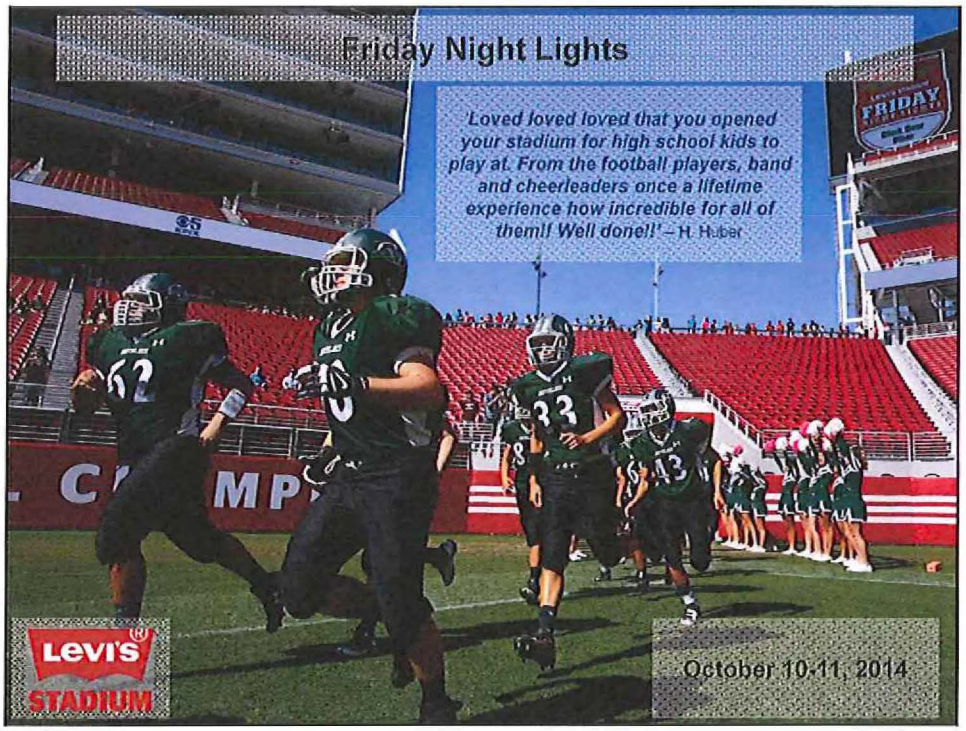
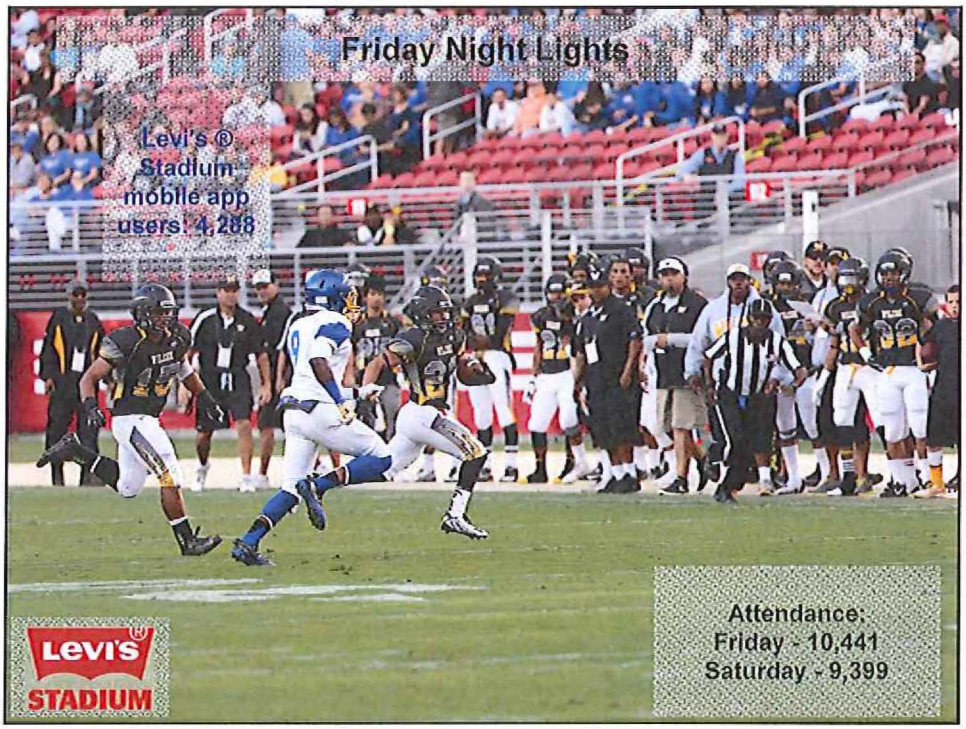
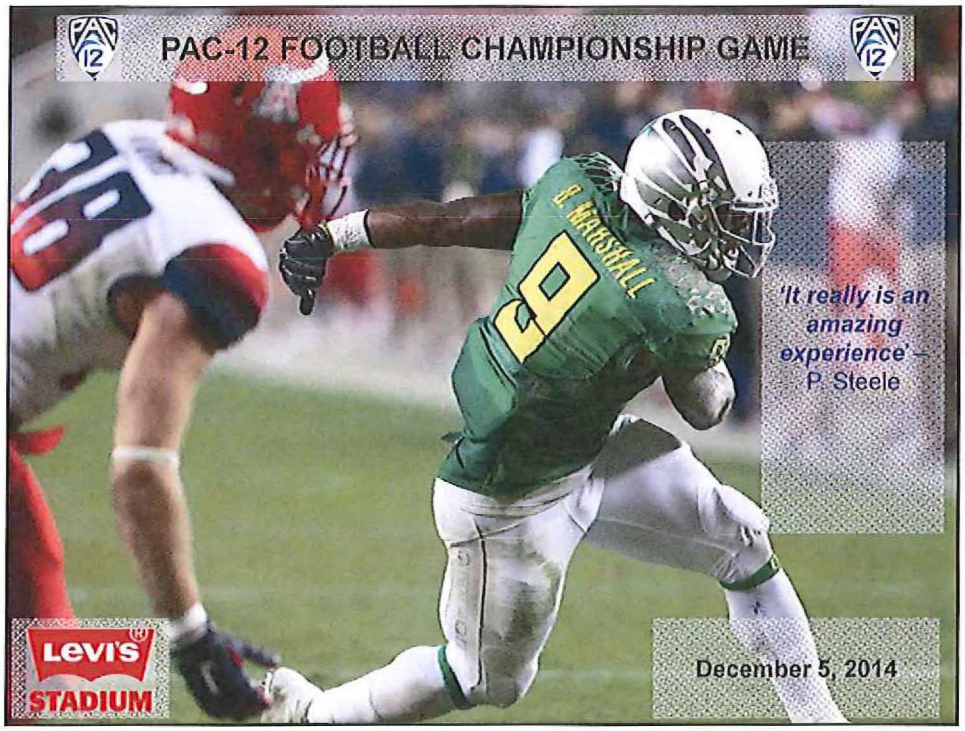
Santa Clara Stadium Authority

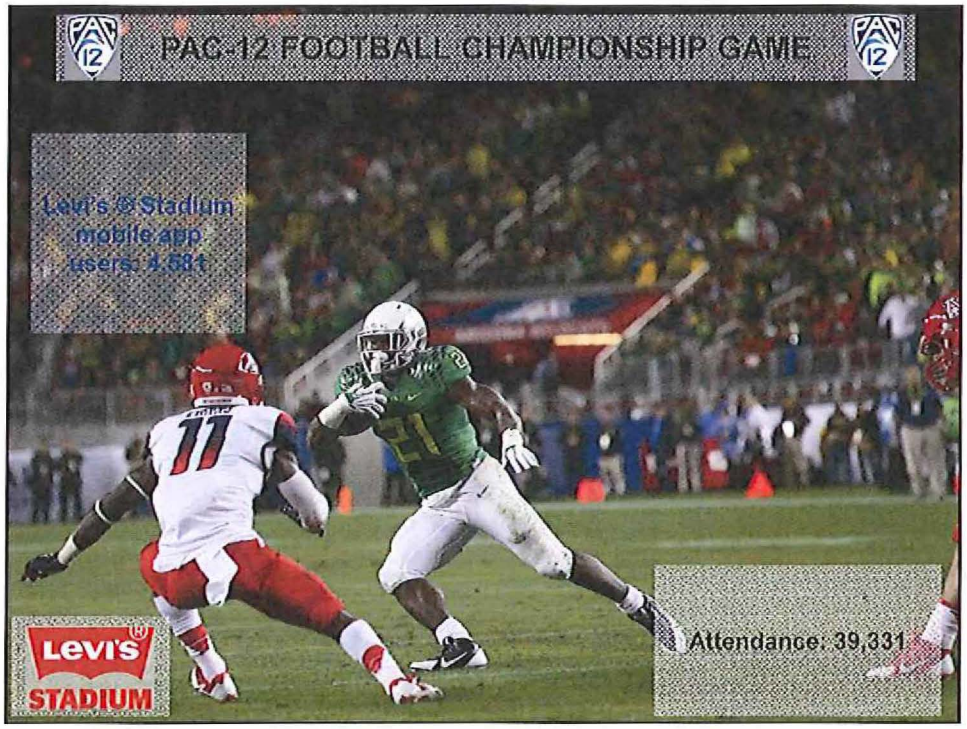

SOUNDERS v. EARTHQUAKES
'First event here at Levi's Stadium. This place is awesome! Go Quakes'
- Heck J.
August 2, 2014
Levi's
STADIUM

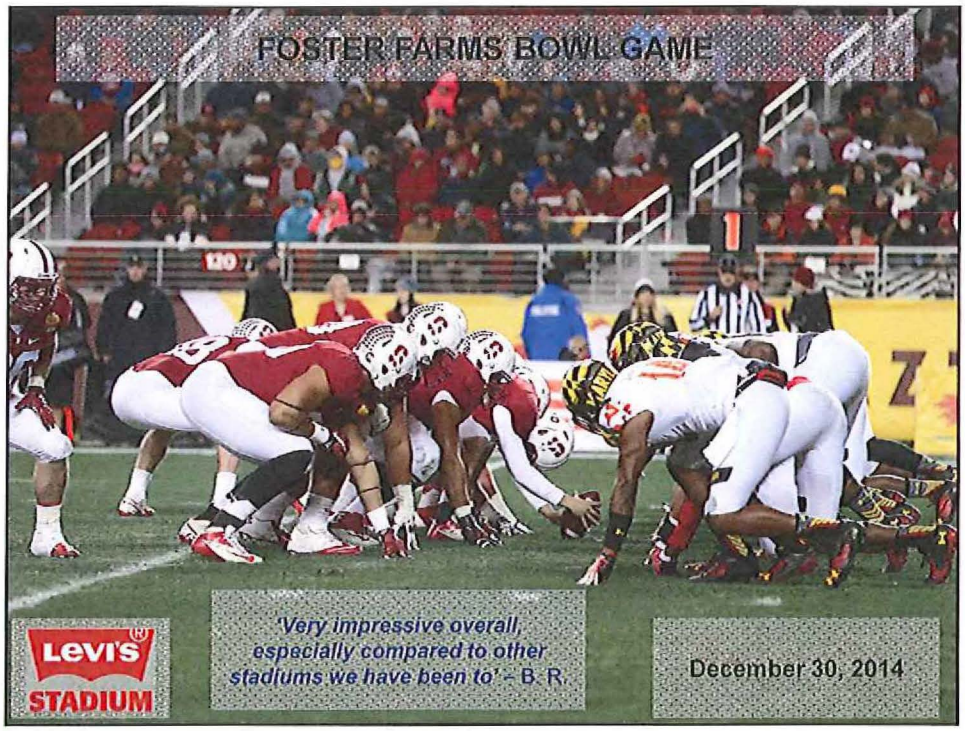

SOUNDERS v. EARTHQUAKES
Levi's ® Stadium mobile app users: 12,213
Attendance: 42,575
SOLD OUT!
Levi's
STADIUM

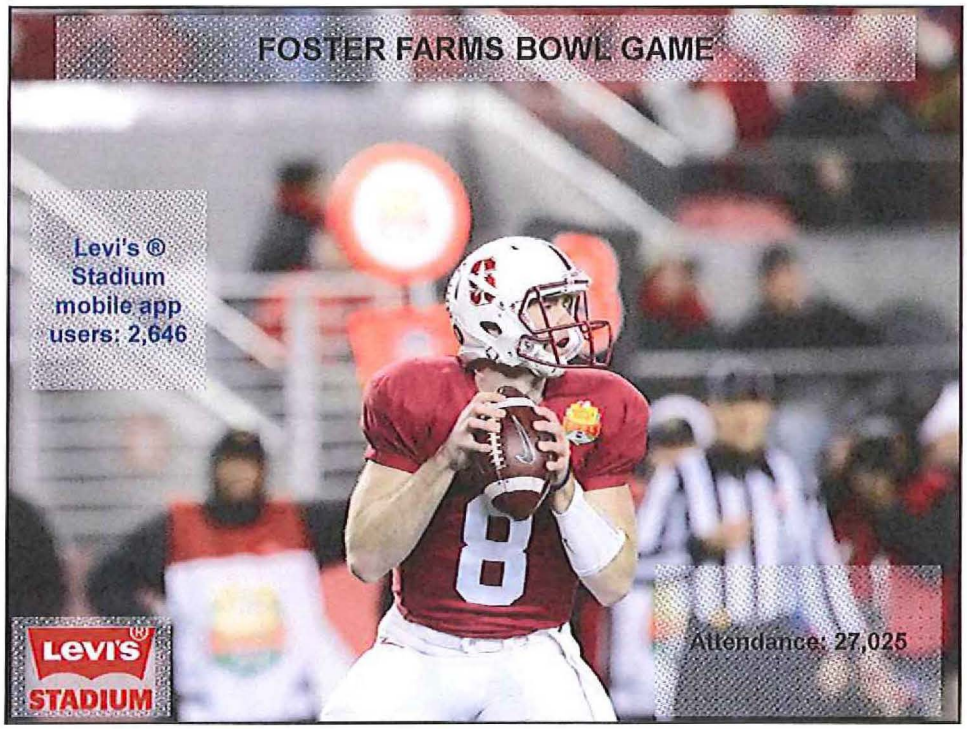

Friday Night Lights
'Loved loved loved that you opened your stadium for high school kids to play at. From the football players, band and cheerleaders once a lifetime experience how incredible for all of them!! Well done!!' – H. Huber
October 10-11, 2014
Levi's
STADIUM


Friday Night Lights
Levi's ® Stadium mobile app users: 4,288
Attendance:
Friday - 10,441
Saturday - 9,399
Levi's
STADIUM

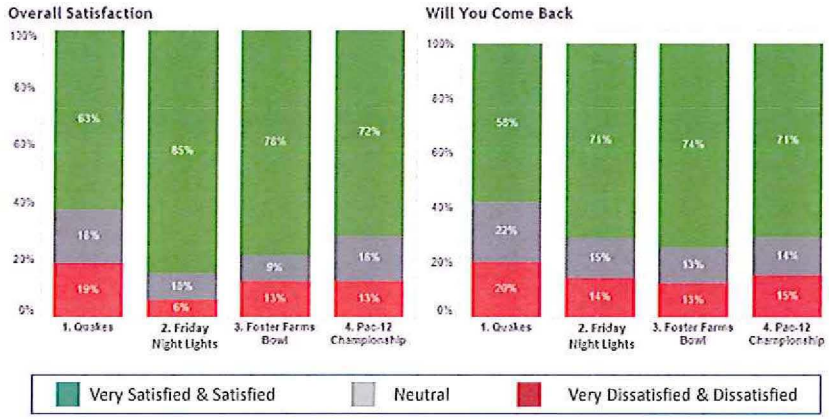

PAC-12 FOOTBALL CHAMPIONSHIP GAME
'It really is an amazing experience' – P. Steele
December 5, 2014
Levi's STADIUM


PAC-12 FOOTBALL CHAMPIONSHIP GAME
Levi's ® Stadium mobile app users: 4,581
Attendance: 39,331
Levi's STADIUM


FOSTER FARMS BOWL GAME
'Very impressive overall, especially compared to other stadiums we have been to' – B. R.
December 30, 2014
Levi's
STADIUM

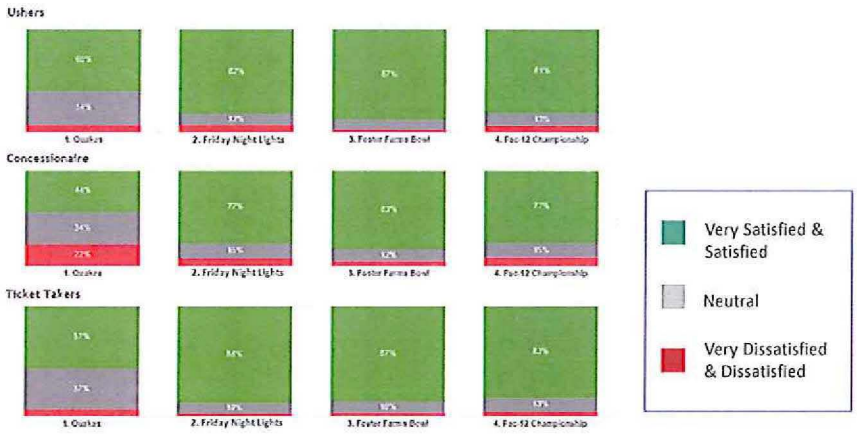

FOSTER FARMS BOWL GAME
Levi's ® Stadium mobile app users: 2,646
Attendance: 27,025
Levi's
STADIUM

GUEST SATISFACTION



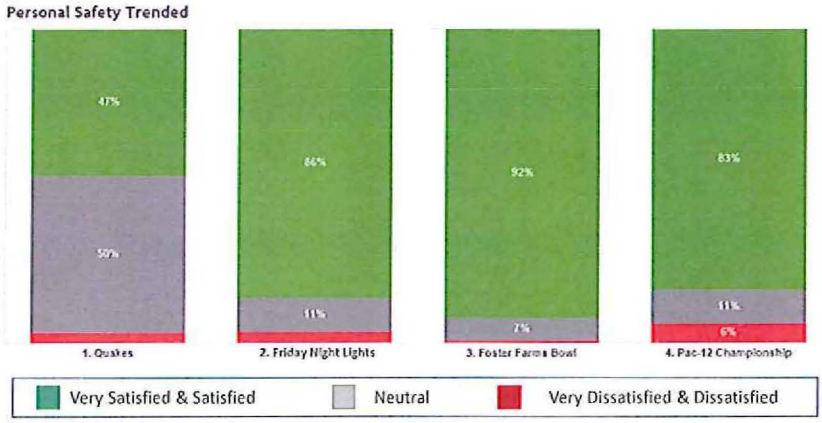
Over 70% of guests are Satisfied and will come back to Levi's Stadium

GUEST SERVICE REPRESENTATIVE FEEDBACK



The Stadium Manager's service levels have improved by event.
Overall Satisfaction with Guest Service Representatives is above 80%

GUEST SAFETY

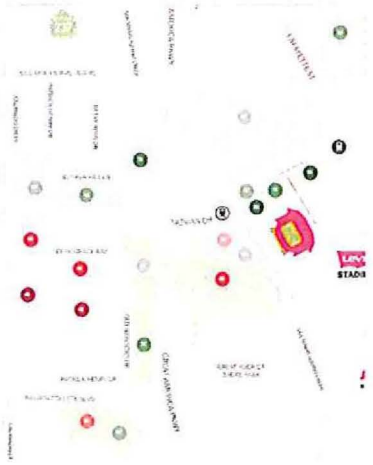


Guests feel safe while at Levi's Stadium

STADIUM PARKING SPACES

- 23,559 Parking Lots Spaces (Agreements with Stadium Management Co)
- 1,559 Off-Site Parking Lot Spaces permitted with neighboring businesses

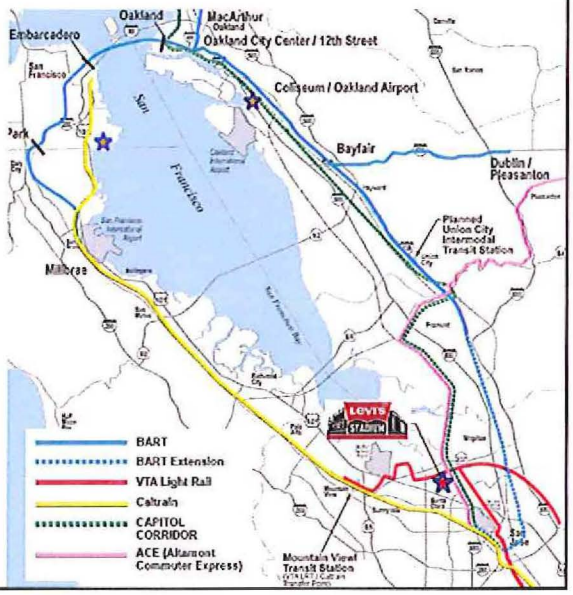
Over 25,000 Parking Spaces



SCSA
Santa Clara Stadium Authority

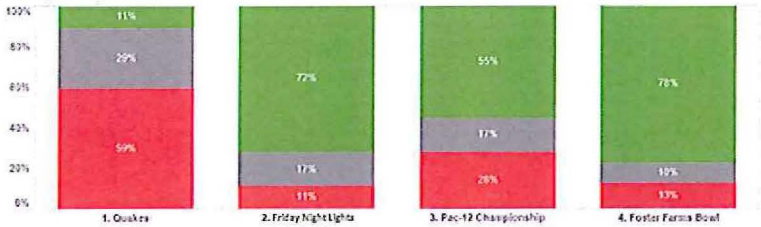
VIEW OF TRANSPORATION

Mode of Transportation	Large Events Attendees
VTA Light Rail	8,200 – 9,000
VTA Bus	1,000
ACE	700
Capitol Corridor	750

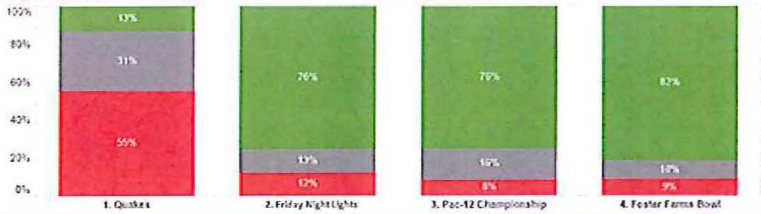


PARKING/DEPARTURE OVERVIEW

Parking Rating Trended

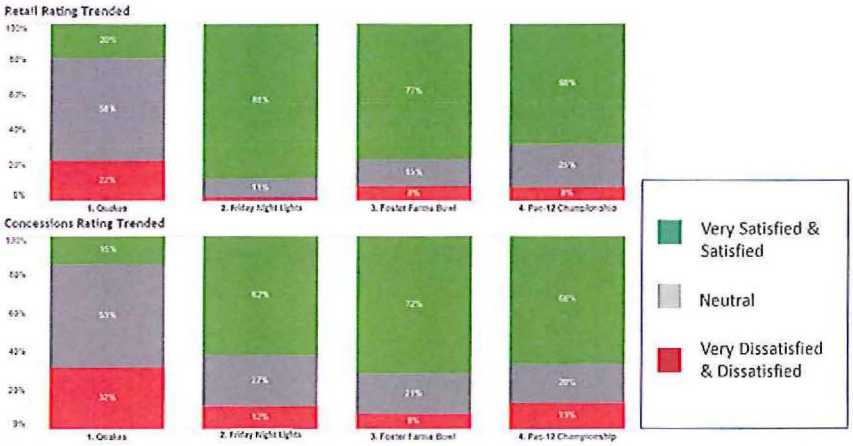


Departure Experience Rating



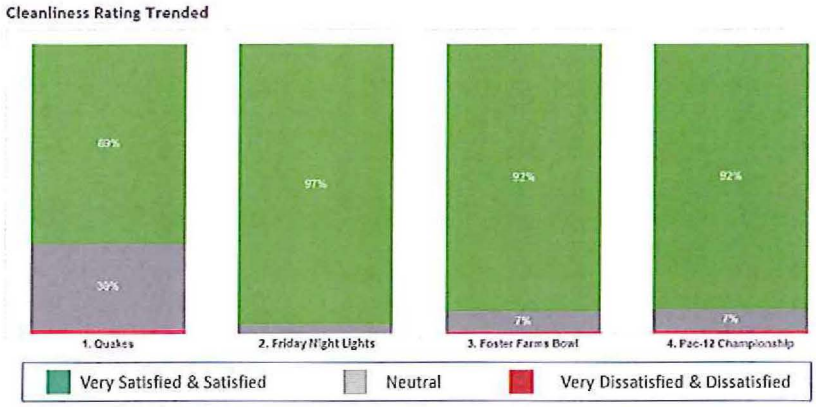
Fans are generally satisfied with parking ingress/egress at smaller events.
Egress at larger events remains a challenge.

RETAIL / CONCESSION



Fans are generally satisfied with retail and concessions, though the Stadium Manager is always seeking ways to improve our guests experience

CLEANLINESS

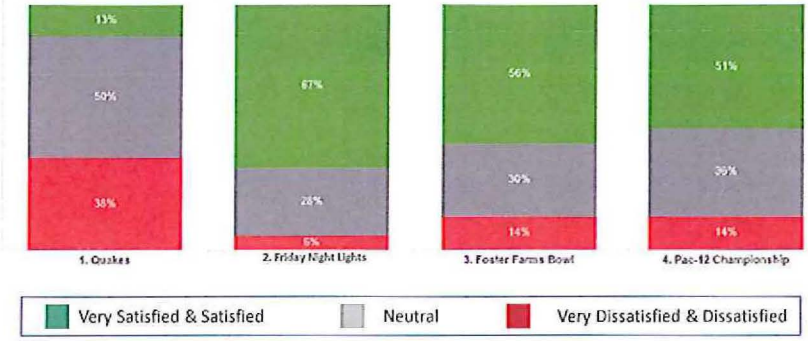


Guests are very satisfied with the cleanliness of Levi's Stadium

WIFI

32,000 mobile app users during last Non-NFL Event

WIFI Rating Trended



Guests are generally neutral or satisfied with their WIFI experience. Levi's Stadium has set record levels of WIFI bandwidth repeatedly in its inaugural season

Record Breaking WIFI Traffic

msr/mobile sports report

HOME | ABOUT MOBILE SPORTS REPORT | STADIUM TECH REPORTS | REPORT DOWNLOADS

You are here: Home / 4G LTE / Holy Terabyte! First football crowd at Levi's Stadium uses 2.13 TB of Wi-Fi traffic, with nearly 25K fans on Wi-Fi at once

Holy Terabyte! First football crowd at Levi's Stadium uses 2.13 TB of Wi-Fi traffic, with nearly 25K fans on Wi-Fi at once

August 21, 2014 by Paul Kapustka · 5 Comments

Levi's Stadium fans Section 144. All photos: Paul Kapustka, Mobile Sports Report

All those predictions about Silicon Valley people using a stadium network more than other fans? It looks like they're true.

The network numbers are in for the first football game at Levi's Stadium, and they are pretty amazing. According to Dan Williams, the vice president of technology for the San Francisco 49ers, the Levi's Stadium Wi-Fi network carried 2.13 terabytes of data during last Sunday's preseason game, with a peak of 24,775 fans on the Wi-Fi network at the same time. Those numbers are comparable to the latest Super Bowl at MetLife Stadium in New Jersey, where according to AT&T and Verizon there was approximately 2.5 TB of data used on wireless networks.

The kicker to the Niners' stats — they do NOT include any traffic figures from the Levi's Stadium DAS, the distributed antenna system that is meant to provide enhanced cellular coverage in the stadium. What follows is an email Q-and-A with Williams, who kindly answered our extensive list of questions. The real question is: If Niners fans are hitting terabyte levels during preseason games, what's going to happen when the season starts for real? And the instant replay function in the team app is live? Read on for some great insight from Williams. Additional editor's note: The companies talked about include Aruba Networks, the provider of Wi-Fi gear; Brocade, provider of back-end networking gear and integration; DAS Group Professionals, the integrator and deployment team behind the DAS (the network of small antennas that improve in-building cellular coverage).

- 205,000 total unique users within first eight months
- 32,000 users of the mobile app at NHL Stadium Series
- 3,400 new app activations within a 2 minute span

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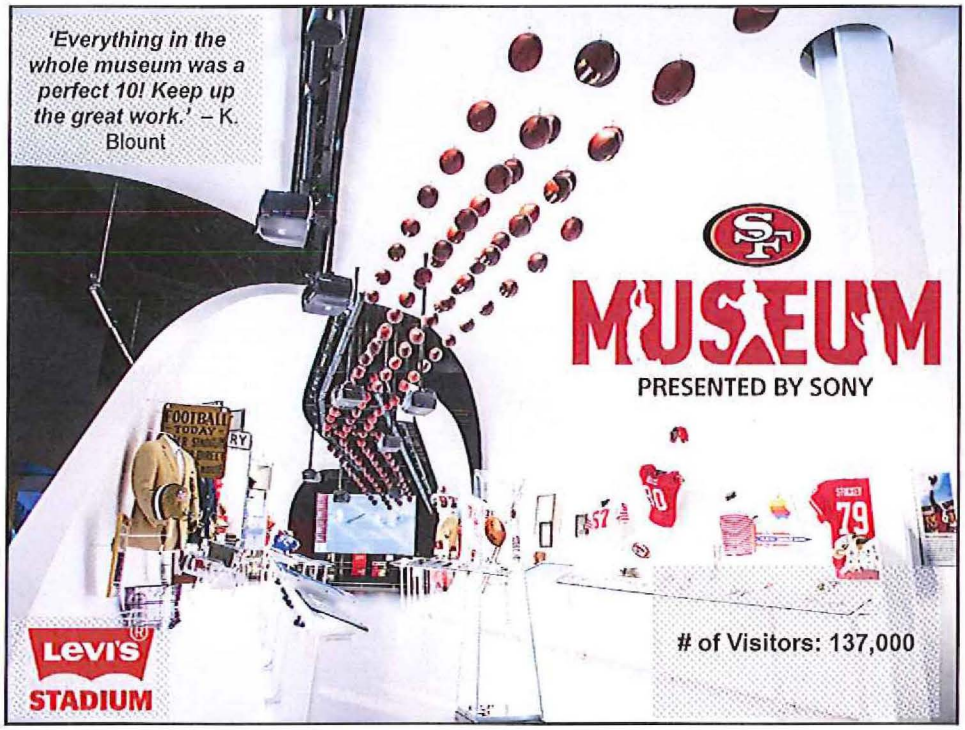
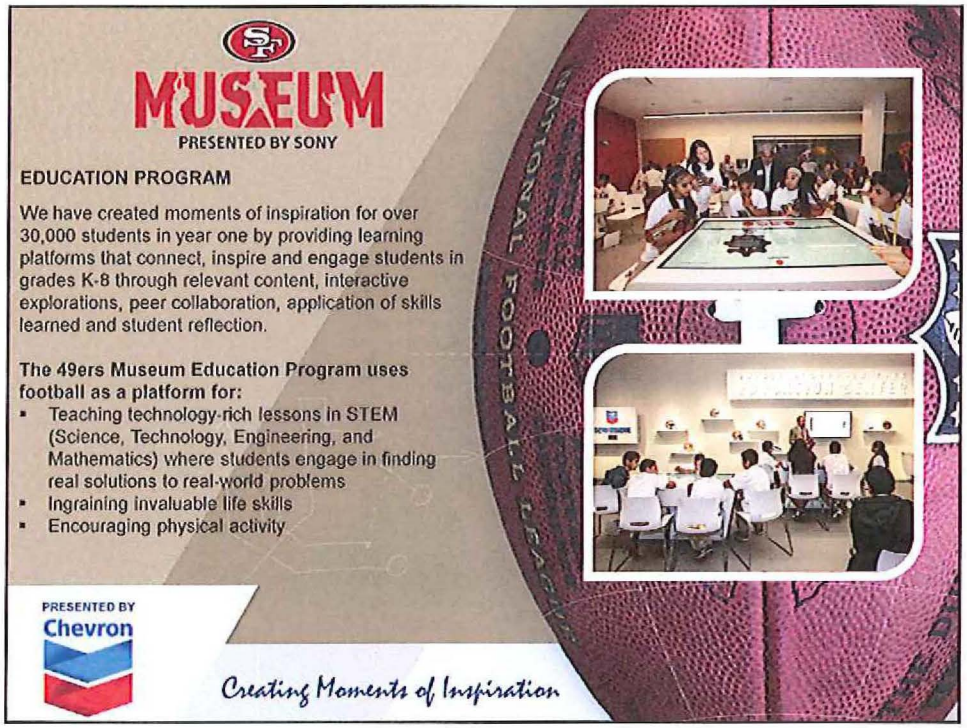
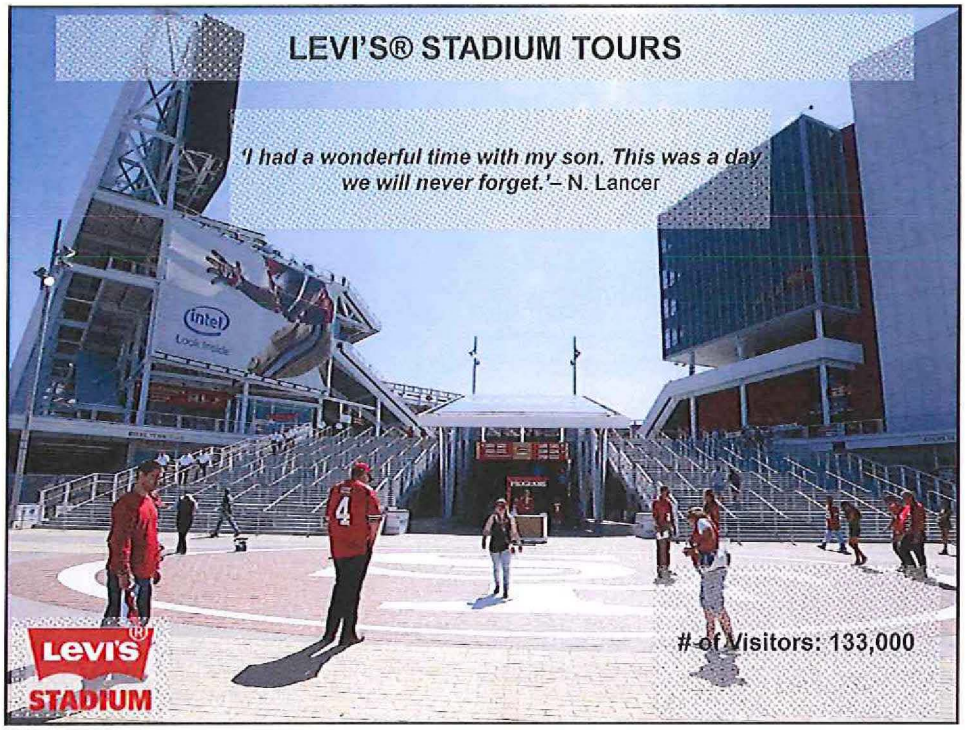
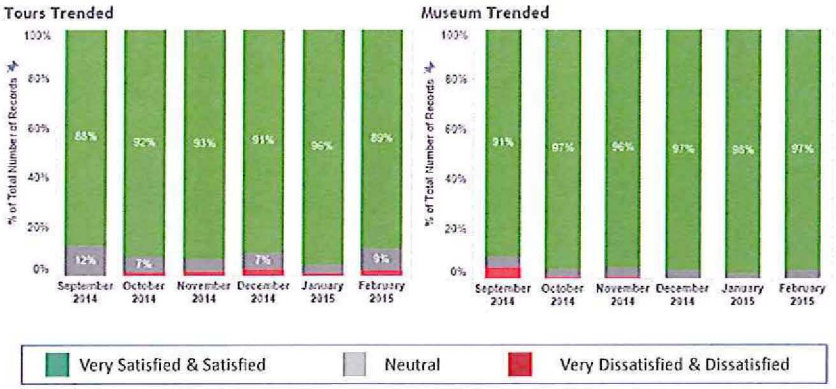

'Everything in the whole museum was a perfect 10! Keep up the great work.' – K. Blount
MUSEUM
PRESENTED BY SONY
# of Visitors: 137,000
Levi's
STADIUM


MUSEUM
PRESENTED BY SONY
EDUCATION PROGRAM
We have created moments of inspiration for over 30,000 students in year one by providing learning platforms that connect, inspire and engage students in grades K-8 through relevant content, interactive explorations, peer collaboration, application of skills learned and student reflection.
The 49ers Museum Education Program uses football as a platform for:
▪ Teaching technology-rich lessons in STEM (Science, Technology, Engineering, and Mathematics) where students engage in finding real solutions to real-world problems
▪ Ingraining invaluable life skills
▪ Encouraging physical activity
PRESENTED BY
Chevron
Creating Moments of Inspiration



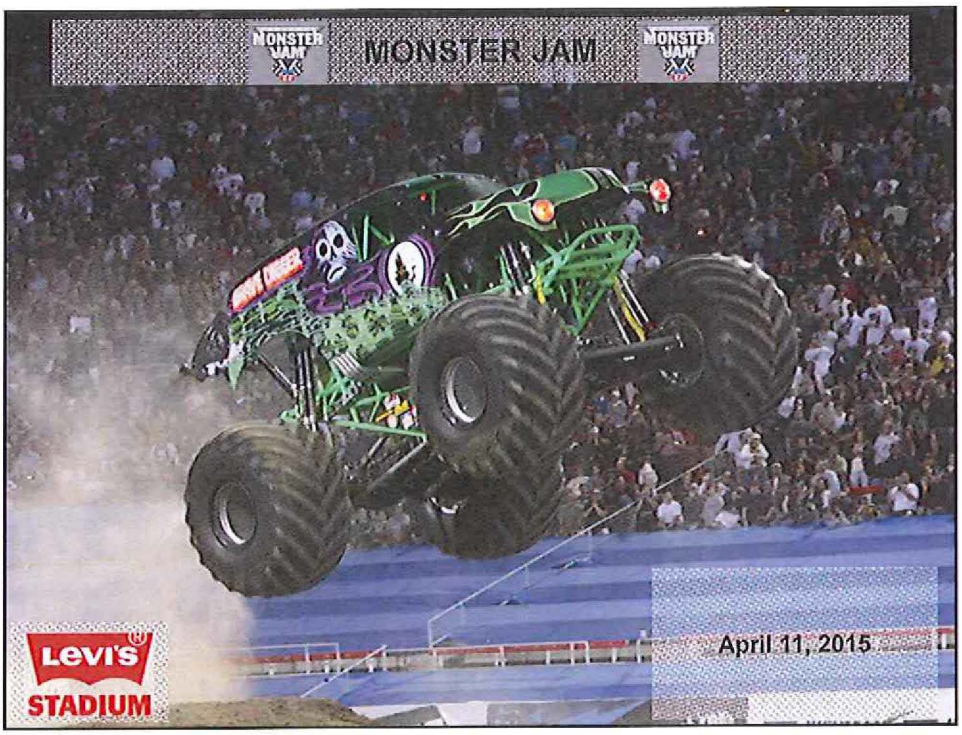
TOUR & MUSEUM GUEST SATISFACTION

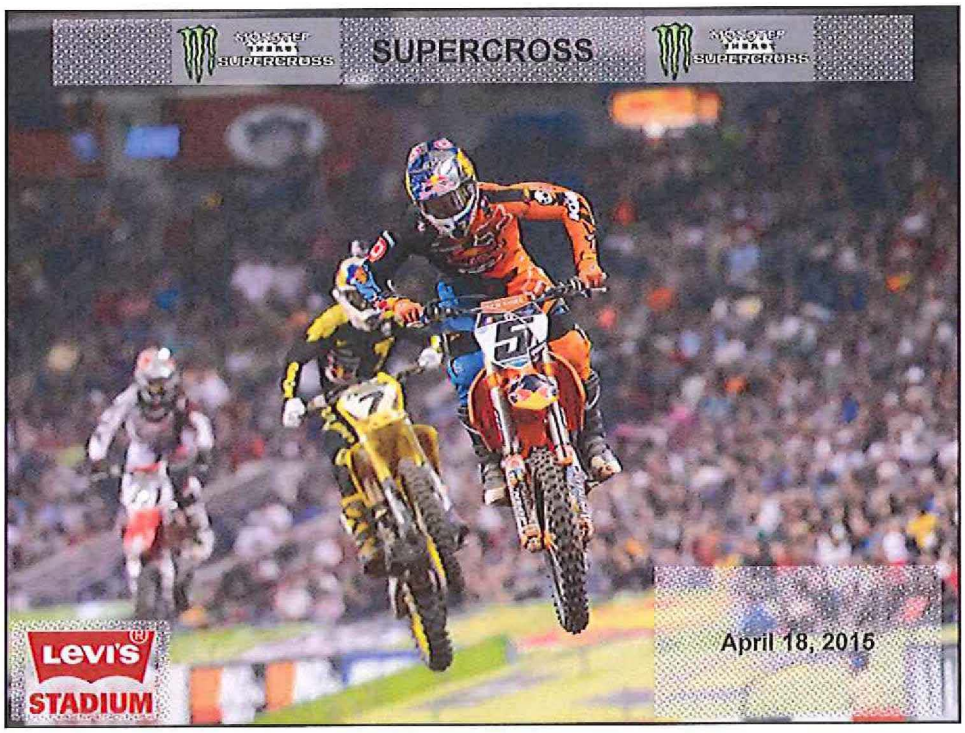


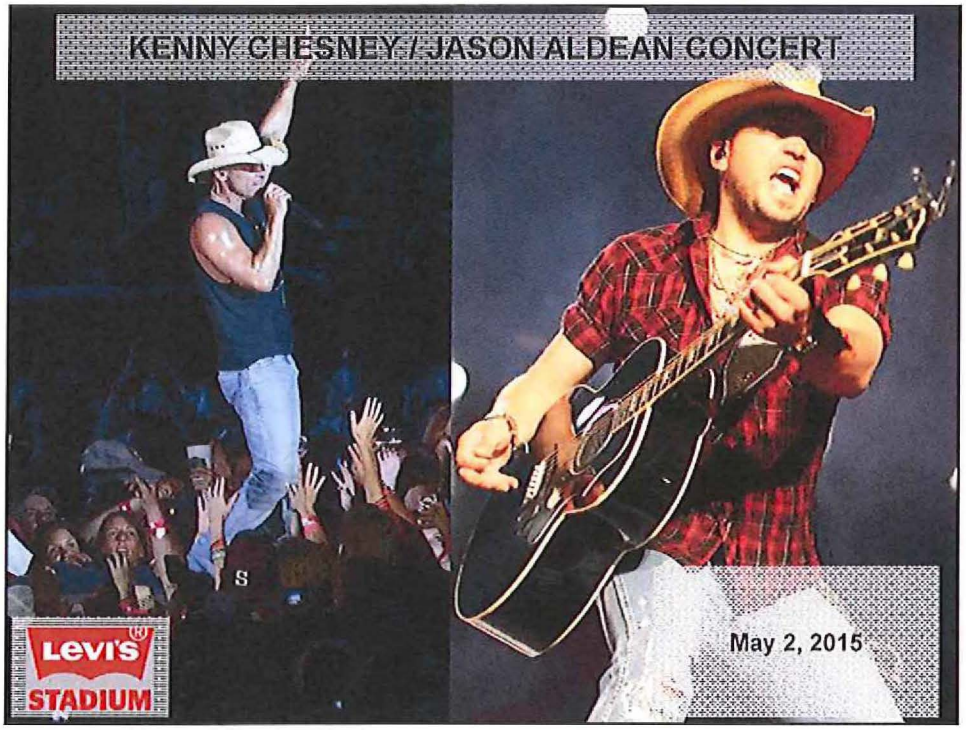
Over 90% of guests are Satisfied with the Non-Game Day experience

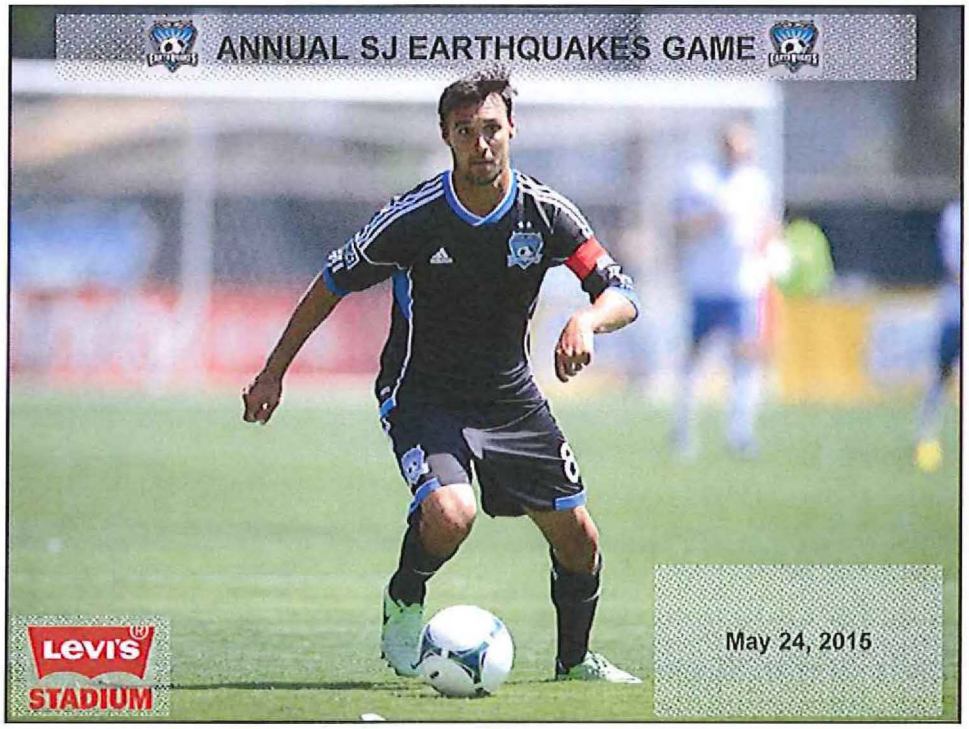
LEVI'S® STADIUM EVENTS
'The Levi's Stadium Holiday Reception was amazing! We have over 500 people but there are enough smaller private areas that people can feel a bit more intimate in their conversation. The staff were great. All and all a great experience!' - A. Y. Stanford University
Levi's
STADIUM
Levi's® Stadium offers 19 different Venue Spaces

LEVI'S® STADIUM EVENTS
Levi's ® Stadium has hosted over 200 events
'Thank you both again for all your support for the three non-profit organizations. Being one of the very first charity events held at the stadium was an honor. The funds that were raised will benefit all their work on behalf of kids in the community.' - H. M. All Pro Communications
Levi's
STADIUM


MONSTER JAM
April 11, 2015
Levi's
STADIUM

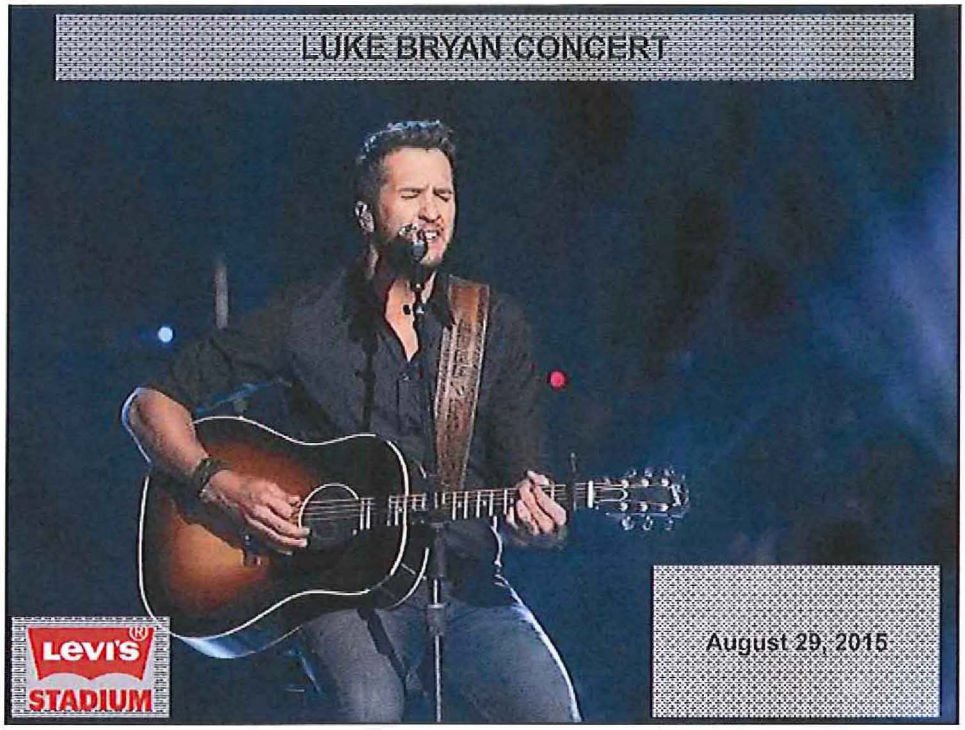

SUPERCROSS
April 18, 2015
Levi's
STADIUM


KENNY CHESNEY / JASON ALDEAN CONCERT
May 2, 2015
Levi's
STADIUM


ANNUAL SJ EARTHQUAKES GAME
May 24, 2015
Levi's
STADIUM

ONE DIRECTION CONCERT
Levi's
STADIUM
July 11, 2015

TAYLOR SWIFT CONCERT (2)
Levi's
STADIUM
August 14-15, 2015


LUKE BRYAN CONCERT
August 29, 2015
Levi's
STADIUM

FUN FACTS
• Over 400 miles of Data cable has been run in the stadium, including 70 miles of cable to support the WIFI
• The stadium is designed to reduce energy demand and generate more electricity annually, via on-site photovoltaic (PV) systems, than is consumed during the 10 scheduled 49ers games each season
• 85 percent of food suppliers are located in California
• 100 percent of all F&B packaging and service ware is recyclable, compostable, or biodegradable
Levi's
STADIUM

Protecting the Community is Highest Priority

- Studied 21 stadium operations across the country
- Created operations plan and manual for all events at Levi's® Stadium based on NFL best practices
- Established partnerships across region to establish "special events" officers
- Over 100 Special Events Officers representing 36 law enforcement agencies hired to date
- Partnered with 49ers operations and security team, contracted security officers and homeland security authorities to create law enforcement coalition for the stadium
- In FY 2015-16 will add CSOs to facilitate traffic ingress and egress

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Law Enforcement Coalition

- Local Law Enforcement Agencies
  - Service Agreements (e.g. Sunnyvale, Santa Clara County, CHP)
  - Bomb Squad, Helicopter, K-9, Bike Patrol
  - Special Events As-Needed Reserve Officers
  - Full-time officers of other agencies working stadium events as a Santa Clara Police Department Reserves
- Homeland Security Partners
  - FBI, Department of Justice, Joint Terrorism Task Force
- Contracted Security Officers
- Event Operations & Security Team

SCSA
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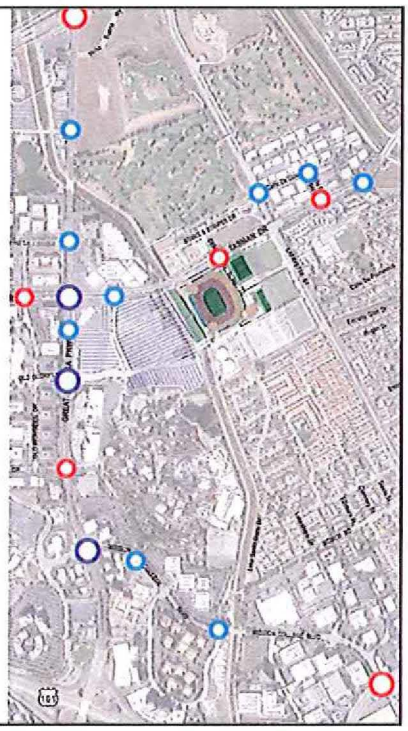
Public Safety
Police Services

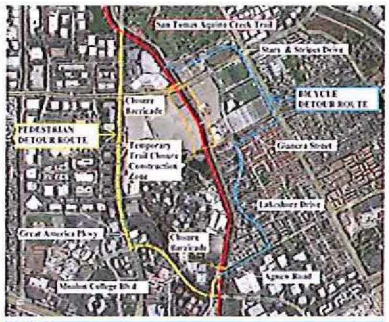
- Inside Stadium Positions
  - On Field
  - Suite Tower
  - Club Space
  - Temporary Holding Facility
- Outside Stadium
  - Traffic Control
  - Parking Lots
  - Neighborhood Protection Detail
  - Counterfeit Merchandise & Ticket Scalping

Note: All police officers will be operating on regional P-25 Digital Radio System.



San Tomas-Aquino Creek Trail Access

- Access to San Tomas-Aquino Creek Trail is temporarily closed during certain event days at Levi's Stadium.
  - Notifications are made to the public using eNotify
- Stadium event patrons are allowed to access to the Stadium during normal creek trails hours of operation between sunrise and sunset



Stadium Authority Construction Costs Significantly Under Budget

- Overall project construction budget includes the Stadium Authority's building infrastructure and tenant improvements funded by private investment from Forty Niners SC Stadium Company (StadCo)
- **Stadium Authority Construction cost is anticipated to be more than $80M under budget which will reduce the Santa Clara Stadium Authority Debt**

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Stadium Authority Debt Significantly Below Estimates

- Stadium Authority portion of project financed with combination of bank notes and loans and construction period revenues
- Seat Builder Licenses (SBLs) were projected to generate $503.3 million in sales
- Actual SBL sales $531.5 million or $29.2 million over estimate
- Higher than expected % of SBL buyers have paid off their purchases rather than financing them over 10 years resulting in more construction period revenues
- **Budget amendment to provide additional $80 million of appropriation to meet loan requirement to use SBL cash not used for construction to pay down debt**

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Stadium Authority Debt Significantly Below Estimates

Debt	Authority	2014-15 Budget	Yr.-End Projected
Term A & B Loans	$450	$349.8	$317.6
StadCo Subloan	500	226.2	182.8
Agency Advance	30	17.8	17.8
CFD Advance	38	35.0	35.0
Totals	$1,018	$628.8	$553.2

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Santa Clara Stadium Authority 2015-16 Budget

- Budget composed of Operating, Capital Improvement and Debt Service budgets
- Fiscal year 2015-16 is April 1, 2015 to March 31, 2016
- Operating Budget
  - Beg. Bal $13.7M
  - Revenues $78.0M
  - Net Transfers ($54.6M)
  - Appropriations $17.2M
  - Reserves $19.9M

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Santa Clara Stadium Authority 2015-16 Budget (Cont'd)

- Key Operating Budget Revenues
  - SBL Proceeds $30.6M
  - Stadium Rent $24.5M
  - NFL Ticket Surcharge $8.4M
  - Naming Rights $6.0M
  - Non-NFL Events Net Rev $5.0M
  - Non-NFL Ticket Surcharge $2.2M
  - Other $1.4M

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Santa Clara Stadium Authority 2015-16 Budget (Cont'd)

- Key Operating Expenditures
  - Stadium Manager Op. Expenditures $6.4M
  - Ground & Performance Rent to GF $2.6M
  - SBL Sales & Service $1.6M
  - Senior & Youth Fees to GF $0.2M
  - Other Expenses* $6.4M

*Other expenses include insurance, utilities, stadium management fee, use of StadCo tenant improvements for non-NFL events, Stadium Authority expenses, and discretionary fund expenses

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Santa Clara Stadium Authority 2015-16 Budget (Cont'd)

- Capital Expenditures
  - Stadium Improvements Anticipated $3.0M
- Debt Service
  - Term A & B Loans $45.0M
  - StadCo Subloan $6.4M
  - Agency Advance $6.2M
  - CFD Advance $2.7M

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Revenues to General Fund

- Projected Stadium Related Revenues
  - Ground & Performance Rent $2.6M
  - Sales Tax (2015-16) $0.7M to $0.9M
  - Senior & Youth Fees $0.2M

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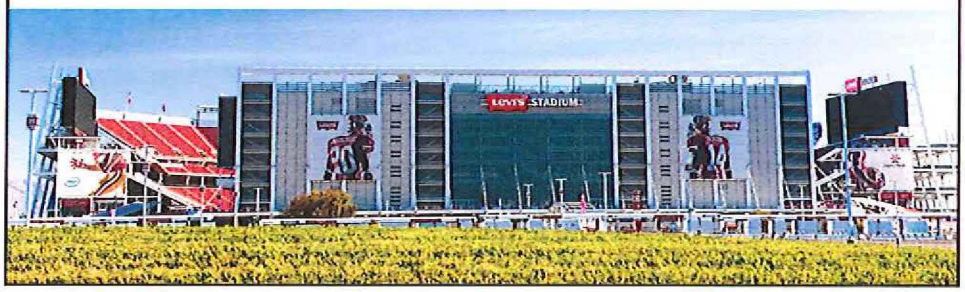
Staff Recommendation

- That the Santa Clara Stadium Authority Board approve the Stadium Authority 2015-16 Operating Budget of $17,201,085, Capital Improvement Budget of $3,000,000, and Debt Service Budget of $60,391,493.
- That the Santa Clara Stadium Authority Board approve the Stadium Authority 2014-15 Debt Service Budget amendment of $80,000,000.