

# **SANTA CLARA STADIUM AUTHORITY FINANCIAL STATUS REPORT**

**Quarter Ending September 30, 2015**



**December 8, 2015**

## NFL EVENTS

The following table includes game by game statistics for the NFL events that were held during the current reporting period.

### Levi's Stadium 2015-16 NFL Event Statistics

	Game 1 vs Cowboys 08/17/15	Game 2 vs Chargers 09/03/15	Game 3 vs Vikings 09/14/15	Game 4 vs Packers 10/04/15	Game 5 vs Ravens 10/18/15	Game 6 vs Seahawks 10/22/15
No. of Tickets Sold	67,230	64,841	66,563	-	-	-
NFL Ticket Surcharge	\$ 416,404	\$ 402,363	\$ 1,032,783	\$ -	\$ -	\$ -
Senior/Youth Program Fees	\$ 23,531	\$ 22,694	\$ 23,297	\$ -	\$ -	\$ -
Cars Parked at Offsite Lots	7,955	3,833	5,198	-	-	-
City Offsite Parking Fee	\$ 40,411	\$ 19,472	\$ 26,406	\$ -	\$ -	\$ -
Cars Parked on Golf Course	1,772	2,334	3,247	-	-	-
Cars Parked on Tasman Lots	707	566	694	-	-	-
City Golf Course/Tasman Lot Parking Fee	\$ 12,395	\$ 14,500	\$ 19,705	\$ -	\$ -	\$ -
Total Stadium Public Safety Costs	\$ 224,239	\$ 210,900	\$ 238,584	\$ -	\$ -	\$ -
Offsite Parking Fee Credit	\$ (40,411)	\$ (19,472)	\$ (26,406)	\$ -	\$ -	\$ -
Reimbursable Stadium Public Safety Costs	\$ 183,828	\$ 191,428	\$ 212,178	\$ -	\$ -	\$ -
Reimbursable Golf Course Public Safety Costs	\$ 6,658	\$ 10,474	\$ 8,109	\$ -	\$ -	\$ -
Total Reimbursable Public Safety Costs	\$ 190,486	\$ 201,902	\$ 220,287	\$ -	\$ -	\$ -
Amount Reimbursed through 9/30/15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amount Outstanding as of 9/30/15	\$ 190,486	\$ 201,902	\$ 220,287	\$ -	\$ -	\$ -

	Game 7 vs Falcons 11/08/15	Game 8 vs Cardinals 11/29/15	Game 9 vs Bengals 12/20/15	Game 10 vs Rams 01/03/16	Total
No. of Tickets Sold	-	-	-	-	198,634
NFL Ticket Surcharge	\$ -	\$ -	\$ -	\$ -	\$ 1,851,550
Senior/Youth Program Fees	\$ -	\$ -	\$ -	\$ -	\$ 69,522
Cars Parked at Offsite Lots	-	-	-	-	16,986
City Offsite Parking Fee	\$ -	\$ -	\$ -	\$ -	\$ 86,289
Cars Parked on Golf Course	-	-	-	-	7,353
Cars Parked on Tasman Lots	-	-	-	-	1,967
City Golf Course/Tasman Lot Parking Fee	\$ -	\$ -	\$ -	\$ -	\$ 46,600
Total Stadium Public Safety Costs	\$ -	\$ -	\$ -	\$ -	\$ 673,723
Offsite Parking Fee Credit	\$ -	\$ -	\$ -	\$ -	\$ (86,289)
Reimbursable Stadium Public Safety Costs	\$ -	\$ -	\$ -	\$ -	\$ 587,434
Reimbursable Golf Course Public Safety Costs	\$ -	\$ -	\$ -	\$ -	\$ 25,242
Total Reimbursable Public Safety Costs	\$ -	\$ -	\$ -	\$ -	\$ 612,676
Amount Reimbursed through 9/30/15	\$ -	\$ -	\$ -	\$ -	\$ -
Amount Outstanding as of 9/30/15	\$ -	\$ -	\$ -	\$ -	\$ 612,676

## NFL Event Tickets

In total, the 49ers played 3 NFL games (two pre-season games and one regular season game) in the first two quarters of the 2015-16 fiscal year at Levi's Stadium. The total number of tickets sold to these three games were 198,634, an average of 66,211 tickets sold for each game.

## NFL Ticket Surcharge

During the current reporting period, \$1.85 million in NFL ticket surcharge was collected by the Team and remitted to the Stadium Authority. These funds were used to pay stadium operating and maintenance costs.

## Senior and Youth Program Fees

In the first two quarters of the 2015-16 fiscal year, the Stadium Authority remitted a total of \$70 thousand to the City to support senior and youth programs.

## Parking Fees

For the NFL events, a total of 16,986 cars were parked in permitted offsite parking lots during the first two quarters of the current fiscal year. The parking lot operators of these offsite lots are required to submit a fee to the City of Santa Clara for each car that is parked for sports or entertainment events to offset the cost of public safety services provided to those operators. This fee was \$4.92 per space per event through June 2015, after which the fee was increased to \$5.08 per space per event in accordance with the City's 2015-16 Municipal Fee Schedule. This offsite parking fee generated \$86 thousand during this reporting period.

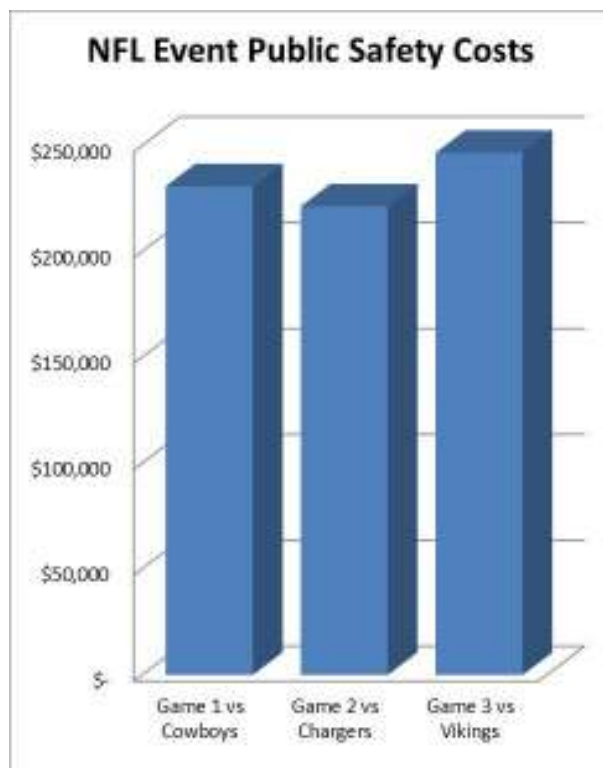
The Additional Parking Rights Agreement also allows for parking on the golf course during events held at Levi's Stadium and requires a fee of \$5.00 per space per event be paid to the City of Santa Clara to offset lost revenue from closure of the golf course. Additionally, the City collects a fee of \$5.00 per space for all cars that are parked on the Tasman surface lots during NFL events. A total of 9,320 cars were parked on the golf course and Tasman lots during NFL events which resulted in \$47 thousand in parking fees for the City of Santa Clara.



## Public Safety Costs

For each NFL game that is held at Levi's Stadium a public safety plan is developed and implemented. The costs associated with public safety include staffing, and materials, services and supplies in the Police, Fire, and Public Works Departments. The services are provided through a combination of City General Fund staff and outside contracts that the Police Department has with other agencies including the California Highway Patrol, County Sheriff's, and City of Sunnyvale. The cost of providing these services are tracked through the City's financial system and per event invoices are sent to the Forty Niners Stadium Management Company LLC (Stadium Manager) once the costs are known. All of these costs are reimbursed to the City of Santa Clara.

For the six-month period ended September 30, 2015, there were \$699 thousand of stadium public safety costs. Of this amount, \$86 thousand were covered by the offsite parking fees that were collected and the remaining \$613 thousand were invoiced to the Stadium Manager.



## NON-NFL EVENTS

During the first two quarters of its second operating fiscal year ending March 31, 2016, the Stadium Authority held thirteen large-scale ticketed events at Levi's Stadium. Statistics for these events are shown in the following table.

**Levi's Stadium  
2015-16 Q1 & Q2 Non-NFL Event Statistics**

	Monster Jam 04/11/15	Supercross 04/18/15	Kenny Chesney Concert 05/02/15	Earthquakes Soccer Match 05/24/15	Grateful Dead Concert #1 06/27/15
No. of Tickets Sold	37,217	30,871	42,382	20,692	77,738
Non-NFL Ticket Surcharge	\$ 148,868	\$ 123,484	\$ 169,528	\$ 82,768	\$ 310,952
Cars Parked at Offsite Lots	3,811	4,963	4,160	3,089	5,113
City Offsite Parking Fee	\$ 18,750	\$ 24,418	\$ 20,467	\$ 15,198	\$ 25,156
Cars Parked on Golf Course	1,592	1,870	1,931	1,562	1,189
City Golf Course Parking Fee	\$ 7,960	\$ 9,350	\$ 9,655	\$ 7,810	\$ 5,945
Total Stadium Public Safety Costs	\$ 194,578	\$ 207,805	\$ 228,411	\$ 163,887	\$ 298,057
Offsite Parking Fee Credit	\$ (18,750)	\$ (24,418)	\$ (20,467)	\$ (15,198)	\$ (25,156)
Reimbursable Stadium Public Safety Costs	\$ 175,828	\$ 183,387	\$ 207,944	\$ 148,689	\$ 272,901
Reimbursable Golf Course Public Safety Costs	\$ 10,539	\$ 9,271	\$ 13,013	\$ 7,300	\$ 16,891
Total Reimbursable Public Safety Costs	\$ 186,367	\$ 192,659	\$ 220,957	\$ 155,989	\$ 289,792
Amount Reimbursed through 9/30/15	\$ 186,367	\$ 192,659	\$ 220,957	\$ 152,471	\$ 285,384
Amount Outstanding as of 9/30/15	\$ -	\$ -	\$ -	\$ 3,518	\$ 4,408

	Grateful Dead Concert #2 06/27/15	One Direction Concert 07/11/15	Manchester United Soccer 07/25/15	Charlie Wedemeyer 08/01/15	Taylor Swift Concert #1 08/14/15
No. of Tickets Sold	75,452	46,228	63,236	4,347	48,063
Non-NFL Ticket Surcharge	\$ 301,808	\$ 184,912	\$ 252,944	\$ 17,388	\$ 192,252
Cars Parked at Offsite Lots	5,280	2,893	7,491	-	4,513
City Offsite Parking Fee	\$ 25,978	\$ 14,696	\$ 38,054	\$ -	\$ 22,926
Cars Parked on Golf Course	1,321	3,467	2,972	-	1,418
City Golf Course Parking Fee	\$ 6,605	\$ 17,335	\$ 14,860	\$ -	\$ 7,090
Total Stadium Public Safety Costs	\$ 299,803	\$ 199,443	\$ 244,158	\$ 11,197	\$ 209,160
Offsite Parking Fee Credit	\$ (25,978)	\$ (14,696)	\$ (38,054)	\$ -	\$ (22,926)
Reimbursable Stadium Public Safety Costs	\$ 273,826	\$ 184,746	\$ 206,104	\$ 11,197	\$ 186,234
Reimbursable Golf Course Public Safety Costs	\$ 16,936	\$ 6,053	\$ 7,358	\$ -	\$ 7,910
Total Reimbursable Public Safety Costs	\$ 290,762	\$ 190,799	\$ 213,462	\$ 11,197	\$ 194,145
Amount Reimbursed through 9/30/15	\$ 286,354	\$ 189,019	\$ 212,349	\$ -	\$ -
Amount Outstanding as of 9/30/15	\$ 4,408	\$ 1,780	\$ 1,113	\$ 11,197	\$ 194,145

	Taylor Swift Concert #2 08/15/15	Luke Bryan Concert 08/29/15	Friday Night Lights 09/18/15	Non-NFL Ticketed Event Totals
No. of Tickets Sold	49,940	36,491	9,733	542,390
Non-NFL Ticket Surcharge	\$ 199,760	\$ 145,964	\$ -	\$ 2,130,628
Cars Parked at Offsite Lots	5,949	4,407	-	51,669
City Offsite Parking Fee	\$ 30,221	\$ 22,388	\$ -	\$ 258,252
Cars Parked on Golf Course	1,304	1,117	-	19,743
City Golf Course Parking Fee	\$ 6,520	\$ 5,585	\$ -	\$ 98,715
Total Stadium Public Safety Costs	\$ 210,491	\$ 251,591	\$ 11,569	2,530,151
Offsite Parking Fee Credit	\$ (30,221)	\$ (22,388)	\$ -	\$ (258,252)
Reimbursable Stadium Public Safety Costs	\$ 180,270	\$ 229,203	\$ 11,569	\$ 2,271,899
Reimbursable Golf Course Public Safety Costs	\$ 8,191	\$ 9,978	\$ -	113,440
Total Reimbursable Public Safety Costs	\$ 188,461	\$ 239,181	\$ 11,569	\$ 2,385,339
Amount Reimbursed through 9/30/15	\$ -	\$ -	\$ -	\$ 1,725,558
Amount Outstanding as of 9/30/15	\$ 188,461	\$ 239,181	\$ 11,569	\$ 659,781

There were also a number of smaller special events held in Levi's Stadium during the current reporting period. Examples of these special events include corporate events of various sizes, weddings, holiday parties, etc. The table below shows a few statistics for these events.

	Non-NFL Special Event Totals
No. of Events	100
No. of Attendees	73,196
Reimbursable Stadium Public Safety Costs	\$ 94,837
Amount Reimbursed through 9/30/15	\$ 44,124
Amount Outstanding as of 9/30/15	\$ 50,714

### Non-NFL Event Tickets

There were a total of 542,390 total tickets sold for the thirteen large-scale non-NFL events that were held during the current reporting period. There were also 100 smaller special events with 73,196 total attendees.

### Net Non-NFL Event Revenue

During the current reporting period, the Stadium Authority received \$5.0 million from the Stadium Manager for net non-NFL event revenue related to all non-NFL events that were held during its initial year (i.e., in eight months of operation from August 1, 2014 March 31, 2015). This included the large ticketed events and the smaller special events. This initial \$5.0 million payment was made in advance of finalizing all of the analysis for those events. After the analysis was completed, the actual total net non-NFL event revenue for the first fiscal year was \$5.2 million. Therefore, an additional payment of \$197 thousand is due to the Stadium Authority (this amount was received in November 2015).

In regards to the non-NFL events that have been held in the first two quarters of the current fiscal year, City staff has been reviewing the detailed information on each of these events with the Stadium Manager. However, most individual event information (e.g., the terms of the agreement between the Stadium Manager and the event promoter, and the financial results from any individual event) is considered to be proprietary information. For this reason, non-NFL event net income is reported annually, after the close of the prior fiscal year.

### Non-NFL Event Ticket Surcharge

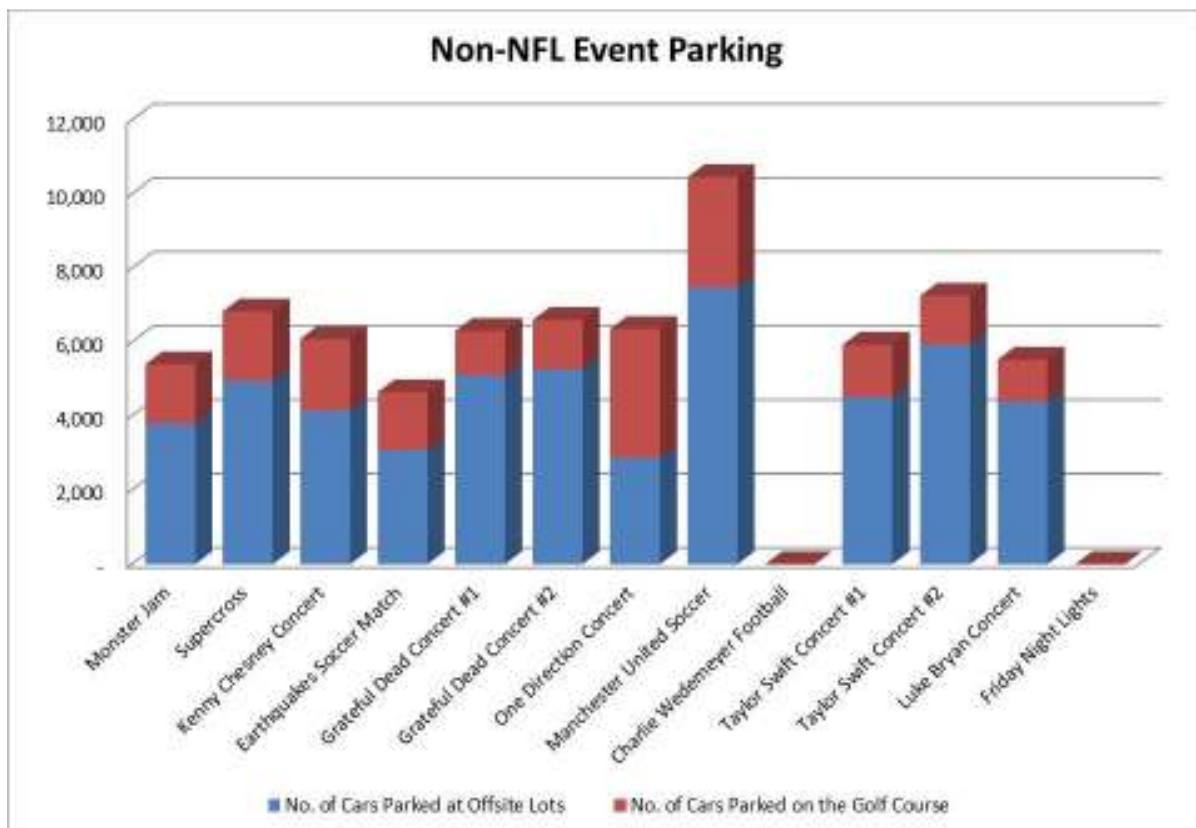
The stadium Lease Agreement requires that the promoter or sponsor of any non-NFL event collect a non-NFL event ticket surcharge of \$4 per ticket unless the Stadium Authority waives the surcharge. Of the thirteen non-NFL events, the surcharge was

collected for all events except the Friday Night Lights high school football game. \$2.13 million of non-NFL ticket surcharge was collected during the first two quarters of the 2015-16 fiscal year. This was collected by the Stadium Manager on behalf of the Stadium Authority. Of this amount, \$1.14 million has been submitted by the Stadium Manager to the Stadium Authority as of September 30, 2015. The remaining \$993 thousand will be submitted in the third quarter of 2015-16. The Lease Agreement sets aside half of the non-NFL ticket surcharge for stadium operating and maintenance costs and half for discretionary expenses of the Stadium Authority.

### Non-NFL Parking Fees

A total of 51,669 cars were parked in these offsite lots for all of the ticketed non-NFL events resulting in the City collecting \$258 thousand in offsite parking fees. These fees were used to partly offset public safety costs.

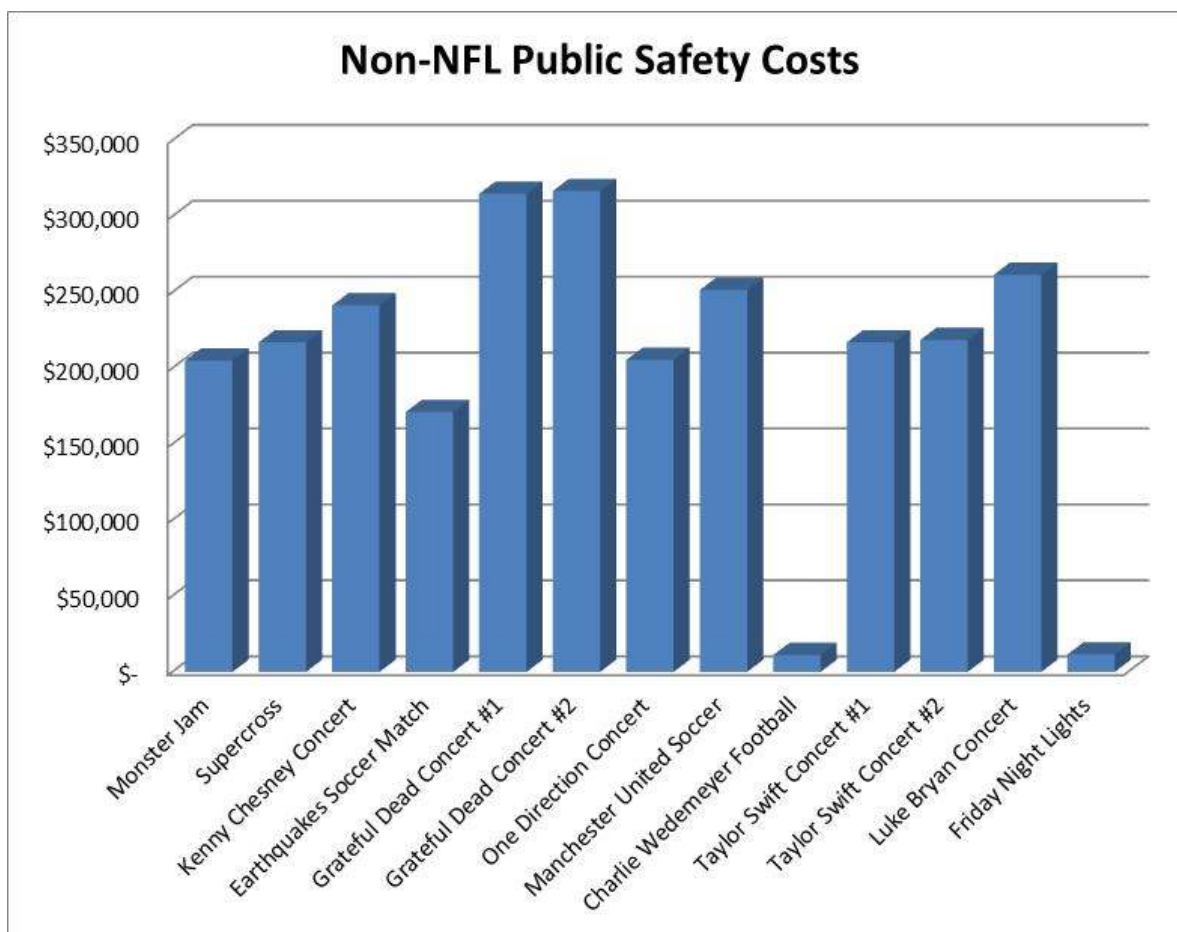
A total of 19,743 cars were parked on the golf course during the non-NFL events which resulted in a total of \$99 thousand in golf course parking fees being remitted to the City. These fees offset lost revenue from the closure of the golf course.



## Public Safety Costs

The total public safety costs associated with the ticketed non-NFL events were \$2.64 million. Of this amount, \$258 thousand were covered by the offsite parking fee described above and the remaining \$2.39 million were invoiced by the City to the Stadium Manager on the Stadium Authority's behalf.

The total public safety costs associated with services provided for non-ticketed non-NFL events held at Levi's Stadium were \$95 thousand which were also invoiced by the City.



## SANTA CLARA STADIUM AUTHORITY BUDGET STATUS REPORTS

### Operating Budget

The Stadium Authority's 2015-16 operating budget included \$23.5 million in estimated revenues (net of transfers) and \$17.2 million in appropriations. Total operating revenues (net of transfers) for the six-month period ended September 30, 2015 were

\$(13.2) million. This is primarily due to the timing of transfers from the operating fund to the debt service fund. The largest contributing factor being a higher than expected collection on Stadium Builder Licenses (SBLs) in the prior fiscal year. Operating expenses totaled \$11.2 million during this same period.

## Santa Clara Stadium Authority

### Operating Budget Status Report

As of September 30, 2015

	Budget	Actual	Remaining Budget	% Budget Collected
<b>Operating Revenues</b>				
NFL Ticket Surcharge	8,366,000	1,851,550	6,514,450	22.13%
SBL Proceeds	30,596,000	-	30,596,000	0.00%
Interest	-	3,438	(3,438)	N/A
SBL Resale Proceeds	500,000	-	500,000	0.00%
Net Revenues from Non-NFL Events	5,000,000	5,000,000	-	100.00%
Naming Rights	6,000,883	2,956,100	3,044,783	49.26%
Sponsorship Revenue (STR)	541,414	660,072	(118,658)	121.92%
Rent	24,500,000	14,291,668	10,208,332	58.33%
Senior & Youth Program Fees	239,000	69,522	169,478	29.09%
Fanwalk Revenue	112,600	28,157	84,443	25.01%
Non-NFL Event Ticket Surcharge	2,194,000	1,734,916	459,084	79.08%
Net Transfers	(54,563,000)	(39,822,617)	(14,740,383)	72.98%
<b>Total Operating Revenues</b>	<b>23,486,897</b>	<b>(13,227,194)</b>	<b>36,714,091</b>	<b>-56.32%</b>

	Budget	Actual	Remaining Budget	% Budget Used
<b>Operating Expenses</b>				
Operating Expenses - Stadium Manager	6,446,000	3,163,214	3,282,786	49.07%
SBL Sales and Service	1,574,000	828,879	745,121	52.66%
Insurance	2,626,996	2,378,950	248,046	90.56%
Senior & Youth Program Fees	239,000	69,522	169,478	29.09%
Other Expenses	3,020,089	1,411,495	1,608,594	46.74%
Ground Rent	215,000	215,000	-	100.00%
Performance Rent	2,410,000	2,410,000	-	100.00%
Discretionary Fund Expense	670,000	714,028	(44,028)	106.57%
<b>Total Operating Expenses</b>	<b>17,201,085</b>	<b>11,191,088</b>	<b>6,009,997</b>	<b>65.06%</b>

### Debt Service Budget

The Stadium Authority's total 2015-16 fiscal year debt service estimated revenues are \$60.4 million. Actual revenues for the first two quarters was \$57.1 million. Total actual debt service expenses during this period were \$24.3 million, of which \$15.9 million was used to pay down long-term debt principal.

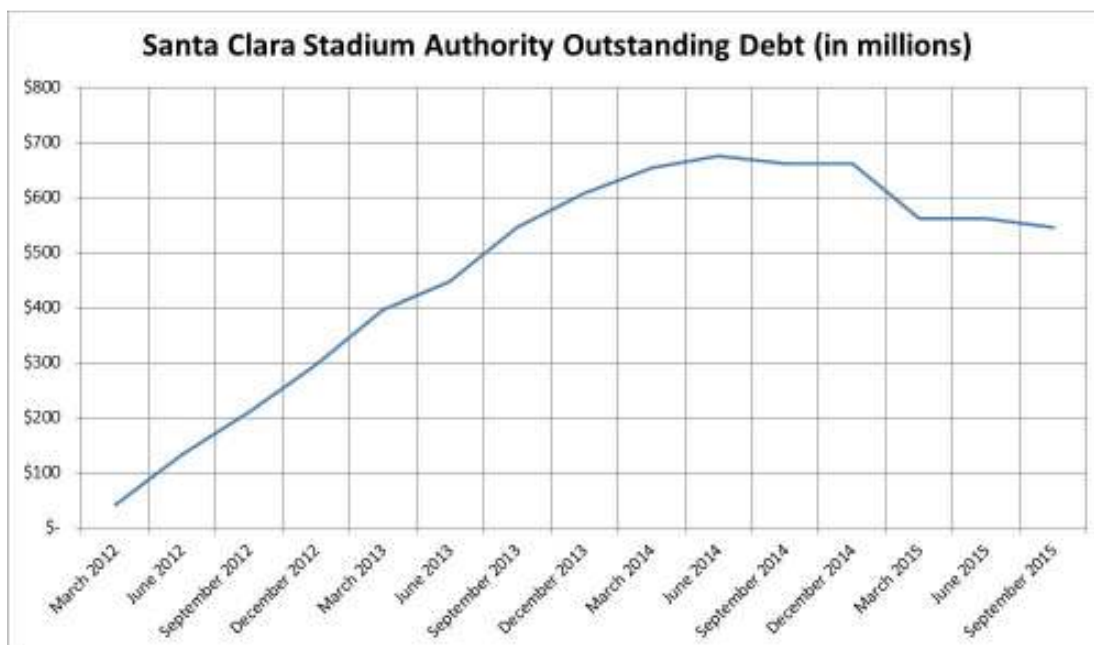
The total outstanding principal on Stadium Authority debt as of September 30, 2015 is \$545.7 million. Additionally, the cost allocation study (described in the Capital Improvement Project Budget section of this report) was recently completed and project costs will be shifted from the Stadium Authority to StadCo, resulting in a reduction in the amount of principal outstanding on the StadCo Subordinated Loan.

## Santa Clara Stadium Authority Debt Service Budget Status Report

As of September 30, 2015

	Budget	Actual	Remaining Budget	% Budget Collected
<b>Debt Service Revenues</b>				
Contribution from Successor Agency	6,209,333	6,209,333	-	100.00%
Contribution from CFD	2,709,160	1,678,610	1,030,550	61.96%
Net Transfers	51,473,000	49,221,513	2,251,487	95.63%
<b>Total Debt Service Revenues</b>	<b>60,391,493</b>	<b>57,109,456</b>	<b>3,282,037</b>	<b>94.57%</b>

	Budget	Actual	Remaining Budget	% Budget Used
<b>Debt Service Expenses</b>				
Agency Advance Debt Service	6,209,333	6,209,333	-	100.00%
CFD Advance Debt Service	2,709,160	1,678,610	1,030,550	61.96%
Term A & B Debt Service	45,046,000	16,439,916	28,606,085	36.50%
StadCo Subordinated Loan Debt Service	6,427,000	-	6,427,000	0.00%
<b>Total Debt Service Expenses</b>	<b>60,391,493</b>	<b>24,327,858</b>	<b>36,063,635</b>	<b>40.28%</b>



## Capital Improvement Project Budget

Through September 30, 2015, the Stadium Authority had spent \$909 million on the construction of Levi's Stadium.

A cost allocation study has now been completed by a third party consultant, and the Stadium Authority's final development costs are \$879 million, meaning that the project was \$136 million under budget. As described in the Debt Service Budget section of this report, there will be a credit in the principal outstanding on the StadCo Subordinated Loan, therefore reducing the overall debt the Stadium Authority.

# Santa Clara Stadium Authority

## CIP Budget Status Report

As of September 30, 2015

	<b>Budget</b>	<b>Actual</b>	<b>Remaining Budget</b>
<b>CIP Revenues</b>			
Term A Loan	285,000,000	282,794,108	2,205,892
Term B Loan	91,000,000	126,607,884	(35,607,884)
RDA	41,600,000	41,600,000	-
CFD	35,000,000	35,000,000	-
Sub-Loan from StadCo	245,400,000	238,134,408	7,265,592
Construction Period Revenues	312,000,000	308,606,641	3,393,359
Net Transfers	5,000,000	(110,138,095)	115,138,095
<b>Total CIP Revenues</b>	<b>1,015,000,000</b>	<b>922,604,948</b>	<b>92,395,052</b>

	<b>Budget</b>	<b>Actual</b>	<b>Remaining Budget</b>
<b>CIP Expenses</b>			
Construction	1,015,000,000	908,770,143	106,229,857
<b>Total CIP Expenses</b>	<b>1,015,000,000</b>	<b>908,770,143</b>	<b>106,229,857</b>

The 2015-16 fiscal year budget also appropriated \$3 million to be spent on capital improvements related to Levi's Stadium. That amount along with the prior year's carry forward of \$300 thousand brings the total capital improvement appropriations up to \$3.3 million. None of these funds have been spent as of September 30, 2015.

## CITY OF SANTA CLARA NET BENEFIT

The stadium has had a positive impact on the City's finances. This section of the report provides information on General Fund revenue and expenditure impacts resulting from the stadium.

### City of Santa Clara Net Benefit to the General Fund For Six-Month Period Ending September 30, 2015

#### General Fund Revenues

Public Safety Cost Reimbursement	
NFL Public Safety Cost Reimbursement	111,963
Non-NFL Event Public Safety Cost Reimbursement	2,703,145
City Offsite Parking Fees	321,212
Subtotal Public Safety Cost Reimbursement	3,136,319
Administrative Cost Reimbursement	438,068
Ground Rent	215,000
Performance Rent	2,410,000
Senior and Youth Fee	69,522
<b>Total General Fund Revenues</b>	<b>6,268,909</b>

#### General Fund Expenditures

Public Safety Costs	
NFL Event Public Safety Costs	698,965
Non-NFL Event Public Safety Costs	2,643,591
Subtotal Reimbursable Public Safety Costs	3,342,556
Administrative Costs	439,962
<b>Total General Fund Expenditures</b>	<b>3,782,518</b>

#### General Fund Benefit\*

<b>Net General Fund Benefit</b>	<b>2,486,392</b>
---------------------------------	------------------

(1) This table shows General Fund revenue received and expenditures made during the current Stadium Authority reporting period (i.e., April 1, 2015 through September 30, 2015). For example, since the 2014-15 performance rent was received by the City in June 2015, it is included in this report even though it relates to the prior fiscal year.

(2) General Fund benefit does not include additional sales tax and transient occupancy tax flowing to the General Fund due the impacts of Levi's Stadium.

### **Public Safety and Administrative Cost Reimbursement**

During the six-month period ending September 30, 2015, the City's General Fund received \$3.14 million in the form of public safety reimbursements through the combination of payments from the Stadium Manager, the Stadium Authority, and the offsite parking fees that were collected. It is important to note that due to the timing of when the public safety invoices are created and sent out to the Stadium Manager for reimbursement, the expenditures and reimbursements do not always line up in the same reporting period.

In the past two quarters, a total of \$440 thousand of administrative costs were incurred by the General Fund. During the same time period, \$438 thousand in administrative cost reimbursements were made to the General Fund by the Stadium Authority (\$281 thousand was reimbursed from the Stadium Authority's Capital Improvement Project Budget, and \$157 thousand was reimbursed from the Stadium Authority's Operating Budget). As with the public safety costs, there is a lag between when the cost is incurred and when the reimbursement occurs.

### **Fixed Base Rent and Performance-Based Rent**

In July 2015, the City received \$215,000 of fixed base rent for the Stadium Authority's second fiscal year of operations.

As described in the Non-NFL Event section of this report, the Stadium Authority earned \$5.2 million in net non-NFL event revenue during its initial year. Of this amount, \$2.5 million was owed to the City as performance-based rent (50% of the Stadium Authority's non-NFL net revenue less a fixed base rent credit equal to 50% of the 2014-15 fixed base rent). In June 2015, the Stadium Authority made a payment of \$2.4 million to the City for performance-based rent. The remaining amount of \$104 thousand was paid in November 2015, after the current reporting period.

### **Senior and Youth Program Fees**

In the six-month period covered by this report, there were three NFL games for which the senior and youth program fees were collected. The Stadium Authority therefore remitted a total of \$70 thousand to the City of Santa Clara to support senior and youth programs.

### **Tasman Lots Parking Fees**

A total of 1,967 cars were parked on the Tasman lots during the three NFL events that were held during this reporting period. This will result in \$10 thousand in parking fees for the City of Santa Clara, however they are not included in this report as the payment is pending.