

Santa Clara Stadium Authority

Financial Status Report for the Quarter Ending
September 30, 2017

November 21, 2017



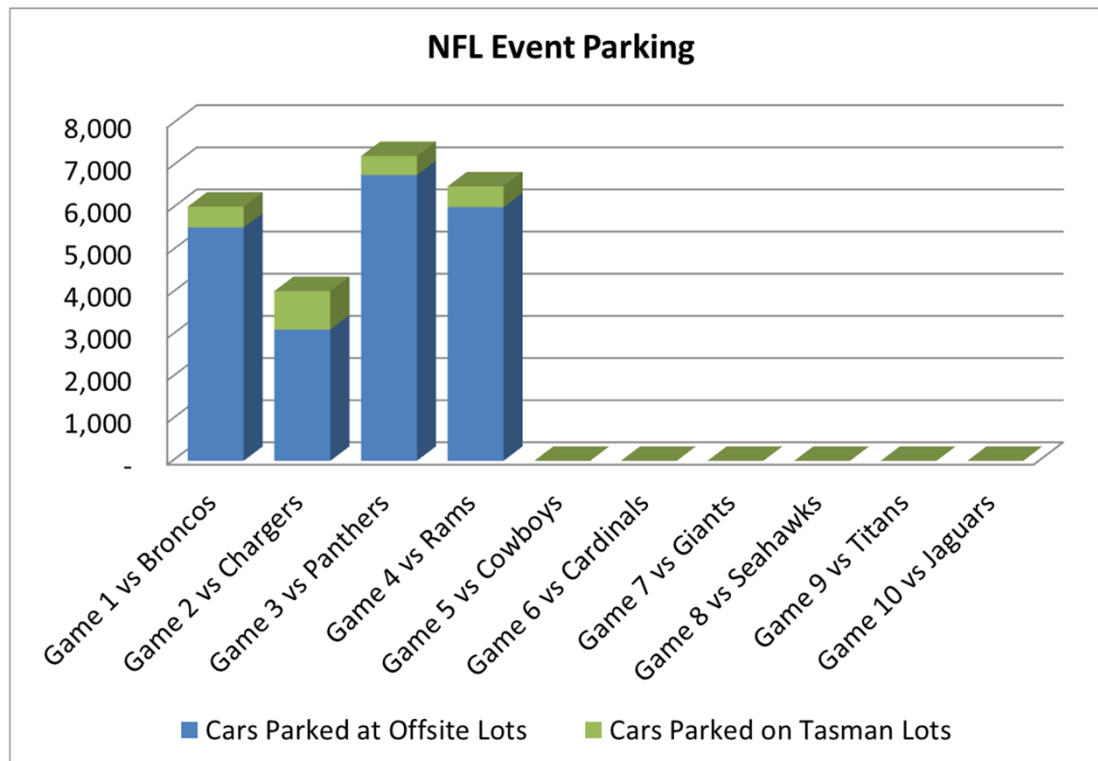
Financial Status Report (Q1 and Q2 of FY 2017/18)

- NFL Events
- Non-NFL Events
- Operating Budget Status
 - Performance Rent Calculation
- Debt Schedules
- Capital Improvement Program
- Budget Amendment Recommendations

NFL Events

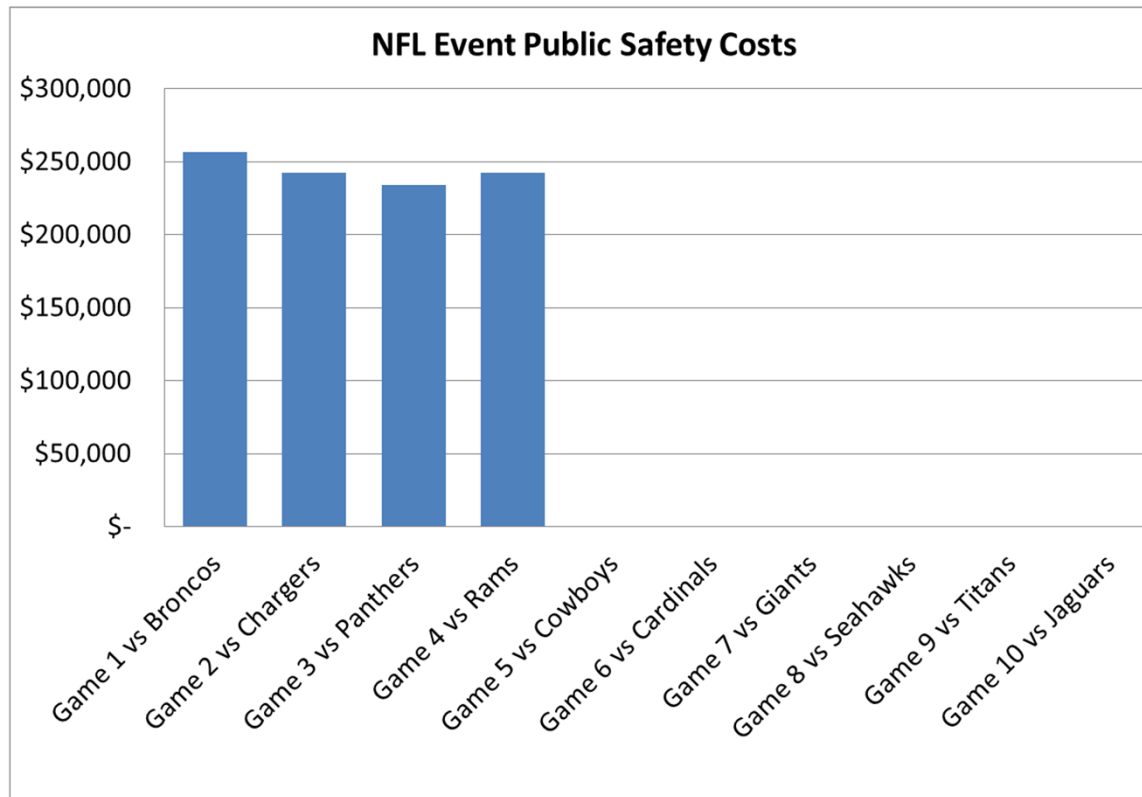
- Four NFL events were held by the end of the second quarter of the fiscal year
- A total of 249,408 tickets were sold
- Ticket sales resulted in \$2.54 million in NFL ticket surcharge revenue for the Stadium Authority
 - The team collects a 10% NFL ticket surcharge on the price of admission to all NFL games on behalf of the Stadium Authority

NFL Events - Parking



- A total of 21,442 cars were parked in offsite lots generating \$116,000 in offsite parking fees

NFL Events – Public Safety Costs

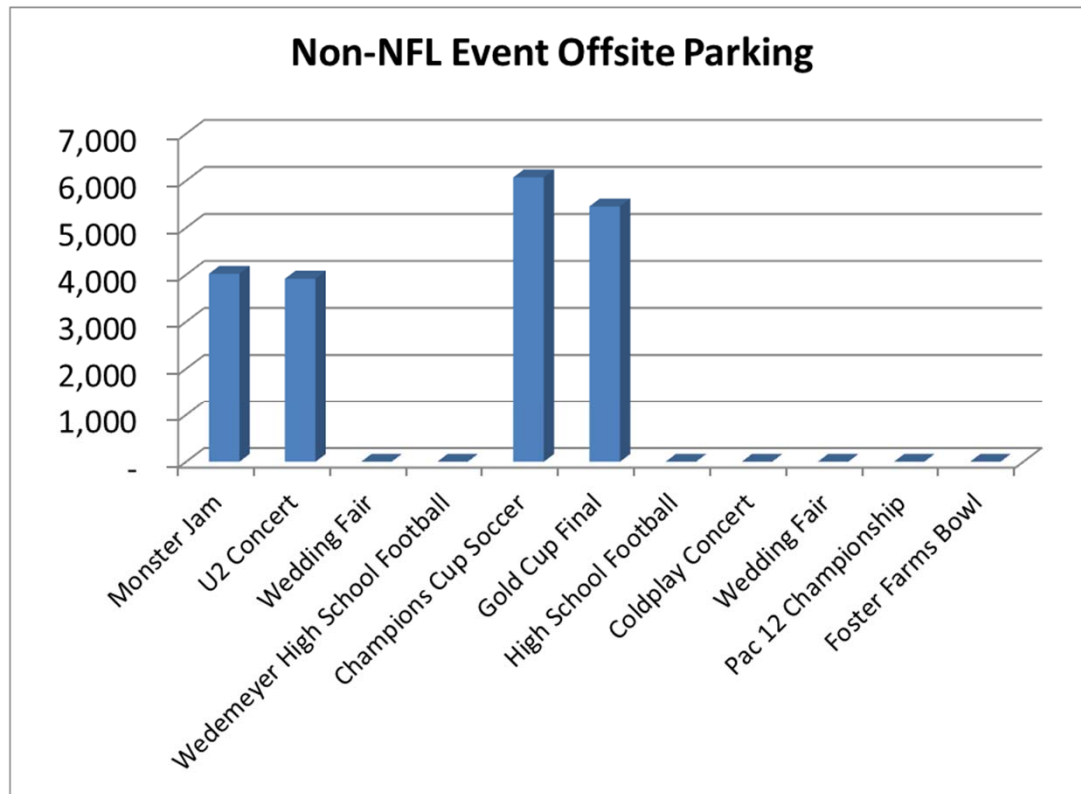


- Public safety costs for NFL events amounted to approximately \$976,000
- \$116,000 of the public safety costs were covered by the parking fees
- \$417,000 of the public safety cost reimbursements were outstanding as of this report.

Non-NFL Events

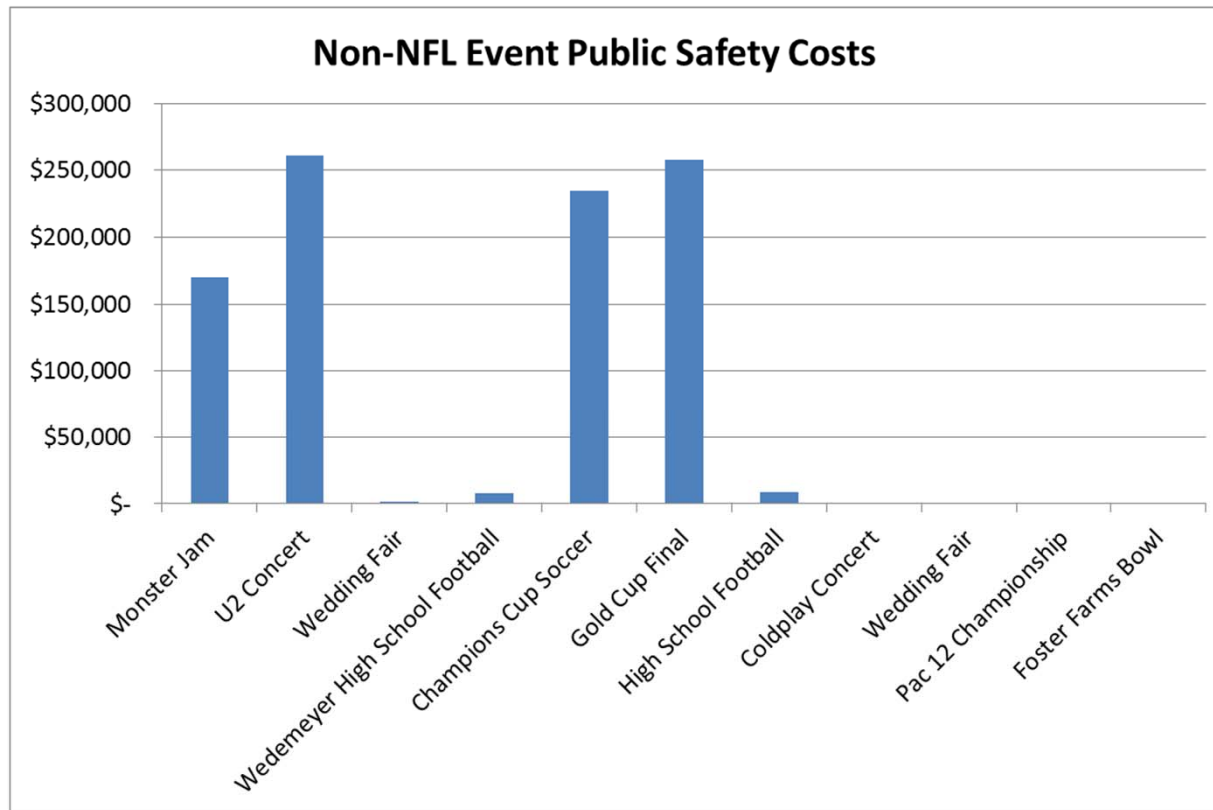
- Seven ticketed non-NFL events were held during the first two quarters of the fiscal year
- A total of 210,157 tickets were sold
- In addition, there were 42 smaller special events with 23,726 attendees
- The \$4 per ticket non-NFL ticket surcharge generated \$841,000 (one-half for stadium operations and one-half for Stadium Authority discretionary fund)

Non-NFL Events - Parking



- A total of 19,466 cars were parked in offsite lots generating \$104,000 in offsite parking fees

Non-NFL Events – Public Safety Costs



- Public safety costs for non-NFL events amounted to approximately \$1,000,000
- \$104,000 of the public safety costs were covered by the parking fees
- \$9,000 of the public safety cost reimbursements were outstanding as of this report

Operating Budget Status

- Operating revenues through the second quarter equal \$30.2 million or 40% of annual budget
 - Includes prior year net revenue from non-NFL events of \$5.3 million
- Operating expenses through the second quarter equal \$12.6 million or 59% of budget
 - Several line items pay out most of their cost in first half of year (e.g., discretionary fund expense and performance rent)
 - Includes prior year performance rent paid to the City of Santa Clara of \$2.5 million

Performance Rent Calculation

	2016-17	2015-16
Ground Rent	\$ 250,000	\$ 215,000
Non-NFL Event Revenue	52,238,762	89,754,081
Non-NFL Event Expense	(46,921,868)	(83,675,065)
Net Non-NFL Event Revenue	\$ 5,316,894	\$ 6,079,016
50% of Net Non-NFL Event Revenue	\$ 2,658,447	\$ 3,039,508
Performance Based Rent Credits		
50% of Fixed Ground Rent	(125,000)	(107,500)
Total Performance Based Rent	\$ 2,533,447	\$ 2,932,008

Stadium Builder Licenses (SBLs)

- Value of currently active SBLs is \$527.9 million (59,979 active SBLs or 91% of 65,877 total sellable SBLs)
- A total of 77% of principal collected as of 9/30/17 (\$406 million)
- Net changes in principal value of SBLs resulted in revenue reduction of \$2.6 million in comparison to March 31, 2017
- SBL holders who default lose their SBL, forfeit any money they had invested, and those SBLs are available for resale at full value

Discretionary Fund

Discretionary Fund				
Fiscal Year	Beginning Balance	50% of Non-NFL Ticket Surcharge	Expenses	Ending Balance
2014-15	\$ -	\$ 715,770	\$ -	\$ 715,770
2015-16	715,770	1,238,542	714,028	1,240,284
2016-17	1,240,284	1,164,698	699,129	1,705,853
2017-18 through Q2	1,705,853	412,956	1,173,342	945,467



- The expenses from the discretionary fund have been NFL public safety costs above the public safety cost threshold, a total of \$2.6 million since the stadium opened
- The balance in the discretionary fund is currently \$945,000

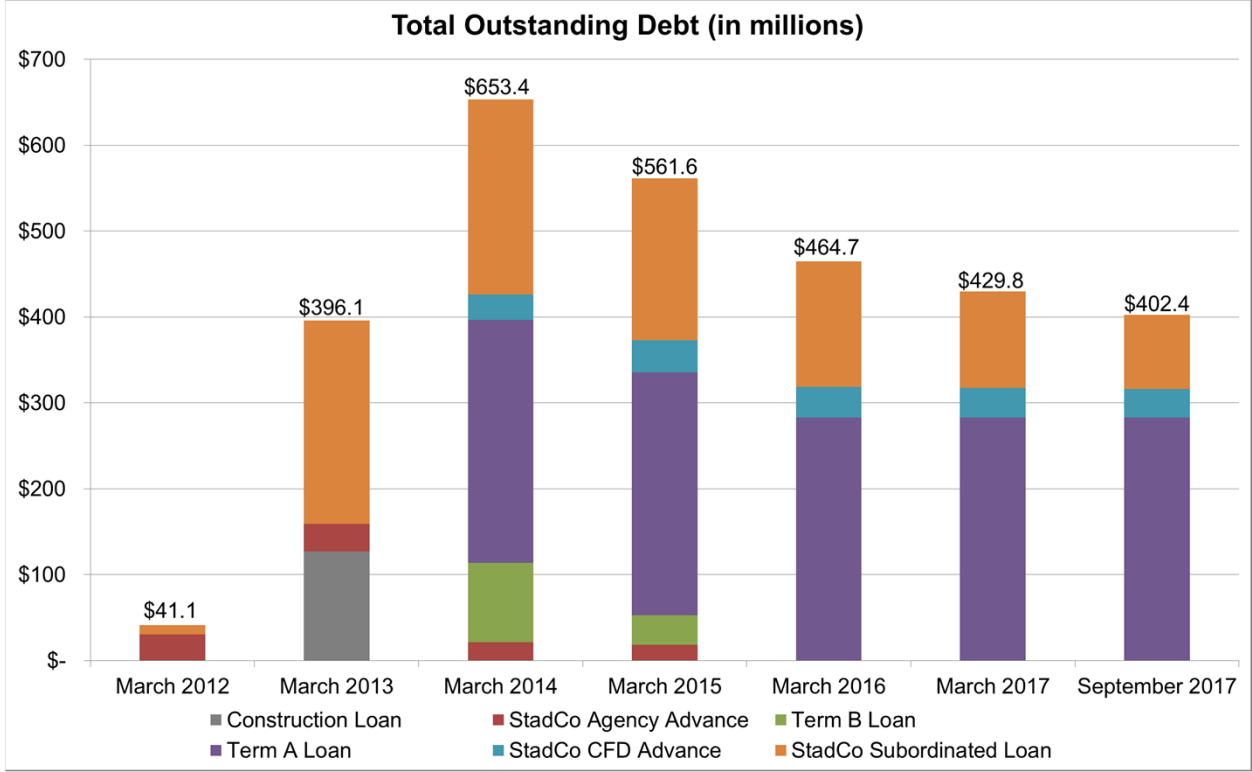
Debt Schedule

- Total outstanding debt as of 9/30/17 was \$402.4 million

Santa Clara Stadium Authority
Debt Summary Report
 For the Period Ending September 30, 2017

Type of Indebtedness	Interest Rates	Outstanding as of March 31, 2017	Net Change	Outstanding as of September 30, 2017
Stadium Funding Trust Loan:				
Term A Loan	5.00%	\$ 282,794,108	\$ -	\$ 282,794,108
StadCo CFD Advance	5.73%	34,414,899	(999,387)	33,415,512
StadCo Subordinated Loan	5.50%	112,564,310	(26,401,398)	86,162,912
Total		\$ 429,773,317	\$ (27,400,785)	\$ 402,372,532

History of Debt Schedule



Capital Improvement Program (CIP)

- Total CIP Budget of \$4.8 million
 - \$2.9 million is appropriated for Stadium CIP costs
 - Carryforward of \$1.9 million for Warranty related work
- \$686,000 has been expended through 9/30/17 for LED service tunnel lighting, water treatment/softener system, fire alarm, restroom stall vacancy signage, and expansion joint waterproofing warranty related costs

City of Santa Clara General Fund

- Revenues of \$4.1 million exceeded expenditures of \$2.2 million by \$1.9 million
 - \$1 million of public safety cost and \$234,000 of administrative costs reimbursements
 - \$2.5 million prior year performance rent
- Additionally, Sales Tax revenue related to the stadium amounted to \$222,000

2017-18 Stadium Authority Budget Amendments

Staff is requesting an increase of **\$1,125,000** in appropriations for the following:

- \$100,000 for a Stadium Authority communication consultant (to be paid from the Discretionary Fund)
- \$75,000 to build-out the Stadium Authority office space located at Levi's Stadium for staff use
- \$700,000 for ongoing legal services
- \$250,000 for a Community Engagement Plan

2017-18 Stadium Authority Budget Amendments (cont.)



Questions

