



Agenda Report

24-760

Agenda Date: 10/22/2024

REPORT TO STADIUM AUTHORITY BOARD

SUBJECT

Action on the Santa Clara Stadium Authority Financial Status Report for Quarter Ending June 30, 2024 and Related Budget Amendments

BOARD PILLARS

Ensure Compliance with Measure J and Manage Levi's® Stadium
Enhance Community Engagement and Transparency

BACKGROUND

In Fiscal Year 2014/15 the Stadium Authority Board (Board) requested that staff prepare quarterly Santa Clara Stadium Authority (Stadium Authority) Financial Status Reports. These reports provide an update on the events held at Levi's® Stadium, Stadium Authority finances, and the impact of Stadium Authority activity on the City of Santa Clara (City).

This report provides information covering the Stadium Authority's first quarter of the 2024/25 fiscal year (FY), which runs from April 1, 2024 to June 30, 2024.

The Adopted Stadium Authority Budget incorporates the estimated revenues and expenses for all Stadium Authority funds. As a part of the Stadium Authority policy to ensure adherence to the budget, a budget/encumbrance control system is used to ensure proper budgetary control. Budgetary appropriation control for expenditures are maintained at the fund level. The attached Financial Status Report provides the budget to actual revenue and expense summaries for the operating, debt service, and capital funds. Analysis of the financial activity through the fiscal year measures the adherence to the budget and allows the Stadium Authority to monitor and project revenues and expenses. Any significant variances are explained in the report.

DISCUSSION

The attached financial status report provides information covering the Stadium Authority's first quarter (April 1, 2024 - June 30, 2024) of FY 2024/25. The report summarizes National Football League (NFL) and Non-NFL event activity at Levi's® Stadium and describes the financial impact of these events on the Stadium Authority and City since FY 2014/15. The report also provides the budget to actual revenue and expense summaries for the operating, debt service, and capital funds. Analysis of the financial activity through the fiscal year measures the adherence to the budget and allows the Stadium Authority to monitor and project revenues and expenses. Any significant variances are explained in the report.

NFL Event Revenue and Expenses

There were no NFL games held in the first quarter of the FY 2024/25. Levi's® Stadium hosted the first 49ers pre-season game of the 2024 season on August 18, 2024, which will be included in the report

for the second quarter.

Non-NFL Event Revenue and Expenses

There were four ticketed Non-NFL events and 20 special events which are detailed in the report. The four ticketed Non-NFL events generated an average net profit of \$664,000 per event. Table 1 below summarizes revenues and expenditures for the four ticketed events.

Table 1

**Levi's® Stadium
Ticketed Non-NFL Events Revenue and Expenditure Summary
As of June 30, 2024**

In Millions \$

Ticketed Event	Revenue	Expense	Net
Concert 1	\$ 2.2	\$ 1.0	\$ 1.2
Concert 2	2.0	\$ 1.0	1.0
Sporting Event 1	0.8	\$ 0.5	0.3
Sporting Event 2	0.7	\$ 0.5	0.2
Total Ticketed Non-NFL Net Revenue to Date	\$ 5.7	\$ 3.0	\$ 2.7

The Non-NFL event ticket sales generated \$635,000 in ticket surcharge revenue, half of which will fund the discretionary fund. Public safety costs for these events totaled an estimated \$1.5 million which will be fully reimbursed to the City by ManCo on behalf of the Stadium Authority.

When combining ticketed and non-ticketed Non-NFL revenues to date, Table 2 below shows approximately \$3.5 million in net revenue (excluding surcharge revenue) through the end of the first quarter. This is an increase of \$2.1 million from the prior year Non-NFL event net revenue of \$1.4 million. The main driver of the increase is related to the increase in the number of ticketed events when compared to the prior year. It should be noted the financial information provided are a draft and subject to change as additional revenues and/or expenditures are recorded.

Table 2

**Levi's Stadium
Net Revenue for Non-NFL Events
by Event Type
Historical Year-to-Date Through June 30, 2024**

EVENT TYPE	2022/23		2023/24		2024/25	
	No. of Events	Net Revenue	No. of Events	Net Revenue	No. of Events	Net Revenue
Ticketed Events						
Concerts	1	\$ 320,231	0	\$ -	2	\$ 2,207,319
Sporting events:						
Soccer	0	-	1	177,806	2	447,531
Net Revenue from Ticketed Events	1	\$ 320,231	1	\$ 177,806	4	\$ 2,654,850
Net Revenue from Special Events (weddings, corporate events, etc.)	19	\$ 557,805	22	\$ 772,876	20	\$ 643,421
Other Operating Income ⁽¹⁾		\$ 12,182		\$ 726,948		\$ 618,326
Other Operating Expenses ⁽²⁾		\$ (246,496)		\$ (291,190)		\$ (407,007)
Total Non-NFL Net Revenue⁽³⁾	20	\$ 643,722	23	\$ 1,386,440	24	\$ 3,509,590

(1) Other Operating Income are income not attributable to a specific event. Examples are interest income and reimbursements unrelated to a specific event.

(2) Other Operating Expenses are expenses not attributable to a specific event. Examples are event selling expenses, administrative expenses and miscellaneous costs.

(3) Net Revenue from Non-NFL Events does not include Non-NFL Event Ticket Surcharge.

Stadium Builder Licenses (SBLs)

SBLs account for 8% of the Stadium Authority’s annual budgeted revenue in FY 2024/25. There is a total of 65,967 currently active SBLs which is 99.7% of the 66,156 total sellable SBL seats. Through the first quarter, since inception, the value of the active SBLs amount to \$557.3 million of which \$530.4 million has already been collected.

Stadium Authority Budgets

The detailed analysis of Stadium Authority budget to actual financials is provided in the attached Financial Status Reports. In summary, total operating revenues were \$8.4 million representing 13% of the overall budget for revenues and total operating expenses were \$6.7 million or 15% of the budget. The debt service fund was able to pay down \$7.8 million in debt, bringing total Stadium Authority debt down to \$220.9 million. Capital expenses were \$1.4 million representing 6% of the overall Capital Expense (CapEx) budget.

FY 2024/25 Stadium Authority Budget Adjustments

From time to time, budget adjustments may be necessary to align revenues or expenditures to actual or unexpected activity during the course of a fiscal year, known after the adoption of the Stadium Authority Budget. On March 12, 2024, the Stadium Authority Board adopted the Santa Clara Stadium Authority FY 2024/25 Operating, Debt Service, and Capital Budget. As of the timing of the publication of this report, additional information from FY 2024/25 has resulted in recommended budget adjustments as follows:

Operating Budget:

- 1) Performance Rent - The Performance-Based rent owed to the City is described in the Ground Lease and Second Amendment to Ground Lease. As outlined in the agreements, the City can receive Performance-Based rent for each Lease Year equal to 50% of net revenue from Non-NFL events less the sum of the Performance-Based Rent Credits. Performance-Based Rent was budgeted at \$9.6 million related to: (1) FY 2022/23 of \$4.2 million, (2) FY 2023/24 of \$2.9 million (projection) and (3) FY 2024/25 of \$2.5 million (budget). FY 2023/24 Non-NFL event

net revenue was higher than projected resulting an increase to performance rent owed to the City of \$225,000. Therefore, a budget amendment of \$225,000 is needed to reflect this increase.

- 2) Stadium Authority General and Administrative (G&A) - The Stadium Authority G&A expense budget of \$4.2 million included \$395,000 for legal expenses. Due to unanticipated legal costs, the City Attorney’s Office requests an appropriation of \$100,000 bringing the total budgeted for legal expenses to \$495,000.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b)(5) in that it is an administrative activity that will not result in direct or indirect physical changes in the environment.

FISCAL IMPACT

As discussed, staff recommends the budget amendment detailed in the table below:

Operating Budget

Description	Current	Increase/ Decrease	Revised
Performance Rent (paid to City)	\$9,600,000	\$225,000	\$9,825,000
Stadium Authority G&A	\$4,188,000	\$100,000	\$4,288,000
Ending Fund Balance - Unrestricted	\$14,237,112	(\$325,000)	\$13,912,112

COORDINATION

This report was coordinated with the ManCo per section 4.6 of the Management Agreement as well as the Stadium Authority Counsel’s Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City’s official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City’s website and in the City Clerk’s Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk’s Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

- 1. Note and file the Santa Clara Stadium Authority Financial Status Report for the Quarter Ending June 30, 2024; and
- 2. Approve a budget amendment in the Operating Budget to increase the Performance-Based Rent (paid to City) in the amount of \$225,000 and Stadium Authority G&A in the amount of \$100,000 offset by a decrease to Ending Fund Balance - Unrestricted.

Reviewed by: Kenn Lee, Treasurer

Approved by: Jovan D. Grogan, Executive Director

ATTACHMENTS

1. SCSA Financial Status Report for the Quarter Ending June 30, 2024

SCSA

Santa Clara Stadium Authority

SANTA CLARA STADIUM AUTHORITY FINANCIAL STATUS REPORT

Quarter Ending June 30, 2024



October 22, 2024

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Introduction

This Santa Clara Stadium Authority (Stadium Authority) Financial Status Report provides information covering the first quarter of the Stadium Authority's 2024/25 fiscal year (FY) which ended on June 30, 2024. Comparative data from prior fiscal years is also included.

In addition to these quarterly reports, the Stadium Authority produces annual financial statements. The FY 2023/24 financial statements were audited by an external audit firm and presented to the Stadium Authority's Audit Committee (Audit Committee) on September 3, 2024 and September 17, 2024 and approved by the Stadium Authority Board (Board) on September 24, 2024. The financial statements are published on the Stadium Authority's website.

The Stadium Authority also prepares a detailed budget prior to the beginning of each fiscal year. The FY 2024/25 budget was adopted by the Board on March 12, 2024.

Stadium Authority finances are structured so that the City of Santa Clara (City) is not liable for the debts or obligations of the Stadium Authority. All services provided by the City, including administrative and public safety, to the Forty Niners Stadium Management Company, LLC (ManCo) or the Stadium Authority are fully reimbursed with Stadium Authority funds.

Methodology

Information provided in this report was based in part on documentation submitted by ManCo. Specifically, National Football League (NFL) and Non-NFL event statistics and financial information relating to ManCo expenses are provided by ManCo. Stadium Authority staff has access to selected financial information submitted by ManCo provided through the Stadium Authority's Financial Management System and event reports received for Non-NFL events. These reports are received 45 days after each event for events with attendance greater than 25,000. More detailed documents are received within 90 days after the close of the quarter. For all other financial information, a full detailed review and/or audit of source documentation has not been completed by the Stadium Authority for this report.

The information provided reflects the best known and available at the time of the writing of this report and is subject to further revision and review. Revisions may occur based on the timing of revenue and expenditure activity for events in this quarter that continue beyond the timing of this report. Consequently, the Board's notation and filing of this report should not be considered an approval of the accuracy of the information in the report.

NFL Events

This section provides fiscal year to date and comparative data for NFL games categorized as pre-season and regular season games. There were no NFL games held during the first quarter of FY 2024/25. Levi's® Stadium hosted the first 49ers pre-season game of the 2024 season on August 18, 2024, which will be included in the report for the second quarter.

Non-NFL Events

This section provides year to date and comparative data for Non-NFL events categorized as events ranging from high school and college football games, international soccer matches, concerts, wedding fairs, and special events. During the current reporting period, there were a total of 158,662 tickets sold for the four ticketed Non-NFL events that were held, resulting in \$635,000 Non-NFL event ticket surcharge revenue (from the \$4 per ticket Non-NFL event surcharge). This is an increase in ticket surcharge revenue of \$471,000 or 287% over the same period in the prior year. Compared to the one sporting event that took place in the same period in the prior year there were four ticketed Non-NFL events in the current reporting period, resulting in the increase in ticket surcharge revenue.

ManCo reports that there were also 20 smaller special events held at Levi's® Stadium which is two events less than in the same period in the prior fiscal year. The attendance at these events also decreased from 12,632 in the prior period to 12,341 in the current year, a 3% decrease. Examples of these special events include corporate events of various sizes, weddings, holiday parties, high school dances, etc.

In correlation with the Non-NFL events held during the current reporting period, there were 15,048 cars parked at offsite lots and the City earned a total of \$97,000 in related offsite parking fees, which is derived from the \$6.44 per parking space fee that supports public safety costs associated with the permitted offsite parking lots. The offsite parking fee invoices can take up to a few months to be fully paid. The City has received \$63,000 of the offsite parking fees as of the date of this report.

Total Non-NFL event public safety costs were \$1.5 million an increase of \$1.1 million from the prior year. The increase in cost is due to more events being held in the current year when compared to the prior year. Of these costs, \$97,000 was covered by the offsite parking fee. The remaining \$1.4 million was invoiced to the ManCo of which \$1.1 million has been reimbursed to the City. Reimbursements usually take between 3 to 6 months from the event date due to the timing of third-party invoices and payment from ManCo.

Statistics for FY 2024/25 events are shown in Table 1 and comparative data from the last five years of operations are shown in Table 2. Additional historical data can be found in the Appendix.

Table 1

Levi's® Stadium
FY 2024/25 Non-NFL Event Statistics
As of June 30, 2024

	Earthquakes vs LAFC Soccer	Luke Combs Day 1	Luke Combs Day 2	CONCACAF ECU vs VEN	2024/25 YTD Special Events	2024/25 YTD Total
	05/04/24	05/17/24	05/18/24	06/22/24		
No. of Scanned Attendees	33,032	42,362	45,277	23,846		144,517
No. of Tickets Sold	36,397	47,653	48,364	26,248		158,662
Non-NFL Ticket Surcharge	\$ 145,588	\$ 190,612	\$ 193,456	\$ 104,992		\$ 634,648
No. of Non-NFL Special Events					20	20
Non-NFL Special Event Attendees					12,341	12,341
Cars Parked at Offsite Lots	2,422	3,937	4,930	3,759		15,048
City Offsite Parking Fee	\$ 15,598	\$ 25,354	\$ 31,749	\$ 24,208	\$ -	\$ 96,909
Stadium Public Safety Costs	\$ 340,266	\$ 383,514	\$ 437,552	\$ 326,553	\$ -	\$ 1,487,885
Less: Offsite Parking Fee Credit	\$ (15,598)	\$ (25,354)	\$ (31,749)	\$ (24,208)	\$ -	\$ (96,909)
Reimbursable Public Safety Costs	\$ 324,668	\$ 358,160	\$ 405,803	\$ 302,345	\$ -	\$ 1,390,976
Amount Reimbursed ⁽¹⁾	\$ 324,669	\$ 375,194	\$ 425,367	\$ -	\$ -	\$ 1,125,229

⁽¹⁾ Credits for the Luke Combs concerts are pending and not reflected in the Amount Reimbursed.

Table 2

Levi's® Stadium
Historical Non-NFL Event Statistics

	2020/21 Q1	2021/22 Q1	2022/23 Q1	2023/24 Q1	2024/25 Q1
	Total	Total	Total	Total	Total
No. of Non-NFL Ticketed Events	-	-	1	1	4
No. of Tickets Sold	-	-	50,478	41,000	158,662
Non-NFL Ticket Surcharge	\$ -	\$ -	\$ 201,912	\$ 164,000	\$ 634,648
No. of Non-NFL Special Events	-	-	19	22	20
Non-NFL Special Event Attendees	-	-	9,996	12,632	12,341
Cars Parked at Offsite Lots	-	-	5,666	4,497	15,048
City Offsite Parking Fee	\$ -	\$ -	\$ 33,486	\$ 27,567	\$ 96,909
Cars Parked on Golf Course	-	-	-	-	-
City Golf Course Parking Fee	\$ -	\$ -	\$ -	\$ -	\$ -
Stadium Public Safety Costs	\$ -	\$ -	\$ 423,650	\$ 377,075	\$ 1,487,885
Golf Course Public Safety Costs	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Event Public Safety Costs	\$ -	\$ -	\$ 423,650	\$ 377,075	\$ 1,487,885
Less: Offsite Parking Fee Credit	\$ -	\$ -	\$ (33,486)	\$ (27,567)	\$ (96,909)
Reimbursable Public Safety Costs	\$ -	\$ -	\$ 390,164	\$ 349,508	\$ 1,390,976

Table 3 summarizes ticketed Non-NFL revenues and expenditures by event reported by ManCo as of the report date. There were 4 ticketed Non-NFL events held in the first quarter of FY 2024/25 and generated an average net revenue of \$664,000 per event. The inclusion of this information is to provide a greater level of transparency and provide the overall financial results of the Non-NFL events.

Table 3

Levi's® Stadium
Ticketed Non-NFL Events Revenue and Expenditure Summary
As of June 30, 2024

In Millions \$

Ticketed Event	Revenue	Expense	Net
Concert 1	\$ 2.2	\$ 1.0	\$ 1.2
Concert 2	2.0	\$ 1.0	1.0
Sporting Event 1	0.8	\$ 0.5	0.3
Sporting Event 2	0.7	\$ 0.5	0.2
Total Ticketed Non-NFL Net Revenue to Date	\$ 5.7	\$ 3.0	\$ 2.7

Table 4 and 5 show Non-NFL net revenue by event type and event revenue and expenses by category. For FY 2024/25, ManCo anticipates Non-NFL events to result in estimated net revenue of \$6 million, as cited in the FY 2024/25 Adopted Stadium Authority Budget. In the first quarter of FY 2024/25, ticketed events and non-ticketed special events contributed \$2.7 million and \$643,000 in net revenue, respectively. There was also additional interest income of \$618,000 earned on Non-NFL events cash reserves. Offset by \$407,000 of non-event specific other expenses, ManCo reported a net revenue of \$3.5 million for the current reporting period.

Table 4

**Levi's Stadium
Net Revenue for Non-NFL Events
by Event Type
Historical Year-to-Date through June 30, 2024**

EVENT TYPE	2020/21		2021/22		2022/23		2023/24		2024/25	
	No. of Events	Net Revenue	No. of Events	Net Revenue	No. of Events	Net Revenue	No. of Events	Net Revenue	No. of Events	Net Revenue
Ticketed Events										
Concerts	0	\$ -	0	\$ -	1	\$ 320,231	0	\$ -	2	\$ 2,207,319
Sporting events:										
Soccer	0	-	0	-	0	-	1	177,806	2	447,531
Net Revenue from Ticketed Events	0	\$ -	0	\$ -	1	\$ 320,231	1	\$ 177,806	4	\$ 2,654,850
Net Revenue from Special Events (weddings, corporate events, etc.)	0	\$ -	0	\$ -	19	\$ 557,805	22	\$ 772,876	20	\$ 643,421
Other Operating Income ⁽¹⁾		\$ -		\$ -		\$ 12,182		\$ 726,948		\$ 618,326
Other Operating Expenses ⁽²⁾		\$ -		\$ -		\$ (246,496)		\$ (291,190)		\$ (407,007)
Total Non-NFL Net Revenue⁽³⁾	0	\$ -	0	\$ -	20	\$ 643,722	23	\$ 1,386,440	24	\$ 3,509,590

⁽¹⁾ Other Operating Income are income not attributable to a specific event. Examples are interest income and reimbursements unrelated to a specific event.

⁽²⁾ Other Operating Expenses are expenses not attributable to a specific event. Examples are event selling expenses, administrative expenses and miscellaneous costs.

⁽³⁾ Net Revenue from Non-NFL Events does not include Non-NFL Event Ticket Surcharge.

Table 5

Levi's® Stadium
Non-NFL Event Results by Category
As of June 30, 2024

	2024/25 YTD Total
REVENUE:	
Special Event Revenue	\$ 1,529,885
Ticket Platform Fees	2,045,504
Suite Ticket Revenue	208,234
Parking	906,095
Food & Beverage - Ticketed Events	1,997,668
Food & Beverage - Special Events	120,990
Miscellaneous ⁽¹⁾	1,133,724
Total Revenue	\$ 7,942,100
EXPENSE:	
Public Safety/Security	\$ 2,481,180
Event Staff	1,219,345
Parking	1,269,032
Catering - Special Events	632,123
General Event Related Expenses	2,497,807
Expense Reimbursement from Event Licensee ⁽²⁾	(4,073,982)
Miscellaneous ⁽³⁾	407,005
Total Expense	\$ 4,432,510
Total Non-NFL Net Revenue	\$ 3,509,590

⁽¹⁾ Includes venue rental fees, net merchandise sales, interest income, and other revenues.

⁽²⁾ Expenses incurred for Non-NFL events can either be the responsibility of the SCSA or the Event Licensee depending on the nature of the expense. This figure represents the total expenses incurred by the SCSA that were the responsibility of the Event Licensee for which the SCSA has been reimbursed, net of the Event Licensee's share of ancillary revenues.

⁽³⁾ Includes catered events department staff costs, non-event specific staff costs, and other expenses.

Discretionary Fund

The Discretionary Fund is funded by revenue equal to 50% of the Non-NFL event ticket surcharge of \$4 per ticket. The four ticketed Non-NFL event is projected to contribute approximately \$317,000 to the Discretionary Fund in the reporting period. This is based on the estimated attendance provided by ManCo. Table 6 shows the revenues and expenses in the Discretionary Fund for the last five years. Additional historical data can be found in the Appendix. The balance at the end of this reporting period was \$2.8 million.

Table 6

Discretionary Fund Reserve				
Fiscal Year	Beginning Balance	Revenue	Expenses	Ending Balance
2020/21	2,327,850	-	18	2,327,832
2021/22	2,327,832	-	(18)	2,327,850
2022/23	2,327,850	639,896	1,300,051	1,667,695
2023/24	1,667,695	796,628	-	2,464,323
2024/25 ⁽¹⁾	2,464,323	317,324	-	2,781,647

⁽¹⁾ This amount includes accruals booked to the Discretionary Fund based on estimated attendance provided by the Stadium Manager.

Stadium Builder Licenses

The total principal value of currently active Stadium Builder Licenses (“SBLs”) is \$557 million and, as of June 30, 2024, 95% of the total principal value of all SBLs sold (i.e., \$530.4 million) had been collected. Payment for the sale of SBLs are financed over 10 years.

SBL holders that finance their purchase pay an annual interest rate of 8.5% and payments are due by March 1st each year. The majority of SBL holders make their payments on time. For those that do not pay on time, SBL service staff, working for ManCo on the Stadium Authority’s behalf, contact the SBL holders and attempt to collect the full amounts owed. Ultimately, a SBL can be defaulted for non-payment. Once a SBL is defaulted, the SBL holder in default loses their right to buy season tickets as well as their priority rights to tickets to Non-NFL events, and forfeits any money they had invested in the SBL. Defaulted SBLs are then available for resale.

There is a total of 65,967 currently active SBLs, or 99.7% of the 66,156 total sellable SBL seats. This is an increase of 974 from the total active SBLs at the end of the prior fiscal year (March 31, 2024). The main reasons for the increase are due to sale of new SBLs and customer seat relocation program offset by default buy back. The customer seat relocation program allows customers to trade in their SBLs in return for others in a different location as long as the total face value of the new seats is equal to or greater than the original seats.

During the current reporting period, 697 SBLs were sold for a total face value of \$4.1 million. The customer seat relocation program resulted in an increase of \$962,000 to the SBL face value, while netting 668 more SBLs. There were also 391 SBL defaulted during the quarter with a face value of \$2.8 million.

Additional details regarding currently active SBLs are noted in Table 7.

Table 7

Santa Clara Stadium Authority

Currently Active Stadium Builder License (SBL) Summary ⁽¹⁾

Through June 30, 2024											
Seat Value	SBL Seats Available	SBL Seats Sold as of 3/31/24	New SBL Sales	Net SBL Relocations	SBL Defaults	Other	SBL Seats Sold	SBL Value	SBL Collected	% SBL Principal Collected	
141,392	100	100	-	-	-	-	100	\$ 14,082,625	\$ 13,895,904	98.7%	
80,000	942	938	-	-	-	-	938	\$ 75,040,000	\$ 74,474,161	99.2%	
40,000	2	2	-	-	-	-	2	\$ 80,000	\$ 79,600	99.5%	
30,000	4,945	4,670	24	5	(22)	-	4,677	\$ 140,310,000	\$ 134,369,074	95.8%	
20,000	3,475	3,030	50	11	(20)	-	3,071	\$ 61,420,000	\$ 56,972,541	92.8%	
17,500	90	64	2	-	-	-	66	\$ 1,155,000	\$ 942,557	81.6%	
15,000	7	7	-	-	-	-	7	\$ 105,000	\$ 105,000	100.0%	
12,000	2,163	2,198	10	(7)	(14)	-	2,187	\$ 26,244,000	\$ 24,924,579	95.0%	
10,000	7	7	-	-	-	-	7	\$ 70,000	\$ 69,915	99.9%	
6,000	20,656	20,988	120	(6)	(98)	-	21,004	\$ 126,024,000	\$ 120,617,645	95.7%	
5,000	14,311	14,533	168	(206)	(157)	-	14,338	\$ 71,690,000	\$ 65,956,884	92.0%	
4,000	916	927	-	-	-	-	927	\$ 3,708,000	\$ 3,683,601	99.3%	
3,000	88	91	-	(1)	-	-	90	\$ 270,000	\$ 267,836	99.2%	
2,500	36	40	-	-	-	-	40	\$ 100,000	\$ 99,998	100.0%	
2,000	18,392	17,367	323	873	(80)	-	18,483	\$ 36,966,000	\$ 33,892,113	91.7%	
1,000	26	31	-	(1)	-	-	30	\$ 30,000	\$ 30,000	100.0%	
Total	66,156	64,993	697	668	(391)	-	65,967	\$ 557,294,625	\$ 530,381,408	95.2%	
									Plus: Interest on financed SBLs	\$ 65,510,049	
									Total Principal & Interest	\$ 595,891,457	

⁽¹⁾ This table does not include \$37.5 million that has been collected life-to-date from defaulted SBL holders.

Santa Clara Stadium Authority Budget Status Reports

Operating Budget

With 25% of the fiscal year complete, total operating revenues for the first quarter of the 2024/25 Fiscal Year were \$8.4 million representing 13% of the overall budget for revenues. The primary reasons that revenue is below 25% (par level through three months) is because non-NFL event revenue is recorded at the end of the fiscal year in accordance with Article 5 of the Stadium Management Agreement, and the NFL ticket surcharge revenue is recorded in second quarter when the NFL season starts. In addition, the first SBL proceeds in the amount of \$4 million was received in the second quarter instead of in June 2024 this year. During the current reporting period, the Stadium Authority recognized \$6.2 million in rent from StadCo, \$635,000 in Non-NFL ticket surcharge, and \$238,000 in sponsorship (STR) revenue.

Total Operating expenses were \$6.7 million, or 15% of the annual budget. Shared Stadium Manager expenses were at 25% of the budget, or \$3.3 million of the \$13.6 million budgeted amount and SBL Sales and Service expenses were 18% of the budget or \$612,000. The Stadium Authority pays for all utility costs from February 1st through July 31st and the tenant (StadCo) pays for utility costs from August 1st through January 31st (Tenant Season). Therefore, utility costs are 50% of the budget for the year, or \$744,000. The current period covers 50% (three out of the six months) that the Stadium Authority is responsible for utility costs. Lastly, Stadium Authority G&A costs were tracking below budgeted levels at \$781,000 or 19% of the budget.

Additional details are shown in Table 8.

Table 8

Santa Clara Stadium Authority
Operating Budget Status Report
 For the Period Ending June 30, 2024 and 2023

	Period Ending June 30, 2024					Period Ending June 30, 2023				
	Adopted Budget	Amended ⁽¹⁾ Budget	YTD Actuals	Budget to		Final Budget	YTD Actuals	Budget to		
				Actual Difference	% Received			Actual Difference	% Received	
Beginning Fund Balance										
Discretionary Fund Reserve	\$ 2,463,696	\$ 2,464,323	\$ 2,464,323	\$ -	100%	\$ 1,667,695	\$ 1,667,695	\$ -	-	100%
Legal Contingency Reserve - Buffet Costs	3,321,116	3,321,116	3,321,116	-	100%	2,066,749	2,066,749	-	-	100%
Legal Contingency Reserve - Public Safety Costs	7,805,725	7,324,722	7,324,722	-	100%	4,246,725	4,246,725	-	-	100%
Operating Reserve	26,095,402	26,095,478	26,095,478	-	100%	25,335,402	25,335,402	-	-	100%
Renovation/Demolition Reserve	24,070,390	31,440,735	31,440,735	-	100%	5,323,390	5,323,390	-	-	100%
Stadium Funding Trust Reserve	5,414,396	3,611,041	3,611,041	-	100%	3,420,994	3,420,994	-	-	100%
Unrestricted	17,137,508	15,915,719	15,915,719	-	100%	13,880,278	13,880,278	-	-	100%
Total Beginning Fund Balance	\$ 86,308,233	\$ 90,173,134	\$ 90,173,134	\$ -	100%	\$ 55,941,233	\$ 55,941,233	\$ -	-	100%
Revenue										
NFL Ticket Surcharge	\$ 13,700,000	\$ 13,700,000	\$ -	\$ 13,700,000	0%	\$ 12,178,000	\$ -	\$ 12,178,000	0%	0%
SBL Proceeds	5,057,000	5,057,000	-	5,057,000	0%	12,589,000	-	12,589,000	0%	0%
Interest	3,534,000	3,534,000	1,357,151	2,176,849	38%	1,249,000	701,508	547,492	56%	56%
Net Revenues from Non-NFL Events	6,000,000	6,000,000	-	6,000,000	0%	4,500,000	-	4,500,000	0%	0%
Naming Rights	7,830,000	7,830,000	-	7,830,000	0%	7,602,000	-	7,602,000	0%	0%
Sponsorship Revenue (STR)	519,000	519,000	237,765	281,235	46%	475,000	143,288	331,712	30%	30%
Rent	24,762,000	24,762,000	6,190,500	18,571,500	25%	24,762,000	6,190,500	18,571,500	25%	25%
Senior & Youth Program Fees	233,000	268,000	-	268,000	0%	250,000	-	250,000	0%	0%
Non-NFL Event Ticket Surcharge	1,149,000	1,149,000	634,648	514,352	55%	1,296,000	164,000	1,132,000	13%	13%
Other Revenue	-	-	-	-	NA	-	2,043	(2,043)	NA	NA
Total Revenue	\$ 62,784,000	\$ 62,819,000	\$ 8,420,064	\$ 54,398,936	13%	\$ 64,901,000	\$ 7,201,339	\$ 57,699,661	11%	11%
Total Source of Funds	\$ 149,092,233	\$ 152,992,134	\$ 98,593,198	\$ 54,398,936	64%	\$ 120,842,233	\$ 63,142,572	\$ 57,699,661	52%	52%
Expenses										
Shared Stadium Manager Expenses										
Stadium Operations	\$ 3,384,000	\$ 3,384,000	\$ 845,992	\$ 2,538,008	25%	\$ 4,550,000	\$ 1,107,096	\$ 3,442,904	24%	24%
Engineering	3,935,000	3,935,000	983,810	2,951,190	25%	2,694,000	655,630	2,038,370	24%	24%
Guest Services	621,000	621,000	155,136	465,864	25%	645,000	157,014	487,986	24%	24%
Groundskeeping	316,000	316,000	79,122	236,878	25%	650,000	158,270	491,730	24%	24%
Security	1,602,000	1,602,000	400,411	1,201,589	25%	1,564,000	380,730	1,183,270	24%	24%
Insurance	3,427,000	3,427,000	856,747	2,570,253	25%	3,327,000	831,793	2,495,207	25%	25%
Stadium Management Fee	269,000	269,000	-	269,000	0%	516,515	-	516,515	0%	0%
Shared Stadium Mngr Exps Subtotal	\$ 13,554,000	\$ 13,554,000	\$ 3,321,218	\$ 10,232,782	25%	\$ 13,946,515	\$ 3,290,533	\$ 10,655,982	24%	24%
Other Operating Expenses										
SBL Sales and Service	\$ 2,448,000	\$ 3,348,000	\$ 611,912	\$ 2,736,088	18%	\$ 2,333,000	\$ 568,174	\$ 1,764,826	24%	24%
Senior & Youth Fees (paid to City)	233,000	268,000	-	268,000	0%	250,000	-	250,000	0%	0%
Ground Rent (paid to City)	1,000,000	1,000,000	1,000,000	-	100%	495,000	-	495,000	0%	0%
Performance Rent (paid to City)	-	9,600,000	-	9,600,000	0%	-	-	-	NA	NA
Discretionary Fund Expense	250,000	250,000	-	250,000	0%	250,000	-	250,000	0%	0%
Utilities	1,488,000	1,488,000	743,941	744,059	50%	1,391,000	711,358	679,642	51%	51%
Use of StadCo Tenant Improvements	151,000	151,000	45,416	105,584	30%	133,000	30,384	102,616	23%	23%
Stadium Authority G&A	4,188,000	4,188,000	781,462	3,406,538	19%	3,919,900	507,048	3,412,852	13%	13%
Naming Rights Commission	136,000	136,000	48,213	87,787	35%	94,000	46,809	47,191	50%	50%
Other Expenses	748,000	748,000	186,944	561,056	25%	734,000	184,112	549,888	25%	25%
PSC 2024 Outstanding Balance	-	6,473,000	-	6,473,000	0%	-	-	-	NA	NA
Transfer to City General Fund from Excess Revenues	-	3,073,000	-	3,073,000	0%	-	-	-	NA	NA
Other Operating Expenses Subtotal	\$ 10,642,000	\$ 30,723,000	\$ 3,417,888	\$ 27,305,112	11%	\$ 9,599,900	\$ 2,047,885	\$ 7,552,015	21%	21%
Total Expenses	\$ 24,196,000	\$ 44,277,000	\$ 6,739,106	\$ 37,537,894	15%	\$ 23,546,415	\$ 5,338,418	\$ 18,207,997	23%	23%
Transfers Out										
Debt Service	\$ 17,471,000	\$ 17,471,000	\$ -	\$ 17,471,000	0%	\$ 25,457,000	\$ -	\$ 25,457,000	0%	0%
Capital Expenditures Reserve	1,575,000	1,575,000	-	1,575,000	0%	3,915,000	-	3,915,000	0%	0%
CapEx Reserve - Levi's Naming Rights	4,032,000	4,032,000	-	4,032,000	0%	-	-	-	NA	NA
Total Transfers Out	\$ 23,078,000	\$ 23,078,000	\$ -	\$ 23,078,000	0%	\$ 29,372,000	\$ -	\$ 29,372,000	0%	0%
Ending Fund Balance										
Discretionary Fund Reserve	\$ 3,038,696	\$ 2,789,323	\$ 2,781,647	\$ 7,676	100%	\$ 2,065,695	\$ 1,749,695	\$ 316,000	85%	85%
Legal Contingency Reserve - Buffet Costs	4,441,801	-	-	-	NA	3,143,749	2,066,749	1,077,000	66%	66%
Legal Contingency Reserve - Public Safety Costs	10,305,725	-	-	-	NA	6,249,225	4,246,725	2,002,500	68%	68%
Operating Reserve	26,878,402	26,878,478	26,095,478	783,000	97%	25,935,402	25,335,402	600,000	98%	98%
Renovation/Demolition Reserve	35,476,705	37,548,576	31,440,735	6,107,841	84%	10,828,875	5,323,390	5,505,485	49%	49%
Stadium Funding Trust Reserve	5,987,000	4,183,645	689,370	3,494,275	16%	4,655,914	718,742	3,937,172	15%	15%
Unrestricted	15,689,904	14,237,112	30,846,862	(16,609,750)	217%	15,044,958	18,363,451	(3,318,493)	122%	122%
Total Ending Fund Balance	\$ 101,818,233	\$ 85,637,134	\$ 91,854,092	\$ (6,216,958)	107%	\$ 67,923,818	\$ 57,804,154	\$ 10,119,664	85%	85%
Total Use of Funds	\$ 149,092,233	\$ 152,992,134	\$ 98,593,198	\$ 54,398,936	64%	\$ 120,842,233	\$ 63,142,572	\$ 57,699,661	52%	52%

(1) Adjustments include previously approved budget amendments through September 10, 2024.

Operating Budget – Recommended Budget Adjustments

From time to time, budget adjustments may be necessary to align revenues or expenditures to actual or unexpected activity during the course of a fiscal year, known after the adoption of the Stadium Authority Budget.

On March 12, 2024, the Stadium Authority Board adopted the Santa Clara Stadium Authority FY 2024/25 Operating, Debt Service, and Capital Budget. The following budget adjustments are recommended:

- 1) Performance Rent – The Performance-Based rent owed to the City is described in the Ground Lease and the Amended and Restated Stadium Lease. As outlined in the agreements, the City can receive Performance-Based rent for each Lease Year equal to 50% of net revenue from Non-NFL events less the sum of the Performance-Based Rent Credits. Performance-Based Rent was budgeted at \$9.6 million related to: (1) FY 2022/23 of \$4.2 million, (2) FY 2023/24 of \$2.9 million (projection) and (3) FY 2024/25 of \$2.5 million (budget). FY 2023/24 Non-NFL event net revenue was higher than projected resulting in an increase to Performance-Based rent owed to the City of \$225,000. Therefore, a budget amendment of \$225,000 is needed to reflect this increase.

- 2) Stadium Authority G&A – The Stadium Authority G&A expense budget of \$4.2 million included \$395,000 for legal expenses. Due to unanticipated legal costs, the City Attorney’s Office requests an appropriation of \$100,000 bringing the total budgeted for legal expenses to \$495,000.

Additional details are shown in Table 9.

Table 9

**Santa Clara Stadium Authority
2024/25 Operating Budget Adjustment**

Item #	Line Item	Source of Funds	Use of Funds	Explanation
1	Performance Rent (paid to the City)		\$225,000	This action increases the Operating Budget for Performance Rent due to higher net Non-NFL Event revenues than forecasted.
2	Stadium Authority G&A		\$100,000	This action increases the Operating Budget for Stadium Authority G&A due to unanticipated legal costs.
1 & 2	Ending Fund Balance – Unrestricted		(\$325,000)	This action decreases the Unrestricted fund balance to offset the action recommended for the Performance Rent and Stadium Authority G&A.
	Total	\$0.00	\$0.00	

Debt Service Budget

The Stadium Authority's FY 2024/25 debt service revenue budget of \$2.8 million represents anticipated contributions from the Community Facilities District (CFD). The CFD levies and collects a special hotel tax on hotel rooms within the CFD. All collections from the special CFD hotel taxes are contributed to Stadium Authority to pay down the CFD Advance. The CFD Advance is payable solely from amounts received by the Stadium Authority from the CFD. During the first quarter, \$843,000 was contributed by the CFD, or 30% of the annual budget. Of this amount, \$476,000 was collected and used to pay down the CFD Advance.

Total Stadium Authority debt service expenses for the current reporting period were \$10.6 million, or 54% of the budgeted amount. The debt service expenses for the CFD Advance, and the Term A Loan were \$886,000, and \$9.7 million respectively.

As of June 30, 2024, the total outstanding amount of Stadium Authority debt had declined to \$220.9 million. This is a reduction in principal of \$7.8 million from the March 31, 2024 outstanding debt amount of \$228.7 million.

Additional details are shown in Tables 10 and 11 and Chart 1.

Table 10

Santa Clara Stadium Authority

Debt Service Budget Status Report

For the Period Ending June 30, 2024 and 2023

	Period Ending June 30, 2024					Period Ending June 30, 2023			
	Adopted Budget	Amended ⁽¹⁾ Budget	YTD Actuals	Budget to Actual Difference	% Received	Final Budget	YTD Actuals	Budget to Actual Difference	% Received
Beginning Fund Balance									
Required Debt Service Reserve	\$ 11,536,235	\$ 11,536,235	\$ 11,536,235	\$ -	100%	\$ 11,536,235	\$ 11,536,235	\$ -	100%
Debt Service Reserve	7,996,801	8,122,980	8,122,980	-	100%	15,663,801	\$ 15,663,801	-	100%
Total Beginning Fund Balance	\$ 19,533,036	\$ 19,659,215	\$ 19,659,215	\$ -	100%	\$ 27,200,036	\$ 27,200,036	\$ -	100%
Revenue									
Contribution from CFD	\$ 2,782,000	\$ 2,782,000	\$ 842,637	\$ 1,939,363	30%	\$ 3,217,000	\$ 1,076,948	\$ 2,140,052	33%
Total Revenues	\$ 2,782,000	\$ 2,782,000	\$ 842,637	\$ 1,939,363	30%	\$ 3,217,000	\$ 1,076,948	\$ 2,140,052	33%
Transfers In									
Transfers In from Operating	\$ 17,471,000	\$ 17,471,000	\$ -	\$ 17,471,000	0%	\$ 25,457,000	\$ -	\$ 25,457,000	0%
Total Transfers In	\$ 17,471,000	\$ 17,471,000	\$ -	\$ 17,471,000	0%	\$ 25,457,000	\$ -	\$ 25,457,000	0%
Total Source of Funds	\$ 39,786,036	\$ 39,912,215	\$ 20,501,852	\$ 19,410,363	51%	\$ 55,874,036	\$ 28,276,984	\$ 27,597,052	51%
	Adopted Budget	Amended ⁽¹⁾ Budget	YTD Actuals	Budget to Actual Difference	% Used	Final Budget	YTD Actuals	Budget to Actual Difference	% Used
Expenses									
CFD Advance	\$ 2,754,000	\$ 2,754,000	\$ 885,286	\$ 1,868,714	32%	\$ 2,900,000	\$ 632,326	\$ 2,267,674	22%
Term A Loan	16,933,000	16,933,000	9,708,101	7,224,899	57%	25,457,000	\$ 17,958,453	7,498,547	71%
Total Expenses	\$ 19,687,000	\$ 19,687,000	\$ 10,593,387	\$ 9,093,613	54%	\$ 28,357,000	\$ 18,590,779	\$ 9,766,221	66%
Ending Fund Balance									
Required Debt Service Reserve	\$ 11,536,235	\$ 11,536,235	\$ 11,536,235	\$ -	100%	\$ 11,536,235	\$ 11,536,235	\$ -	100%
Debt Service Reserve	8,562,801	8,688,980	(1,627,770)	10,316,750	-19%	15,980,801	\$ (1,850,030)	17,830,831	-12%
Total Ending Fund Balance	\$ 20,099,036	\$ 20,225,215	\$ 9,908,465	\$ 10,316,750	49%	\$ 27,517,036	\$ 9,686,205	\$ 17,830,831	35%
Total Use of Funds	\$ 39,786,036	\$ 39,912,215	\$ 20,501,852	\$ 19,410,363	51%	\$ 55,874,036	\$ 28,276,984	\$ 27,597,052	51%

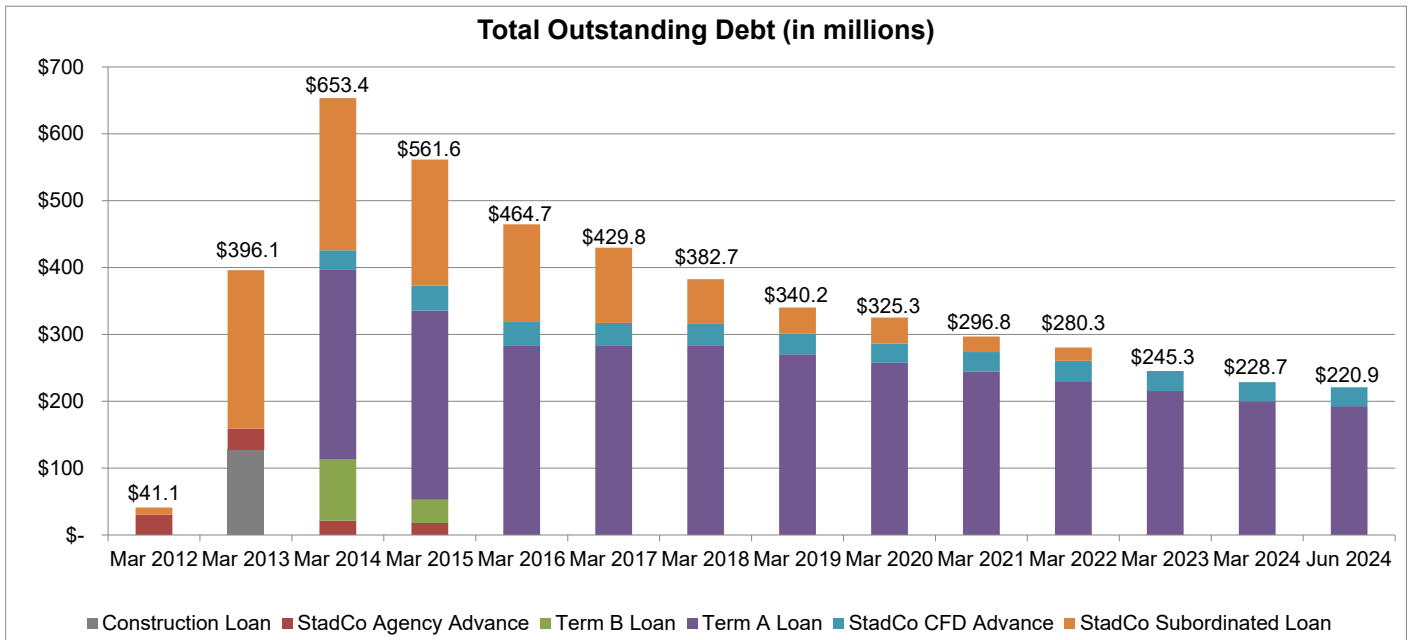
⁽¹⁾Adjustments include previously approved budget amendments through September 10, 2024.

Table 11

Santa Clara Stadium Authority
Debt Summary Report
 Period Ending June 30, 2024

Type of Indebtedness	Interest Rates	Outstanding as of March 31, 2024	Net Change	Outstanding as of June 30, 2024
Stadium Funding Trust Loan:				
Term A Loan	5.00%	\$ 199,956,240	\$ (7,299,896)	\$ 192,656,344
StadCo CFD Advance	5.73%	28,711,586	(476,016)	28,235,570
Total		\$ 228,667,826	\$ (7,775,913)	\$ 220,891,913

Chart 1



Capital Improvement Project (CIP) Budget

As part of the Capital Expense (“CapEx”) Plan, the following projects were underway during the current reporting period:

- Aesthetic Improvements – Premium Areas/Special Event Spaces
- CO2 Monitoring & Sensors for Code Compliance
- Concrete Replacements
- D7 Tactical Decon Spray
- Enhance Stadium Security Coverage
- Field Turf Equipment
- Fingerprinting Equipment
- General Areas/Coating Main Deck
- Levi’s Naming Rights Signage Refurbishment
- Lighting System – Field / Sport Lighting LED Retrofit
- Main Kitchen Equipment
- Overhead Doors, Motors, Sensors and Track Replacements
- Plumbing and Plumbing Fixtures
- Radio Booth Cabling
- RAID 8 Multi Agent Detection Kit
- Replacement of end of life IT Network equipment (2022/23 Carryover)
- Security General Allowance
- Smoke Evacuation System – Fire Smoke Curtain Replacement
- Street Signage
- Women’s Locker Room

A total of \$1.4 million has been spent in the first quarter of FY 2024/25, which amounts to 6% of the budget. The main reason that spend is below budget is due to the timing of activity for Capital Expenditure projects. There has also been little activity on warranty work which makes up 7% of the CIP Budget.

Additional details are shown below in Table 12.

Table 12

Santa Clara Stadium Authority
CIP Budget Status Report
 For the Period Ending June 30, 2024 and 2023

	Period Ending June 30, 2024					Period Ending June 30, 2023			
	Adopted Budget	Amended ⁽¹⁾ Budget	YTD Actuals	Budget to	% Received	Final Budget	YTD Actuals	Budget to	% Received
				Actual Difference				Actual Difference	
Beginning Fund Balance	\$ 19,784,810	\$ 19,862,834	\$ 22,977,809	\$ (3,114,975)	116%	\$ 22,977,809	\$ 22,977,809	\$ -	100%
Revenue									
Interest	\$ -	\$ -	\$ -	\$ -	NA	\$ -	\$ 42,168	\$ (42,168)	NA
Total Revenue	\$ -	\$ -	\$ -	\$ -	NA	\$ -	\$ 42,168	\$ (42,168)	NA
Transfers In									
Transfers In from Operating	\$ 4,032,000	\$ 4,032,000	\$ -	\$ 4,032,000	0%	\$ 3,915,000	\$ -	\$ 3,915,000	0%
Transfers In from Operating - Levi's Naming Rights	1,575,000	1,575,000	-	1,575,000	0%	-	-	-	NA
Total Transfers In	\$ 5,607,000	\$ 5,607,000	\$ -	\$ 5,607,000	0%	\$ 3,915,000	\$ -	\$ 3,915,000	0%
Total Source of Funds	\$ 25,391,810	\$ 25,469,834	\$ 22,977,809	\$ 2,492,025	90%	\$ 26,892,809	\$ 23,019,977	\$ 3,872,832	86%
	Adopted Budget	Amended ⁽¹⁾ Budget	YTD Actuals	Budget to Actual Difference	% Used	Final Budget	YTD Actuals	Budget to Actual Difference	% Used
Expenses									
Construction	\$ 13,558,000	\$ 14,123,241	\$ 369,594	\$ 13,753,647	3%	\$ 11,521,424	\$ 2,058,889	\$ 9,462,535	18%
Equipment	5,908,000	5,908,000	1,065,658	4,842,342	18%	7,372,196	303,267	7,068,929	4%
Contingency & Misc	973,000	973,000	-	973,000	0%	903,052	3,991	899,061	0%
Stadium Warranty Related Construction	1,528,000	1,528,000	-	1,528,000	0%	1,528,202	-	1,528,202	0%
Total Expenses	\$ 21,967,000	\$ 22,532,241	\$ 1,435,252	\$ 21,096,989	6%	\$ 21,324,874	\$ 2,366,147	\$ 18,958,727	11%
Ending Fund Balance	\$ 3,424,810	\$ 2,937,593	\$ 21,542,557	\$ (18,604,964)	733%	\$ 5,567,935	\$ 20,653,830	\$ (15,085,895)	371%
Total Use of Funds	\$ 25,391,810	\$ 25,469,834	\$ 22,977,809	\$ 2,492,025	90%	\$ 26,892,809	\$ 23,019,977	\$ 3,872,832	86%

(1) Adjustments include previously approved budget amendments through September 10, 2024.

City of Santa Clara Net General Fund Impact

During the current reporting period there was a total of \$1.1 million that was contributed to the General Fund as shown in Table 13. Senior and Youth Fee and the Tasman Lot Parking Fee are both related to NFL games of which there were none in the first quarter. This section of the report also provides information on General Fund revenue and expenditure impacts resulting from the stadium.

Table 13

**City of Santa Clara
Net General Fund Impact
For Stadium Authority
Period Ending June 30, 2024**

Ground Rent	\$ 1,000,000
Performance Rent	-
Senior and Youth Fee	-
Sales Tax	92,475
Total Net General Fund Impact	\$ 1,092,475

Public Safety and Administrative Cost Reimbursement

As described in earlier sections of this report, costs incurred by the City on NFL and Non-NFL events are tracked and billed to ManCo. Reimbursement is monitored and included in this report. A total of \$1.5 million in public safety costs were incurred in support of Non-NFL events that were held at Levi's® Stadium in the current reporting period. These reimbursements come from a combination of payments from ManCo and the offsite parking fees that were collected. The City has received \$1.1 million in reimbursements from ManCo as of the date of this report.

Public safety costs for NFL events continue to be above the annual public safety cap. Pursuant to the Amended and Restated Lease, the Stadium Authority was in discussion with StadCo to adjust the annual public safety cap to reflect the true cost of service, which is higher than the cap. On May 23, 2024, the Stadium Authority entered into a settlement agreement with StadCo and ManCo over disputes regarding public safety and buffet costs. As a result of the settlement, the public safety cap will be adjusted to increase the per game and annual threshold beginning in FY 2024/25. Under the settlement agreement, credits that were issued from public safety costs paid in excess of the annual public safety costs threshold were redefined as Public Safety Costs 2024 Outstanding Balance and will be partially reimbursed to StadCo with litigation contingency funds and partially over time through excess revenues.

In addition to public safety costs, administrative costs are also tracked and billed to the Stadium Authority. These include the cost of providing overall stadium management, financial, human resource, legal, and other services to the Stadium Authority. In the first quarter of FY 2024/25, a total of \$598,000 of administrative costs were incurred by the General Fund, which have been reimbursed to the City.

Rents and Senior and Youth Fee

As noted above, the City's General Fund did not collect any rents or Senior and Youth fees in the current reporting period. See the Glossary for more information on these revenues and how they are calculated.

Other Revenue Impacts

General Fund sales tax, property tax, and transient occupancy tax (TOT) collections have benefited from the direct and indirect economic activity related to stadium events.

Food and beverage concession sales and merchandise sales at Levi's® Stadium are taxable, resulting in sales tax revenue for the City. The last quarter of sales tax collections from Levi's® Stadium transactions generated \$92,000 for the City's General Fund. In addition to the direct sellers at the Stadium, other businesses in Santa Clara are benefiting from the influx of people coming to attend one or more events at Levi's® Stadium, resulting in potentially more sales tax collections for the General Fund.

In accordance with State Law, StadCo must pay possessory interest property tax based on their lease of Levi's® Stadium from the Stadium Authority. This revenue is collected by the county and placed into the Redevelopment Property Tax Trust Fund (RPTTF). Amounts remaining in the RPTTF after paying any enforceable obligations of the Successor Agency are distributed to taxing entities in the same proportion as secured property taxes. The City's proportion is approximately 10%.

Many stadium events bring travelers to the region, resulting in hotel stays which generate TOT collections for the City's General Fund. Although it is impossible to say exactly what portion of the City's TOT collections is due to the stadium, it is clear that hotels both inside and outside the City have benefited, resulting in increases in TOT collections in Santa Clara and our neighboring cities.

Glossary

This section of the report provides details behind key terms that are used in the body of this report.

Discretionary Fund – The Amended and Restated Stadium Lease Agreement describes the Non-NFL event ticket surcharge which is imposed by the Stadium Authority. All promoters or sponsors of ticketed Non-NFL events are required to collect a Non-NFL event ticket surcharge of \$4 per ticket on behalf of the Stadium Authority. One-half of these proceeds are used to cover Stadium Authority operating and maintenance costs. The other one-half of the proceeds are deposited in the Stadium Authority’s discretionary fund. If at any time the discretionary fund balance exceeds \$1 million, then in consultation with ManCo, the Stadium Authority will determine if provision has been made for replacement and improvement of capital improvements contemplated under the public safety plan. If not, then funds will be reserved in the discretionary fund for such purposes. If adequate provision has been made for these items and the balance of the discretionary fund still exceeds \$1 million, then up to half of the amount over \$1 million can be transferred to the General Fund, in which event an equal amount will also be transferred from the discretionary fund to the Stadium Authority operating fund and will be included as revenue available to pay Stadium Authority expenses.

Ground Lease – The Ground Lease Agreement has an initial term of 40 years commencing on the date of substantial completion which was July 31, 2014. The amount of annual base ground rent that is payable by the Stadium Authority to the City is noted in the chart 2.

Chart 2

Lease Year	Fiscal Year	Annual Fixed Ground Rent	Cumulative Total
1	2014/15	\$ 180,000	\$ 180,000
2	2015/16	\$ 215,000	\$ 395,000
3	2016/17	\$ 250,000	\$ 645,000
4	2017/18	\$ 285,000	\$ 930,000
5	2018/19	\$ 320,000	\$ 1,250,000
6	2019/20	\$ 355,000	\$ 1,605,000
7	2020/21	\$ 390,000	\$ 1,995,000
8	2021/22	\$ 425,000	\$ 2,420,000
9	2022/23	\$ 460,000	\$ 2,880,000
10	2023/24	\$ 495,000	\$ 3,375,000
11	2024/25	\$ 1,000,000	\$ 4,375,000
12	2025/26	\$ 1,000,000	\$ 5,375,000
13	2026/27	\$ 1,000,000	\$ 6,375,000
14	2027/28	\$ 1,000,000	\$ 7,375,000
15	2028/29	\$ 1,000,000	\$ 8,375,000
16	2029/30	\$ 1,100,000	\$ 9,475,000
17	2030/31	\$ 1,100,000	\$ 10,575,000
18	2031/32	\$ 1,100,000	\$ 11,675,000
19	2032/33	\$ 1,100,000	\$ 12,775,000
20	2033/34	\$ 1,100,000	\$ 13,875,000
21	2034/35	\$ 1,200,000	\$ 15,075,000
22	2035/36	\$ 1,200,000	\$ 16,275,000
23	2036/37	\$ 1,200,000	\$ 17,475,000
24	2037/38	\$ 1,200,000	\$ 18,675,000
25	2038/39	\$ 1,200,000	\$ 19,875,000
26	2039/40	\$ 1,300,000	\$ 21,175,000
27	2040/41	\$ 1,300,000	\$ 22,475,000
28	2041/42	\$ 1,300,000	\$ 23,775,000
29	2042/43	\$ 1,300,000	\$ 25,075,000
30	2043/44	\$ 1,300,000	\$ 26,375,000
31	2044/45	\$ 1,400,000	\$ 27,775,000
32	2045/46	\$ 1,400,000	\$ 29,175,000
33	2046/47	\$ 1,400,000	\$ 30,575,000
34	2047/48	\$ 1,400,000	\$ 31,975,000
35	2048/49	\$ 1,400,000	\$ 33,375,000
36	2049/50	\$ 1,500,000	\$ 34,875,000
37	2050/51	\$ 1,500,000	\$ 36,375,000
38	2051/52	\$ 1,500,000	\$ 37,875,000
39	2052/53	\$ 1,500,000	\$ 39,375,000
40	2053/54	\$ 1,500,000	\$ 40,875,000

Net Non-NFL Event Revenue – Net Non-NFL event revenue is remitted by ManCo to the Stadium Authority on a yearly basis. This is done annually because the final reconciliation of the Non-NFL event revenues and expenses does not occur until after the conclusion of each fiscal year.

NFL Ticket Surcharge – The Amended and Restated Non-Relocation Agreement states that the Team will collect a 10% NFL ticket surcharge on the price of admission to all NFL games on behalf of Stadium Authority.

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. The Lease Agreement sets aside one-half of the Non-NFL event ticket surcharge for stadium operating and maintenance costs and one-half for discretionary expenses of the Stadium Authority.

Offsite Parking Fees – Parking lot operators who wish to operate a parking lot for sports or entertainment venues are required to go through the City’s permitting process. If approved, per the City’s Municipal Fee Schedule, these operators remit an offsite parking fee for each car that is parked for sports or entertainment events. This fee is designed to recover the public safety costs associated with these permitted offsite parking lots. Therefore, when invoicing for NFL or Non-NFL public safety costs for a particular event held at Levi’s® Stadium, the offsite parking fee that is collected for said event partly offsets the total public safety costs owed for that event. In the City’s FY 2023/24 (July 1, 2023 through June 30, 2024) the offsite parking fee is \$6.44.

Performance-Based Rent – The Amended and Restated Stadium Lease Agreement and the Ground Lease Agreement both describe the performance-based rent that is due to the City. (It is calculated as 50% of the net income from Non-NFL events less performance-based rent credits. The performance-based rent credits include 50% of the fixed ground rent for the current lease year.)

Public Safety Costs – For each NFL and Non-NFL event held at Levi’s® Stadium, a public safety plan is developed and implemented. Multiple City departments provide staffing, materials, and supplies to support the public safety plan. Services are provided through a combination of City staff, contracts with other agencies (California Highway Patrol, County Sheriff’s Office, and City of Sunnyvale) and some vendor provided services.

The Amended and Restated Stadium Lease Agreement section 7.5 states that the tenant is responsible for reimbursing the City for the public safety costs attributed to NFL events at Levi’s® Stadium. Additionally, Article 5 of the Stadium Management Agreement notes that ManCo is responsible for paying Non-NFL event expenses on behalf of the Stadium Authority. Therefore, the cost of providing public safety services are tracked through the City’s financial system and invoices are sent to ManCo. All of these costs are reimbursed to the City of Santa Clara.

Senior and Youth Program Fees – The First Amendment to Amended and Restated Stadium Lease Agreement requires that StadCo collect a Senior and Youth Program Fee of \$0.40 per NFL ticket sold on behalf of the Stadium Authority. Per section 7 of the Ground Lease Agreement between the City and the Stadium Authority, the Stadium Authority remits this fee to the City as additional rent to support senior and youth programs in the City.

Stadium Management Fee – ManCo receives an annual base management fee to manage Levi’s® Stadium. The fee was \$400,000 in the first lease year and increases by 3% annually as detailed in the table below. This annual base management fee is split 50/50 between StadCo and the Stadium Authority since ManCo manages the stadium year-round for both entities. In addition to the base management fee, ManCo also receives a stadium marketing and booking fee (incentive fee) which is based on a percentage of the amount that the net income from Non-NFL events exceeds the marketing and booking fee benchmark. The marketing and booking fee benchmark was \$5 million in the first lease year and also increases by 3% annually as detailed in the table below. The annual stadium management fee for each of the first eleven lease years are noted in the chart 3 below.

Chart 3

Fiscal Year	Lease Year	Annual Base Stadium Management Fee (SCSA Share)	Stadium Marketing and Booking Fee Benchmark	Net Income from Non-NFL Events	1st Tier - paid at 10% Fee	Additional Stadium Marketing and Booking Fee 10% 1st Tier	2nd Tier - paid at 15% Fee	Additional Stadium Marketing and Booking Fee 15% 2nd Tier	Total Stadium Management Fee
2014/15	1	\$ 200,000	\$ 5,000,000	\$ 5,207,553		\$ 10,378		\$ -	\$ 210,378
2015/16	2	206,000	5,150,000	6,079,016		46,451		-	252,451
2016/17	3	212,180	5,304,500	5,316,894		620		-	212,800
2017/18	4	218,545	5,463,635	5,163,329	2,000,000	-	4,000,000	-	218,545
2018/19	5	225,102	5,627,544	18,591	2,060,000	-	4,120,000	-	225,102
2019/20	6	231,855	5,796,370	(2,741,014)	2,121,800	-	4,243,600	-	231,855
2020/21	7	238,810	5,970,261	(476,960)	2,185,454	-	4,370,908	-	238,810
2021/22	8	245,975	6,149,369	(288,741)	2,251,018	-	4,502,035	-	245,975
2022/23	9	253,354	6,333,850	8,809,167	2,318,548	231,855	4,637,096	23,515	508,724
2023/24	10	260,955	6,523,866	8,266,685	2,388,105	174,282	4,776,209	-	435,237
2024/25	11	268,783	6,719,582			To be determined			

Appendix

This section of the report provides additional historical data for the tables referenced in the body of this report.

Table 14

Levi's® Stadium Historical Non-NFL Event Statistics

	2014/15 Q1	2015/16 Q1	2016/17 Q1	2017/18 Q1	2018/19 Q1	2019/20 Q1
	Total	Total	Total	Total	Total	Total
No. of Non-NFL Ticketed Events	-	6	8	4	4	3
No. of Tickets Sold	-	284,352	351,837	90,456	115,661	57,344
Non-NFL Ticket Surcharge	\$ -	\$ 1,137,408	\$ 1,407,348	\$ 361,824	\$ 462,444	\$ 229,376
No. of Non-NFL Special Events	-	62	31	25	24	20
Non-NFL Special Event Attendees	-	19,345	13,709	8,438	13,683	5,737
Cars Parked at Offsite Lots	-	27,215	34,376	7,939	10,495	5,251
City Offsite Parking Fee	\$ -	\$ 133,898	\$ 174,632	\$ 41,600	\$ 56,883	\$ 29,563
Cars Parked on Golf Course	-	9,465	9,562	-	-	-
City Golf Course Parking Fee	\$ -	\$ 47,325	\$ 47,810	\$ -	\$ -	\$ -
Stadium Public Safety Costs	\$ -	\$ 1,425,075	\$ 1,721,055	\$ 475,003	\$ 707,108	\$ 337,972
Golf Course Public Safety Costs	\$ -	\$ 73,951	\$ 39,905	\$ -	\$ -	\$ -
Subtotal Event Public Safety Costs	\$ -	\$ 1,499,026	\$ 1,760,960	\$ 475,003	\$ 707,108	\$ 337,972
Less: Offsite Parking Fee Credit	\$ -	\$ (133,898)	\$ (174,632)	\$ (41,600)	\$ (56,883)	\$ (29,563)
Reimbursable Public Safety Costs	\$ -	\$ 1,365,128	\$ 1,586,328	\$ 433,403	\$ 650,225	\$ 308,409

Table 15

Discretionary Fund Reserve				
Fiscal Year	Beginning Balance	Revenue	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	1,705,853	768,564	1,209,342	1,265,075
2018/19	1,265,075	796,294	101,267	1,960,102
2019/20	1,960,102	367,748	-	2,327,850