Financial Status Report for the Quarter Ending December 31, 2018
Financial Status Report

- NFL Events
- Non-NFL Events
- Operating Budget Status
  - Stadium Builder Licenses (SBLs)
  - Discretionary Fund
- Debt Schedules
- Capital Improvement Program
- Budget Amendments
NFL Events

• Ten NFL events were held in FY 2018/19 as of December 31, 2018

• A total of 651,237 tickets were sold
  • Stadium Authority received $8.1 million in NFL ticket surcharge revenue based on 10% of ticket sales to NFL events
  • City of Santa Clara received $228,000 in Senior & Youth Fees based on $0.35/ticket to NFL events
NFL Events - Parking

- A total of 56,390 cars were parked in offsite parking lots generating $317,000 in offsite parking fees.
- A total of 4,729 cars were parked in the Tasman Lots generating $24,000 in parking fees for the General Fund.
NFL Events – Public Safety Costs

Public safety costs amounted to $2.9 million:

• $2.2 million (75.4%) are direct City costs
• $707,000 (24.6%) are outside agency costs
• $317,000 were covered by the offsite parking fee
Non-NFL Events

- Eleven ticketed Non-NFL events
- A total of 290,341 tickets were sold
  - Stadium Authority received $1.2 million in Non-NFL ticket surcharge revenue based on $4 per ticket sold to all non-NFL events (one-half for stadium operations and one-half for Stadium Authority Discretionary Fund)
- Total of 87 non-ticketed events with 32,593 attendees
Non-NFL Events - Parking

- A total of 26,041 cars were parked in offsite parking lots generating $144,000 in offsite parking fees
Non-NFL Events – Public Safety Costs

- Public safety costs amounted to $1.9 million:
  - $1.6 million (86.4%) are direct City costs
  - $264,000 (13.6%) are outside agency costs
  - $144,000 were covered by the offsite parking fee
Operating Budget Status

• Total Operating Revenues of $42.8 million or 32% of annual budget

• Total Operating Expenses of $33 million or 25% of annual budget

  • ManagementCo provided an estimate for FY2018/19 Net Non-NFL Event revenue of $750,000 without supporting documentation

  • Revenues and expenses are below 75% because the non-NFL event activity is not recorded until the end in accordance with Article 5 of the Stadium Management Agreement
Stadium Builder Licenses (SBLs)

• Value of currently active SBLs is $531.5 million (60,177 or 91.3% of 65,877 sellable SBLs)

• A total of 80.1% of principal value has been collected as of 12/31/18 ($425.8 million)

• 545 new SBLs were sold with total face value of $3.6 million
Stadium Builder Licenses (SBLs) (cont.)

- SBL relocations netted 206 more SBLs
  - Increase of $1.2 million in SBL face value
- Defaulted SBLs amounted to 1,040 with value of $6.3 million
  - Defaulted SBLs have either been resold or are available for resale at full price
  - $20.1 million life-to-date has been collected from defaulted SBL holders
Discretionary Fund

- Current balance is $1.8 million
- Expenses in FY 2018/19 were for consulting services
- Discretionary fund previously used to pay NFL public safety costs above the public safety threshold

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Beginning Balance</th>
<th>Revenue</th>
<th>Expenses</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014/15</td>
<td>$</td>
<td>$ 715,770</td>
<td>$ 714,028</td>
<td>$ 1,742</td>
</tr>
<tr>
<td>2015/16</td>
<td>1,742</td>
<td>1,238,542</td>
<td>699,129</td>
<td>541,155</td>
</tr>
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<td>2016/17</td>
<td>541,155</td>
<td>1,164,698</td>
<td>1,209,342</td>
<td>496,511</td>
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<tr>
<td>2017/18</td>
<td>496,511</td>
<td>768,564</td>
<td>-</td>
<td>1,265,075</td>
</tr>
<tr>
<td>2018/19</td>
<td>1,265,075</td>
<td>580,682</td>
<td>89,402</td>
<td>1,756,355</td>
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</tbody>
</table>
Debt Schedule

<table>
<thead>
<tr>
<th>Type of Indebtedness</th>
<th>Interest Rates</th>
<th>Outstanding as of March 31, 2018</th>
<th>Net Change</th>
<th>Outstanding as of December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stadium Funding Trust Loan:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Term A Loan</td>
<td>5.00%</td>
<td>$282,794,108</td>
<td>$(12,527,696)</td>
<td>$270,266,412</td>
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<tr>
<td>StadCo CFD Advance</td>
<td>5.73%</td>
<td>32,834,885</td>
<td>(1,608,093)</td>
<td>31,226,792</td>
</tr>
<tr>
<td>StadCo Subordinated Loan</td>
<td>5.50%</td>
<td>67,032,627</td>
<td>(4,505,279)</td>
<td>62,527,348</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$382,661,620</strong></td>
<td><strong>$(18,641,068)</strong></td>
<td><strong>$364,020,552</strong></td>
</tr>
</tbody>
</table>

- Total outstanding debt as of 12/31/18 was $364 million
- Reduction of $18.6 million from March 2018
History of Debt Schedule

Total Outstanding Debt (in millions)

- Mar 2012: $41.1
- Mar 2013: $396.1
- Mar 2014: $653.4
- Mar 2015: $561.6
- Mar 2016: $464.7
- Mar 2017: $429.8
- Mar 2018: $382.7
- Dec 2018: $364.0

Legend:
- Construction Loan
- StadCo Agency Advance
- Term B Loan
- Term A Loan
- StadCo CFD Advance
- StadCo Subordinated Loan
Capital Improvement Program (CIP)

• Total CIP Budget of $8 million

• $6.4 million is appropriated for Stadium CIP costs
  • $1.2 million was spent on various projects such as floor restorations, stadium field conduits for special events, fire sprinkler system, flag poles, and public safety equipment

• $1.6 million is budgeted for work required to address items covered by warranty
  • $73,000 was spent on the expansion joint waterproofing and sliding glass door warranty items
2018/19 Stadium Authority Budget Amendments

• Final Rent Reset Arbitration Award included the reimbursement of $2.3 million in attorney’s fees
  • This added revenue is in excess of expenses, and will therefore be used to prepay the StadCo Subordinated Loan (Stadium Lease)

• ManagementCo projected SBL proceeds to be $1.1 million higher than budget
  • Additional SBL proceeds will be offered as a prepayment of Term A debt (Credit Agreement & Deposit and Disbursement Agreement)
2018/19 Stadium Authority Budget Amendments (cont.)

- Total projected costs for College Football Playoff National Championship (CFP) are $1.4 million
  - Net zero budget adjustment to account for CFP expenses and corresponding reimbursements from the Bay Area Host Committee (BAHC) (Assignment and Assumption Agreement)
- Projection of $200,000 in additional Contributions from the Community Facilities District (CFD)
  - CFD collections are trending higher than budgeted, and will be used to pay down the CFD Advance (CFD Reimbursement Agreement)
Recommendation

• Note and file the Santa Clara Stadium Authority Financial Status Report for the Quarter Ending December 30, 2018

• Approve Budget Amendments to the FY 2018/19 Santa Clara Stadium Authority Budget