

Santa Clara Stadium Authority

Financial Status Reports

April 30, 2019



Financial Status Report for the Quarter Ending December 31, 2018



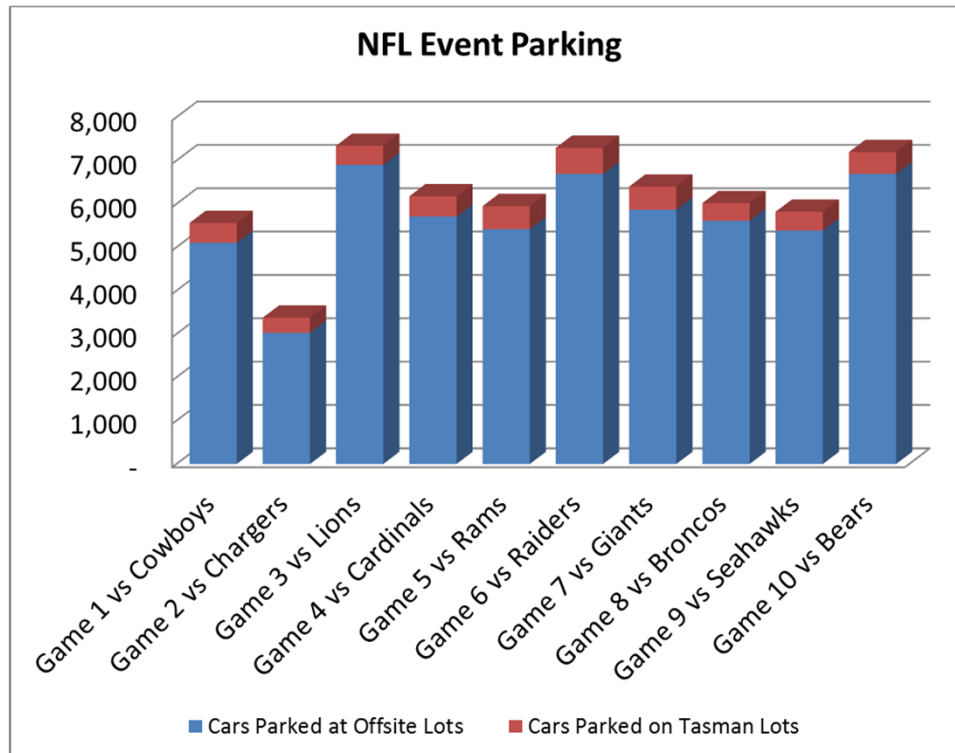
Financial Status Report

- NFL Events
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NFL Events

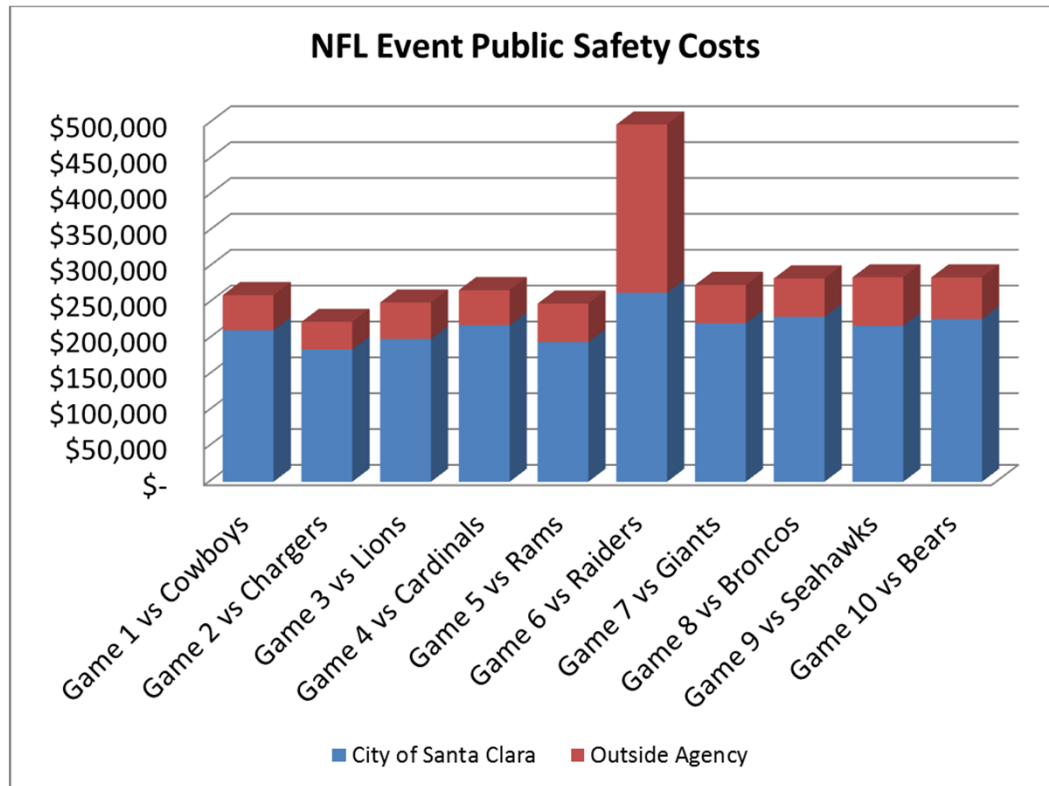
- Ten NFL events were held in FY 2018/19 as of December 31, 2018
- A total of 651,237 tickets were sold
 - Stadium Authority received \$8.1 million in NFL ticket surcharge revenue based on 10% of ticket sales to NFL events
 - City of Santa Clara received \$228,000 in Senior & Youth Fees based on \$0.35/ticket 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



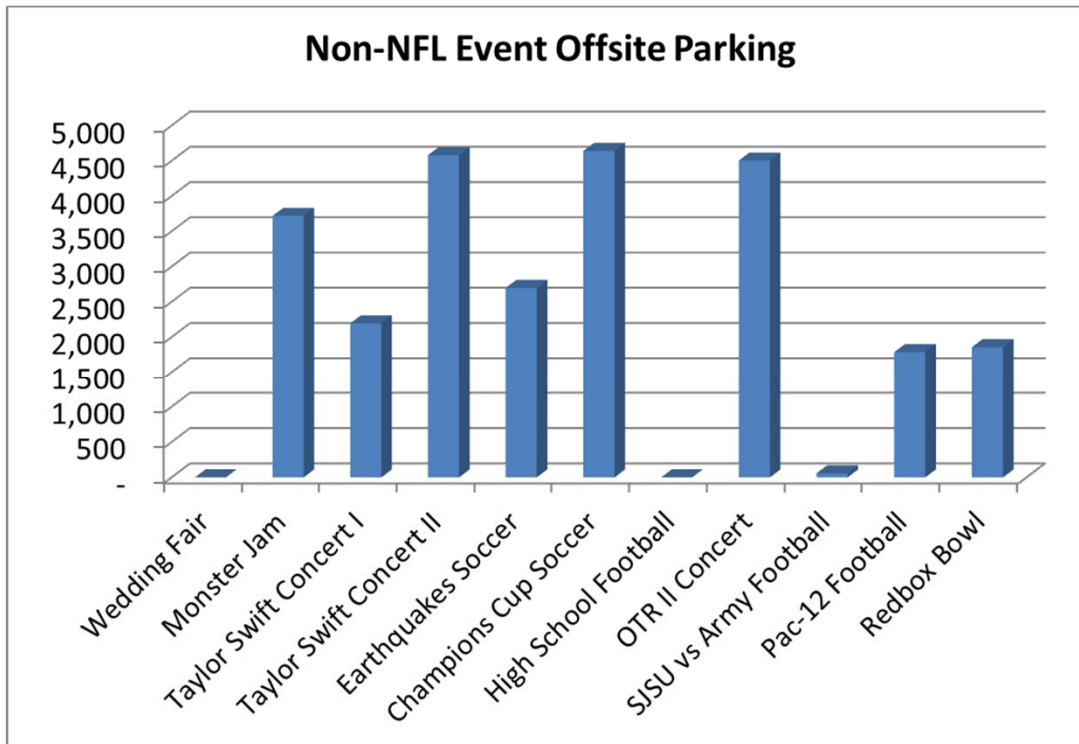
Public safety costs amounted to \$2.9 million:

- \$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

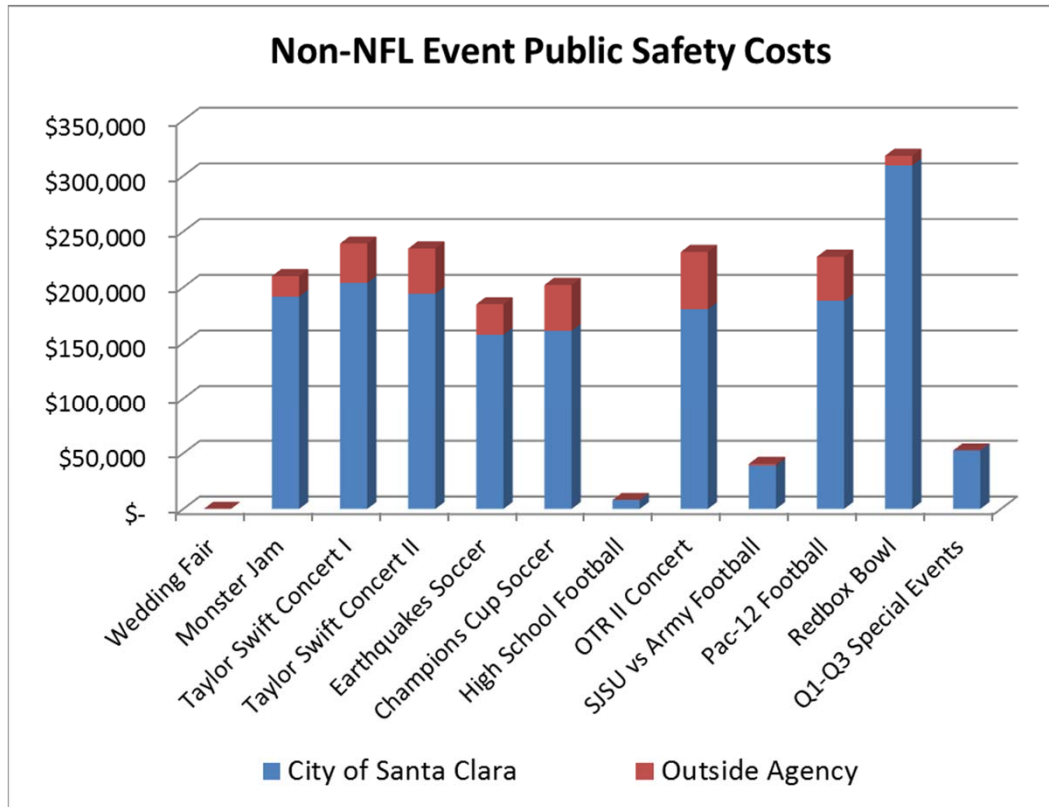
- Eleven ticketed Non-NFL events
- A total of 290,341 tickets were sold
 - Stadium Authority received \$1.2 million in Non-NFL ticket surcharge revenue based on \$4 per ticket sold to all non-NFL events (one-half for stadium operations and one-half for Stadium Authority Discretionary Fund)
- Total of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

Discretionary Fund - Accrual Basis				
Fiscal Year	Beginning Balance	Revenue	Expenses	Ending Balance
2014/15	\$ -	\$ 715,770	\$ 714,028	\$ 1,742
2015/16	1,742	1,238,542	699,129	541,155
2016/17	541,155	1,164,698	1,209,342	496,511
2017/18	496,511	768,564	-	1,265,075
2018/19	1,265,075	580,682	89,402	1,756,355

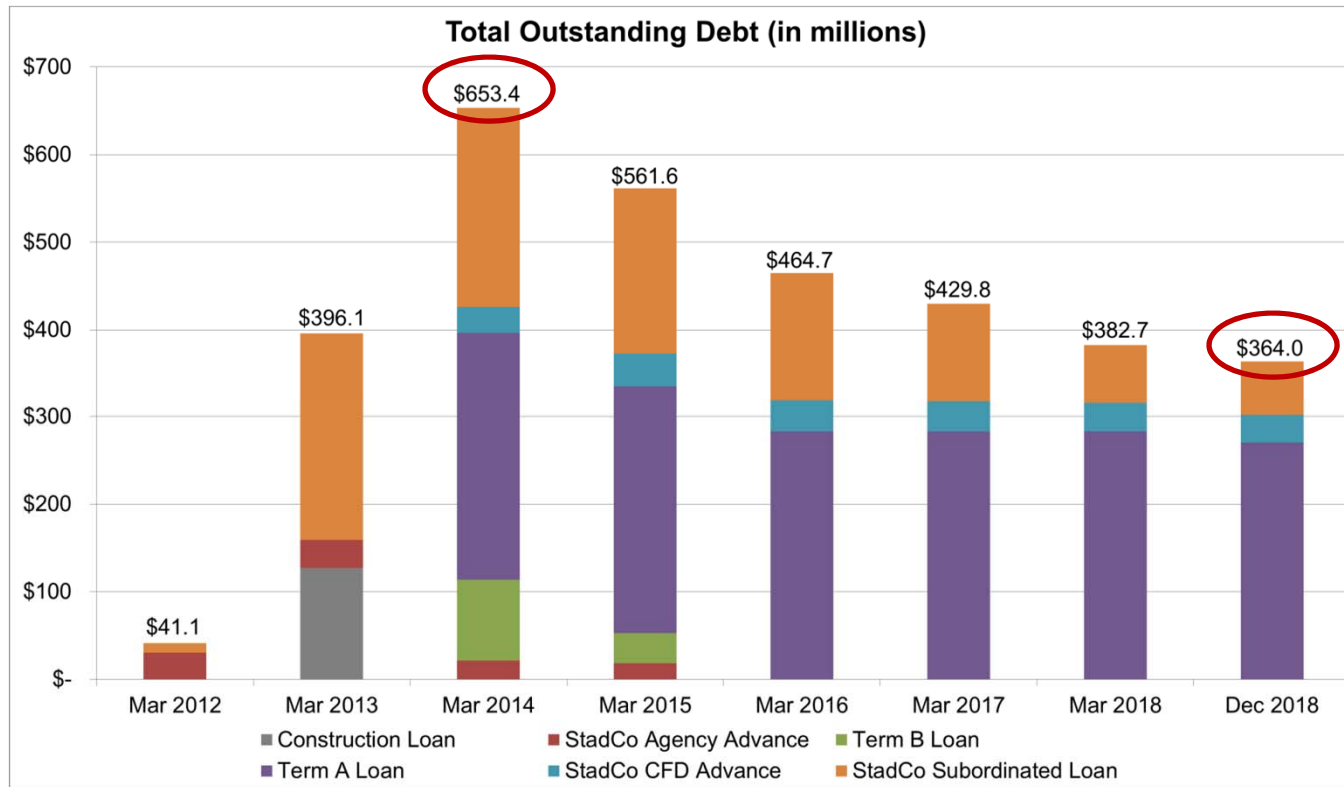
- Current balance is \$1.8 million
- Expenses in FY 2018/19 were for consulting services
- Discretionary fund previously used to pay NFL public safety costs above the public safety threshold

Debt Schedule

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

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

History of Debt Schedule



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

SCSA

Santa Clara Stadium Authority