

Meeting Date: 12/8/11

# AGENDA REPORT

Agenda Item # 2A-1

Santa Clara



2001

City of Santa Clara, California



**DATE:** December 8, 2011

**TO:** City Council for Information

**FROM:** Executive Assistant to the Mayor and City Council

**SUBJECT:** Correspondence Received Regarding the Continued Joint Council and Stadium Authority "Committee of the Whole" Study Session from December 6, 2011

Attached are emails received in the Mayor and Council Offices from Tuesday, December 6 – Thursday, December 8, 2011 regarding the Continued Joint Council and Stadium Authority "Committee of the Whole" Study Session on December 8, 2011, item 2-A-1.

We have received 9 messages opposed to this proposal.

Regards,

A handwritten signature in cursive script, appearing to read "Kimberly Green", written over a horizontal line.

Kimberly Green  
Executive Assistant  
Mayor & City Council

Attachments: Communications

cc: City Manager  
City Clerk

**POST MEETING MATERIAL**

**Kimberly Green**

**From:** John Haggerty [johnkhaggerty@yahoo.com]  
**Sent:** Wednesday, December 07, 2011 12:25 PM  
**To:** Mayor and Council  
**Cc:** Manager  
**Subject:** Two Questions Re Proposed Stadium Contract  
December 7, 2011

Dear Mayor and Council Members:

I attended the first study session for the proposed 49ers stadium contract last night (12-6-11). I do not envy you and the City staff in this matter. You are all going to have to be very good at your arithmetic within what is apparently a very narrow window of time.

I noticed that the proposed contract differs from the term sheet in at least one very significant respect, namely, now the Stadium Authority is proposed to incur debt in the amount of \$850 million whereas in Exhibit 14, entitled "Stadium Construction Financing 49ers Stadium Term Sheet", to the City Manager's Agenda Report, dated May 29, 2009, that amount was suppose to be only \$330 million and the 49ers were suppose to incur \$493 million in debt. Apparently, Goldman Sachs, BofA, and US Bank ("the banks") feel more comfortable lending their money to the Stadium Authority than to the 49ers. This prompts my first question: Why is this so especially where the Goldman Sachs representative and others last night said that the owners of an NFL franchise are such a safe bet? In other words, why is the Stadium Authority being pulled further into the complicated loop of high finance guarantees? Apparently, rather than directly rely on the 49ers themselves, the banks would prefer that the Stadium Authority do so.

I know that some people last night said that: (a) several other provisions have been inserted into the proposed contract (e.g., facility rent, triple net options, etc.) to protect the Stadium Authority's interest; and (b) the City (as opposed to the Stadium Authority) cannot be held liable for the debt. As for the protective provisions, they are very complicated, if not convoluted, and could easily be subject to differing interpretations after the contract is finalized. (Similarly, questioning by the councillors last night indicates that there remains a lack of clarity as to who will be responsible for funding and operating the stadium which could also lead to litigation after the contract is signed.) As for the City not being legally responsible for the Stadium Authority's debts, I am concerned that, if 10-15 years from now major league football is not as popular as it now is and the stadium is operating at a \$1-3 million annual deficit, the City may feel compelled to advance that money to keep the stadium afloat (like San Jose with its various theater subsidies).

This brings me to my second question: Does the proposed contract have a provision in it allowing the Stadium Authority and/or the City to privately inspect the books of not only Stadco, but also the 49ers themselves, their proposed Property Management subsidiary, and any other 49ers entities involved in the funding of the construction and/or operations of the stadium? I noticed last night that there will be a plethora of organizations involved in this stadium project, especially its revenues and costs. This could result in a great deal of confusion and possibly litigation in the future as often occurs with Hollywood entertainment projects, for example. A contractual right of the City and/or the Stadium Authority to privately inspect the books of all of the 49ers entities involved in this project would: (a) deter violations of the proposed contract; and (b) reduce the need for filing a lawsuit. I believe that all of the Stadium Authority's books

will be open and available to all of the 49ers entities. Consequently, this would only be simply establishing some reciprocity between all of the parties to this project.

In closing, I would like to reiterate that I do not envy your task. I would also like to urge you not to be rushed into finalizing or semi-finalizing any contracts in this matter. Finally, I would like to thank all of you for all of the hard work which you have already put into this matter.

Yours truly,

John K. Haggerty  
1400 Coleman Ave., #C-21  
Santa Clara, CA 95050  
(408) 988-2019

**Kimberly Green**

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**From:** htmatal@aol.com

**Sent:** Wednesday, December 07, 2011 6:26 PM

**To:** Mayor and Council

**Subject:** Stadium subsidy?

To The City of Santa Clara Mayor and City Council:

This whole stadium escapade has gone from the ridiculous to the sublime. Please back off and take another look. I would hope you are having second thoughts. Are you still endorsing this measure?

Show some responsibility and leadership. It is obvious this entire project has been misrepresented from day one. In addition, it is apparent that your negotiating skills need to be improved.

Bill Wilber  
Santa Clara, CA

**Kimberly Green**

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**From:** Manuel Avila [avilakm@att.net]  
**Sent:** Thursday, December 08, 2011 7:13 AM  
**To:** Mayor and Council  
**Subject:** Proposed 49er Stadium

Dear Mr. Mayor and City Council Members,

I urge you not to approve the 12/2/11 financing plan for the proposed 49er Stadium. This \$925 million debt is not what was voted on 6/8/10.

Sincerely,

Manuel Avila

## Kimberly Green

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**From:** Carol Escano [cescano@sbcglobal.net]  
**Sent:** Thursday, December 08, 2011 10:42 AM  
**To:** Mayor and Council  
**Subject:** "No" to 49er Stadium in Santa Clara

Dear Mayor Matthews and City Council members,

The Mayor and city council members are put in a position of trust. The citizen's of Santa Clara trust governing members to develop plans that make Santa Clara a desirable city for its residents and businesses to inhabit.

This stadium is fiscally irresponsible. The city must act in a responsible manner. Consequences of nearly a Billion dollars worth of debt cannot be ignored.

Cities all around California have filed bankruptcy, school and libraries are closing, teacher laid off and emergency service cut.

A billion in debt is a game changer.

When you drive down El Camino and enter Santa Clara, it looks like you drove into the wrong part of town. Old building, no vegetation, vacant businesses, tatoo parlors and adult books stores.

Redevelopment fund should be used to redevelop our run down empty shopping centers. Santa Clara should become a destination. Folks in SC leave to shop in neighboring cities.

Santa Clara needs to entice retailer back into the city. Football is a seasonal game which will only provided benefit to a handful of citizen. The city cannot afford the current plan for the 49er stadium.

If this was your personal debt to income ratio, would you still say yes.

Carol Escano  
Santa Clara Home Owner

## Kimberly Green

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**From:** Jim Riegel [jrr@netgate.net]  
**Sent:** Wednesday, December 07, 2011 11:30 PM  
**To:** Mayor and Council  
**Subject:** 49ers Stadium Debt

Dear Mayor and Council,

I am a resident and taxpayer of the City of Santa Clara and I am very concerned about the large amount of debt that the City is taking on to construct the stadium for the 49ers, as has been publicized recently in the San Jose Mercury News. A debt of 850 million dollars was NOT told to us voters in the ballot or ads for Measure J. Several people knowledgeable about the deal have grave concerns over this debt. In addition, there is no disclosure of ANY amount that the 49er team or owners will contribute to the stadium construction.

This is far too large a debt to be taking on for a city of this size, in the middle of a recession, with uncertain economic future, and when other public institutions (such as the city library) are underfunded and have reduced hours. Why aren't the 49ers paying the majority of the cost of construction, as was told to us voters in many ads and public statements?

It is very underhanded for the parties involved to change the costs involved by massive amounts and deceive the voters. Please reconsider this deal and do the responsible thing for the City of Santa Clara.

--Jim Riegel  
694 Nicholson Ave.  
Santa Clara, CA 95051

## Kimberly Green

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**From:** carolerchard@yahoo.com  
**Sent:** Wednesday, December 07, 2011 11:08 PM  
**To:** Mayor and Council  
**Subject:** 49er Stadium

The following has sent a message:

Name: Carol Chard

Email: carolerchard@yahoo.com

Comments: Dear Mayor and City Council,

I am outraged that you would even consider moving forward with plans to build the 49er Stadium given the outrageous cost....850 million! It was a sad day when each and everyone of you was elected. Just because Measure J was passed does not give you free reign to build it at any cost. Quit pandering to Jed York and stand up and be the leaders you were elected to be. This is a disgrace and I am no longer proud to say I live in Santa Clara.

## Jashma Kadam

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**From:** Charles Tucker [tuckeremail@pacbell.net]  
**Sent:** Thursday, December 08, 2011 1:43 PM  
**To:** Kimberly Green  
**Subject:** Stadium Authority

Are the facts presented by Santa Clara Plays Fair that the Stadium Authority (and ultimately Santa Clara citizens) will be responsible for the payback of loans of \$800+ million really true? I thought the 49ers were responsible for 88% of the costs to build the stadium - what is the truth? The 49ers are not the Stadium Authority therefore we citizens are ultimately responsible for the payback of any loans and interest incurred by the Stadium Authority.

When we voted to proceed on the stadium it was on the belief that Santa Clara would be responsible for 6 to 8% of total costs to build the stadium - was this false?

If the above is true then the vote to go ahead with the stadium should be set aside in that the numbers provided by the city and the 49ers in their ads was false.

I am sure these questions cannot be answered by email but I would hope they will be addressed at the next meeting re: the stadium and the role of the Stadium Authority.

Thank you for your attention to this email.

## Jashma Kadam

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**From:** Rich Solis [rassolis@comcast.net]  
**Sent:** Thursday, December 08, 2011 1:59 PM  
**To:** Kimberly Green  
**Subject:** Comments

Thoughts of a resident:

Back in June of last year the voters of Santa Clara passed Measure J even though the document that was the basis for the measure was a generic incomplete term sheet.

Voters relied primarily on the information that was provided by 49ers and the city leaders as a basis for their decision. In retrospect boy were we sold a bill of goods.

Fast forward to today and what do we see, we start to see details of the deal for the first time that quite frankly is quite different than the original term sheet that was the basis for Measure J. It appears that Santa Clara is no longer in control of this deal with the lead instead what we and in retrospect have seen from the beginning is the 49ers have and are leading this process since the very beginning making sure their interests come first, taking more and more control of the process regardless of what the city and council majority say.

As they say the devil is in the details and what this study session has shown us is there are many devils in this one from the running of the stadium to the financing for construction and everything in between. More questions with few answers with certainty.

Don't get me wrong, I believe staff did the best they could but in this case it appears they may have been overwhelmed by the sheer magnitude of this project, lacking the experience in these types of deals where in fact the 49ers do have the experience and it shows in the details of the deal.

At this point this agreement is in no way close to being complete, many issues still to be resolved but that's not stopping this council majority that sold us the original bill of goods sending us up a certain estuary without means of propulsion from bringing the matter to a vote which I might add will pass as all 49er issues have 5 to 2.

Once this vote takes place this writer believes that what little control the city thinks they may have will go by the wayside. For the sake of the city I hope I'm wrong. But only time will tell.

Rich Solis  
1159 Scott Blvd  
Santa Clara Ca. 95050

## 2) In closed door sessions, a non-binding Term Sheet was developed which requires substantial funds (\$444 Million) for stadium construction from Santa Clara and its agencies.

On June 2, 2009 the first poll showed that Santa Clarans were against the use of public funds to build a new stadium for the 49ers.

June 2, 2009 Poll by Survey USA, sponsored by KPIX-TV

<http://llnw.static.cbslocal.com/station/kpix/docs/2009/stadium-poll.pdf>

"Do you think it's a good idea or a bad idea to use public funds to build a new stadium for the San Francisco 49ers?"

500 Santa Clara voters

30% for spending public funds on a stadium.

62% against spending public funds on a stadium.

8% undecided

Later that same day (June 2, 2009) a Term Sheet was signed between the 49ers and the city.

The term sheet consists of text plus numerous 'exhibits' (the figures and tables).

Here are pertinent components of the Term Sheet dealing with costs:

Exhibit 5 - the text

<http://santaclaraca.gov/ftp/csc/pdf/49ers-20090601-Exhibit-5.pdf>

Exhibit 14 - the 1-page table of costs

<http://santaclaraca.gov/ftp/csc/pdf/49ers-20090601-Exhibit-14.pdf>

**\*\*Important\*\* The Term Sheet Text does not list the stadium costs or reference any of the Term Sheet figures or tables (such as the table of costs Exhibit 14). It's highly unusual for the text of a technical document to not include references (call outs) to associated tables and figures. The lack of citation of the table of costs within the Term Sheet text became very important later when the stadium went to the ballot *with only the Term Sheet text appended but without the table of costs.***

The Term Sheet table of costs together with the city staff Term Sheet Power Point Presentation broke down the construction costs of a \$937 Million stadium as follows:

(\$444 Million (47%) from Santa Clara and its agencies, \$493 Million (53%) from the 49ers):

- **\$114 Million** in a direct public subsidy from Santa Clara and its Redevelopment Agency:
  - \$42 Million in Redevelopment agency bonds (our property tax \$)
  - \$20 Million to move an election substation (our electric utility funds)
  - \$35 Million from a 2% increase in hotel occupancy tax
  - \$17 Million in RDA bonds for a new parking garage (our property tax \$)
- **\$330 Million** to be raised by our new agency, the **Stadium Authority**
- **\$493 Million** from the 49ers
- There was no contribution specified from the NFL.

The Term Sheet table of costs did not discuss the additional estimated **>\$200 Million** in interest that would need to be paid by the Stadium Authority on the stadium bond debt. That information

was presented in a 2007 city document on stadium financing. In addition, the Stadium Authority is responsible for high-risk fundraising, primarily selling seat licenses and naming rights.

On the day after the Term Sheet was signed, the San Jose Mercury News put out a correct pie chart of the Term Sheet stadium construction costs using numbers from Term Sheet Exhibit 14:

### How the \$937 million stadium would be financed

Santa Clara will provide a \$114 million public investment through various agencies, loans and bonds without new taxes on residents and the general fund.

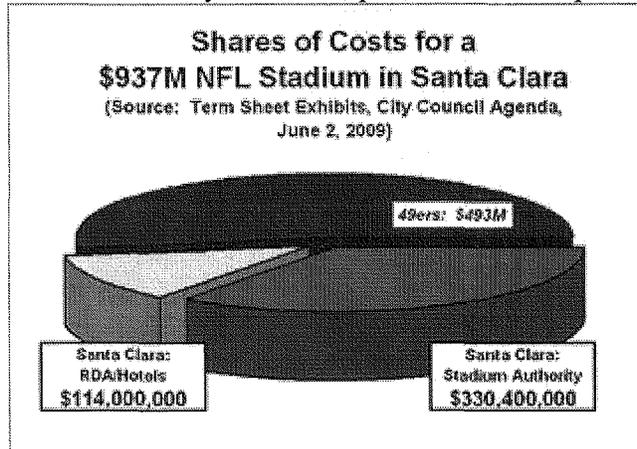


Sources: 49ers, City of Santa Clara

MERCURY NEWS

This correct pie chart was printed in the SJ Mercury News on June 3, 2009. Then, despite running numerous articles on the stadium from June 2009 to June 2010, the Mercury News did not print this correct pie chart again until the day **after** the stadium election (chart was reprinted on June 9, 2010).

Santa Clara Plays Fair also put out a correct pie chart based on the Term Sheet table of costs:

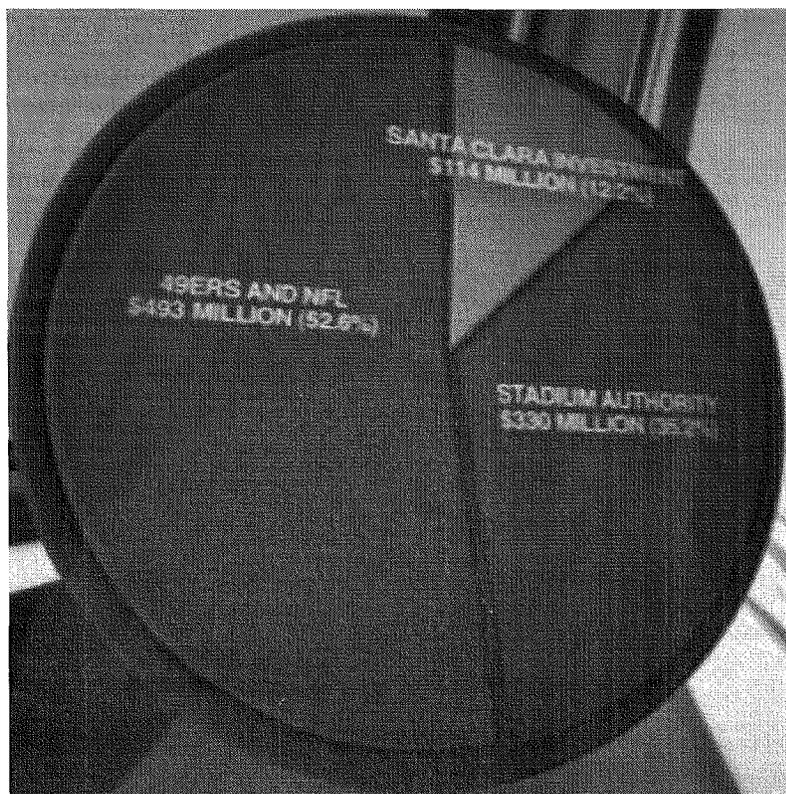


**\*\*Important\*\* The City of Santa Clara never put forth a pie chart of the stadium construction costs to accompany The Term Sheet.**

Also on the day after the Term Sheet was signed (June 3, 2009) Jed York (49ers CEO and son of the owners) appeared on Comcast Chronicle Live in front of a large pie chart of the stadium costs, which were listed correctly: **\$114 Million** direct subsidy from Santa Clara, **\$330 Million** from Santa Clara's agency the Stadium Authority, and **\$493 Million** from the 49ers. Here's the link to Jed York's Chronicle Live interview:

<http://www.csnbayarea.com/pages/landing?blockID=57145>

**Here's the correct pie chart shown by Jed York on June 3, 2009, which has the same numbers as Santa Clara Plays Fair's pie chart:**

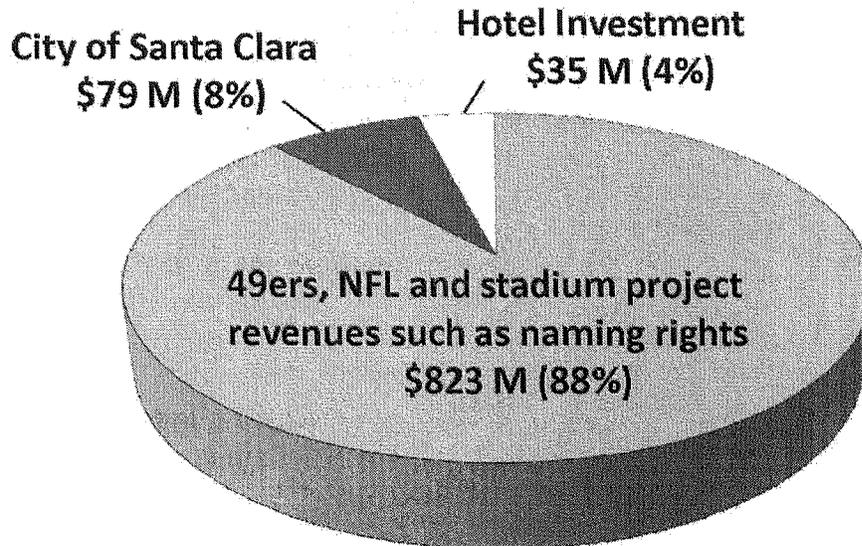


**That's the last time Jed York and the Yes on the 49ers Stadium campaign showed Santa Clara the true stadium construction costs or acknowledged the Stadium Authority's contribution.** Note that the center of the pie chart is not really centered - it is shifted to the right to make it look like Santa Clara's portion is smaller than 47%, and the 49ers portion is larger than 53%.

**3) The Yes on the 49ers Stadium campaign put forth a false pie chart of the stadium costs which hid the Stadium Authority and its costs/debt and high-risk fundraising mechanisms.**

Shortly after Jed York's June 3, 2009 appearance on TV with the correct pie chart, Yes on the Stadium put out a new pie chart that hid the existence of the Stadium Authority. The new pie chart lumped the Stadium Authority's \$330 million contribution in with the 49ers share to hide the costs/debt/risks to Santa Clara's Stadium Authority and purposefully understate the contribution from Santa Clara and its agencies.

Here's the Yes on the Stadium false pie chart:



**Santa Clarans were inundated with mailers showing the false pie chart, and shown the false pie chart on the Yes on the Stadium website and in pro-stadium campaign talks/debates.**

The false pie chart was displayed in talks by Yes on the Stadium leader and spokesman (former council member) Pat Kolstad (now current council member), as well as by then-Mayor Patricia Mahan (now council member), then-Council Member Jamie Matthews (now mayor), and by 49ers CEO Jed York when he spoke in front of Santa Clara Unified's School Board. Pro-stadium city council members posed with the false pie chart in 49ers stadium mailers. Our former elected Chief of Police, Steve Lodge (now retired and double dipping as a high paid stadium security consultant), appeared on the 'pro' side of a stadium debate with then-Mayor Mahan and then-Council Member Matthews where the false pie chart was displayed.

**A Yes on the Stadium front group was formed (funded almost exclusively by the 49ers), Santa Clarans for Economic Progress (SCEP), which also covered up the existence of the Stadium Authority and its high-risk fundraising by using the term 'revenues generated by the stadium':**



Vote for the Stadium, Jobs, Economic Development, and Taxpayer Protection

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The stadium will cost **\$937 Million** to build.

**92%** will be financed by the team, NFL, local hotels and revenues generated by the stadium.

A maximum **8%** will be from Santa Clara with **no city taxes or use of money from the general fund.**

#### **Why hide the Stadium Authority?**

- **To minimize Santa Clara's share in the eyes of voters.** The false pie chart gives the impression that Santa Clara and its agencies are on the hook for far less money and far less risk than they actually are. **(And the DDA now shows the SA as responsible for \$850 Million in debt for stadium construction.)**
- **To not disclose the possibility of the Stadium Authority becoming insolvent.** Dr. Roger Noll, Emeritus Stanford Professor of Economics and noted authority on economics in sports, in a May 2010 article in the San Francisco Chronicle, pointed out the possibility of Stadium Authority bankruptcy. <http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2010/05/15/IN1F1DDH14.DTL#ixzz0o3dS1Xrt>
- **To prevent discussion of the high risk nature of Stadium Authority financing mechanisms, primarily selling personal seat licenses and naming rights.** As Dr. Noll stated: "Seat licenses played a major role in the plan to renovate the Oakland Coliseum to lure the Raiders back from Los Angeles. Sales of Raiders licenses were less than expected, which increased the public cost of the renovation. A scary feature of the Santa Clara proposal is that it repeats a flaw in the Coliseum plan: the stadium authority, not the team, will sell the seat licenses."
- **To avoid discussion of the hundreds of millions in interest on stadium construction bonds** that will be owed by Santa Clara's agencies. (Also not disclosed in the DDA.)
- **To avoid discussion of stadium operational costs.** Santa Clara is expected to own the stadium, and it will be operated by Santa Clara's Stadium Authority. The operational costs of a stadium, which are often \$20 million/year to \$30 million/year, were also not discussed during the campaign.
- To hide the costs/debt/risks of other stadiums and stadium authorities/sport authorities to their host cities.

**Throughout the year leading up to the June 2010 election, the Yes on the 49ers Stadium campaign saturated Santa Clara with false information about the stadium construction costs in the media.** The news media, having picked up on the stadium campaign false pie chart and Santa Clara's pro-stadium city council members' support of the false pie chart numbers,

repeatedly told the public (incorrectly) that the 49ers were paying \$823 million (88%) of the stadium construction costs, or even 92% of the costs.

**Here are examples of how the media and pro-stadium Santa Clara council members distorted the stadium construction costs to not disclose the Stadium Authority's costs/debt/risks:**

1) Ray Ratto, SF Chronicle, 7/15/2009, "The idea that Santa Clara has 100 million some-odd dollars to toss at the 49ers is weird enough. **Trusting the Yorks to come up with the other \$800 million** needed to build takes the guts of a bomb disposal unit."

2) SF Chronicle 10/28/2009 "**The remaining \$823 million would come from the team, hoped-for NFL funding, the sale of naming rights and concession licenses, and other sources.**"

[http://www.sfgate.com/cgi-](http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/10/28/MNIK1ABH20.DTL#ixzz0mobTYiwP)

[bin/article.cgi?f=/c/a/2009/10/28/MNIK1ABH20.DTL#ixzz0mobTYiwP](http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/10/28/MNIK1ABH20.DTL#ixzz0mobTYiwP)

3) In a May 20th, 2010 KTVU Channel 2 report on the 10 o'clock news, Lloyd LaCuesta echoed the false pie chart of costs put forth by the 49ers and pro-stadium council members by saying: the city of **Santa Clara puts up \$114 million, "and the 49ers would pay the rest."**

4) Former Mayor (now Council Member) Patricia Mahan went further, when she appeared on ABC 7 television on 4/6/2010:

**"The mayor of Santa Clara insists the 49ers will end up paying close to 92 percent of the costs."**

<http://abclocal.go.com/kgo/story?section=news/sports/pro/football&id=7368876>

5) Former Santa Clara Mayor Patricia Mahan (now Council Member) and Former Council Member (now Mayor) Jamie Matthews wrote in an editorial in the Santa Clara Weekly 5/5/2009: **"Over 92% of this project is paid for by the NFL, the 49ers, and other stadium revenues."**

6) In its May 12-May 18, 2010 issue, the Santa Clara Weekly stated that **the \$444 million contribution to stadium construction from Santa Clara and its agencies** (Redevelopment and Stadium Authority) as listed in Term Sheet Exhibit 14 **would be 'paid by the 49ers'.**

[http://scw.tearn.com/2010/05/vote-yes-on-measure-](http://scw.tearn.com/2010/05/vote-yes-on-measure-j.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+scWeekly+%28The+Santa+Clara+Weekly%29)

[j.html?utm\\_source=feedburner&utm\\_medium=feed&utm\\_campaign=Feed%3A+scWeekly+%28The+Santa+Clara+Weekly%29](http://scw.tearn.com/2010/05/vote-yes-on-measure-j.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+scWeekly+%28The+Santa+Clara+Weekly%29)

**The bottom line:** Santa Clarans were saturated with a falsely positive picture of stadium construction costs from the 49ers stadium campaign, five pro-stadium city council members, and the two former council members (now back on the council) at the helm of Santa Clarans for Economic Progress. **The end result was the DDA now shows that since the 49ers Measure J passed in June 2010, the closed door sessions continued and pro-stadium council members worked with the 49ers to heap \$850 million in debt upon the Stadium Authority.**

# Stadium Finance Plan

The stadium will cost **\$937 Million** to build.

**92%** will be financed by the team, NFL, local hotels and revenues generated by the stadium.

A maximum **8%** will be from Santa Clara with **no city taxes or use of money from the general fund.**

The City's investment comes from redevelopment funds:

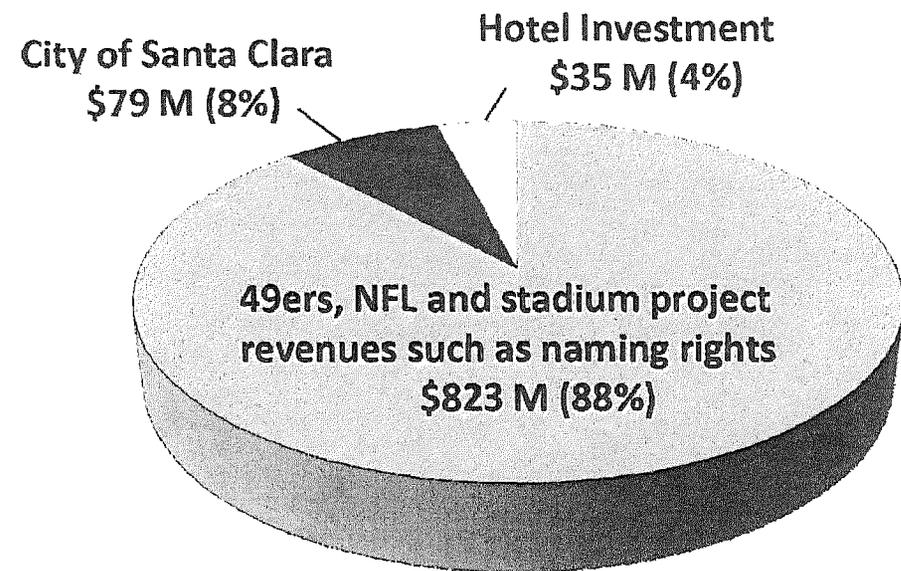
- Redevelopment funds are not part of the general fund, and can't be used for city services;
- The funds can only be used in limited areas of the city including the proposed stadium location; and
- The funds are intended for projects that generate new economic activity, like the stadium.

The 49ers will enter a **40 year lease** and non-relocation agreement with Santa Clara.

The 49ers will pay for **all** stadium construction cost overruns and operations shortfalls over the life of the building to protect taxpayers and the general fund.

The stadium will have a capital improvement fund and an operating reserve fund for future expenses and renovations.

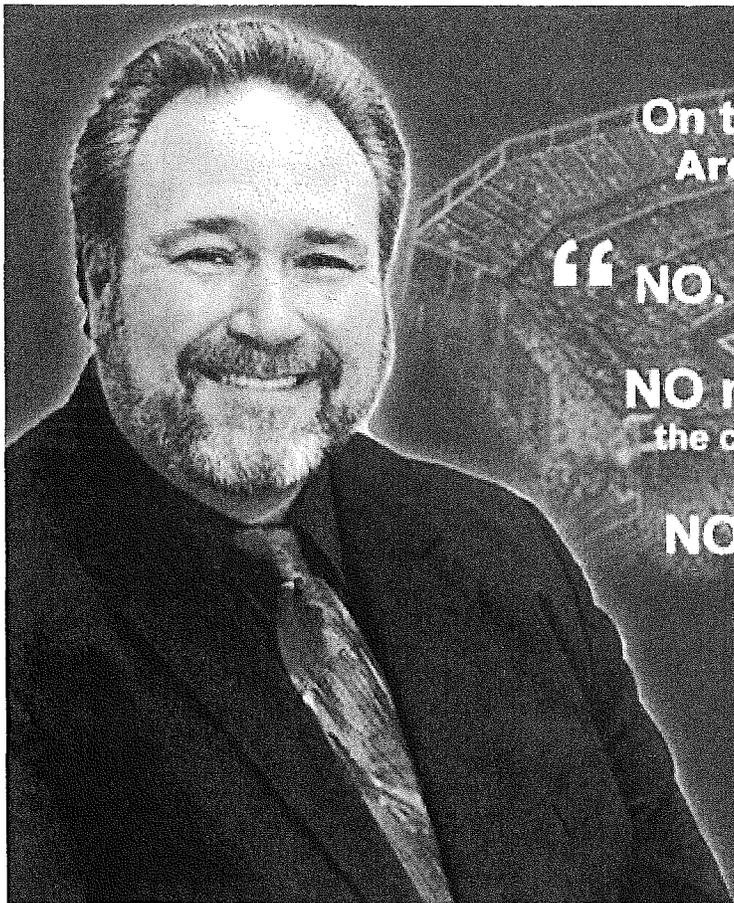
The City will own the stadium and the land used for construction, and will receive fair market value rent payments to the general fund.



**Santa Clarans for Economic Progress**

Sponsored and major funding by Forty Niners Stadium, LLC and a coalition of local residents, business owners, retirees, homeowners, civic leaders, elected officials, and native Santa Clarans.

PPPC ID# 1322649 • 2004 El Camino Real • Santa Clara • California • 95050

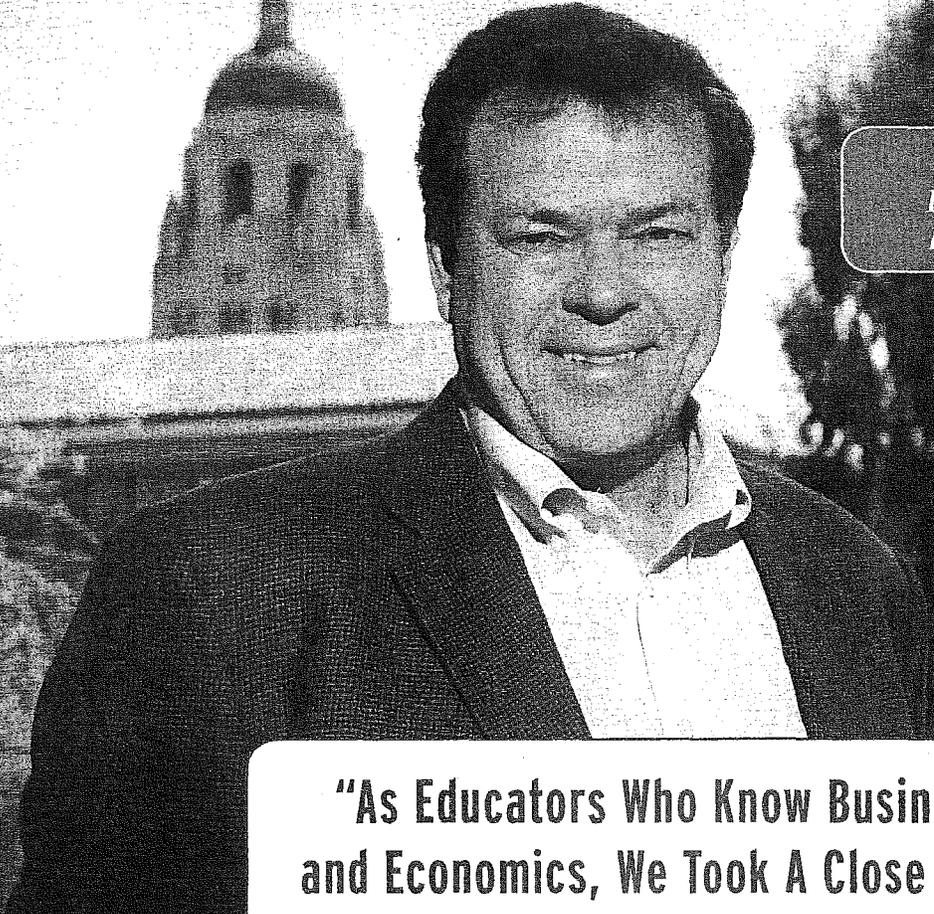


**On the June 8th Stadium vote:  
Are the Taxpayers at Risk?**

**“ NO.** The measure's iron-clad language states that there can be **NO new city taxes** and **NO** use of the city's general fund for this project. There will be **NO cost** to Santa Clara residents. **Period.** ”

**Jamie Matthews,  
Santa Clara City Councilmember**

**What Your Fellow Santa Clara Residents Are Saying About the Stadium Vote:**

A black and white photograph of George Foster, a man with dark hair, wearing a dark blazer over a light-colored collared shirt. He is smiling and looking towards the camera. In the background, a large domed building, likely a university capitol building, is visible.

*George Foster  
Professor, Graduate  
Business, Stanford*

**"As Educators Who Know Business  
and Economics, We Took A Close Look  
At The New Stadium's Financing  
and Its Impact On Taxpayers..."**

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- A black and white photograph of Bill O'Brien, a man with short hair, wearing a dark sweater. He is standing in front of a whiteboard, pointing with his right hand and holding a marker in his left hand. The whiteboard has a list of items written on it.
- Economic
  - Jobs
  - Education F

*Bill O'Brien*

# "Santa Clarans Should Have Confidence That We Demanded an

"We're educators who teach accounting and business, respectively, so we've seen our share of business plans and financing proposals.

We took a look at the fine print of Measure J to see if the math worked and the deal penciled out.

Our analysis?

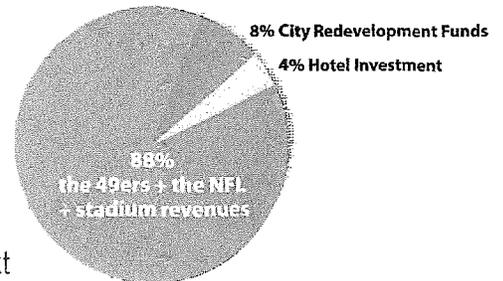
The city of Santa Clara knows how to drive a hard bargain, manage its finances in a business-like manner, and look out for its citizens' bottom-line.

- The city demanded and received specific language that protects Santa Clara taxpayers against new or increased taxes and unforeseen costs.
- The city negotiated financing that limits its investment to only 8% of the project, and uses only Redevelopment Agency funds – not a dime comes from the city's general fund.
- The city shrewdly ensured that it will continue to own the land where the stadium is to be built, and will earn fair market rent, including a guaranteed minimum of \$40 million in rent over the next 40 years and an estimated \$155 million from other events.

*The City Shall not use  
from the City's gener  
funds for the develop*

*No new or increased City taxes for the  
citizens of Santa Clara, although  
the vicinity of the stadium*

## STADIUM PROJECT FINANCING



\*All endorsements and quotes are from individuals only. Organizations and companies listed are for identification purposes only.

See and hear from the region's fiscal experts and business leaders about their support



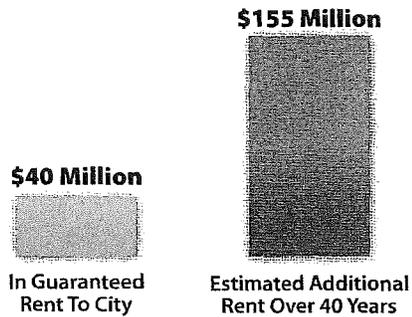
# Endorsement In The Taxpayer Protections Included In Measure J"

...pledge any money  
...fund or enterprise

Don't take our word for it – go to the city's website just like we did and view the exact language for yourself at [www.SantaClaraCA.gov](http://www.SantaClaraCA.gov).

## REVENUE TO SANTA CLARA'S GENERAL FUND

We think you'll agree that the city has negotiated a solid financial deal that incorporates very strong protections for Santa Clara taxpayers."



...requirement that a private tenant of the Stadium must pay for all Stadium construction cost overruns.

Go to the city's own website at [www.SantaClaraCA.gov](http://www.SantaClaraCA.gov) to see these protections in the ballot measure language and term sheet.



– Bill O'Brien, Accounting Faculty, Santa Clara University Leavey School of Business



– George Foster, Professor, Graduate School of Business, Stanford University

## On June 8th, Vote YES on Measure J

for Measure J and its strict protections for Santa Clara taxpayers at [VoteYesonJ.com](http://VoteYesonJ.com)



Yes on J, Santa Clarans for Economic Progress  
2094 El Camino Real  
Santa Clara, CA 95050



Paid for by Yes on J, Santa Clarans for Economic Progress, major funding by Forty Niners Stadium, LLC. FPPC ID# 1322649 2094 El Camino Real, Santa Clara, CA 95050, 408-217-7000



Santa Clara Mayor Patricia Mahan

"I'm a native Santa Claran and have served the city for 15 years as Mayor and city council member.

I approached negotiations on the stadium with this mindset:  
I would only support a project that truly improved our community  
and protected taxpayers against any new costs or risk.

I am voting YES on J because this project meets both objectives  
– and legally requires future city officials to meet them, too."

To view Measure J's taxpayer protections for yourself,  
go to [www.SantaClaraStadiumFacts.com](http://www.SantaClaraStadiumFacts.com) or visit  
the city's own website at [www.SantaClaraCA.gov](http://www.SantaClaraCA.gov)

**Few** are lucky enough to live  
in a community like ours.



But **many** would jump at the  
chance for an economic boost  
that only we can say YES to...

On June

# WE CAN PUMP \$249 MILLION A YEAR BY VOTING YES ON THE SA



Once you call Santa Clara home, few want to leave.

From the tree-lined neighborhood streets to the cutting-edge high tech companies, we combine the best of the Bay Area's urban attractions and small town charm.

On June 8th, we have a chance to make our community even better – to open up new doors and create future opportunities that others would love to have.

## An Economic Stimulus Package for Santa Clara

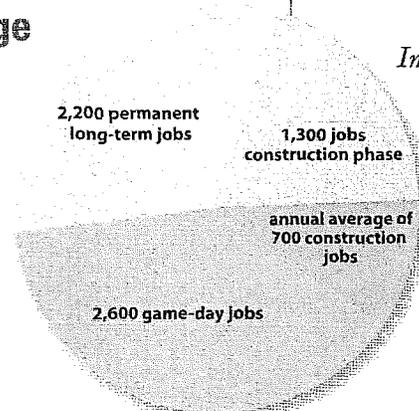
As the country endures a recession that we're not immune to, independent studies estimate the new stadium will dramatically improve our local economy

by providing \$249 million in year for the region.

### What does that mean for Sa

More diners in our restaurant, entertainment options for local patrons, patronizing our retail stores, conventions and trade shows businesses positively impact

*In short, it means more v  
all kinds of Santa Clar  
to movie theatres and*



8th,

# PEER INTO C... 'S ECONOMY SANTA CLARA STADIUM PROJECT



new economic activity each

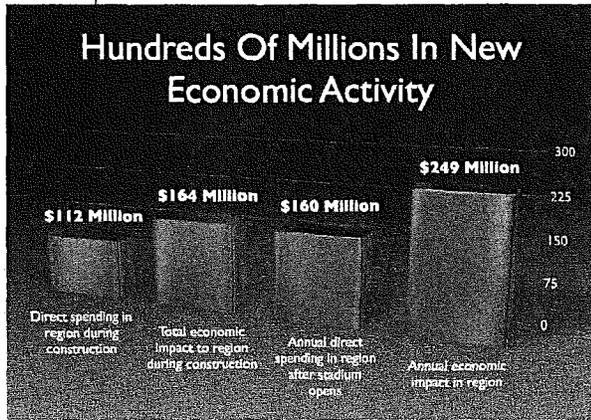
Santa Clarans?

...s. More restaurant and  
...als. More shoppers  
...groceries and delis. More  
... – and more local small  
...d by these events.

...sitors spending money in  
...i businesses, from hotels  
... museums.

## Construction and Permanent Jobs

It means an annual average of up to 700 new jobs for construction workers. An estimated 2,200 permanent jobs in all kinds of businesses, from bellhops to bakers to florists.



It's an economic boon that everyone needs, but only we have the chance to grab.

**Only Santa Clarans have the power to say "YES."**



Presorted Standard  
U.S. Postage  
**PAID**  
MSI

C053

## Santa Clara's Businesses and Workforce Support The Stadium Project and Its Economic Benefits



"A stadium in Santa Clara is a dream come true.

It enlivens our entertainment district, boosts our small businesses throughout town, and provides great synergy for the Convention Center to attract premier conferences, trade shows and events.

It's a tremendous opportunity for our city."

— *Steve Van Dorn,*  
*President and CEO,*  
*Santa Clara Chamber of Commerce*



**Angie Christensen,**  
Owens Corning  
Corporation



**Steve Dutra,**  
Owner, Mondo Burrito



**Employees of  
Serrano Electric**



**John Cintas,**  
President and CEO,  
Burdick Painting



**Employees of the  
Biltmore Hotel  
& Suites**



**Neil Struthers,**  
CEO, Santa Clara and  
San Benito Counties  
Building and Construction  
Trades Council

*For more information, visit: [www.seforprogress.com](http://www.seforprogress.com)  
or call 408-217-7000*

All endorsements are from individuals only. Organizations listed above are for identification purposes only.

# NO New Or Increased City Taxes – Section 2-B.5(e)

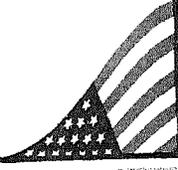
**SAMPLE BALLOT & Voter Information Pamphlet**  
**PRIMARY ELECTION**  
**JUNE 8, 2010**

DID NOT THROW OUT! Bring this pamphlet with you to your assigned polling place.

*Your polling place may have changed. Please see the back cover for your current location.  
 \* Polls are open from 7:00 a.m. to 6:00 p.m.*

**See Ballot Instructions on How to Vote By Mail**

**Hospital of Voters**  
 1715 San Joaquin Blvd. 2  
 Santa Clara, CA 95050  
 Tel: (408) 297-2000  
 Fax: (408) 297-2001



**ASURE J - Continued**

Utilizing Shared Parking: The entertainment destination, near for and adjacent to the Great with the City's goals for the rent Area. Parking for Stadium ng areas owned by the City and including in the parking garage developed in the area by the well as in private lots in act with the Stadium Authority, and operated consistent with the igators under the ground lease ie Park or other arrangements

**COMPLETE TEXT OF MEASURE J - Continued**

7. Stadium in the Best Interest of the City: For all of the reasons stated above, the voters endorse development of the Stadium as generally described in the Term Sheet and in accordance with requirements to protect the City's general fund and enterprise funds as described in this Act, and find that the development of a Stadium is in the best interest of the City.

**Section 3. Municipal Code Amendments**

Title 17 (entitled "Development") of the City of Santa Clara Municipal Code is hereby amended by adding a new Chapter to be numbered Chapter 17.20 (entitled "Professional Football Stadium Ground Lease") to read as follows:

**"CHAPTER 17.20  
 PROFESSIONAL FOOTBALL STADIUM GROUND LEASE**

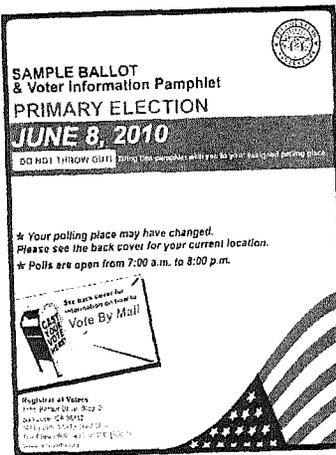
- 5. Binding Requirements:** This Act imposes binding requirements upon any ground lease for the Stadium, including:
- (a) Payment of projected fair market rent to the City's general fund.
  - (b) Creation of a separate governmental entity, the Santa Clara Stadium Authority, to lease the Stadium site from the City so that neither the City nor its Redevelopment Agency will be liable for the obligations of the Stadium Authority, including for operating expenses of the Stadium.
  - (c) No use of money from the City's general fund or enterprise funds for development of the Stadium, other than for relocation or reconfiguration of the adjacent electrical substation.
  - (d) A limit on the Redevelopment Agency's investment in Stadium construction.
  - (e) No new or increased City taxes for the citizens of Santa Clara, although hotels in the vicinity of the stadium will, if approved by a vote of the requisite number of affected total land owners, pay a special tax on hotel room revenue that would be used for Stadium related purposes.
  - (f) A private tenant of the Stadium will be responsible for paying Stadium construction cost overruns and for paying rent that is adequate to provide for operating expenses of the Stadium, including reasonable costs incurred by the City in providing public safety and traffic management and also including deposits to a reserve for future capital improvements to the Stadium.
6. Act can only be amended by the voters: This Act can only be amended by a vote of the City's voters, which means the voters will maintain control over any changes to the Act that might be proposed in the future.

- Sec. 17.20.010 Purpose**
- This Chapter is intended to further the City's goal of creating an enhanced entertainment destination in the "Daysore North Redevelopment Project Area by providing for the development and operation of a stadium suitable for professional football and other events (the "Stadium") in a manner that will provide a long-term revenue stream to the City.
- Sec. 17.20.020 Required Terms for a Ground Lease for a Stadium**
- Any ground lease by the City of Santa Clara ("City") of City property for the development and operation of a Stadium shall be consistent with all of the following minimum requirements:
- a) Any ground lease of City property for development and operation of a Stadium ("Ground Lease") shall be to a joint powers authority created by the City and the Redevelopment Agency of the City of Santa Clara (the "Agency") to be known as the Santa Clara Stadium Authority (the "Stadium Authority"), so that the City maintains ownership of the fee interest in the site.
  - b) The City shall not use or pledge any money from the City's general fund or enterprise funds for the development of the Stadium; provided, however, that if the City decides to relocate or reconfigure the electrical substation in the vicinity of the Stadium site, the Ground Lease or other agreements may provide that the City shall be responsible for the cost of that relocation or reconfiguration.
  - c) The City shall not subordinate its interest in the Stadium site or in any other property or in the Ground Rent to any financing or subsequent refinancing of the Stadium, and no City general fund monies or enterprise fund monies may be pledged as collateral for any Stadium Authority financing or subsequent refinancing.

*No new or increased City taxes for the citizens of Santa Clara, although in the vicinity of the stadium*

Official Santa Clara County Voter Information Pamphlet for the June 8th Primary Election; Section 2-B.5(e)

# NO Use of General Fund Money – Section 17.20.020(b)



**MEASURE J - Continued**

**Utilizing Shared Parking:** The entertainment destination, near or adjacent to the Great Entertainment Area, consistent with the City's goals for the Entertainment Area. Parking for Stadium areas owned by the City and including in the parking garage developed in the area by the City, as well as in private lots in the area, shall be operated consistent with the City's policies under the ground lease for the Stadium. Park or other arrangements

**COMPLETE TEXT OF MEASURE J - Continued**

7. Stadium in the Best Interest of the City: For all of the reasons stated above, the voters endorse development of the Stadium as generally described in the Term Sheet and in accordance with requirements to protect the City's general fund and enterprise funds as described in this Act, and find that the development of a Stadium is in the best interest of the City.

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- b) The City shall not use or pledge any money from the City's general fund or enterprise funds for the development of the Stadium; provided, however, that if the City decides to relocate or reconfigure the electrical substation in the vicinity of the Stadium site, the Ground Lease or other agreements may provide that the City shall be responsible for the cost of that relocation or reconfiguration.
- c) The City shall not subordinate its interest in the Stadium site or in any other property or in the Ground Rent to any financing or subsequent refinancing of the Stadium, and no City general fund monies or enterprise fund monies may be pledged as collateral for any Stadium Authority financing or subsequent refinancing.

5. **Binding Requirements:** This Act imposes binding requirements upon any ground lease for the Stadium, including:

- (a) Payment of projected fair market rent to the City's general fund.
  - (b) Creation of a separate governmental entity, the Santa Clara Stadium Authority, to lease the Stadium site from the City so that neither the City nor its Redevelopment Agency will be liable for the obligations of the Stadium Authority, including for operating expenses of the Stadium.
  - (c) No use of money from the City's general fund or enterprise funds for development of the Stadium, other than for relocation or reconfiguration of the adjacent electrical substation.
  - (d) A limit on the Redevelopment Agency's investment in Stadium construction.
  - (e) No new or increased City taxes for the citizens of Santa Clara, although hotels in the vicinity of the stadium will, if approved by a vote of the requisite number of affected hotel land owners, pay a special tax on hotel room revenue that would be used for Stadium related purposes.
  - (f) A private tenant of the Stadium will be responsible for paying Stadium construction cost overruns and for paying rent that is adequate to provide for operating expenses of the Stadium, including reasonable costs incurred by the City in providing public safety and traffic management and also including deposits to a reserve for future capital improvements to the Stadium.
6. Act can only be amended by the voters: This Act can only be amended by a vote of the City's voters, which means the voters will maintain control over any changes to the Act that might be proposed in the future.

**The City Shall not use or pledge any money from the City's general fund or enterprise funds for the development of the Stadium**

Official Santa Clara County Voter Information Pamphlet for the June 8th Primary Election, Section 17.20.020(b)

Paid for by Yes on J, Santa Clarans for Economic Progress, major funding by Forty Niners Stadium, LLC.  
FPPC ID# 1322649 2094 El Camino Real, Santa Clara, CA 95050, 408-217-7000

## Santa Clara WEEKLY

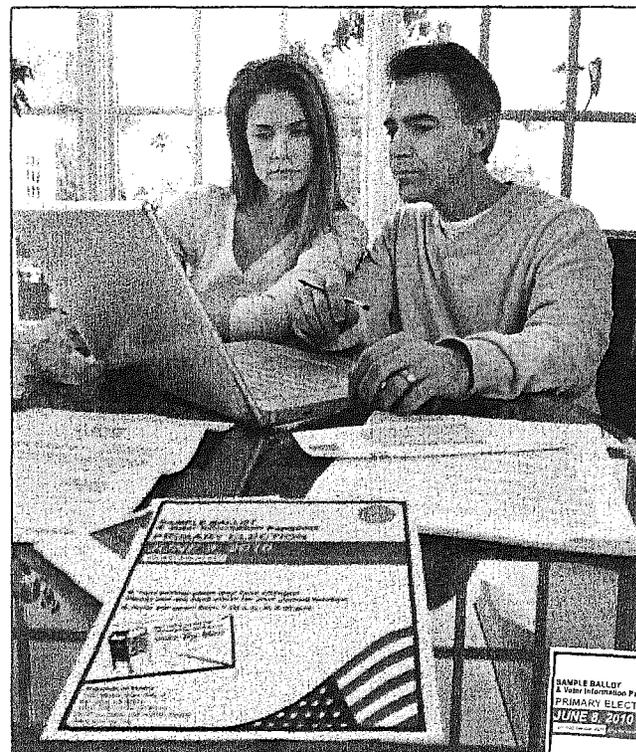
“With no out of pocket money from our general fund, no mortgage obligating taxpayers, cash flow for our City and our businesses, jobs for many ready to work, this is a project worthy of our support. The scales tip favorably for Measure J.”

Santa Clara Weekly Milestones column, 5/12/10

**YES ON MEASURE J**

[www.VoteYesonJ.com](http://www.VoteYesonJ.com)

protected under Measure J?



Go to the official  
Santa Clara County Voter Pamphlet...

Santa Clarans For Economic Progress  
2094 El Camino Real  
Santa Clara, CA 95050

Paid for by Santa Clarans for Economic Progress, sponsored and major funding by Forty Niners Stadium, LLC and a coalition of local residents, business owners, retirees, homeowners, civic leaders, elected officials and native Santa Clarans. FPPC ID#1322649 2094 El Camino Real, Santa Clara, CA 95050. (408) 217-7000



**"WE ARE ALL SANTA CLARA RESIDENTS** or active in Santa Clara life, and have agreed to have our names and photos used to express our public support for the new stadium project.

We urge you to seek out more information and answers to your questions about the Stadium project on the June 8th ballot by visiting any of the following:

**[www.SantaClaraStadiumFacts.com](http://www.SantaClaraStadiumFacts.com)**

Visit this site to see all studies, facts, analysis, and legal documents on the stadium project.

**House Parties**

To attend an informal house party in your neighborhood, call **408-217-7000**.

**[www.scforprogress.com](http://www.scforprogress.com)**

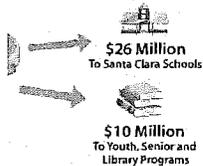
Visit this site to see and hear from hundreds of Santa Clara residents who are supporting the stadium project.

As you learn more, we think you'll join us in strongly supporting this project that will make Santa Clara an even better place to live, work and play."



## Will the project produce any funding to help our schools?

### Stadium Revenues to Schools and Community



"Yes. Using city redevelopment funds triggers \$26 million in new funds that will start flowing to the Santa Clara Unified School District when all stadium approvals are final. This can help our badly strapped schools maintain

excellent programs and staff."

– **Steve Stavis**, Superintendent,  
Santa Clara Unified School District



## What has been the experience with similar projects in the area?



"The HP Pavilion in San Jose has been a huge economic engine for the surrounding community. It was funded entirely with 100% redevelopment funds and no private investment. A recent

independent economic analysis concluded that the Pavilion has generated more than \$1.7 billion in economic activity in the City of San Jose over the past 15 years and created approximately 5,000 new jobs."

– **Larry Stone**,  
Santa Clara  
County Assessor



## What is the impact for Santa Clara seniors?

"Very positive. First, we've protected taxpayers so that there will be NO NEW TAXES and no impact to our General Fund. Our city staff is very fiscally conservative, and they did an excellent job making sure our seniors are financially protected.

Second, we required the 49ers to pay an additional fee on every ticket sold so seniors actually benefit from the stadium. This fee will provide the city with up to \$10,000,000 in new revenue for programs for seniors, youth and libraries."



– **Kevin Moore**,  
Santa Clara City Councilmember

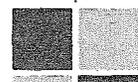
## Bottom line, is this good for the city?

"My family's been a part of Santa Clara for generations. We dearly cherish the lifestyle and the community.

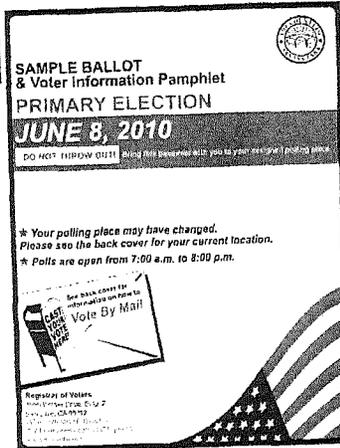
I strongly believe that, much like the Triton Museum and Great America, this project will be a community asset, adding visitor business while producing revenue and economic opportunities for locals. Santa Clara has always been on the cutting edge of progress – and the stadium is our opportunity to continue that tradition."



– **Rosalie Wilson**, President,  
Santa Clara Triton Museum of Art



# 49ers Are Responsible for ALL Construction Cost Overruns – Section 2-A.3



**MEASURE J**  
 Santa Clara Stadium Taxpayer

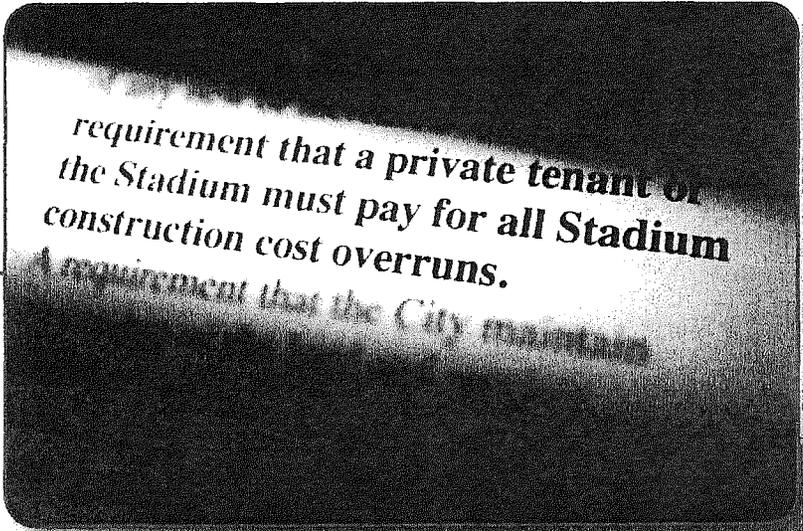
**COMPLETE TEXT OF MEASURE J - Continued**

however, to the binding requirements set forth in this Act to safeguard the City's general and enterprise funds and protect City taxpayers. More specifically, the voters declare their purposes in enacting this Act to be as follows:

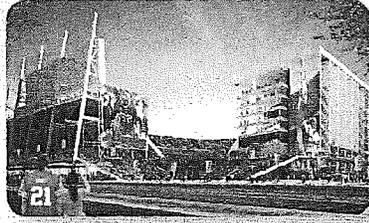
- 1. Generate New Revenue for Santa Clara:** The development of a Stadium will further the City's goal of creating an entertainment destination in the Bayshore North Redevelopment Project Area that will provide a long-term revenue stream to the City.
- 2. Create New Jobs:** The Stadium will create thousands of new jobs in Santa Clara and the surrounding area and will generate tens of millions of dollars in new annual economic activity for Santa Clara businesses. Stadium events will generate new business for the Convention Center and local hotels and restaurants and will encourage the creation of new businesses in the area.
- 3. Provide Taxpayer Protections:** The Act requires that a lease of City land for development of a Stadium must meet certain requirements to safeguard the City's general and enterprise funds and protect City taxpayers. Requirements include assurance that the Stadium development will not require or rely upon the imposition of any new or increased City taxes, a requirement that a private tenant of the Stadium must pay for all Stadium construction cost overruns, a requirement that the City maintain ownership of the land and receive payment into the City's general fund of fixed base rent and performance based rent that together are projected to provide fair market rent, and a prohibition on the use of money from the City's general fund and enterprise funds in the construction of the Stadium.
- 4. Generate Community Funding:** A fee will be added to the price of tickets for certain stadium events to secure additional funding for libraries, senior activities and youth sports programs serving Santa Clara residents. The development of the Stadium will also provide substantial new revenue for the Santa Clara Unified School District.

**B. Findings and Declarations.** The people of the City find and declare the following:

- 1. New Jobs and City Revenue:** With the local economy hurting, this Act will create new jobs and economic activity and will provide a long-term revenue stream to the City, including (a) projected fair market rent for the use of City land for development of the Stadium; (b) significant economic benefits resulting from activities that support the Convention Center and the hotels and restaurants in the City and encourage new restaurant and retail services that support the daily business activity in the area; and (c) up to Two Hundred Fifty Thousand Dollars (\$250,000) per year of funding for City programs for parks and recreation and libraries, including senior activities and the Youth Championship Team Fund, through the collection of a fee imposed on tickets to professional football games.
- 2. Taxpayer Protections:** The City Council has endorsed a term sheet ("Term Sheet"), attached hereto for informational purposes, that outlines terms that will apply to the development and operation of the Stadium, including the creation of a separate governmental entity, the Santa Clara Stadium Authority, to lease the Stadium site from the City. The City and its Redevelopment Agency will not be liable for the obligations of the Stadium Authority. As described in the Term Sheet, the Stadium Authority will pay fixed base rent plus performance based rent equal to fifty percent (50%) of certain revenues less expenses from Non-NFL Events (less specified deductions), and together the fixed base rent and performance based rent are projected to provide a fair market rent to the City's general fund. An affiliate of the San Francisco 49ers will lease the Stadium from the Stadium Authority for an initial term of forty (40) years and will be responsible to pay a minimum base rent, and will also be required to pay operating expenses of the Stadium to the extent these expenses exceed the Stadium Authority's operating revenues. In this way, the Stadium Authority is assured that it will have funds available to pay both the ground rent to the City and operating expenses of the Stadium. The Act contains the essential protections to the City outlined in the Term Sheet, and provides a framework for appropriate Stadium development that will enable the City to capture the benefits of Stadium development, while protecting City taxpayers.
- 3. Multi-Use Community Facility:** The Stadium has been proposed to be developed on a site located at the intersection of Tasman Drive and Centennial Boulevard, near the current training facility and corporate headquarters for the San Francisco 49ers. The open air Stadium will contain approximately 68,500 seats, expandable to approximately 75,000 seats for special events, such as the NFL Super Bowl. As described in the Term Sheet, the San Francisco 49ers will commit to play their home games in the Stadium, which could also be used as the home stadium of a second professional football team. In addition to professional football games, the Stadium will also be used for other sporting events, as well as concerts, community activities, and other gatherings.



Official Santa Clara County Voter Information Pamphlet for the June 8th Primary Election; Section 2-A.3

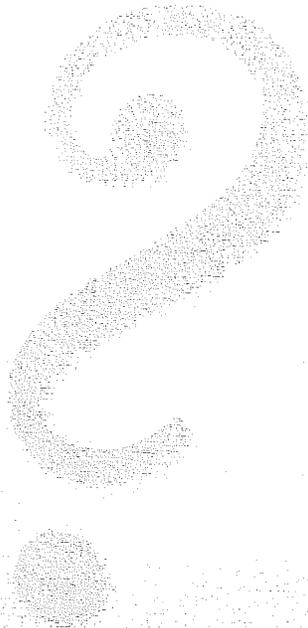


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A STADIUM FOR SANTA CLARA

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**You May Have  
Some Questions...**





# Santa Clarans Have Answers

**"As people who care about Santa Clara and have spent our careers serving the community, we've cautiously examined the plans for a 49ers stadium for two years.**

We've read the studies, looked carefully at the economics, and asked many of the same tough questions you have now. We urge you to read this brochure for answers, attend a house party in your neighborhood, and visit the websites noted on the back of this brochure.

As you find out more about the stadium plans, we believe you'll join us and make Santa Clara an even better place by voting yes on June 8th."



# Q&A

## What impact will the stadium have on our community?



"Santa Clara is a wonderful community. The new stadium will enhance our City by bolstering the local economy. It will generate work for existing small businesses and also create new entertainment, dining and retail options."

One additional and important benefit is that the stadium will provide badly needed new revenue for our schools without raising taxes."

– **Patricia Mahan,**  
*Mayor of Santa Clara*

## What will the economic impact be?

"The project will produce \$249 million annually in direct economic impact for our region, according to an independent economic analysis."

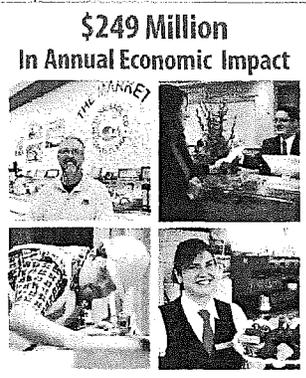
Santa Clara's restaurants, hotels, retail shops, tourist attractions and convention center will all see these benefits firsthand – and that means more entertainment, dining and retail options for local residents throughout the year."



– **Steve Van Dorn,**  
*President & CEO,  
Santa Clara Chamber  
of Commerce, pictured  
with members of the  
Chamber of Commerce  
Board of Directors*

## How many jobs will be created – and are they mostly hot dog vendors and the like?

"Game-day jobs are only a minor part of the economic impact. This project will create more than 2,200 permanent jobs, providing a long-term boost for our community."



**\$249 Million**  
In Annual Economic Impact

These are good jobs in existing or new businesses – new cooks at local restaurants, new hotel staff to handle additional guests, new convention center staff to accommodate more events."

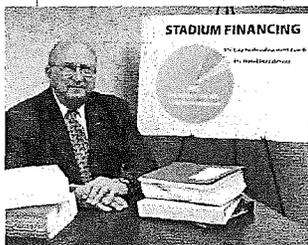
Additionally, 1,300 jobs would be created in the region during the construction phase, and an annual average of 700 additional construction jobs will be created building the stadium. When completed, there will be another 2,600 game-day jobs as well."



– **Barbara Ratcliffe,**  
*General Manager,  
Biltmore Hotel and  
Suites; Past Chair,  
Santa Clara Chamber  
of Commerce*

## How will the stadium project be financed?

"The facts are that the city is responsible for 8% of the cost of the project. Hotels in the region will vote to invest 4% of the cost through a surcharge on room rates. The 49ers, the NFL and the revenues generated by the stadium will cover 88% of the \$937 million cost.



The city's only direct investment comes from \$42 million in Redevelopment Agency funds, which can only be used in certain areas

for development projects that generate economic impact like this one. No monies will come from the City's General Fund."

– **Don Von Raesfeld**, Former Santa Clara City Manager and City Councilmember

## Are taxpayers at risk?

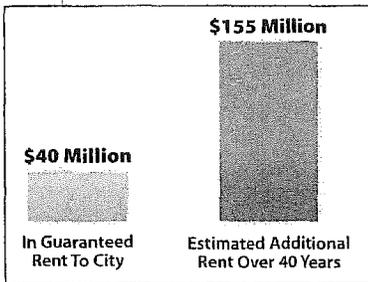


"No. Two years of negotiations have produced strict and legally binding language in this ballot measure that specifically and explicitly protects Santa Clara taxpayers.

The measure's iron-clad language states that there can be NO new city taxes and NO use of the city's general fund for this project. There will be no cost to Santa Clara residents. Period."

– **Jamie Matthews**,  
Santa Clara City Councilmember

## Is the city guaranteed revenue from the project?



"Yes. Santa Clara is guaranteed a minimum of \$40 million in rent over the 40 year lease agreement. It's estimated the city will get an additional \$155 million in rent from other events."



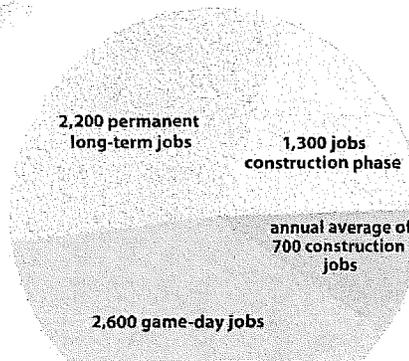
– **Dominic Caserta**,  
Vice Mayor of Santa Clara

## What happens if construction or operating costs exceed estimates?

"The 49ers are legally required to cover all construction and operating cost overruns."



– **George Netto**,  
Business Agent, Teamsters  
Local 287, and Santa Clara resident



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For Scho



Yes on J, Santa Clarans for Economic Progress  
2094 El Camino Real  
Santa Clara, CA 95050



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Paid for by Yes on J, Santa Clarans for Economic Progress, major funding by Forty Niners Stadium, LLC. FPPC ID# 1322649 2094 El Camino Real, Santa Clara, CA 95050, 408-217-7000

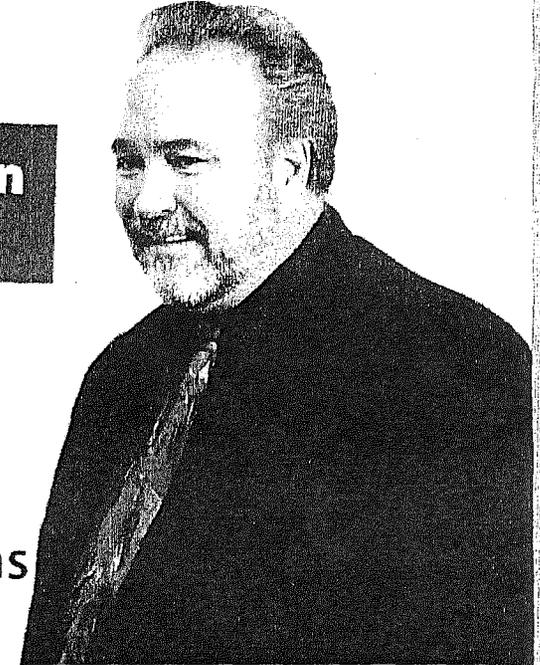


**Patricia Mahan**  
Santa Clara Mayor

**Legally Binding Language In  
Stadium Ballot Measure**

[www.SantaClaraCA.gov](http://www.SantaClaraCA.gov)

- NO new taxes on residents
- NO ... and money
- ... pay ALL cost overruns



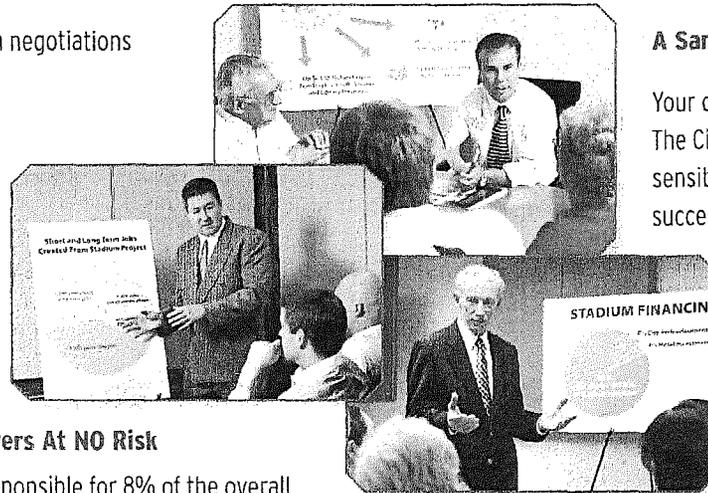
**Jamie Matthews**  
Santa Clara City Council Member

We recommend a YES vote on Measure J because it contains  
**IRONCLAD PROTECTIONS FOR SANTA CLARA TAXPAYERS**

# Two Years Of Tough Negotiations Have Produced Guarantees That Santa Clara Taxpayers Will Incur NO New Taxes and NO New Costs

"Measure J is the product of two years of tough negotiations with the San Francisco 49ers.

The city's staff and elected officials have carefully examined the results of independent economic and environmental analyses, commissioned our own studies, sought the advice of economic and fiscal experts, and learned from both the shrewd steps and the past errors of other cities across the country.



## Financing That Puts The City and Its Taxpayers At NO Risk

Under the terms we've negotiated, the city is responsible for 8% of the overall cost of the project. Hotels in the region will invest 4% of the cost through a surcharge on rooms. The 49ers and revenues generated by the stadium will cover the remaining 88% of the cost.

The city's share of the stadium's construction cost is \$42 million in Redevelopment Agency funds, which can only be used in certain areas and are intended for projects that improve the quality of life and generate economic activity. These funds are not part of the City's general fund.

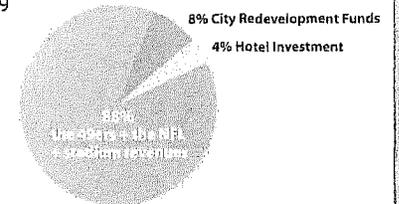
Endorsements are from individuals only.  
Organizations listed for identification purposes only.

## A Santa Clara Tradition Of Progress With Fiscal Prudence

Your city staff is experienced, skilled and fiscally conservative. The City Council approached negotiations with a bottom-line sensibility that comes from a successful history of developing

other prudent investments - from Great America to the convention center to our municipal power company.

## STADIUM PROJECT FINANCING



We are extremely confident that the ironclad language of this ballot measure specifically and explicitly protects the taxpayers of Santa Clara while producing tangible guaranteed benefits for our community."

- Mayor Patricia Mahan
- Vice Mayor Dominic Caserta
- City Council Member Jamie Matthews
- City Council Member Kevin Moore
- City Council Member Joe Kornder

**On June 8th,  
Vote YES on Measure J**

**NO New or Increased Taxes on Residents ■ NO Use of General Fund Dollars ■ 49ers Responsible for ALL Cost Overruns**

To read the taxpayer protections included in Measure J's legally binding language, go to [www.SantaClaraStadiumFacts.com](http://www.SantaClaraStadiumFacts.com) or view the city's detailed analysis at [www.SantaClaraCA.gov](http://www.SantaClaraCA.gov)

Stadium Proposal

For



In response to over 7,000 petition signatures of Santa Clara residents gathered by stadium supporters,

The City Council has placed a measure on the June 8th election ballot to let voters decide if the construction of a stadium here in Santa Clara should move forward.



*For more information about the measure – and how you can research information on your own – please see inside.*

# Analysis of Impact on



*Santa Clara Mayor  
Patricia Mahan*

“After extensive and careful study, I believe this project will provide great benefits to our community, with NO costs or financial risk to Santa Clara residents.”

– Santa Clara Mayor Patricia Mahan

THE STADIUM PROJECT we put forth for your consideration is the product of two years of tough negotiations with the San Francisco 49ers.

The city’s staff and elected officials have carefully considered the results of independent economic and environmental analyses, commissioned our own studies, sought the advice of economic and fiscal experts, and learned from both the shrewd steps and the past errors of other cities across the country.

A majority of the City Council members and I believe this project will improve upon the high quality of life we enjoy here in Santa Clara without burdening our community with any financial risk.

# Taxpayers and the City

## RETURN ON INVESTMENT TO SANTA CLARA

### Guaranteed New Revenue To The City

Under the terms we've negotiated, the city will continue to own the land where the stadium is to be built, and will earn fair market rent, including:

- a guaranteed minimum of \$40 million in rent over the next 40 years
- an estimated \$155 million from other events

**\$40 Million**



In Guaranteed Rent To City

**\$155 Million**

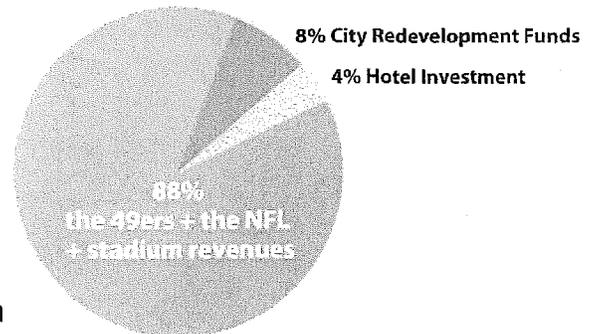


Estimated Additional Rent Over 40 Years

### Financing That Puts The City and Taxpayers At NO Risk

The city is responsible for 8% of the cost of the project, hotels in the region will invest 4% of the cost through a surcharge on rooms, while the team and the revenues generated by the stadium will cover 88% of the \$937 million cost.

## STADIUM FINANCING



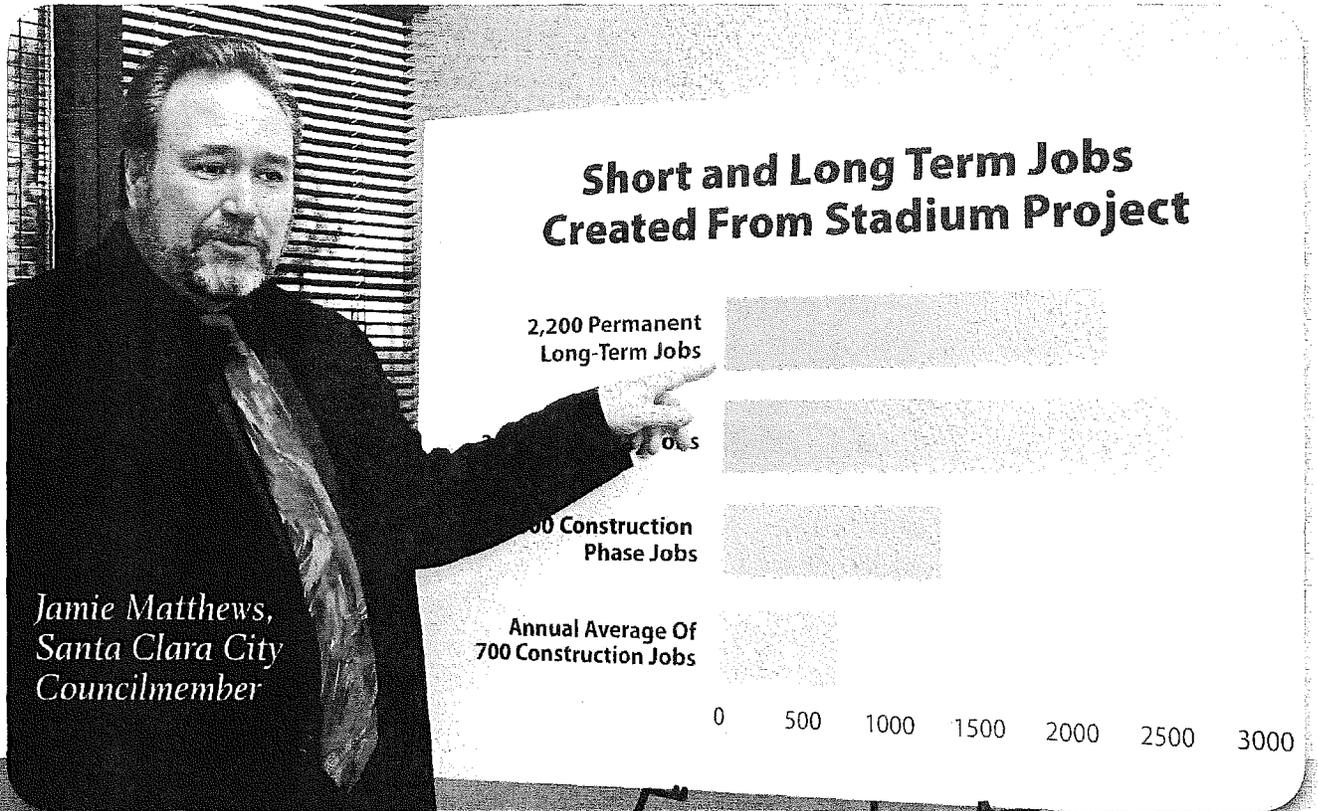
The city's share, and its only direct investment, comes from \$42 million in Redevelopment Agency funds, which can only be used in certain areas for development projects that generate economic activity.

The measure specifically protects our city's taxpayers against any risk through the inclusion of these legally binding provisions:

- *NO new or increased city taxes*
- *NO use of general fund dollars*
- *The 49ers are responsible for ALL cost overruns*

We are supremely confident that the iron-clad language of this ballot measure specifically and explicitly protects the taxpayers of Santa Clara while producing tangible guaranteed benefits for our community.

# Analysis of Impact on



*"I'm not a football fan. I don't know a field goal from a free throw.*

*But I do know this measure will give Santa Clara an economic boost today, and a foundation for prosperity for years to come."*

*- Jamie Matthews, Santa Clara City Councilmember*

THE CITY COUNCIL and city staff have looked closely at the economic studies and projections involving the stadium project. The Mayor, Vice Mayor and a majority of the Council members have concluded that this project will be tremendously beneficial to Santa Clara's residents and our local economy.

We see this as a chance for Santa Clara to expand our entertainment and retail options, help our local businesses thrive and expand, and boost the prosperity of our community both in the short term and for decades to come.

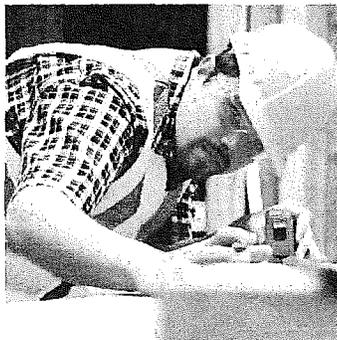
# Santa Clara's Economy

The stadium project will produce these very tangible, positive impacts at no financial risk to our residents:

- An estimated annual \$249 million in economic activity in the region
- More than 1,300 new jobs created during the construction phase
- More than 2,200 new and permanent jobs created once the stadium is complete
- An additional annual average of 700 construction jobs
- Another 2,600 game-day jobs

Regardless of whether you are a sports fan, this measure offers Santa Clarans a truly unique opportunity to make our community an even better place to live, work and play.

## \$249 Million In Annual Economic Impact



# Analysis of Impact on



**Steve Stavis**  
Santa Clara Unified School  
District Superintendent



**Elaine Alquist**  
State Senator and  
Santa Clara Resident



**Don Callejon**  
Former Santa Clara Unified  
School District Superintendent

**“The stadium project will produce \$26 million in vitally needed new funding to the Santa Clara Unified School District.”**

# Santa Clara Schools

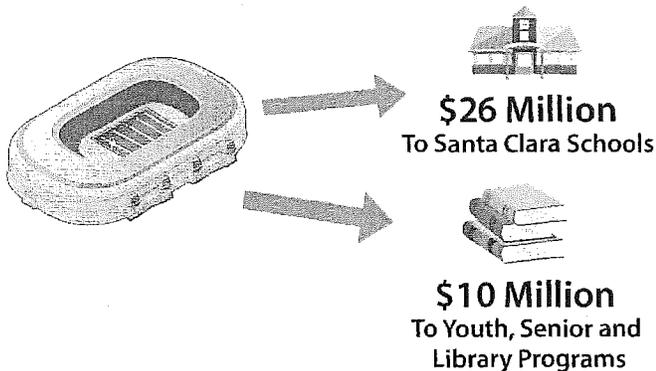
WE ARE ALL WELL AWARE that the state's economic situation is impacting our schools here in Santa Clara. Teachers are being laid off and class sizes are on the rise.

By contributing redevelopment agency funds to the stadium project, the city will trigger a total of \$26 million in new money for the Santa Clara Unified School District.

This is vital funding that can help us keep class sizes manageable, retain our best

teachers, and maintain the high quality instruction we're accustomed to here in Santa Clara.

## Stadium Revenues For Schools and Community

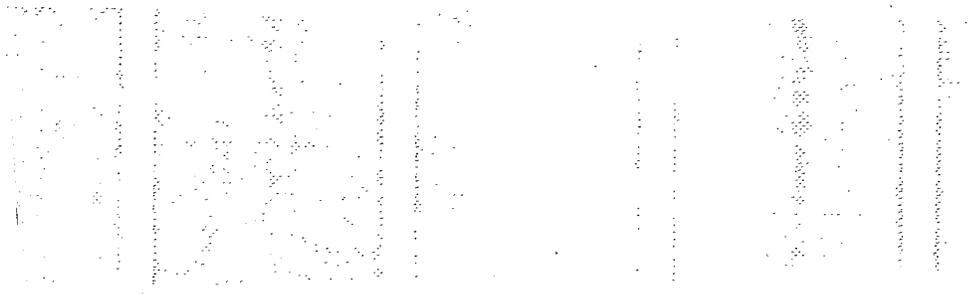


In addition, a surcharge on all 49ers game tickets will generate another \$10 million for library, youth and senior programs in Santa Clara.

We can't afford to pass up this opportunity to improve our

community by helping to strengthen our local schools at a time when they are facing great financial stress.

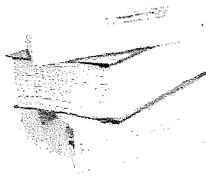
That's why the Santa Clara School Board voted unanimously on February 18th to support the stadium project.



Two years of negotiations, exhaustive study and careful economic analysis have produced a thoroughly examined, carefully considered project.

---

**See the FACTS on the stadium project  
for yourself at:**



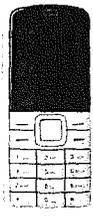
**[www.SantaClaraStadiumFacts.com](http://www.SantaClaraStadiumFacts.com)**

See all studies, facts, analysis and legal documents on the stadium project at this site.



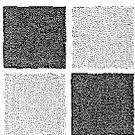
**House Parties**

Attend a house party with your neighbors to hear more and ask your own questions by calling the number below.



**Call 408-217-7000**

Request more information on the project.



***See and hear from hundreds of your neighbors and fellow Santa Clara residents who support the stadium project at: [www.scforprogress.com](http://www.scforprogress.com)***

# IRONGLAD TAXPAYER PROTECTIONS

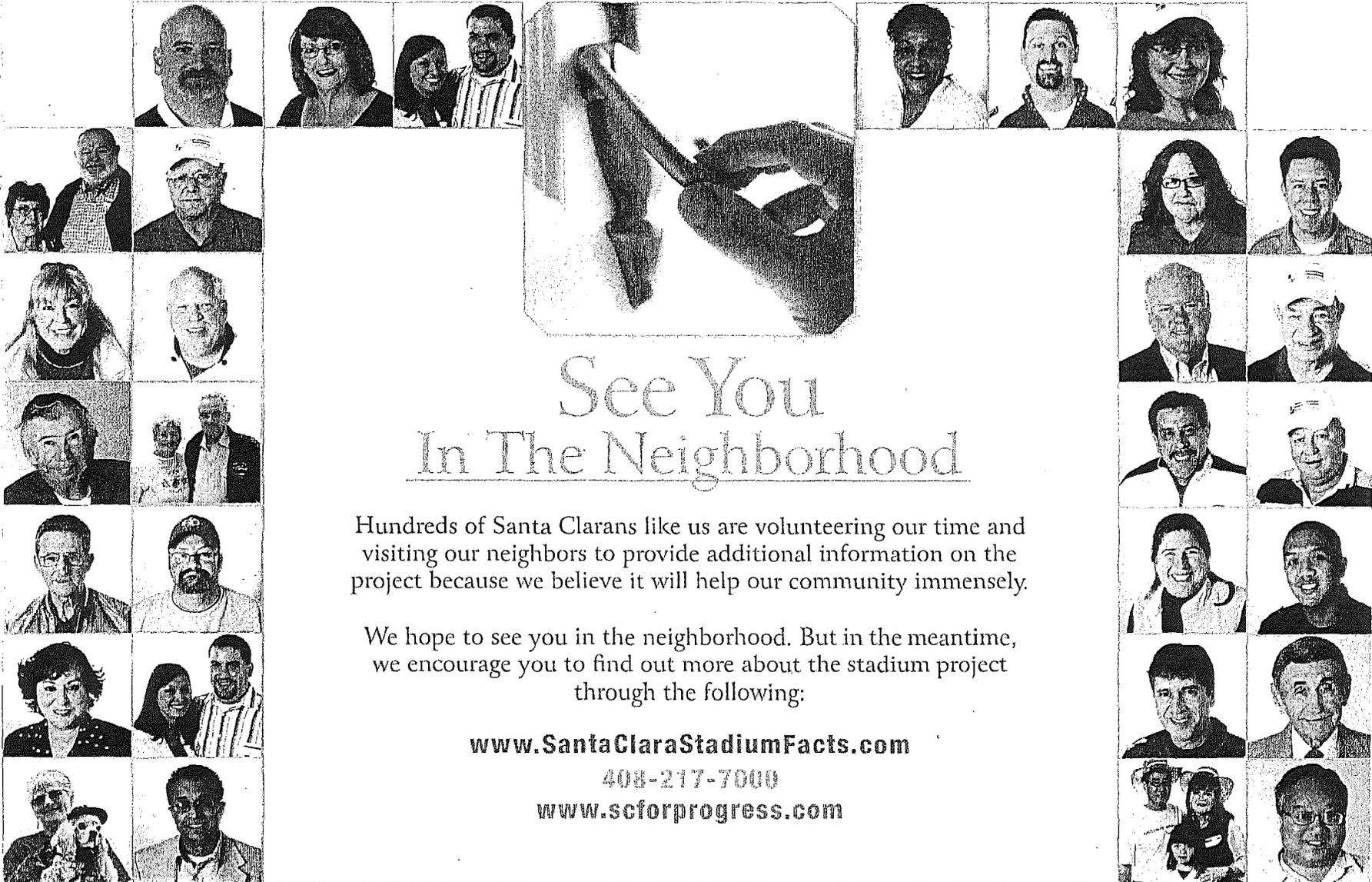


**Two Years of  
Tough Negotiations**  
on the Santa Clara stadium project have produced

Yes on J, Santa Clarans for Economic Progress  
2094 El Camino Real  
Santa Clara, CA 95050

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Paid for by Yes on J, Santa Clarans for Economic Progress, major funding by Forty Niners Stadium, LLC. FPPC ID# 1322649 2094 El Camino Real, Santa Clara, CA 95050, 408-217-7000



# See You In The Neighborhood

Hundreds of Santa Clarans like us are volunteering our time and visiting our neighbors to provide additional information on the project because we believe it will help our community immensely.

We hope to see you in the neighborhood. But in the meantime, we encourage you to find out more about the stadium project through the following:

[www.SantaClaraStadiumFacts.com](http://www.SantaClaraStadiumFacts.com)  
408-217-7000  
[www.scforprogress.com](http://www.scforprogress.com)

## 1 Fund Dollars

...or pledge any money  
...eral fund or enterprise  
...pment of the Stadium

StadiumFacts.com  
... language and terms.

## 49ers Responsible For ALL Cost Overruns

... requirement that a private tenant of  
... the Stadium must pay for all Stadium  
... construction cost overruns.

As a result, the measure voters will consider on June 8th contains strict protections in its legally binding language.

Santa Clara's redevelopment agency has funds that can only be used in certain areas and are intended for projects that improve the quality of life and generate economic activity. The redevelopment agency's maximum investment in the stadium is \$42 million. These funds are not part of the City's general fund.

### The City's Analysis: Strict Taxpayer Protections

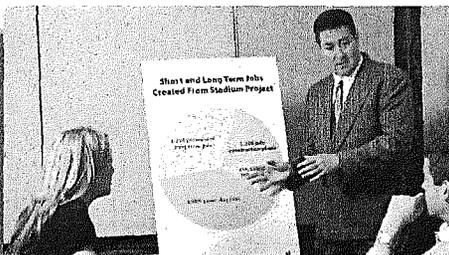
The city's economic analysis confirms that Santa Clara residents are protected against cost increases. The city will also receive valuable short and long term benefits.

We can continue this tradition of economic progress with solid taxpayer protections for future Santa Clarans by approving the stadium project on June 8th.

#### Legally Binding Language In Stadium Ballot Measure

- NO new city taxes
- NO general fund money
- 49ers pay ALL cost overruns

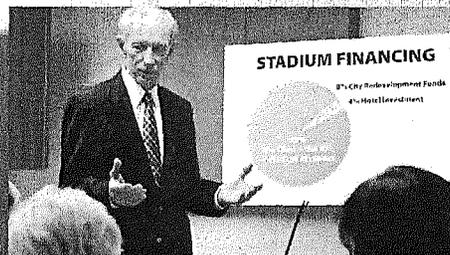
Councilmember



Kevin Moore, Santa Clara City Councilmember



Dominic Caserta, Santa Clara Vice Mayor



Joe Kornder, Santa Clara City Councilmember

## NO New Or Increased City Taxes

No new or increased City taxes for the citizens of Santa Clara, although the vicinity of the stadium

## NO Use Of Genera

The City Shall not use from the City's general funds for the develop

Go to [www.SantaClara](http://www.SantaClara) to view the ballot measur

**As Santa Clarans,** we enjoy a lifestyle that's the envy of many in the Bay Area.

Our city has a long tradition of taking responsible steps to move us forward, while maintaining our small town charm.

From the development of Great America, the city golf course and convention center, to successful recruiting of high tech businesses to locate here, Santa Clara has kept our local economy strong and managed our

finances carefully, while resisting unbridled growth.

The city's approach to the proposed new stadium has followed the same pattern.

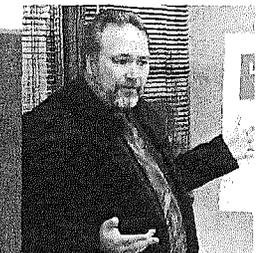
While some cities might have been overanxious to capture the substantial economic benefits that will come with this major project, our city staff and council took a long term view. Their negotiations were careful, methodical and focused on protecting Santa Clara's taxpayers first and foremost.

**After careful study and tough negotiations, the stadium project has the support of Mayor Mahan and a majority of City Council members, and the unanimous endorsement of the Santa Clara school board.**

All endorsements are from individuals only. Organizations listed are for identification purposes only.



Patricia Mahan, Santa Clara Mayor



Jamile Matthews, Santa Clara Council member

# The Facts on Santa Clara's Stadium Proposal

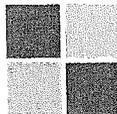
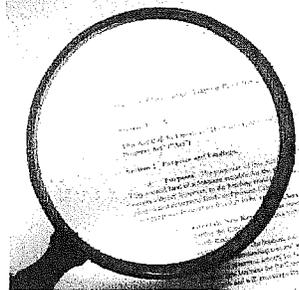
**New Jobs**



**Long-Term  
Economic  
Growth**



**Iron-Clad  
Taxpayer  
Protections**



**Santa Clarans for Economic Progress**



# Economic Impact: Vibrant Local Businesses and A More Prosperous Santa Clara

The stadium project proposed for the City of Santa Clara will provide enormous economic benefits to our city in both the short and long term. According to the San Jose Mercury News, the economic impact analysis estimated the stadium would generate "hundreds of millions of dollars for the local economy."<sup>1</sup>

## Badly Needed Jobs Now and Into The Future

An independent economic analysis estimated that the stadium will create over 1,300 new jobs during its construction, plus more than 2,200 full and part time jobs at existing and new businesses in the region that will continue after the stadium is completed.<sup>2</sup>

It's also projected that the stadium will create an annual average of 700 construction jobs while the stadium is being built, and another 2,600 game-day jobs once it opens.

## A Stronger Economy and An Even Better Santa Clara

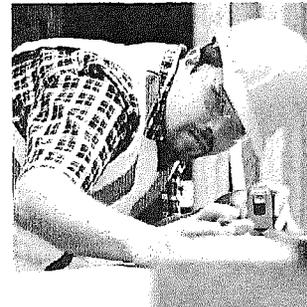
From Santa Clara restaurants to hotels, retail shopping, tourist attractions and our own convention center, thousands of small business owners and employees in our community will be the direct beneficiaries of this unique economic opportunity.

To see all studies, facts, analysis and legal documents on the stadium project, go to: [SantaClaraStadiumFacts.com](http://SantaClaraStadiumFacts.com)

*"We have a unique opportunity to provide the community with an economic shot in the arm today, and a foundation for prosperity for years to come."*



**Carl Guardino**  
President and CEO,  
Silicon Valley  
Leadership Group



**1,300 jobs  
during  
construction**



**\$249 million  
in new  
economic  
activity**



**2,200  
permanent  
new jobs**

1. San Jose Mercury News, 4-5-07  
2. Convention Sports and Leisure study, 4-4-07



**George Netto**  
Santa Clara resident  
and Business Agent,  
Teamsters Local 287



**Barbara Ratcliffe**  
General Manager, Biltmore  
Hotel and Suites &  
Past Chair, Santa Clara  
Chamber of Commerce



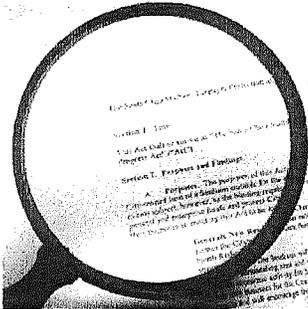
**Steve Van Dorn**  
President & CEO, Santa  
Clara Chamber of  
Commerce



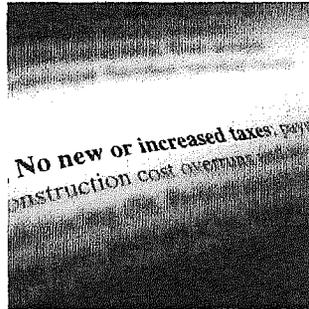
**Ken and Lucie Smith**  
Owners, Andy's  
BarBQue Restaurant,  
Santa Clara

All endorsements are from individuals only. Organizations listed above are for identification purposes only.

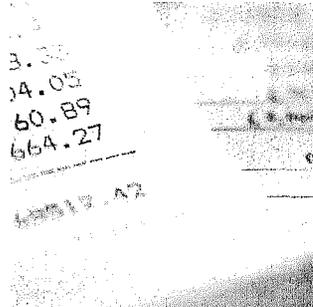
# Guaranteed Revenue With Iron-Clad Protections For Santa Clara Taxpayers



**NO  
New City  
Taxes**



**NO risk  
to the  
general  
fund**



**49ers are  
responsible  
for ALL cost  
overruns**

To see all studies, facts, analysis and legal documents on the stadium project, go to: [SantaClaraStadiumFacts.com](http://SantaClaraStadiumFacts.com)

*"This project legally requires that there will be **NO** costs whatsoever to Santa Clara residents. The community will benefit significantly without taking on risk."*



**Patricia Mahan**  
Santa Clara Mayor



**Don Von Raesfeld**  
Former Santa Clara  
City Manager and City  
Councilmember



**Larry Stone**  
Santa Clara Co.  
Assessor



**Elaine Alquist**  
State Senator and  
Santa Clara resident



**Manny Ferguson**  
Santa Clara Chief of  
Police, Retired

Two years of negotiations have produced strict and legally binding language in this ballot measure that specifically and explicitly protects Santa Clara taxpayers.

## New Revenues To The City and Our Schools

According to the New York Times, "the city would receive a guaranteed \$40 million in rent over 40 years and an estimated \$155 million from other events."<sup>1</sup> The Santa Clara Unified School District would benefit from another \$26 million in revenues starting when all stadium approvals are final.

## No New City Taxes • 49ers Responsible For ALL Cost Overruns

The measure specifically requires that there can be NO new city taxes and NO money from the city's general fund can be used for this project.<sup>2</sup>

The city's only direct investment comes from \$42 million in Redevelopment Agency funds, which are not part of the general fund and which can only be used in certain areas for development projects that generate economic activity. The measure holds the 49ers legally and financially accountable for ALL cost overruns.<sup>3</sup>

The city's economic analysis confirms that financial protections will be in place for Santa Clara residents while our city is guaranteed valuable short and long term benefits.<sup>4</sup>

1. New York Times, 1-29-10 2. Term sheet (available at [www.SantaClaraStadiumFacts.com](http://www.SantaClaraStadiumFacts.com)) 3. Ibid 4. Analysis of Santa Clara City Manager, 5-29-09



"We are all Santa Clara residents or active in Santa Clara life, and have agreed to have our names and photos used to express our public support for the new stadium project.

We urge you to go to [www.scforprogress.com](http://www.scforprogress.com) to see our names, hear more from us, and find out the details of the stadium project for yourself.

As you learn more, we think you'll join us in strongly supporting this project that will make Santa Clara an even better place to live, work and play."

*We thought it would be a bit awkward if all of us  
showed up on your doorstep...*



*...so we dropped off this booklet of facts for you to review.  
We encourage you to find out more about the stadium project and the  
hundreds of Santa Clara residents like us who support it, by going to:*

**[www.scforprogress.com](http://www.scforprogress.com)**

Paid for by Santa Clarans for Economic Progress Sponsored and major funding by Forty Niners Stadium, LLC and a coalition of local residents, business owners, retirees, homeowners, civic leaders, elected officials and native Santa Clarans. FPPC ID # 1322649 - 2094 El Camino Real - Santa Clara, CA 95050. (408) 217-7000

# Santa Clara Police Chief Steve Lodge on Measure J's Impact on Public Safety



**"I'm the Police Chief.**

I have one job to do: protect the safety of the citizens of Santa Clara.

I view every decision I make through that lens: does it help me protect Santa Clarans and make our city safer?

All firefighters and police officers pictured here are either current or retired from the Santa Clara Fire or Police Departments. Those pictured were not on duty at the time of the photo. Fire engine pictured is a retired vehicle, not a Santa Clara City fire engine.



Measure J is supported by Police Chief Steve Lodge, the Santa Clara Police Officers Association and Santa Clara Firefighters Local 1171

After looking at the language carefully, I am confident Measure J does two important things:

1. Measure J generates guaranteed new revenue that can help Santa Clara continue to provide the high-quality police and fire protection that our citizens deserve - without raising taxes on city residents.
2. Measure J requires that the 49ers cover all stadium operating expenses, including public safety costs. This prevents any diversion of general fund dollars away from public safety."

- Steve Lodge, Police Chief

## Police Chief Lodge Recommends Vote YES on Measure J

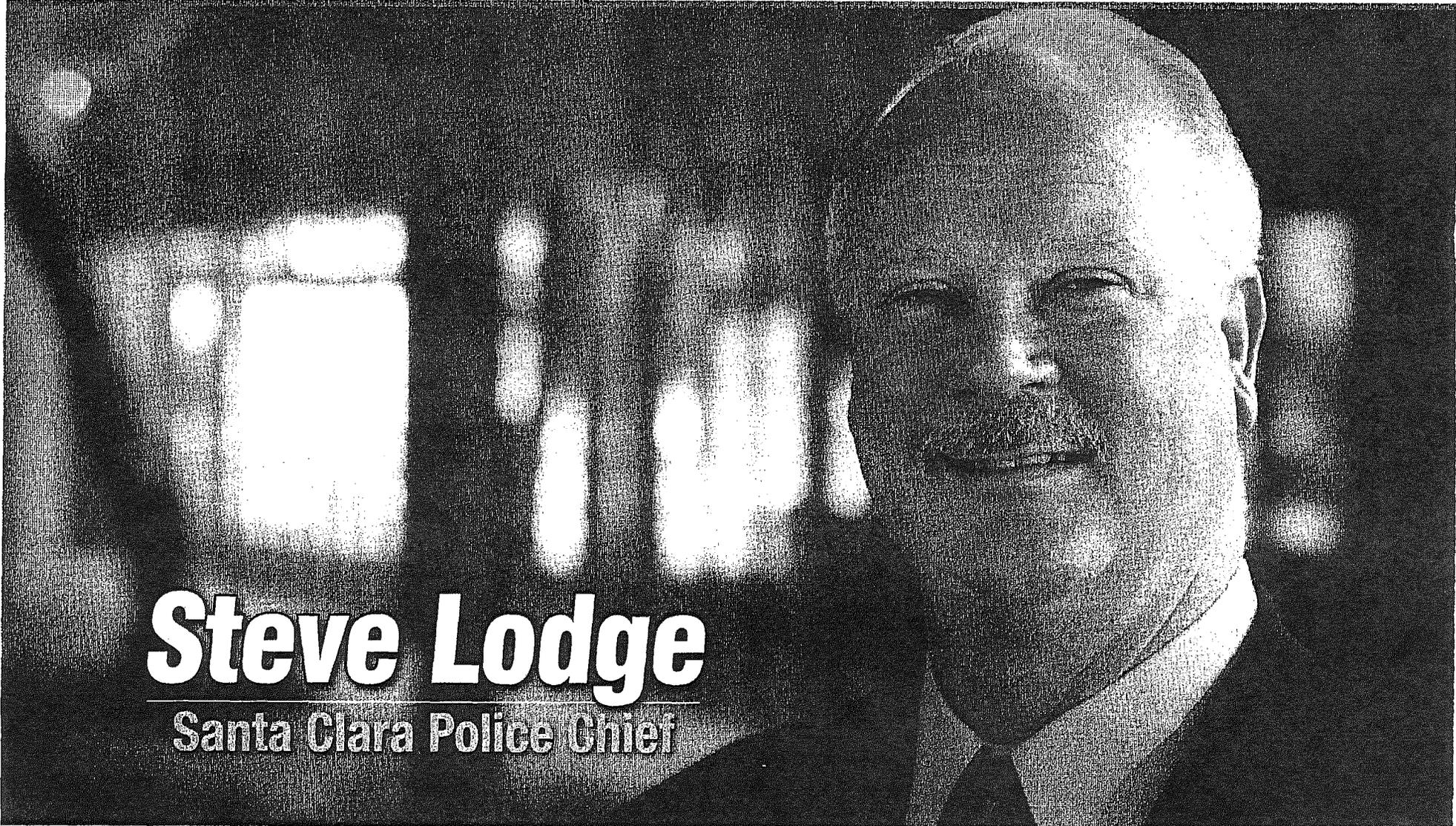
Read more about Measure J and the guaranteed revenue it will bring to Santa Clara to help maintain high-quality public safety services by going to the city's website at [www.SantaClaraCA.gov](http://www.SantaClaraCA.gov)

Yes on J, Santa Clarans for Economic Progress  
2094 El Camino Real  
Santa Clara, CA 95050



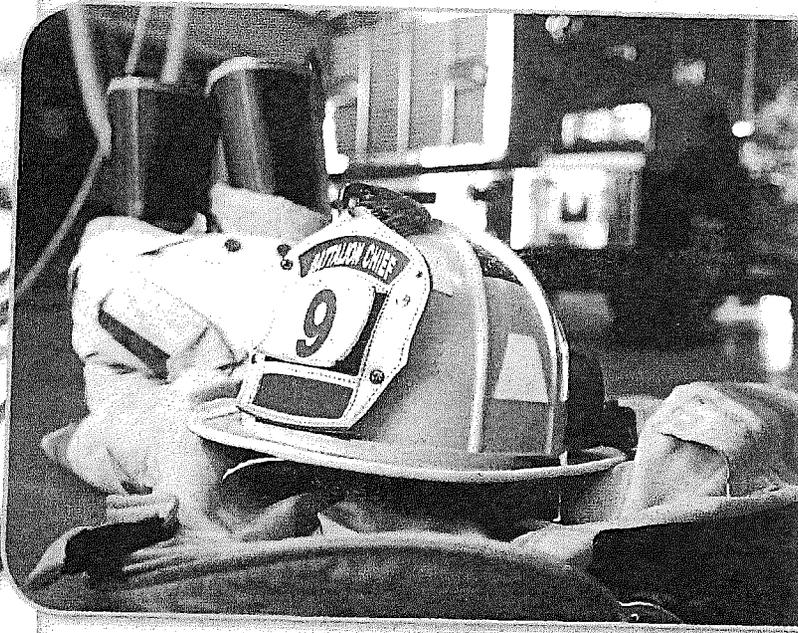
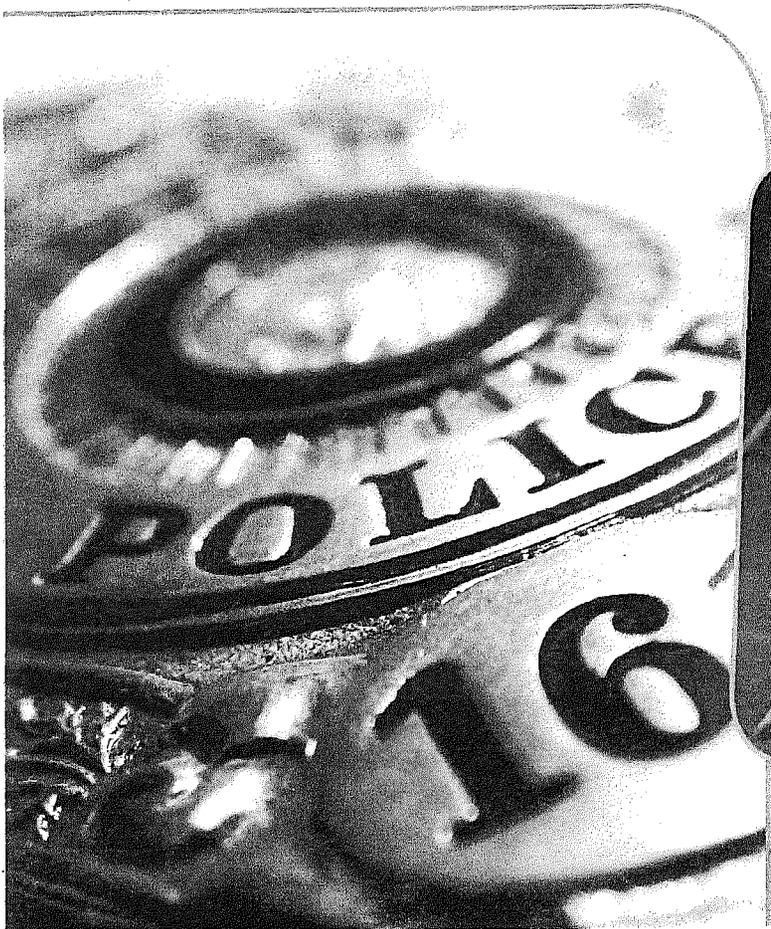
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**PAID**  
MSI

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**Steve Lodge**  
**Santa Clara Police Chief**

“Measure J preserves our ability  
to provide fire and police protection  
to Santa Clara residents”



# The Stadium Project Will Generate Santa Clara Maintain Its Excellent Public

**We all know times are tough.** A lot of communities are cutting back on police and fire services to meet tight budgets.

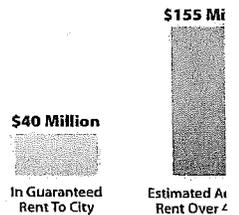
As usual, Santa Clara's city officials have been more far-sighted than most.

## Tough Negotiations Produce Guaranteed Rent Revenue To The City

Over two years of tough negotiations on the stadium project, the city and its staff secured a guarantee of \$40 million in rent over the 40-year lease period, while maintaining ownership of the land where the stadium would be built.

REVENUE TO SANTA CLARA'S GENERAL FUND

In addition, it's estimated the stadium will generate an additional \$155 million in rent to the city over the lease period.



**On July 1, 2008  
Vote YES on Proposition 5**



**Santa Clara City Firefighters Local 1171**



All firefighters and police officers pictured here are either current or retired from the Santa Clara Fire or Police Departments. Those pictured were not on duty at the time of the photo. Fire engine pictured is a retired vehicle, not a Santa Clara City fire engine.

# The Guaranteed New Revenue That Can Help Public Safety Service – Without Raising Taxes

## NO General Fund Dollars Can Be Spent On Stadium Construction

The city demanded provisions that prohibit any general fund money from going toward stadium construction. No matter who's on the council in the future or what their priorities may be, they won't be able to use police and fire funds to pay for stadium construction costs. Period.

The bottom line: Santa Clara's police officers and firefighters support the stadium project because:

• Measure J requires that the 49ers cover all stadium expenses, including public safety costs.

GENERAL FUND

This prevents any diversion of general fund dollars away from public safety.

10



Additional  
Years

• Measure J generates new, guaranteed revenue that can help Santa Clara continue to provide excellent protection to our citizens in the future.



**Santa Clara Police Officers Association**



the 8th,  
Measure J

GLAD  
PROTECTIONS

Yes on J, Santa Clarans for Economic Progress  
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## Santa Clara Police Chief Steve Lodge



“I would *never* support any measure that endangered the city’s fiscal health or jeopardized its ability to fund police and fire protection.

I’m supporting Measure J because it *strengthens* Santa Clara’s economy, provides new guaranteed revenue to the city, and

includes a public safety plan that ensures my officers and I can continue protecting and serving the good people of Santa Clara at the same high level that they have come to expect.

**I urge you to vote YES on Measure J.”**

*To read more on taxpayer protections and revenue guarantees included in Measure J,  
go to the city's own website at [www.SantaClaraCA.gov](http://www.SantaClaraCA.gov)*

12/8/11

2A.1

Santa Clara Plays Fair

[www.SantaClaraPlaysFair.org](http://www.SantaClaraPlaysFair.org)

P.O Box 6244 Santa Clara, CA 95056-6244

Mr. Mayor, Santa Clara City Councilmembers and City Staff, thank you & good evening. I'm Bill Bailey and I have lived in Santa Clara for 21 years. I'm the Treasurer of **Santa Clara Plays Fair • org**. All of us are volunteers.

In the first year, the San Francisco 49ers will be scooping at least \$130 million dollars of the stadium. But when they do that, it will be out of the whole stadium – not merely out of the parts they've chosen to pay for.

What the 49ers want is “cafeteria financing” – taking the pudding, leaving the salad – and unfortunately, five members of this City Council are fully prepared to let the 49ers get away with that by cloaking themselves in the 49ers' own Measure J.

If you truly claim that the Draft DDA conforms to Measure J, it is because Measure J does not limit the liabilities of the Stadium Authority in any way. It does so for precisely the reason that we're here this evening.

But what our city is actually getting in exchange for that are miniscule payments into our General Fund. **The 49ers, in fact, will pay our General Fund ONE TENTH as much as Great America's theme park operator.**

But then: **The 49ers will take over 170 times as much out of the stadium as they're putting into our General Fund.**

Allowing the 49ers to keep nearly all of their NFL revenues in this deal does not justify saddling the Stadium Authority with more than twice the debt you estimated last June. If the worst-case scenario does unfold, we will have spent millions only to hand control of a stadium we're paying to build over to the 49ers themselves.

And on the very day we do that, the City of Santa Clara will be stuck with the appalling Ground Lease from June 2, 2009. **And that's all.**

The Draft DDA is nowhere near ready and it gives Santa Clara not nearly enough. The All-American City deserves far better.

Thank you.

**Santa Clara's General Fund gets TEN TIMES the dollars from Great America as we do from the 49ers' stadium lease!**

*Low Ball #*

Great America pays the General Fund:

The 49ers pay the General Fund:

The 49ers TAKE this OUT of the Stadium:

Disc. Pct. = 6.0%

Fixed Rent: NPV = **\$82,279,160**

Fixed Rent: NPV = **\$7,999,466**

Fixed Rent: NPV = **\$1,378,915,925**

This Year	Pmt.#	Base Fixed Ground Rent	Payment Increment	GROSS Nominal Total Pmt this year
2009	1	\$5,300,000.00	\$0.00	\$5,300,000.00
2010	2	\$5,300,000.00	\$0.00	\$5,300,000.00
2011	3	\$5,300,000.00	\$0.00	\$5,300,000.00
2012	4	\$5,300,000.00	\$0.00	\$5,300,000.00
2013	5	\$5,300,000.00	\$0.00	\$5,300,000.00
2014	6	\$5,300,000.00	\$0.00	\$5,300,000.00
2015	7	\$5,300,000.00	\$0.00	\$5,300,000.00
2016	8	\$5,300,000.00	\$0.00	\$5,300,000.00
2017	9	\$5,300,000.00	\$0.00	\$5,300,000.00
2018	10	\$5,300,000.00	\$0.00	\$5,300,000.00
2019	11	\$5,300,000.00	\$0.00	\$5,300,000.00
2020	12	\$5,300,000.00	\$0.00	\$5,300,000.00
2021	13	\$5,300,000.00	\$0.00	\$5,300,000.00
2022	14	\$5,300,000.00	\$0.00	\$5,300,000.00
2023	15	\$5,300,000.00	\$0.00	\$5,300,000.00
2024	16	\$5,300,000.00	\$0.00	\$5,300,000.00
2025	17	\$5,300,000.00	\$0.00	\$5,300,000.00
2026	18	\$5,300,000.00	\$0.00	\$5,300,000.00
2027	19	\$5,300,000.00	\$0.00	\$5,300,000.00
2028	20	\$5,300,000.00	\$0.00	\$5,300,000.00
2029	21	\$5,300,000.00	\$0.00	\$5,300,000.00
2030	22	\$5,300,000.00	\$0.00	\$5,300,000.00
2031	23	\$5,300,000.00	\$0.00	\$5,300,000.00
2032	24	\$5,300,000.00	\$0.00	\$5,300,000.00
2033	25	\$5,300,000.00	\$0.00	\$5,300,000.00
2034	26	\$5,300,000.00	\$0.00	\$5,300,000.00
2035	27	\$5,300,000.00	\$0.00	\$5,300,000.00
2036	28	\$5,300,000.00	\$0.00	\$5,300,000.00
2037	29	\$5,300,000.00	\$0.00	\$5,300,000.00
2038	30	\$5,300,000.00	\$0.00	\$5,300,000.00
2039	31	\$5,300,000.00	\$0.00	\$5,300,000.00
2040	32	\$5,300,000.00	\$0.00	\$5,300,000.00
2041	33	\$5,300,000.00	\$0.00	\$5,300,000.00
2042	34	\$5,300,000.00	\$0.00	\$5,300,000.00
2043	35	\$5,300,000.00	\$0.00	\$5,300,000.00
2044	36	\$5,300,000.00	\$0.00	\$5,300,000.00
2045	37	\$5,300,000.00	\$0.00	\$5,300,000.00
2046	38	\$5,300,000.00	\$0.00	\$5,300,000.00
2047	39	\$5,300,000.00	\$0.00	\$5,300,000.00
2048	40	\$5,300,000.00	\$0.00	\$5,300,000.00
2049	41	\$5,300,000.00	\$0.00	\$5,300,000.00
2050	42	\$5,300,000.00	\$0.00	\$5,300,000.00
2051	43	\$5,300,000.00	\$0.00	\$5,300,000.00
2052	44	\$5,300,000.00	\$0.00	\$5,300,000.00
2053	45	\$5,300,000.00	\$0.00	\$5,300,000.00
2054	46	\$5,300,000.00	\$0.00	\$5,300,000.00

Pmt.#	Base Fixed Ground Rent	Payment Increment	GROSS Fixed Total Pmt this year
none	\$0.00	\$0.00	\$0.00
none	\$0.00	\$0.00	\$0.00
none	\$0.00	\$0.00	\$0.00
none	\$0.00	\$0.00	\$0.00
none	\$0.00	\$0.00	\$0.00
none	\$0.00	\$0.00	\$0.00
1	\$180,000.00	\$0.00	\$180,000.00
2	\$180,000.00	\$35,000.00	\$215,000.00
3	\$215,000.00	\$35,000.00	\$250,000.00
4	\$250,000.00	\$35,000.00	\$285,000.00
5	\$285,000.00	\$35,000.00	\$320,000.00
6	\$320,000.00	\$35,000.00	\$355,000.00
7	\$355,000.00	\$35,000.00	\$390,000.00
8	\$390,000.00	\$35,000.00	\$425,000.00
9	\$425,000.00	\$35,000.00	\$460,000.00
10	\$460,000.00	\$35,000.00	\$495,000.00
11	\$1,000,000.00	\$0.00	\$1,000,000.00
12	\$1,000,000.00	\$0.00	\$1,000,000.00
13	\$1,000,000.00	\$0.00	\$1,000,000.00
14	\$1,000,000.00	\$0.00	\$1,000,000.00
15	\$1,000,000.00	\$0.00	\$1,000,000.00
16	\$1,000,000.00	\$100,000.00	\$1,100,000.00
17	\$1,100,000.00	\$0.00	\$1,100,000.00
18	\$1,100,000.00	\$0.00	\$1,100,000.00
19	\$1,100,000.00	\$0.00	\$1,100,000.00
20	\$1,100,000.00	\$0.00	\$1,100,000.00
21	\$1,100,000.00	\$100,000.00	\$1,200,000.00
22	\$1,200,000.00	\$0.00	\$1,200,000.00
23	\$1,200,000.00	\$0.00	\$1,200,000.00
24	\$1,200,000.00	\$0.00	\$1,200,000.00
25	\$1,200,000.00	\$0.00	\$1,200,000.00
26	\$1,200,000.00	\$100,000.00	\$1,300,000.00
27	\$1,300,000.00	\$0.00	\$1,300,000.00
28	\$1,300,000.00	\$0.00	\$1,300,000.00
29	\$1,300,000.00	\$0.00	\$1,300,000.00
30	\$1,300,000.00	\$0.00	\$1,300,000.00
31	\$1,300,000.00	\$100,000.00	\$1,400,000.00
32	\$1,400,000.00	\$0.00	\$1,400,000.00
33	\$1,400,000.00	\$0.00	\$1,400,000.00
34	\$1,400,000.00	\$0.00	\$1,400,000.00
35	\$1,400,000.00	\$0.00	\$1,400,000.00
36	\$1,400,000.00	\$100,000.00	\$1,500,000.00
37	\$1,500,000.00	\$0.00	\$1,500,000.00
38	\$1,500,000.00	\$0.00	\$1,500,000.00
39	\$1,500,000.00	\$0.00	\$1,500,000.00
40	\$1,500,000.00	\$0.00	\$1,500,000.00

Pmt.#	Estimated Gross, TV Rights, LuxBoxes	Premium, if any	GROSS Nominal Total Pmt this year
1	\$0.00	\$0.00	\$0.00
2	\$0.00	\$0.00	\$0.00
3	\$0.00	\$0.00	\$0.00
4	\$0.00	\$0.00	\$0.00
5	\$0.00	\$0.00	\$0.00
6	\$0.00	\$0.00	\$0.00
7	\$130,000,000.00	\$0.00	\$130,000,000.00
8	\$130,000,000.00	\$0.00	\$130,000,000.00
9	\$130,000,000.00	\$0.00	\$130,000,000.00
10	\$130,000,000.00	\$0.00	\$130,000,000.00
11	\$130,000,000.00	\$0.00	\$130,000,000.00
12	\$130,000,000.00	\$0.00	\$130,000,000.00
13	\$130,000,000.00	\$0.00	\$130,000,000.00
14	\$130,000,000.00	\$0.00	\$130,000,000.00
15	\$130,000,000.00	\$0.00	\$130,000,000.00
16	\$130,000,000.00	\$0.00	\$130,000,000.00
17	\$130,000,000.00	\$0.00	\$130,000,000.00
18	\$130,000,000.00	\$0.00	\$130,000,000.00
19	\$130,000,000.00	\$0.00	\$130,000,000.00
20	\$130,000,000.00	\$0.00	\$130,000,000.00
21	\$130,000,000.00	\$0.00	\$130,000,000.00
22	\$130,000,000.00	\$0.00	\$130,000,000.00
23	\$130,000,000.00	\$0.00	\$130,000,000.00
24	\$130,000,000.00	\$0.00	\$130,000,000.00
25	\$130,000,000.00	\$0.00	\$130,000,000.00
26	\$130,000,000.00	\$0.00	\$130,000,000.00
27	\$130,000,000.00	\$0.00	\$130,000,000.00
28	\$130,000,000.00	\$0.00	\$130,000,000.00
29	\$130,000,000.00	\$0.00	\$130,000,000.00
30	\$130,000,000.00	\$0.00	\$130,000,000.00
31	\$130,000,000.00	\$0.00	\$130,000,000.00
32	\$130,000,000.00	\$0.00	\$130,000,000.00
33	\$130,000,000.00	\$0.00	\$130,000,000.00
34	\$130,000,000.00	\$0.00	\$130,000,000.00
35	\$130,000,000.00	\$0.00	\$130,000,000.00
36	\$130,000,000.00	\$0.00	\$130,000,000.00
37	\$130,000,000.00	\$0.00	\$130,000,000.00
38	\$130,000,000.00	\$0.00	\$130,000,000.00
39	\$130,000,000.00	\$0.00	\$130,000,000.00
40	\$130,000,000.00	\$0.00	\$130,000,000.00
41	\$130,000,000.00	\$0.00	\$130,000,000.00
42	\$130,000,000.00	\$0.00	\$130,000,000.00
43	\$130,000,000.00	\$0.00	\$130,000,000.00
44	\$130,000,000.00	\$0.00	\$130,000,000.00
45	\$130,000,000.00	\$0.00	\$130,000,000.00
46	\$130,000,000.00	\$0.00	\$130,000,000.00

**The Rules:**

1. Use a discount rate of 6% per year, as City Staff did with the Council's Term Sheet documents of June 2, 2009.
2. Conservatively assume minimum NFL Revenues to the 49ers only from TV royalties (~\$100M) and luxury box income (~\$30M).
3. Compute Net Present Value (NPV) of lease payments as well as the minimal estimate of the 49ers' NFL Revenue over the forty year Base Term of any "stadium lease."
4. **There are no two ways about it:**  
The theme park operator will pay **TEN TIMES** as much as the 49ers into Santa Clara's General Fund...  
...and the 49ers will take OUT of the stadium **OVER 170 TIMES** the money they're paying INTO the city's General Fund.  
By any reasonable measure: The 49ers are keeping far more than they're sharing with the City of Santa Clara.

12/8/11

2A.1

Questions from Deborah Bress ... to be answered at 8 December 2011 Council Study Session

Page 1 of 2

The Council has had years and 100+ closed-door meeting to discuss the DDA ... citizens are being limited to 2-minutes. The City's failure to do due diligence years ago has spiraled into a financial black hole; the City needs to stop the secrecy and directly answer the questions and provide the supporting documentation.

Please answer, in detailed specifics, all these questions and/or issues:

1. Measure J allows the City of Santa Clara to LEASE the ground ... we NEVER agreed to taking on any debt or risk for a stadium. We lease the land to the SC Hilton ... but we didn't build it nor do we maintain it. We lease the land to Great America and they build and maintain their own improvements. Where is it written that we would build and/or rent a stadium to the 49ers? The 49ers' Measure J addresses us leasing the land and nothing else.

Attorneys paid by the 49ers Measure J campaign argued in a court brief that there is no requirement for the Stadium Authority to provide any amount of money for stadium construction, and that the numbers appear 'to have been plucked out of thin air' when in fact those numbers come from Term Sheet Exhibit 14:

**Pg 12 of court transcript "There is nothing in the Term Sheet that requires the Stadium Authority to provide \$330 million (or any other amount) for stadium construction." [From 49er paid attorney]**

**"Petitioner refers to a \$114 million "direct subsidy" by the City for the stadium. She says that this figure should appear in the City Attorney's analysis. That figure appears to have been plucked out of thin air."**

**"There is no reference in the Term Sheet to a \$17 million parking garage (or any parking garage, for that matter."**

**They also denied the \$20 million that is being spent to move an electric substation.**

**This legal document (Memorandum of Points and Authorities in Opposition to Petition for Writ of Mandate) was filed by attorneys for the 49ers Measure J stadium campaign Santa Clarans for Economic Progress (Yes on Measure J group funded almost entirely by the 49ers).**

2. What protects the Stadium Authority from Stadco? As Stadco is a Delaware LLC (limited liability corporation) and can be disbanded easily. Why is Stadco, an LLC involved? The "backstop" for financing should be the 49ers themselves specifically. Why are the 49ers not taking on the risk? What happens if Stadco is shut down?
3. What "Naming Rights" are being sold by the Stadium Authority? Specifically ... building ... scoreboard ... pile-ons ... end zones ... seats, etc. It is critically important to make an informed decision on how we will be able to repay this huge debt. And what is the potential income for each naming right? This is a public project and the public has a right to this information.
4. Why is the 49ers' debt being put onto the backs of SA? These loans should be separated or why not separated?
5. What are the PSL/SBL prices? The ability for the SA to repay this debt is dependent on KNOWING these numbers and knowing them now. It is our debt and we have a right to know.
6. Why do you think that PSL/SBLs are going to be more successful than they were in Oakland? It failed miserably there ... why and how will it succeed here?

Questions from Deborah Bress ... to be answered at 8 December 2011 Council Study Session

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7. Specifically, how much are the 49ers themselves contributing? It appears from their own graphic that they are contributing ZERO to the construction of the stadium. How much? And, where is a commitment letter from the NFL for \$150 Million? Please produce this document.
8. How much of the luxury suite sales being attributed to the Stadium Authority's debt? Isn't it true that 100% of these sales are to the 49ers?
9. The debt is actually MORE than the \$850 million stated ... is it true that there will be an additional \$75 MILLION added to the \$850M loan, making it \$925 MILLION? Explain why this is not true?
10. What experience does ManagementCo have with non-NFL events? Who is ManagementCo? How much will it cost the SA? What specifically is the anticipated non-NFL revenue? And, provide details on how this was determined.
11. Public safety ... 49ers presentation said parking security would be at the gates. What gates? ALL parking is distributed across miles, specifically how will the public's safety be assured and potential problems be handled in such a vastly distributed parking scenario? The situation at Santa Clara's site is extremely different from the dedicated parking available at Candlestick – please address this with specifics?
12. The Raiders are probable! And, if you don't want to share the stadium with the Raiders, why is it STILL in the DDA? Isn't it true that the City of Santa Clara CANNOT stop the Raiders from using our stadium?? Explain.
13. What are the specifics of the income used to determine the \$450 MILLION worth of paying down the SA's debt? Again, we, the citizens, have a right to know specifically HOW this debt will be repaid.
14. What information was provided to the lenders to secure \$850 MILLION worth of loans? This needs to be public information ... it is public debt and all information that went into securing OUR debt needs to be disclosed before a loan is secured.
15. The 49ers have said that they will be paying ALL the expenses ... so why the limits? If they intend to pay all the public safety costs, for example ... why not simply remove the \$170,000 per game cap? The 49ers, through their numerous LLCs, will know every piece of our business and potential business – and/or be able to approve it – then why the limits at all? If they are going to stand by their promise to pay all the operating costs ... then why not simply say that specifically in the DDA?
16. If you, the council believes in this so strongly, why is there a "hold-harmless" clause in the DDA?