



Agenda Report

25-101

Agenda Date: 3/25/2025

REPORT TO STADIUM AUTHORITY BOARD

SUBJECT

Action on the Santa Clara Stadium Authority Financial Status Report for Quarter Ending December 31, 2024 and Approve Related Budget Amendments

BOARD PILLARS

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

BACKGROUND

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

This report provides information covering the Stadium Authority's third quarter of the 2024/25 fiscal year (FY), which ended on December 31, 2024.

The Adopted Stadium Authority Budget incorporates the estimated revenues and expenses for all Stadium Authority funds. The attached Financial Status Report provides the budget to actual revenue and expense summaries for the operating, debt service, and capital funds. Analysis of the financial activity through the fiscal year measures the adherence to the budget and allows the Stadium Authority to monitor and project revenues and expenses. Any significant variances are explained in the reports.

Additionally, staff is recommending amendments to the FY 2024/25 Stadium Authority Budget based on FY 2024/25 projected actuals reported in the proposed FY 2025/26 Operating, Debt Service, and Capital Budget. Carryover of unspent Capital Expenditure (CapEx) funds from FY 2023/24 and an increase to the CapEx budget due to unanticipated costs are also recommended.

DISCUSSION

The attached financial status report provides information covering the Stadium Authority's third quarter (October 1, 2024 - December 31, 2024) of FY 2024/25. The report summarizes National Football League ("NFL") and Non-NFL event activity at Levi's® Stadium and describes the financial impact of these events on the Stadium Authority and City since FY 2014/15. The report also provides the budget to actual revenue and expense summaries for the operating, debt service, and capital funds. Analysis of the financial activity through the fiscal year measures the adherence to the budget and allows the Stadium Authority to monitor and project revenues and expenses. Any significant variances are explained in the report.

NFL Event Revenue and Expenses

There were seven NFL games held in the third quarter of FY 2024/25. Overall, Levi's® Stadium hosted one pre-season NFL game of the 2024 season on August 18th and nine regular NFL season games of the 2024 season which are detailed in the report. This resulted in \$14.6 million in NFL ticket surcharge for the Stadium Authority and \$279,000 of Senior and Youth Program Fees for the City over the course of the NFL season. Public safety costs for NFL games totaled an estimated \$5.4 million which will be fully reimbursed to the City.

Non-NFL Event Revenue and Expenses

Cumulatively over the first three quarters of the fiscal year, there were eight ticketed Non-NFL events and 51 special events which are detailed in the report. The eight ticketed Non-NFL events generated an average net revenue of \$1.1 million per event which is \$300,000 higher than the average net revenue of \$738,000 generated through the third quarter of last fiscal year. The soccer sporting events saw an increase in profitability in the current year, the largest driver being lower public safety and event staff related expenses. Table 1 below summarizes revenues and expenditures for the eight ticketed events.

Table 1

**Levi's® Stadium
Ticketed Non-NFL Events Revenue and Expenditure Summary
As of December 31, 2024**

\$ In Millions

| Ticketed Event | Revenue | Expense | Net |
|---|----------------|---------------|---------------|
| Sporting Event 1 | \$ 2.9 | \$ 0.9 | \$ 2.0 |
| Concert 1 | 2.7 | 0.9 | 1.8 |
| Concert 2 | 2.4 | 0.8 | 1.6 |
| Concert 3 | 2.2 | 0.8 | 1.4 |
| Sporting Event 2 | 1.1 | 0.6 | 0.5 |
| Sporting Event 3 | 1.0 | 0.6 | 0.4 |
| Sporting Event 4 | 0.8 | 0.5 | 0.3 |
| Sporting Event 5 | 0.7 | 0.4 | 0.3 |
| Total Ticketed Non-NFL Net Revenue to Date | \$ 13.8 | \$ 5.5 | \$ 8.3 |

Non-NFL event ticket sales generated \$1.4 million in ticket surcharge revenue, half of which will fund the discretionary fund. Public safety costs for these events totaled an estimated \$3.1 million which will be fully reimbursed to the City by the Stadium Authority.

When combining ticketed and non-ticketed Non-NFL events to date, Table 2 below shows approximately \$10.1 million in net revenue (excluding surcharge revenue) through the end of the third quarter. It should be noted the financial information provided is a draft and subject to change as additional revenues and/or expenditures are recorded.

Table 2

Levi's® Stadium
Net Revenue for Non-NFL Events by Event Type
As of December 31, 2024

| Event Type | No. of Events | Net Revenue |
|--|---------------|---------------------|
| Ticketed Events | | |
| Concerts | 3 | \$ 4,685,031 |
| Sporting Events: | | |
| Soccer | 5 | 3,639,745 |
| Net Revenue from Ticketed Events | 8 | \$ 8,324,776 |
| Net Revenue from Special Events (weddings, corporate events, etc.) | 51 | 2,086,969 |
| Other Operating Income ⁽¹⁾ | | 1,328,627 |
| Other Expenses ⁽²⁾ | | (1,632,901) |
| Net Revenue from Non-NFL Events ⁽³⁾ | 59 | \$10,107,471 |

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

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

⁽³⁾ Net Revenue from Non-NFL Events does not include Non-NFL Event Ticket Surcharge of \$1.4m.

Stadium Builder Licenses (“SBLs”)

SBLs account for 8.1% of the Stadium Authority’s annual budgeted revenue in FY 2024/25. There is a total of 66,741 currently active SBLs. Through the third quarter, since inception, the value of the active SBLs amount to \$561.1 million of which \$531 million has already been collected.

Stadium Authority Budgets

The detailed analysis of Stadium Authority budget to actual financials is provided in the attached Financial Status Report. In summary, total operating revenues were \$50.1 million representing 80% of the overall budget for revenues and total operating expenses were \$17.9 million or 40% of the budget. The debt service fund was able to pay down \$8.7 million in debt, bringing total Stadium Authority debt down to \$220 million. Capital expenses were \$5.1 million representing 21% of the overall CIP budget.

FY 2024/25 Stadium Authority Budget Adjustments

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

Operating Budget:

- 1) NFL Ticket Surcharge: The Forty Niners Football Company, LLC collect a 10% ticket surcharge on the price of admission to all NFL games held at Levi’s Stadium on behalf of

the Stadium Authority. The Stadium Authority received \$895,000 more NFL Ticket Surcharge revenue than budgeted due to higher ticket prices and more tickets sold than budgeted. Therefore, a budget adjustment of \$895,000 is needed to reflect the increase in revenue.

- 2) SBL Proceeds: Cash collected from annual payments from SBL holders on a payment plan and payment from sales on new SBLs and/or SBLs that were defaulted make up SBL proceeds. The Stadium Manager projects \$8 million of SBL proceeds, \$3.0 million more than the current budget therefore, a budget amendment of \$3.0 million is needed to reflect the increase in revenues.
- 3) Interest: The Stadium Authority was maintaining a higher bank balance than anticipated over the first three quarters of the fiscal year. The Stadium Authority had been holding funds in a legal contingency reserve awaiting the finalization of the 2024 Settlement Agreement. The final effective date of that agreement was December 28, 2024 and subsequently in January 2025, the funds in the reserve were distributed. Additionally, spending on CapEx projects has been lower than budgeted and bank interest rates were higher than projected. The Stadium Authority projects \$5.4 million in interest revenue, \$1.9 million more than budgeted. A budget amendment of \$1.9 million is needed to reflect the increase in revenues.
- 4) Net Revenues from Non-NFL Events: The Stadium Manager is responsible for booking and scheduling all Non-NFL events on behalf of the Stadium Authority. As required by the Stadium Management Agreement, Stadium Manager is also required to maintain complete and accurate books and records related to the net income from Non-NFL events. The Stadium Manager projects \$9.3 million of net revenue from Non-NFL events will be collected, \$3.3 million more than the current budget therefore, a budget amendment of \$3.3 million is needed to reflect the increase in revenue.
- 5) Senior and Youth Fee Revenue: Due to the 2024 Settlement Agreement, Senior and Youth Program Fees increased from \$0.35 per NFL game ticket with a cap of \$250,000 to \$0.40 per ticket with a \$300,000 cap starting in FY 2024/25 resulting in collection of additional Senior and Youth Program Fee Revenue. The Stadium Authority has collected \$279,000 of Senior and Youth Program Fees through the end of the NFL season, which is \$11,000 higher than budgeted. A budget adjustment is needed to reflect the increase in the revenue by \$11,000 which in turn is paid to the City's General Fund. (see #8 below).
- 6) Stadium Management Fee: The Management Performance fee owed to the Stadium Manager is outlined in the Stadium Management Agreement. The Stadium Manager receives an annual base management fee that is split 50/50 between StadCo and the Stadium Authority since the Stadium Manager manages the stadium year-round for both entities. In addition to the base management fee of \$269,000 for FY 2024/25 the Stadium Manager also receives a stadium marketing and booking fee based on a tiered percentage of the net Non-NFL events revenue that exceed the Marketing and Booking Fee Benchmark. Based on projected net Non-NFL Event revenue of \$9.3 million for FY2024/25, the Stadium Manager is expected to earn an additional \$264,000 stadium marketing and booking fee. Therefore, a budget amendment of \$264,000 is needed to reflect the

increased management fee that is projected to be owed to the Stadium Manager.

- 7) SBL Sales and Service (SBL): The Stadium Manager provides sales and service to SBL holders on behalf of Stadium Authority. Based on projected actuals for FY2024/25 SBL Sales and Service for bonus and commissions expenses are projected to be higher than budgeted due resale activity exceeding what was anticipated. A budget adjustment is needed to reflect the increase in SBL Sales and Service of \$163,000.
- 8) Senior and Youth Program Fees (paid to the City): Due to the 2024 Settlement Agreement, Senior and Youth Program Fees increased from \$0.35 per NFL game ticket with a cap of \$250,000 to \$0.40 per ticket with a \$300,000 cap starting in FY 2024/25 resulting in collection of additional Senior and Youth Program Fees. The Stadium Authority has collected \$279,000 of Senior and Youth Program Fees through the end of the NFL season, which is \$11,000 higher than budgeted (see #5 above). A budget adjustment is needed to reflect the increase in the payment to the City's' General Fund by \$11,000.
- 9) Performance Rent: The Performance-Based rent owed to the City is described in the Ground Lease and the Amended and Restated Stadium Lease. As outlined in the agreements, the City can receive Performance-Based rent for each Lease Year equal to 50% of net revenue from Non-NFL events less the sum of the Performance-Based Rent Credits. Performance-Based Rent was budgeted at \$9.8 million related to: (1) FY 2022/23 of \$4.2 million, (2) FY 2023/24 of \$3.1 million and (3) FY 2024/25 of \$2.5 million (budget). FY 2024/25 net Non-NFL event net revenue is projected to be higher than budgeted resulting in an increase to Performance-Based rent owed to the City of \$1.6 million. Therefore, a budget amendment of \$1.6 million is needed to reflect this increase.
- 10) Utilities: Utility costs were higher than anticipated largely due unanticipated rate increase that was not factored into projections. A budget adjustment of \$223,000 is needed to reflect the increase in Utility expenses.
- 11) Use of StadCo Tenant Improvements: The Stadium Authority is charged fees for the use of StadCo assets during Non-NFL events. Use of StadCo Tenant Improvements is projected to be higher than anticipated by \$21,000 due to the increased Non-NFL Event activity. A budget adjustment is needed to reflect the increase in Use of StadCo Tenant Improvements of \$21,000.
- 12) Public Safety Cost (PSC) Over Threshold: Due to the 2024 Settlement Agreement, the public safety cost threshold in FY 2024/25 will equal \$360,000 per game. Based on projected actual NFL public safety costs it is estimated that the public safety costs over the threshold will be \$2,312,000 which will be paid with the discretionary fund so that there are no impacts to the Performance Based Rent paid to the City. A budget adjustment is needed to reflect the payment of PSC over threshold of \$2,312,000.
- 13) PSC 2024 Outstanding Balance: As part of the 2024 Settlement Agreement, public safety costs over the threshold for FY 2017/18 to FY 2023/24 amounting to approximately \$14.8 million were redefined as "PSC 2024 Outstanding Balance." The budgeted amount of \$6.5 million for FY 2024/25 included \$3.3 million from the prior Legal Contingency reserve

and \$3.2 million from excess revenues. Based on projected revenues and expenses, it is anticipated that an additional \$3.0 million of excess revenues will be available to pay down the PSC 2024 Outstanding Balance. Therefore, a budget adjustment of \$3.0 million is needed to reflect the additional payment of PSC 2024 Outstanding Balance.

- 14) Transfer to City General Fund from Excess Revenues: Under the 2024 Settlement Agreement the terms of the Stadium Lease has been amended, restructuring the distribution of excess revenues originally to be deposited to the Renovation/Demolition Reserve to instead allocate 25% to the City's General Fund. The transfer of \$3.1 million in excess revenues to the City's General Fund is budgeted for FY2024/25. Based on projected actuals, \$6.2 million is expected to be transferred to the City's General Fund. Therefore, a budget amendment of \$3.1 million is needed to reflect the increased payment.
- 15) Ending Fund Balance - Discretionary Reserve: Due to the 2024 Settlement Agreement, the public safety cost threshold in FY 2024/25 will equal \$360,000 per game. Based on projected actual NFL public safety costs it is estimated that the public safety costs over the threshold will be \$2,312,000 which will be paid with the discretionary fund so that there are no impacts to the Performance Based Rent paid to the City. A budget adjustment is needed to reflect the payment of PSC over threshold of \$2,312,000 from the discretionary reserve.
- 16) Ending Fund Balance - Renovation/Demolition Reserve: Due to the 2024 Settlement Agreement, excess revenues that would fund the renovation/ demolition reserve will now receive 50% of the remaining revenues. With the other 50%, half will go towards paying off the PSC 2024 Outstanding Balance and the other half will be distributed to the City's General Fund. Based on anticipated excess revenues, the Ending Fund Balance - Renovation/ Demolition Reserve is expected to be \$43.8 million, an increase of \$6.2 million from budget. Therefore, a budget amendment of \$6.2 million is needed to reflect the increase in the Ending Fund Balance Renovation/Demolition Reserve.
- 17) Ending Fund Balance - Stadium Funding Trust Reserve: The Stadium Funding Trust Reserve is required to have sufficient funds to cover the stadium's operating and maintenance expenses for the first three months of the following fiscal year. Based on projected expenses for the first three months of FY 2025/26 the Ending Fund Balance - Stadium Funding Trust Reserve is anticipated to increase by \$1.6 million therefore, a \$1.6 million budget amendment is needed to reflect the increase in the reserve.
- 18) Ending Fund Balance - Unrestricted: The Ending Fund Balance - Unrestricted is anticipated to decrease by \$7.2 million due to the actions taken above. A budget amendment of \$7.2 million is needed to reflect the decrease in the Ending Fund Balance - Unrestricted.

Debt Service Budget:

- 1) Contribution from Community Facilities District (CFD): Due to a continued improvement in the economy post COVID, hotel stays have been higher than anticipated, therefore CFD revenue is projected to be higher which allows for additional debt payment on the CFD Advance. A budget adjustment of \$675,000 is needed to reflect the increase in Contribution

from CFD and the paydown of the CFD Advance.

- 2) CFD Advance Expense: The CFD Advance Expense is anticipated to increase by \$675,000 to reflect the additional debt payment of the CFD Advance due to higher CFD revenues. A budget amendment of \$675,000 is needed to reflect the increase in CFD Advance Expense.

Capital Budget:

- 1) Equipment - Kawasaki ATV (2021/22 Carryover): This project funds the purchase of a new Kawasaki ATV (All-Terrain Vehicle) for Police Department use at the Stadium. The ATV was purchased in FY 2023/24. It was anticipated that this project would be completed by the end of the FY 2023/24 so the remaining funds were not requested to be carried over to FY 2024/25. Due to unanticipated delays with the upfitting, a budget adjustment of \$11,000 is needed to include additional costs related to properly equip the ATV in FY 2024/25. Labor required by the City's fleet department was also more than initially projected and delayed beyond the anticipated billing cycle.
- 2) Equipment - Kawasaki ATV (2021/22 Carryover): This project funds the purchase of a new Kawasaki ATV for Police Department use at the Stadium. The ATV was purchased in FY 2023/24. It was anticipated that this project would be completed by the end of FY 2023/24 so the remaining funds were not requested to be carried over to FY 2024/25. Due to unanticipated delays with the upfitting, a budget adjustment of \$10,000 is needed to include additional costs related to properly equip the ATV in FY 2024/25. Labor required by the City's fleet department was also more than initially projected and delayed beyond the anticipated billing cycle.
- 3) Construction - Stadium Event Power Upgrades & Switchgear Electrical (2019/20 Carryover): The project will establish capability to monitor and report the Switch Gear Event Mode Status through the building Schneider Power Monitoring Expert (PME) system for remote monitoring. The plans and specifications required will include any electrical and communication wiring, as well as any controls upgrades necessary to complete the project. The project was originally scheduled to be completed in FY 2023/24 however, delays in the equipment configuration pushed back the timeline. The final installation is expected to be completed in FY2024/25. A budget amendment of \$30,000 is needed to complete the final work.
- 4) Equipment - Kawasaki ATVs (2023/24 Carryover): This project replaces 5 Kawasaki ATVs originally purchased in 2014 that are at the end of the 10-year useful life. The 5 ATV's have been purchased in FY 2024/25. Due to unanticipated costs related to upfitting the vehicles a budget adjustment of \$14,000 is needed for additional costs in FY 2024/25. Labor required by the City's fleet department was also more than initially projected.
- 5) Ending Fund Balance: The Ending Fund Balance is anticipated to decrease by \$65,000 due to the actions taken above. A budget amendment of \$65,000 is needed to reflect the

decrease in the Ending Fund Balance - Unrestricted.

ENVIRONMENTAL REVIEW

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

FISCAL IMPACT

As discussed, staff recommends the budget amendments detailed in the tables below:

Operating Budget

| Description | Current | Increase/ Decrease | Revised |
|---|---------------------|-----------------------|---------------------|
| SOURCE OF FUNDS: | | | |
| NFL Ticket Surcharge Revenue | \$13,700,000 | \$895,000 | \$14,595,000 |
| SBL Proceeds Revenue | \$5,057,000 | \$2,912,000 | \$7,969,000 |
| Interest Revenue | \$3,534,000 | \$1,901,000 | \$5,435,000 |
| Net Revenues from Non-NFL Events Revenue | \$6,000,000 | \$3,250,000 | \$9,250,000 |
| Senior & Youth Program Fees Revenue | \$268,000 | \$11,000 | \$279,000 |
| TOTAL SOURCE OF FUNDS | \$28,559,000 | \$8,969,000 | \$37,528,000 |
| USE OF FUNDS: | | | |
| Stadium Management Fee | \$269,000 | \$264,000 | \$533,000 |
| SBL Sales and Service Expense | \$3,348,000 | \$163,000 | \$3,511,000 |
| Senior & Youth Fees (Paid to City) | \$268,000 | \$11,000 | \$279,000 |
| Performance Rent (Paid to City) | \$9,825,000 | \$1,625,000 | \$11,450,000 |
| Utilities | \$1,488,000 | \$223,000 | \$1,711,000 |
| Use of StadCo TI | \$151,000 | \$21,000 | \$172,000 |
| PSC Over Threshold | \$0 | \$2,312,000 | \$2,312,000 |
| PSC 2024 Outstanding Balance | \$6,473,000 | \$3,014,000 | \$9,487,000 |
| Transfer Out - Transfer to City General Fund from Excess Revenues | \$3,073,000 | \$3,093,000 | \$6,166,000 |
| Ending Fund Balance - Discretionary Reserve | \$2,789,323 | (\$2,312,000) | \$477,323 |

| | | | |
|---|---------------------|--------------------|---------------------|
| Ending Fund Balance - Renovation/Demolition Reserve | \$37,548,576 | \$6,224,000 | \$43,772,576 |
| Ending Fund Balance - Stadium Funding Trust Reserve | \$4,183,645 | \$1,567,000 | \$5,750,645 |
| Ending Fund Balance - Unrestricted | \$13,912,112 | (\$7,236,000) | \$6,676,112 |
| TOTAL USE OF FUNDS | \$83,328,656 | \$8,969,000 | \$92,297,656 |

Debt Service Budget

| Description | Current | Increase/Decrease | Revised |
|-------------------------------|-------------|-------------------|-------------|
| SOURCE OF FUNDS: | | | |
| Contribution from CFD Revenue | \$2,782,000 | \$675,000 | \$3,457,000 |
| | | | |
| USE OF FUNDS: | | | |
| CFD Advance Expense | \$2,754,000 | \$675,000 | \$3,429,000 |

Capital Budget

| Description | Current | Increase/Decrease | Revised |
|---|--------------------|-------------------|--------------------|
| USE OF FUNDS: | | | |
| Equipment - Kawasaki ATV (2021/22 Carryover) | \$0 | \$11,000 | \$11,000 |
| Equipment - Kawasaki ATV (2021/22 Carryover) | \$0 | \$10,000 | \$10,000 |
| Construction - Stadium Event Power Upgrades & Switchgear Electrical (2019/20 Carryover) | \$0 | \$30,000 | \$30,000 |
| Equipment - Kawasaki ATV (2023/24 Carryover) | \$139,125 | \$14,000 | \$153,125 |
| Ending Fund Balance | \$1,393,109 | (\$65,000) | \$1,328,109 |
| TOTAL USE OF FUNDS | \$1,532,234 | \$0 | \$1,532,234 |

COORDINATION

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

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and

in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Note and file the Santa Clara Stadium Authority Financial Status Report for the Quarter Ending December 31, 2024; and
2. Approve the FY 2024/25 Budget Amendments in the Operating Budget in the amount of \$8,969,000 to reflect increases in projected revenues and expenses; amendments to the Debt Service Budget in the amount of \$675,000 to reflect an increase in projected CFD collections and resulting CFD debt service payments; and amendments to the Capital Budget to increase expenses in the amount of \$65,000 offset by a reduction in Ending Fund Balance.

Reviewed by: Kenn Lee, Treasurer

Approved by: Jovan D. Grogan, Executive Director

ATTACHMENTS

1. SCSA Financial Status Report for the Quarter Ending December 31, 2024

SCSA

Santa Clara Stadium Authority

SANTA CLARA STADIUM AUTHORITY FINANCIAL STATUS REPORT

Quarter Ending December 31, 2024



March 25, 2025

Table of Contents

| | |
|---|----|
| Introduction | 2 |
| NFL Events | 3 |
| Non-NFL Events | 6 |
| Discretionary Fund | 11 |
| Stadium Builder Licenses | 11 |
| Santa Clara Stadium Authority Budget Status Reports | 14 |
| <i>Operating Budget</i> | 14 |
| <i>Operating Budget – Recommended Budget Adjustments</i> | 16 |
| <i>Debt Service Budget</i> | 22 |
| <i>Debt Service Budget – Recommended Budget Adjustments</i> | 25 |
| <i>Capital Improvement Project Budget</i> | 26 |
| <i>CIP Budget – Recommended Budget Adjustments</i> | 28 |
| City of Santa Clara Net General Fund Impact | 30 |
| <i>Public Safety and Administrative Cost Reimbursement</i> | 30 |
| <i>Rents and Senior and Youth Fee</i> | 31 |
| <i>Other Revenue Impacts</i> | 31 |
| Glossary | 32 |
| Appendix | 37 |

Introduction

This Santa Clara Stadium Authority (“Stadium Authority”) Financial Status Report provides information covering the second quarter of the Stadium Authority’s 2024/25 fiscal year (“FY”) which ended on December 31, 2024. Comparative data from prior fiscal years is also included.

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

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

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

Methodology

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

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

NFL Events

This section provides year to date and comparative data for NFL games categorized as pre-season and regular season games.

The San Francisco Forty-Niners (“49ers”) played a total of ten NFL games (one pre-season game and nine regular season games) at Levi’s® Stadium through quarter ending December 31, 2024. There was a total of 696,456 tickets sold to these NFL games, an average of 69,646 per game. This is up by 1,040 or 2% when compared to the same period in the prior fiscal year. The ticket sales resulted in \$14.6 million in NFL ticket surcharge revenue (10% of ticket sales) to the Stadium Authority. The average NFL ticket surcharge revenue was \$1.5 million per game in the current year which is up by \$179,000 or 14% from the same period in the prior fiscal year. A total of \$279,000 of Senior and Youth Program Fees, which is based on \$0.40 per NFL ticket sold, were collected through the end of the third quarter of the fiscal year. These fees were transferred to the City’s General Fund in support of such programs.

A total of 81,358 cars were parked in the permitted offsite parking lots generating \$546,000 in offsite parking fees derived from the \$6.71 per parking space for all NFL events. The revenues earned from this offsite parking fee supports public safety costs for NFL events. The Tasman lot parking had a total of 1,778 parked cars and generated an additional \$9,000 for the General Fund through the end of the third quarter of the fiscal year. The overall number of cars parked in the permitted offsite lots and the Tasman lots increased by an average of 717 cars per game or 9% when compared to the prior fiscal year.

There was \$5.4 million of NFL event public safety costs in the current reporting period which is an average of \$539,000 per game. This is an increase of \$50,000 from the prior year average (through December 31, 2024) of \$489,000. Of the \$5.4 million NFL event public safety costs, \$4.1 million or 75% are direct City costs, \$1.1 million or 20% are outside agency costs and \$267,000 or 5% are other public safety costs. \$546,000 of the total NFL event public safety costs are covered by the offsite parking fees that were collected and the remaining are invoiced to the Stadium Manager.

Statistics for the NFL games held at Levi’s® Stadium in the first three quarters of the 2024/25 fiscal year are shown in Table 1 and comparative data from the last five years of operations can be found in Table 2. Additional historical data can be found in the Appendix.

Table 1

Levi's® Stadium
2024/25 NFL Event Statistics
As of December 31, 2024

| | Game 1 vs Saints 08/18/24 | Game 2 vs Jets 09/09/24 | Game 3 vs Patriots 09/29/24 | Game 4 vs Cardinals 10/06/24 | Game 5 vs Chiefs 10/20/24 | Game 6 vs Cowboys 10/27/24 | Game 7 vs Seahawks 11/17/24 | Game 8 vs Bears 12/08/24 | Game 9 vs Rams 12/12/24 | Game 10 vs Lions 12/30/24 | 2024/25 YTD Total |
|--|--|--|--|---|--|---|--|---|--|--|------------------------------|
| No. of Tickets Sold | 69,373 | 69,598 | 69,347 | 69,547 | 69,599 | 69,832 | 69,816 | 69,930 | 69,535 | 69,879 | 696,456 |
| NFL Ticket Surcharge | \$ 636,619 | \$ 1,214,920 | \$ 1,182,609 | \$ 1,172,188 | \$ 2,065,105 | \$ 2,762,950 | \$ 1,192,395 | \$ 1,198,714 | \$ 1,169,498 | \$ 2,001,338 | \$ 14,596,336 |
| Senior/Youth Program Fees | \$ 27,749 | \$ 27,839 | \$ 27,739 | \$ 27,819 | \$ 27,840 | \$ 27,933 | \$ 27,926 | \$ 27,972 | \$ 27,814 | \$ 27,952 | \$ 278,582 |
| Cars Parked at Offsite Lots | 7,859 | 7,527 | 8,263 | 8,574 | 8,996 | 9,119 | 8,635 | 8,510 | 6,814 | 7,061 | 81,358 |
| City Offsite Parking Fee | \$ 52,734 | \$ 50,506 | \$ 55,445 | \$ 57,532 | \$ 60,363 | \$ 61,188 | \$ 57,941 | \$ 57,102 | \$ 45,722 | \$ 47,379 | \$ 545,912 |
| Cars Parked on Tasman Lots | - | 199 | - | - | 302 | - | 325 | 304 | 370 | 278 | 1,778 |
| City Tasman Lot Parking Fee | \$ - | \$ 995 | \$ - | \$ - | \$ 1,510 | \$ - | \$ 1,625 | \$ 1,520 | \$ 1,850 | \$ 1,390 | \$ 8,890 |
| Stadium Public Safety Costs | \$ 501,367 | \$ 546,521 | \$ 523,269 | \$ 525,144 | \$ 549,452 | \$ 570,248 | \$ 558,213 | \$ 550,410 | \$ 531,923 | \$ 537,595 | \$ 5,394,140 |
| Less: Offsite Parking Fee Credit | \$ (52,734) | \$ (50,506) | \$ (55,445) | \$ (57,532) | \$ (60,363) | \$ (61,188) | \$ (57,941) | \$ (57,102) | \$ (45,722) | \$ (47,379) | \$ (545,912) |
| Reimbursable Stadium Public Safety Costs | \$ 448,633 | \$ 496,015 | \$ 467,824 | \$ 467,612 | \$ 489,089 | \$ 509,060 | \$ 500,272 | \$ 493,307 | \$ 486,201 | \$ 490,215 | \$ 4,848,228 |
| Amount Reimbursed | \$ 448,184 | \$ 495,867 | \$ 446,747 | \$ 439,222 | \$ 474,065 | \$ 412,289 | \$ 414,120 | \$ - | \$ - | \$ - | \$ 3,130,494 |

Table 2

**Levi's® Stadium
Historical NFL Event Statistics**

| | 2020/21 Q3 Total | 2021/22 Q3 Total | 2022/23 Q3 Total | 2023/24 Q3 Total | 2024/25 Q3 Total |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| No. of NFL Events | - | 9 | 9 | 9 | 10 |
| No. of Tickets Sold | - | 604,546 | 624,746 | 617,452 | 696,456 |
| NFL Ticket Surcharge | \$ - | \$ 8,900,398 | \$ 10,382,333 | \$ 11,523,355 | \$ 14,596,336 |
| Senior/Youth Program Fees | \$ - | \$ 211,591 | \$ 218,661 | \$ 216,108 | \$ 278,582 |
| Cars Parked at Offsite Lots | - | 63,718 | 66,868 | 68,371 | 81,358 |
| City Offsite Parking Fee | \$ - | \$ 376,573 | \$ 409,901 | \$ 440,309 | \$ 545,912 |
| Cars Parked on Tasman Lots | - | 3,930 | - | - | 1,778 |
| Cars Parked on Golf Course | - | - | - | - | - |
| City Tasman Lot and Golf Course Parking Fee | \$ - | \$ 19,650 | \$ - | \$ - | \$ 8,890 |
| Stadium Public Safety Costs | \$ - | \$ 4,534,124 | \$ 4,037,765 | \$ 4,400,657 | \$ 5,394,140 |
| Golf Course Public Safety Costs | \$ - | \$ - | \$ - | \$ - | \$ - |
| Subtotal Event Public Safety Costs | \$ - | \$ 4,534,124 | \$ 4,037,765 | \$ 4,400,657 | \$ 5,394,140 |
| Less: Offsite Parking Fee Credit | \$ - | \$ (376,573) | \$ (409,901) | \$ (440,309) | \$ (545,912) |
| Reimbursable Stadium Public Safety Costs | \$ - | \$ 4,157,551 | \$ 3,627,864 | \$ 3,960,348 | \$ 4,848,228 |

Non-NFL Events

This section provides year to date and comparative data for Non-NFL events categorized as events ranging from high school and college football games, international soccer matches, concerts, wedding fairs, and special events. During the current reporting period, there were a total of 348,480 tickets sold for the eight ticketed Non-NFL events that were held, resulting in \$1.4 million Non-NFL event ticket surcharge revenue (from the \$4 per ticket Non-NFL event surcharge). This is a decrease in ticket surcharge revenue of \$198,000 or 12.4% over the same period in the prior year. Smaller scale Non-NFL events were held in the current period when compared to the same period in the prior year resulting in the decrease in the ticket surcharge revenue.

Stadium Manager reports that there were also 51 smaller special events held at Levi's® Stadium which is 14 events more than the same period of the prior fiscal year. The attendance at these events also increased from 18,433 in the prior period to 22,926 in the current year, an 24% increase. Examples of these special events include corporate events of various sizes, weddings, holiday parties, high school dances, etc.

In correlation with the Non-NFL events held during the current reporting period, there were 37,341 cars parked at offsite lots and the City earned a total of \$246,000 in related offsite parking fees, which is derived from the \$6.44 per parking space fee for events taking place prior to July 2024 and \$6.71 per parking space for all events thereafter. The revenues earned from this offsite parking fee supports public safety costs for Non-NFL events.

Total Non-NFL event public safety costs were \$3.1 million, a decrease of \$236,000 from the prior year. As noted previously, this decrease in cost is due to smaller scale events being held in the current year when compared to the prior year. Of these costs, \$246,000 was covered by the offsite parking fee. The remaining \$2.8 million was invoiced to the Stadium Manager and has been reimbursed to the City.

Statistics for FY 2024/25 events are shown in Table 3 and comparative data from the last five years of operations are shown in Table 4. Additional historical data can be found in the Appendix.

Table 3

Levi's® Stadium
FY 2024/25 Non-NFL Event Statistics
As of December 31, 2024

| | Earthquakes vs LAFC Soccer | Luke Combs Day 1 | Luke Combs Day 2 | Ecuador vs Venezuela Soccer | Brazil vs Colombia Soccer | Rolling Stones Concert | Chelsea vs Wrexham Soccer | Earthquakes vs Chivas Soccer | 2024/25 YTD Special Events | 2024/25 YTD Total |
|----------------------------------|-------------------------------|---------------------|---------------------|-----------------------------------|---------------------------------|---------------------------|---------------------------------|---------------------------------|-------------------------------|----------------------|
| | 05/04/24 | 05/17/24 | 05/18/24 | 06/22/24 | 07/02/24 | 07/17/24 | 07/24/24 | 07/27/24 | | |
| No. of Scanned Attendees | 31,615 | 42,362 | 45,277 | 23,846 | 64,235 | 42,706 | 29,229 | 42,423 | | 321,693 |
| No. of Tickets Sold | 37,054 | 48,130 | 48,826 | 26,254 | 65,766 | 47,405 | 29,609 | 45,436 | | 348,480 |
| Non-NFL Ticket Surcharge | \$ 148,216 | \$ 192,520 | \$ 195,304 | \$ 105,016 | \$ 263,064 | \$ 189,620 | \$ 118,436 | \$ 181,744 | | \$ 1,393,920 |
| No. of Non-NFL Special Events | | | | | | | | | 51 | 51 |
| Non-NFL Special Event Attendees | | | | | | | | | 22,926 | 22,926 |
| Cars Parked at Offsite Lots | 2,422 | 3,937 | 4,930 | 3,759 | 6,284 | 5,287 | 4,485 | 6,237 | | 37,341 |
| City Offsite Parking Fee | \$ 15,598 | \$ 25,354 | \$ 31,749 | \$ 24,208 | \$ 42,166 | \$ 35,476 | \$ 30,094 | \$ 41,850 | \$ - | \$ 246,495 |
| Stadium Public Safety Costs | \$ 340,266 | \$ 383,687 | \$ 437,552 | \$ 326,553 | \$ 428,291 | \$ 390,172 | \$ 334,325 | \$ 416,782 | \$ - | \$ 3,057,627 |
| Less: Offsite Parking Fee Credit | \$ (15,598) | \$ (25,354) | \$ (31,749) | \$ (24,208) | \$ (42,166) | \$ (35,476) | \$ (30,094) | \$ (41,850) | \$ - | \$ (246,495) |
| Reimbursable Public Safety Costs | \$ 324,669 | \$ 358,332 | \$ 405,803 | \$ 302,346 | \$ 386,125 | \$ 354,696 | \$ 304,230 | \$ 374,931 | \$ - | \$ 2,811,132 |
| Amount Reimbursed | \$ 324,669 | \$ 358,332 | \$ 405,803 | \$ 302,346 | \$ 386,125 | \$ 354,696 | \$ 304,088 | \$ 374,653 | \$ - | \$ 2,810,712 |

Table 4

Levi's® Stadium
Historical Non-NFL Event Statistics

| | 2020/21 Q3 | 2021/22 Q3 | 2022/23 Q3 | 2023/24 Q3 | 2024/25 Q3 |
|----------------------------------|------------|------------|--------------|--------------|--------------|
| | Total | Total | Total | Total | Total |
| No. of Non-NFL Ticketed Events | - | - | 7 | 8 | 8 |
| No. of Tickets Sold | - | - | 240,364 | 397,940 | 348,480 |
| Non-NFL Ticket Surcharge | \$ - | \$ - | \$ 961,456 | \$ 1,591,760 | \$ 1,393,920 |
| No. of Non-NFL Special Events | - | 1 | 56 | 37 | 51 |
| Non-NFL Special Event Attendees | - | - | 22,410 | 18,433 | 22,926 |
| Cars Parked at Offsite Lots | - | - | 35,302 | 38,716 | 37,341 |
| City Offsite Parking Fee | \$ - | \$ - | \$ 215,155 | \$ 247,937 | \$ 246,495 |
| Stadium Public Safety Costs | \$ - | \$ 1,827 | \$ 2,529,464 | \$ 3,293,398 | \$ 3,057,627 |
| Less: Offsite Parking Fee Credit | \$ - | \$ - | \$ (215,155) | \$ (247,937) | \$ (246,495) |
| Reimbursable Public Safety Costs | \$ - | \$ 1,827 | \$ 2,314,309 | \$ 3,045,461 | \$ 2,811,132 |

Table 5 summarizes ticketed Non-NFL revenues and expenditures by event. There were 8 ticketed Non-NFL events held in FY 2024/25 and generated an average net revenue of \$1.1 million per event. The inclusion of this information is to provide a greater level of transparency and provide the overall financial results of the Non-NFL events.

Table 5

Levi's® Stadium
Ticketed Non-NFL Events Revenue and Expenditure Summary
As of December 31, 2024

\$ In Millions

| Ticketed Event | Revenue | Expense | Net |
|---|----------------|---------------|---------------|
| Sporting Event 1 | \$ 2.9 | \$ 0.9 | \$ 2.0 |
| Concert 1 | 2.7 | 0.9 | 1.8 |
| Concert 2 | 2.4 | 0.8 | 1.6 |
| Concert 3 | 2.2 | 0.8 | 1.4 |
| Sporting Event 2 | 1.1 | 0.6 | 0.5 |
| Sporting Event 3 | 1.0 | 0.6 | 0.4 |
| Sporting Event 4 | 0.8 | 0.5 | 0.3 |
| Sporting Event 5 | 0.7 | 0.4 | 0.3 |
| Total Ticketed Non-NFL Net Revenue to Date | \$ 13.8 | \$ 5.5 | \$ 8.3 |

Table 6 and 7 show Non-NFL net revenue by event type and event revenue and expenses by category. In the third quarter of FY 2024/25, ticketed events and non-ticketed special events contributed \$8.3 million and \$2.1 million in net revenues, respectively. There was also additional interest income of \$1.3 million earned on Non-NFL events cash reserves offset by \$1.6 million of non-event specific other expenses. Stadium Manager reported a net revenue of \$10.1 million for the current reporting period. The Stadium Manager's current projection for Non-NFL net revenue for FY 2024/25 is \$9.3 million as cited in the documents provided for the FY 2025/26 Proposed Stadium Authority Budget. As indicated by the Stadium Manager, the reason the year-end projection is lower than the Q3 Non-NFL net revenue is due to additional anticipated event costs including public safety costs, and compensation and commissions for event staff and supporting staff members.

Table 6

**Levi's Stadium
Net Revenue for Non-NFL Events
by Event Type
Historical Year-to-Date through December 31, 2024**

| EVENT TYPE | 2020/21 | | 2021/22 | | 2022/23 | | 2023/24 | | 2024/25 | |
|--|---------------|-------------|---------------|------------------|---------------|--------------------|---------------|---------------------|---------------|---------------------|
| | No. of Events | Net Revenue | No. of Events | Net Revenue | No. of Events | Net Revenue | No. of Events | Net Revenue | No. of Events | Net Revenue |
| Ticketed Events | | | | | | | | | | |
| Concerts | 0 | \$ - | 0 | \$ - | 6 | \$6,131,747 | 5 | \$ 5,600,578 | 3 | \$ 4,685,031 |
| Sporting events: | | | | | | | | | | |
| Football (non-NFL) | 0 | - | 0 | - | 0 | - | 0 | - | 0 | - |
| Soccer | 0 | - | 0 | - | 1 | 451,890 | 3 | 305,067 | 5 | 3,639,745 |
| Miscellaneous events | 0 | - | 0 | - | 0 | - | 0 | - | 0 | - |
| Net Revenue from Ticketed Events | 0 | \$ - | 0 | \$ - | 7 | \$6,583,637 | 8 | \$ 5,905,645 | 8 | \$ 8,324,776 |
| Subtotal Ticketed Events - Other Expenses ⁽³⁾ | | \$ - | | \$ - | | \$ - | | \$ - | | \$ - |
| Net Revenue from Special Events (weddings, corporate events, etc.) | 0 | \$ - | 6 | \$ 96,187 | 56 | \$1,998,619 | 37 | \$ 1,191,841 | 51 | \$ 2,086,969 |
| Other Operating Income ⁽¹⁾ | | \$ - | | \$ - | | \$ 63,987 | | \$ 1,712,309 | | \$ 1,328,627 |
| Other Operating Expenses ⁽²⁾ | | \$ - | | \$ - | | \$ (495,578) | | \$ (1,057,378) | | \$ (1,632,901) |
| Total Non-NFL Net Revenue ⁽³⁾ | 0 | \$ - | 6 | \$ 96,187 | 63 | \$8,150,665 | 45 | \$ 7,752,417 | 59 | \$10,107,471 |

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

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

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

Table 7
Levi's® Stadium
Non-NFL Event Results by Category
As of December 31, 2024

| | 2024/25 YTD Total |
|--|------------------------------|
| REVENUE: | |
| Special Event Revenue | \$ 5,716,301 |
| Ticket Platform Fees | 6,064,397 |
| Suite Ticket Revenue | 907,112 |
| Parking | 2,384,549 |
| Food & Beverage - Ticketed Events | 3,673,837 |
| Food & Beverage - Special Events | 691,130 |
| Miscellaneous ⁽¹⁾ | 2,145,851 |
| Total Revenue | \$ 21,583,177 |
| EXPENSE: | |
| Public Safety/Security | \$ 4,790,078 |
| Event Staff | 2,739,545 |
| Parking | 2,352,989 |
| Catering - Special Events | 3,098,553 |
| General Event Related Expenses | 4,954,609 |
| Expense Reimbursement from Event Licensee ⁽²⁾ | (8,092,970) |
| Miscellaneous ⁽³⁾ | 1,632,902 |
| Total Expense | \$ 11,475,706 |
| Total Non-NFL Net Revenue | \$ 10,107,471 |

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

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

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

Discretionary Fund

The Discretionary Fund is funded by revenue equal to \$2 of the Base Non-NFL ticket surcharge. The eight ticketed Non-NFL events contributed \$697,000 to the Discretionary Fund in the reporting period which has been collected for the current fiscal year. This is based on the estimated attendance provided by the Stadium Manager. Table 8 shows the revenues and expenses in the Discretionary Fund for the last five years. Additional historical data can be found in the Appendix. The balance at the end of this reporting period was \$3.2 million.

Table 8

| Discretionary Fund Reserve | | | | |
|----------------------------|-------------------|---------|-----------|----------------|
| Fiscal Year | Beginning Balance | Revenue | Expenses | Ending Balance |
| 2020/21 | \$ 2,327,850 | \$ - | \$ 18 | \$ 2,327,832 |
| 2021/22 | 2,327,832 | - | (18) | 2,327,850 |
| 2022/23 | 2,327,850 | 639,896 | 1,300,051 | 1,667,695 |
| 2023/24 | 1,667,695 | 796,628 | - | 2,464,323 |
| 2024/25 | 2,464,323 | 696,960 | - | 3,161,283 |

Stadium Builder Licenses

The total principal value of currently active Stadium Builder Licenses (“SBLs”) is \$561.1 million and, as of December 31, 2024, 94.6% of the total principal value of all SBLs sold (i.e., \$531 million) had been collected. Payment for the sale of SBLs are financed over 10 years.

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

When SBL holders do not purchase NFL season tickets, their SBL is not defaulted, however they lose exclusive rights to their seats and their seats may be sold to another SBL holder. This results in cases where a seat may have more than one SBL associated with it and why there are currently more active SBLs than there are available SBL seats. If the original SBL holder decides to purchase season tickets in the future, they can relocate to a new seat in the same or higher price level, subject to availability. If the relocation results in a change in price level, they need to pay for the difference between their original SBL and the new one. If they chose not to relocate, they must wait for their seat to be available again before they can purchase NFL season tickets.

There is a total of 66,741 currently active SBLs. This is an increase of 1,748 from the total active SBLs at the end of the prior fiscal year (March 31, 2024). The main reasons for the

increase are due to sale of new SBLs and customer seat relocation program offset by default buy back. The customer seat relocation program allows customers to trade in their SBLs in return for others in a different location as long as the total face value of the new seats is equal to or greater than the original seats.

During the current reporting period, 1,275 SBLs were sold for a total face value of \$8.4 million. The customer seat relocation program resulted in an increase of \$1.1 million to the SBL face value, while netting 978 more SBLs. There were also 505 SBL defaulted during the quarter with a face value of \$3.4 million.

Additional details regarding currently active SBLs are noted in Table 9.

Table 9

Santa Clara Stadium Authority

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

| Through December 31, 2024 | | | | | | | | | | | |
|--|---------------------|------------------------------|---------------|---------------------|--------------|----------|----------------|-----------------------|-----------------------|---------------------------|--|
| Seat Value | SBL Seats Available | SBL Seats Sold as of 3/31/24 | New SBL Sales | Net SBL Relocations | SBL Defaults | Other | SBL Seats Sold | SBL Value | SBL Collected | % SBL Principal Collected | |
| \$ 141,392 | 100 | 100 | - | - | - | - | 100 | \$ 14,082,625 | \$ 13,921,920 | 98.9% | |
| \$ 80,000 | 942 | 938 | 2 | 2 | - | - | 942 | \$ 75,360,000 | \$ 74,625,639 | 99.0% | |
| \$ 40,000 | 2 | 2 | - | - | - | - | 2 | \$ 80,000 | \$ 79,600 | 99.5% | |
| \$ 30,000 | 4,945 | 4,670 | 61 | (5) | (26) | - | 4,700 | \$ 141,000,000 | \$ 134,586,960 | 95.5% | |
| \$ 20,000 | 3,475 | 3,030 | 73 | 3 | (22) | - | 3,084 | \$ 61,680,000 | \$ 56,863,189 | 92.2% | |
| \$ 17,500 | 90 | 64 | 23 | - | - | - | 87 | \$ 1,522,500 | \$ 1,048,833 | 68.9% | |
| \$ 15,000 | 7 | 7 | - | - | - | - | 7 | \$ 105,000 | \$ 105,000 | 100.0% | |
| \$ 12,000 | 2,163 | 2,198 | 24 | (7) | (16) | - | 2,199 | \$ 26,388,000 | \$ 24,926,440 | 94.5% | |
| \$ 10,000 | 7 | 7 | - | - | - | - | 7 | \$ 70,000 | \$ 69,915 | 99.9% | |
| \$ 6,000 | 20,656 | 20,988 | 233 | (15) | (134) | - | 21,072 | \$ 126,432,000 | \$ 120,375,603 | 95.2% | |
| \$ 5,000 | 14,311 | 14,533 | 388 | (268) | (199) | - | 14,454 | \$ 72,270,000 | \$ 65,647,645 | 90.8% | |
| \$ 4,000 | 916 | 927 | - | - | - | - | 927 | \$ 3,708,000 | \$ 3,682,306 | 99.3% | |
| \$ 3,000 | 88 | 91 | - | (1) | - | - | 90 | \$ 270,000 | \$ 267,836 | 99.2% | |
| \$ 2,500 | 36 | 40 | - | - | - | - | 40 | \$ 100,000 | \$ 99,998 | 100.0% | |
| \$ 2,000 | 18,392 | 17,367 | 471 | 1,270 | (108) | - | 19,000 | \$ 38,000,000 | \$ 34,708,859 | 91.3% | |
| \$ 1,000 | 26 | 31 | - | (1) | - | - | 30 | \$ 30,000 | \$ 30,000 | 100.0% | |
| Total | 66,156 | 64,993 | 1,275 | 978 | (505) | - | 66,741 | \$ 561,098,125 | \$ 531,039,743 | 94.6% | |
| Plus: Interest on financed SBLs | | | | | | | | | \$ 67,752,847 | | |
| Total Principal & Interest | | | | | | | | | \$ 598,792,590 | | |

⁽¹⁾ This table does not include \$37.55 million that has been collected life-to-date from defaulted SBL holders.

Santa Clara Stadium Authority Budget Status Reports

Operating Budget

With 75% of the fiscal year complete, total operating revenues for the third quarter of the 2024/25 fiscal year were \$50.1 million representing 80% of the overall budget for revenues. During the current reporting period, the Stadium Authority collected \$5.3 million in SBL proceeds or 104% of what was budgeted. All SBL proceeds are to be transferred to the debt service fund per applicable loan agreements. Stadium Authority also recognized \$19.9 million in rent from Forty Niners SC Stadium Company, LLC (StadCo), \$1.4 million in Non-NFL ticket surcharge, and \$458,000 in sponsorship (STR) revenue all of which are expected to meet budget this fiscal year.

Total Operating expenses were \$17.9 million, or 40% of the annual budget. Shared Stadium Manager expenses were at 74% of the budget, or \$10 million of the \$13.6 million budgeted amount and SBL Sales and Service expenses were 81% of the budget or \$2.7 million. The Stadium Authority pays for all utility costs from February 1st through July 31st and the tenant (StadCo) pays for utility costs from August 1st through January 31st (Tenant Season). Therefore, utility costs are 67% of the budget for the year, or \$992,000. The current period covers 67% (four out of the six months) that the Stadium Authority is responsible for utility costs. Lastly, Stadium Authority G&A costs were tracking below budgeted levels at \$2.1 million or 50% of the budget which is consistent to the prior year.

Additional details are shown in Table 10.

Table 10

Santa Clara Stadium Authority
Operating Budget Status Report
 For the Period Ending December 31, 2024 and 2023

| | Period Ending December 31, 2024 | | | | Period Ending December 31, 2023 | | | |
|--|----------------------------------|-----------------------|------------------------|---------------|---------------------------------|-----------------------|-----------------------|---------------|
| | Amended ⁽¹⁾ Budget | YTD Actuals | Budget to | | Final Budget | YTD Actuals | Budget to | |
| | | | Actual Difference | % Received | | | Actual Difference | % Received |
| Beginning Fund Balance | | | | | | | | |
| Discretionary Fund Reserve | \$ 2,464,323 | \$ 2,464,323 | \$ - | NA | \$ 1,667,695 | \$ 1,667,695 | \$ - | NA |
| Legal Contingency Reserve - Buffet Costs | 3,321,116 | 3,321,116 | - | NA | 2,066,749 | 2,066,749 | - | NA |
| Legal Contingency Reserve - Public Safety Costs | 7,324,722 | 7,324,722 | - | NA | 4,246,725 | 3,401,000 | 845,725 | NA |
| Operating Reserve | 26,095,478 | 26,095,478 | - | NA | 25,335,402 | 25,348,289 | (12,887) | NA |
| Renovation/Demolition Reserve | 31,440,735 | 31,440,735 | - | NA | 5,323,390 | 5,323,390 | - | NA |
| Stadium Funding Trust Reserve | 3,611,041 | 3,611,041 | - | NA | 3,420,994 | 3,420,994 | - | NA |
| Unrestricted | 15,915,719 | 15,915,719 | - | NA | 13,880,278 | 14,713,116 | (832,838) | NA |
| Total Beginning Fund Balance | \$ 90,173,134 | \$ 90,173,134 | \$ - | NA | \$ 55,941,233 | \$ 55,941,233 | \$ - | NA |
| Revenue | | | | | | | | |
| NFL Ticket Surcharge | \$ 13,700,000 | \$ 14,594,945 | \$ (894,945) | 107% | \$ 12,178,000 | \$ 11,523,355 | \$ 654,645 | 95% |
| SBL Proceeds | 5,057,000 | 5,257,360 | (200,360) | 104% | 12,589,000 | 12,174,685 | 414,315 | 97% |
| Interest | 3,534,000 | 4,347,665 | (813,665) | 123% | 1,249,000 | 3,164,880 | (1,915,880) | 253% |
| Net Revenues from Non-NFL Events | 6,000,000 | - | 6,000,000 | 0% | 4,500,000 | - | 4,500,000 | 0% |
| Naming Rights | 7,830,000 | 3,857,040 | 3,972,960 | 49% | 7,602,000 | 3,744,699 | 3,857,301 | 49% |
| Sponsorship Revenue (STR) | 519,000 | 458,042 | 60,958 | 88% | 475,000 | 407,523 | 67,477 | 86% |
| Rent | 24,762,000 | 19,946,500 | 4,815,500 | 81% | 24,762,000 | 19,946,500 | 4,815,500 | 81% |
| Senior & Youth Program Fees | 268,000 | 278,582 | (10,582) | 104% | 250,000 | 216,108 | 33,892 | 86% |
| Non-NFL Event Ticket Surcharge | 1,149,000 | 1,393,920 | (244,920) | 121% | 1,296,000 | 1,592,360 | (296,360) | 123% |
| Other Revenue | - | - | - | NA | - | 70,043 | (70,043) | NA |
| Total Revenue | \$ 62,819,000 | \$ 50,134,054 | \$ 12,684,946 | 80% | \$ 64,901,000 | \$ 52,840,153 | \$ 12,060,847 | 81% |
| Total Source of Funds | \$ 152,992,134 | \$ 140,307,188 | \$ 12,684,946 | 92% | \$ 120,842,233 | \$ 108,781,386 | \$ 12,060,847 | 90% |
| | | | | | | | | |
| | | | | | | | | |
| Expenses | | | | | | | | |
| Shared Stadium Manager Expenses | | | | | | | | |
| Stadium Operations | \$ 3,384,000 | \$ 2,537,962 | \$ 846,038 | 75% | \$ 4,550,000 | \$ 3,397,116 | \$ 1,152,884 | 75% |
| Engineering | 3,935,000 | 2,951,408 | 983,592 | 75% | 2,694,000 | 2,012,044 | 681,956 | 75% |
| Guest Services | 621,000 | 465,420 | 155,580 | 75% | 645,000 | 482,636 | 162,364 | 75% |
| Groundskeeping | 316,000 | 237,366 | 78,634 | 75% | 650,000 | 488,944 | 161,056 | 75% |
| Security | 1,602,000 | 1,201,249 | 400,751 | 75% | 1,564,000 | 1,174,386 | 389,614 | 75% |
| Insurance | 3,427,000 | 2,570,239 | 856,761 | 75% | 3,327,000 | 2,495,378 | 831,622 | 75% |
| Stadium Management Fee | 269,000 | - | 269,000 | 0% | 516,515 | 255,370 | 261,145 | 49% |
| Shared Stadium Mngnr Exps Subtotal | \$ 13,554,000 | \$ 9,963,644 | \$ 3,590,356 | 74% | \$ 13,946,515 | \$ 10,305,874 | \$ 3,640,641 | 74% |
| Other Operating Expenses | | | | | | | | |
| SBL Sales and Service | \$ 3,348,000 | \$ 2,727,413 | \$ 620,587 | 81% | \$ 2,333,000 | \$ 1,749,936 | \$ 583,064 | 75% |
| Senior & Youth Fees (paid to City) | 268,000 | 278,582 | (10,582) | 104% | 250,000 | 216,108 | 33,892 | 86% |
| Ground Rent (paid to City) | 1,000,000 | 1,000,000 | - | 100% | 495,000 | 495,000 | - | 100% |
| Performance Rent (paid to City) | 9,825,000 | - | 9,825,000 | 0% | - | - | - | NA |
| Discretionary Fund Expense | 250,000 | - | 250,000 | 0% | 250,000 | - | 250,000 | 0% |
| Utilities | 1,488,000 | 991,921 | 496,079 | 67% | 1,391,000 | 927,030 | 463,970 | 67% |
| Use of StadCo Tenant Improvements | 151,000 | 144,311 | 6,689 | 96% | 133,000 | 116,402 | 16,598 | 88% |
| Stadium Authority G&A | 4,288,000 | 2,133,982 | 2,154,018 | 50% | 3,919,900 | 1,957,998 | 1,961,902 | 50% |
| Naming Rights Commission | 136,000 | 96,426 | 39,574 | 71% | 94,000 | 93,618 | 382 | 100% |
| Other Expenses | 748,000 | 560,832 | 187,168 | 75% | 734,000 | 550,191 | 183,809 | 75% |
| PSC 2024 Outstanding Balance | 6,473,000 | - | 6,473,000 | 0% | - | - | - | NA |
| Transfer to City General Fund from Excess Revenues | 3,073,000 | - | 3,073,000 | 0% | - | - | - | NA |
| Other Operating Expenses Subtotal | \$ 31,048,000 | \$ 7,933,467 | \$ 23,114,533 | 26% | \$ 9,599,900 | \$ 6,106,283 | \$ 3,493,617 | 64% |
| Total Expenses | \$ 44,602,000 | \$ 17,897,111 | \$ 26,704,889 | 40% | \$ 23,546,415 | \$ 16,412,157 | \$ 7,134,258 | 70% |
| Transfers Out | | | | | | | | |
| Debt Service | \$ 17,471,000 | \$ 17,429,874 | \$ 41,126 | 100% | \$ 25,457,000 | \$ 17,297,708 | \$ 8,159,292 | 68% |
| Capital Expenditures Reserve | 1,575,000 | - | 1,575,000 | 0% | 3,915,000 | - | 3,915,000 | 0% |
| CapEx Reserve - Levi's Naming Rights | 4,032,000 | - | 4,032,000 | 0% | - | - | - | NA |
| Total Transfers Out | \$ 23,078,000 | \$ 17,429,874 | \$ 5,648,126 | 76% | \$ 29,372,000 | \$ 17,297,708 | \$ 12,074,292 | 59% |
| Ending Fund Balance | | | | | | | | |
| Discretionary Fund Reserve | \$ 2,789,323 | \$ 3,161,283 | \$ (371,960) | NA | \$ 2,065,695 | \$ 1,667,695 | \$ 398,000 | NA |
| Legal Contingency Reserve - Buffet Costs | - | - | - | NA | 3,143,749 | 2,066,749 | 1,077,000 | NA |
| Legal Contingency Reserve - Public Safety Costs | - | - | - | NA | 6,249,225 | 3,401,000 | 2,848,225 | NA |
| Operating Reserve | 26,878,478 | 26,095,478 | 783,000 | NA | 25,935,402 | 25,348,289 | 587,113 | NA |
| Renovation/Demolition Reserve | 37,548,576 | 31,440,735 | 6,107,841 | NA | 10,828,875 | 5,323,390 | 5,505,485 | NA |
| Stadium Funding Trust Reserve | 4,183,645 | 14,035,564 | (9,851,919) | NA | 4,655,914 | 14,598,825 | (9,942,911) | NA |
| Unrestricted | 13,912,112 | 30,247,143 | (16,335,031) | NA | 15,044,958 | 22,665,573 | (7,620,615) | NA |
| Total Ending Fund Balance | \$ 85,312,134 | \$ 104,980,203 | \$ (19,668,069) | NA | \$ 67,923,818 | \$ 75,071,521 | \$ (7,147,703) | NA |
| Total Use of Funds | \$ 152,992,134 | \$ 140,307,188 | \$ 12,684,946 | 92% | \$ 120,842,233 | \$ 108,781,386 | \$ 12,060,847 | 90% |

(1) Adjustments include previously approved budget amendments through January 14, 2025

Operating Budget – Recommended Budget Adjustments

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

On March 12, 2024, the Stadium Authority Board adopted the Santa Clara Stadium Authority FY 2024/25 Operating, Debt Service, and Capital Budget. Subsequent budget amendments were also adopted through January 14, 2025. The following budget adjustments are recommended based on FY 2024/25 projected actuals.

- 1) NFL Ticket Surcharge: The Forty Niners Football Company, LLC collect a 10% ticket surcharge on the price of admission to all NFL games held at Levi's® Stadium on behalf of the Stadium Authority. The Stadium Authority received \$895,000 more NFL Ticket Surcharge revenue than budgeted due to higher ticket prices and more tickets sold than budgeted. Therefore, a budget adjustment of \$895,000 is needed to reflect the increase in revenue.
- 2) SBL Proceeds: Cash collected from annual payments from SBL holders on a payment plan and payment from sales on new SBLs and/or SBLs that were defaulted make up SBL proceeds. The Stadium Manager projects \$8.0 million of SBL proceeds, \$3.0 million more than the current budget due to higher re-sale activity than originally projected therefore, a budget amendment of \$3.0 million is needed to reflect the increase in revenues.
- 3) Interest: The Stadium Authority was maintaining a higher bank balance than anticipated over the first three quarters of the fiscal year. The Stadium Authority had been holding funds in a legal contingency reserve awaiting the finalization of the 2024 Settlement Agreement. The final effective date of that agreement was December 28, 2024 and subsequently in January 2025, the funds in the reserve were distributed. Additionally, spending on CapEx projects has been lower than budgeted and bank interest rates were higher than projected. The Stadium Authority projects \$5.4 million in interest revenue, \$1.9 million more than budgeted. A budget amendment of \$1.9 million is needed to reflect the increase in revenues.
- 4) Net Revenues from Non-NFL Events: The Stadium Manager is responsible for booking and scheduling all Non-NFL events on behalf of the Stadium Authority. As required by the Stadium Management Agreement, Stadium Manager is also required to maintain complete and accurate books and records related to the net income from Non-NFL events. The Stadium Manager projects \$9.3 million of net revenue from Non-NFL events will be collected, \$3.3 million more than the current budget therefore, a budget amendment of \$3.3 million is needed to reflect the increase in revenue.
- 5) Senior and Youth Fee Revenue: Due to the 2024 Settlement Agreement, Senior and Youth Program Fees increased from \$0.35 per NFL game ticket sold with a cap of \$250,000 to \$0.40 per ticket with a \$300,000 cap starting in FY 2024/25. This resulted in collection of additional Senior and Youth Program Fee Revenue.

The Stadium Authority has collected \$279,000 of Senior and Youth Program Fees through the end of the NFL season, which is \$11,000 higher than budgeted. A budget adjustment is needed to reflect the increase in the revenue by \$11,000 which in turn is paid to the City's General Fund (see #8 below).

- 6) Stadium Management Fee: The Management Performance fee owed to the Stadium Manager is outlined in the Stadium Management Agreement. The Stadium Manager receives an annual base management fee that is split 50/50 between StadCo and the Stadium Authority since the Stadium Manager manages the stadium year-round for both entities. In addition to the base management fee of \$269,000 for FY 2024/25 the Stadium Manager also receives a stadium marketing and booking fee based on a tiered percentage of the net Non-NFL events revenue that exceed the Marketing and Booking Fee Benchmark. Based on projected net Non-NFL Event revenue of \$9.3 million for FY2024/25, the Stadium Manager is expected to earn an additional \$264,000 stadium marketing and booking fee. Therefore, a budget amendment of \$264,000 is needed to reflect the increased management fee that is projected to be owed to the Stadium Manager.
- 7) SBL Sales and Service (SBL): The Stadium Manager provides sales and service to SBL holders on behalf of Stadium Authority. Based on projected actuals for FY2024/25 SBL Sales and Service for bonus and commissions expenses are projected to be higher than budgeted due the SBL Sales team exceeding their target sales. A budget adjustment is needed to reflect the increase in SBL Sales and Service of \$163,000.
- 8) Senior and Youth Program Fees (paid to the City): Due to the 2024 Settlement Agreement, Senior and Youth Program Fees increased from \$0.35 per NFL game ticket with a cap of \$250,000 to \$0.40 per ticket with a \$300,000 cap starting in FY 2024/25 resulting in collection of additional Senior and Youth Program Fees. The Stadium Authority has collected \$279,000 of Senior and Youth Program Fees through the end of the NFL season, which is \$11,000 higher than budgeted (see #5 above). A budget adjustment is needed to reflect the increase in the payment to the City's General Fund by \$11,000.
- 9) Performance Rent: The Performance-Based rent owed to the City is described in the Ground Lease and the Amended and Restated Stadium Lease. As outlined in the agreements, the City can receive Performance-Based rent for each Lease Year equal to 50% of net revenue from Non-NFL events less the sum of the Performance-Based Rent Credits. Performance-Based Rent was budgeted at \$9.8 million related to: (1) FY 2022/23 of \$4.2 million, (2) FY 2023/24 of \$3.1 million and (3) FY 2024/25 of \$2.5 million (budget). FY 2024/25 net Non-NFL event net revenue is projected to be higher than budgeted resulting in an increase to Performance-Based rent owed to the City of \$1.6 million. Therefore, a budget amendment of \$1.6 million is needed to reflect this increase.
- 10) Utilities: Utility costs were higher than anticipated largely due unanticipated rate increase that was not factored into projections. A budget adjustment of 223,000

is needed to reflect the increase in Utility expenses.

- 11) Use of StadCo Tenant Improvements: The Stadium Authority is charged fees for the use of StadCo assets during Non-NFL events. Use of StadCo Tenant Improvements is projected to be higher than anticipated by \$21,000 due to the increased Non-NFL Event activity. A budget adjustment is needed to reflect the increase in Use of StadCo Tenant Improvements of \$21,000.
- 12) Public Safety Cost (PSC) Over Threshold: Due to the 2024 Settlement Agreement, the public safety cost threshold in FY 2024/25 will equal \$360,000 per game. Based on projected actual NFL public safety costs it is estimated that the public safety costs over the threshold will be \$2,312,000 which will be paid with the discretionary fund so that there are no impacts to the Performance Based Rent paid to the City. A budget adjustment is needed to reflect the payment of PSC over threshold of \$2,312,000.
- 13) PSC 2024 Outstanding Balance: As part of the 2024 Settlement Agreement, public safety costs over the threshold for FY 2017/18 to FY 2023/24 amounting to approximately \$14.8 million were redefined as "PSC 2024 Outstanding Balance." The budgeted amount of \$6.5 million for FY 2024/25 included \$3.3 million from the prior Legal Contingency reserve and \$3.2 million from excess revenues. Based on projected revenues and expenses, it is anticipated that an additional \$3.0 million of excess revenues will be available to pay down the PSC 2024 Outstanding Balance. Therefore, a budget adjustment of \$3.0 million is needed to reflect the additional payment of PSC 2024 Outstanding Balance.
- 14) Transfer to City General Fund from Excess Revenues: Under the 2024 Settlement Agreement the terms of the Stadium Lease has been amended, restructuring the distribution of excess revenues originally to be deposited to the Renovation/Demolition Reserve to instead allocate 25% to the City's General Fund. The transfer of \$3.1 million in excess revenues to the City's General Fund is budgeted for FY2024/25. Based on projected actuals, \$6.2 million is expected to be transferred to the City's General Fund. Therefore, a budget amendment of \$3.1 million is needed to reflect the increased payment.
- 15) Ending Fund Balance – Discretionary Reserve: Due to the 2024 Settlement Agreement, the public safety cost threshold in FY 2024/25 will equal \$360,000 per game. Based on projected actual NFL public safety costs it is estimated that the public safety costs over the threshold will be \$2,312,000 which will be paid with the discretionary fund so that there are no impacts to the Performance Based Rent paid to the City. A budget adjustment is needed to reflect the payment of PSC over threshold of \$2,312,000 from the discretionary reserve.
- 16) Ending Fund Balance – Renovation/Demolition Reserve: Due to the 2024 Settlement Agreement, excess revenues that would fund the renovation/demolition reserve will now receive 50% of the remaining revenues. Of the remaining 50%, half will go toward paying off the PSC 2024 Outstanding Balance, and the other half will be distributed to the City's General Fund. Based on

anticipated excess revenues, the Ending Fund Balance – Renovation/ Demolition Reserve is expected to be \$43.8 million, an increase of \$6.2 million from budget. Therefore, a budget amendment of \$6.2 million is needed to reflect the increase in the Ending Fund Balance Renovation/Demolition Reserve.

17) Ending Fund Balance – Stadium Funding Trust Reserve: The Stadium Funding Trust Reserve is required to have sufficient funds to cover the stadium’s operating and maintenance expenses for the first three months of the following fiscal year. Based on projected expenses for the first three months of FY 2025/26 the Ending Fund Balance – Stadium Funding Trust Reserve is anticipated to increase by \$1.6 million therefore, a \$1.6 million budget amendment is needed to reflect the increase in the reserve.

18) Ending Fund Balance - Unrestricted: The Ending Fund Balance – Unrestricted is anticipated to decrease by \$7.2 million due to the actions taken above. A budget amendment of \$7.2 million is needed to reflect the decrease in the Ending Fund Balance – Unrestricted.

Additional details are shown in Table 11.

Table 11

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

| Item # | Line Item | Source of Funds | Use of Funds | Explanation |
|---------------|----------------------------------|------------------------|---------------------|--|
| 1 | NFL Ticket Surcharge | \$895,000 | | This action increases the Operating Budget for NFL Ticket Surcharge Revenue due to higher ticket sales than projected. |
| 2 | SBL Proceeds | \$2,912,000 | | This action increases the Operating Budget for SBL Proceeds due to higher SBL resale activity than anticipated. |
| 3 | Interest | \$1,901,000 | | This action increases the Operating Budget for Interest Revenue due to higher bank balances and interest rates than expected. |
| 4 | Net Revenues from Non-NFL Events | \$3,250,000 | | This action increases the Operating Budget for Net Revenues from Non-NFL Events because of greater Non-NFL Event activity than budgeted by |

| | | | | |
|----|--|----------|-------------|---|
| | | | | the Stadium Manager. |
| 5 | Senior and Youth Fees | \$11,000 | | This action increases the Operating Budget for the Senior and Youth Program Fees due to the fee increase from \$0.35 to \$0.40 per ticket per the 2024 Settlement Agreement. |
| 6 | Stadium Management Fee | | \$264,000 | This action increases the Operating Budget for the Stadium Management Fee because net non-NFL event revenue is anticipated to be higher than budgeted resulting in an additional marketing and booking fee owed to Stadium Manager. |
| 7 | SBL Sales and Service | | \$163,000 | This action increases the Operating Budget for SBL Sales and Service. SBL Sales and Service are anticipated to be higher than budget due to increased SBL resale activity resulting in higher bonuses and commissions. |
| 8 | Senior and Youth Fees (paid to the City) | | \$11,000 | This action increases the Operating Budget for the Senior and Youth Program Fees due to the fee increase from \$0.35 to \$0.40 per ticket per the 2024 Settlement Agreement. |
| 9 | Performance Rent (paid to the City) | | \$1,625,000 | This action increases the Operating Budget for Performance Rent due to higher projected net Non-NFL Event Revenues than budgeted. |
| 10 | Utilities | | \$223,000 | This action increases the Operating Budget for Utilities by \$223,000 due to rate increases that were not factored into budget. |
| 11 | Use of StadCo Tenant Improvements | | \$21,000 | This action increases the Operating Budget for the Use of StadCo Tenant |

| | | | | |
|----|---|--------------------|--------------------|--|
| | | | | Improvements. Higher than expected non-NFL event activity resulted in the use of more StadCo Tenant Improvements. |
| 12 | PSC Over Threshold | | \$2,312,000 | This action increases the Operating Budget for PSC Over Threshold estimated for FY 2024/25. |
| 13 | PSC 2024 Outstanding Balance | | \$3,014,000 | This action increases the Operating Budget for PSC 2024 Outstanding Balance from anticipated additional excess revenues. |
| 14 | Transfer to City General Fund from Excess Revenues | | \$3,093,000 | This action increases the Operating Budget for the Transfer to City General Fund from anticipated excess revenues. |
| 15 | Ending Fund Balance - Discretionary Reserve | | \$(2,312,000) | This action decreases the Discretionary Fund Reserve resulting from anticipated payment for PSC Over Threshold related to the 2024 Settlement Agreement. |
| 16 | Ending Fund Balance – Reno/Demo Reserve | | \$6,224,000 | This action increases the Reno/Demo Reserve balance from anticipated excess revenues. |
| 17 | Ending Fund Balance – Stadium Funding Trust Reserve | | \$1,567,000 | This action increases the Stadium Funding Trust Reserve due to the requirement to fund the reserve to cover the first three months of O&M expenses in the following Fiscal Year. |
| 18 | Ending Fund Balance – Unrestricted | | (\$7,236,000) | This action decreases the Unrestricted Ending Fund Balance to offset all of the actions taken above. |
| | Total | \$8,969,000 | \$8,969,000 | |

Debt Service Budget

The Stadium Authority's FY 2024/25 debt service revenue budget of \$2.8 million represents anticipated contributions from the Community Facilities District (CFD). The CFD levies and collects a special hotel tax on hotel rooms within the CFD. All collections from the special CFD hotel taxes are contributed to Stadium Authority to pay down the CFD Advance. The CFD Advance is payable solely from amounts received by the Stadium Authority from the CFD. During the first three quarters, \$2.5 million was contributed by the CFD, or 88% of the annual budget and was used to pay down the CFD Advance.

Total Stadium Authority debt service expenses for the current reporting period were \$17.1 million, or 87% of the budgeted amount. The debt service expenses for the CFD Advance and the Term A Loan were \$2.6 million and \$14.5 million, respectively.

As of December 31, 2024, the total outstanding amount of Stadium Authority debt had declined to \$220 million. This is a reduction in principal of \$8.7 million from the March 31, 2024 outstanding debt amount of \$228.7 million.

Additional details are shown in Tables 12 and 13 and Chart 1.

Table 12

Santa Clara Stadium Authority

Debt Service Budget Status Report

For the Period Ending December 31, 2024 and 2023

| | Period Ending December 31, 2024 | | | | | Period Ending December 31, 2023 | | | |
|-------------------------------------|---------------------------------|-------------------------------|----------------------|-----------------------------|-------------|---------------------------------|----------------------|-----------------------------|------------|
| | Adopted Budget | Amended ⁽¹⁾ Budget | YTD Actuals | Budget to Actual Difference | % Received | Final Budget | YTD Actuals | Budget to Actual Difference | % Received |
| Beginning Fund Balance | | | | | | | | | |
| Required Debt Service Reserve | \$ 11,536,235 | \$ 11,536,235 | \$ 11,536,235 | \$ - | NA | \$ 11,536,235 | \$ 11,536,235 | \$ - | NA |
| Debt Service Reserve | 7,996,801 | 8,122,980 | 8,122,980 | - | NA | 15,663,801 | \$ 15,663,801 | - | NA |
| Total Beginning Fund Balance | \$ 19,533,036 | \$ 19,659,215 | \$ 19,659,215 | \$ - | NA | \$ 27,200,036 | \$ 27,200,036 | \$ - | NA |
| Revenue | | | | | | | | | |
| Contribution from CFD | \$ 2,782,000 | \$ 2,782,000 | \$ 2,454,522 | \$ 327,478 | 88% | \$ 3,217,000 | \$ 2,627,897 | \$ 589,103 | 82% |
| Total Revenues | \$ 2,782,000 | \$ 2,782,000 | \$ 2,454,522 | \$ 327,478 | 88% | \$ 3,217,000 | \$ 2,627,897 | \$ 589,103 | 82% |
| Transfers In | | | | | | | | | |
| Transfers In from Operating | \$ 17,471,000 | \$ 17,471,000 | \$ 17,429,874 | \$ 41,126 | 100% | \$ 25,457,000 | \$ 17,297,708 | \$ 8,159,292 | 68% |
| Total Transfers In | \$ 17,471,000 | \$ 17,471,000 | \$ 17,429,874 | \$ 41,126 | 100% | \$ 25,457,000 | \$ 17,297,708 | \$ 8,159,292 | 68% |
| Total Source of Funds | \$ 39,786,036 | \$ 39,912,215 | \$ 39,543,611 | \$ 368,604 | 99% | \$ 55,874,036 | \$ 47,125,641 | \$ 8,748,395 | 84% |
| | | | | | | | | | |
| | Adopted Budget | Amended ⁽¹⁾ Budget | YTD Actuals | Budget to Actual Difference | % Used | Final Budget | YTD Actuals | Budget to Actual Difference | % Used |
| Expenses | | | | | | | | | |
| CFD Advance | \$ 2,754,000 | \$ 2,754,000 | \$ 2,570,174 | \$ 183,826 | 93% | \$ 2,900,000 | \$ 2,092,967 | \$ 807,033 | 72% |
| Term A Loan | 16,933,000 | 16,933,000 | 14,524,510 | 2,408,490 | 86% | 25,457,000 | \$ 22,957,359 | 2,499,641 | 90% |
| Total Expenses | \$ 19,687,000 | \$ 19,687,000 | \$ 17,094,683 | \$ 2,592,317 | 87% | \$ 28,357,000 | \$ 25,050,326 | \$ 3,306,674 | 88% |
| Transfers Out | | | | | | | | | |
| Transfers Out to Operating Fund | \$ - | \$ - | \$ - | \$ - | NA | \$ - | \$ - | \$ - | NA |
| Total Transfers Out | \$ - | \$ - | \$ - | \$ - | NA | \$ - | \$ - | \$ - | NA |
| Ending Fund Balance | | | | | | | | | |
| Required Debt Service Reserve | \$ 11,536,235 | \$ 11,536,235 | \$ 11,536,235 | \$ - | NA | \$ 11,536,235 | \$ 11,536,235 | \$ - | NA |
| Debt Service Reserve | 8,562,801 | 8,688,980 | 10,912,692 | (2,223,712) | NA | 15,980,801 | 10,539,080 | 5,441,721 | NA |
| Total Ending Fund Balance | \$ 20,099,036 | \$ 20,225,215 | \$ 22,448,927 | \$ (2,223,712) | NA | \$ 27,517,036 | \$ 22,075,315 | \$ 5,441,721 | NA |
| Total Use of Funds | \$ 39,786,036 | \$ 39,912,215 | \$ 39,543,611 | \$ 368,604 | 99% | \$ 55,874,036 | \$ 47,125,641 | \$ 8,748,395 | 84% |

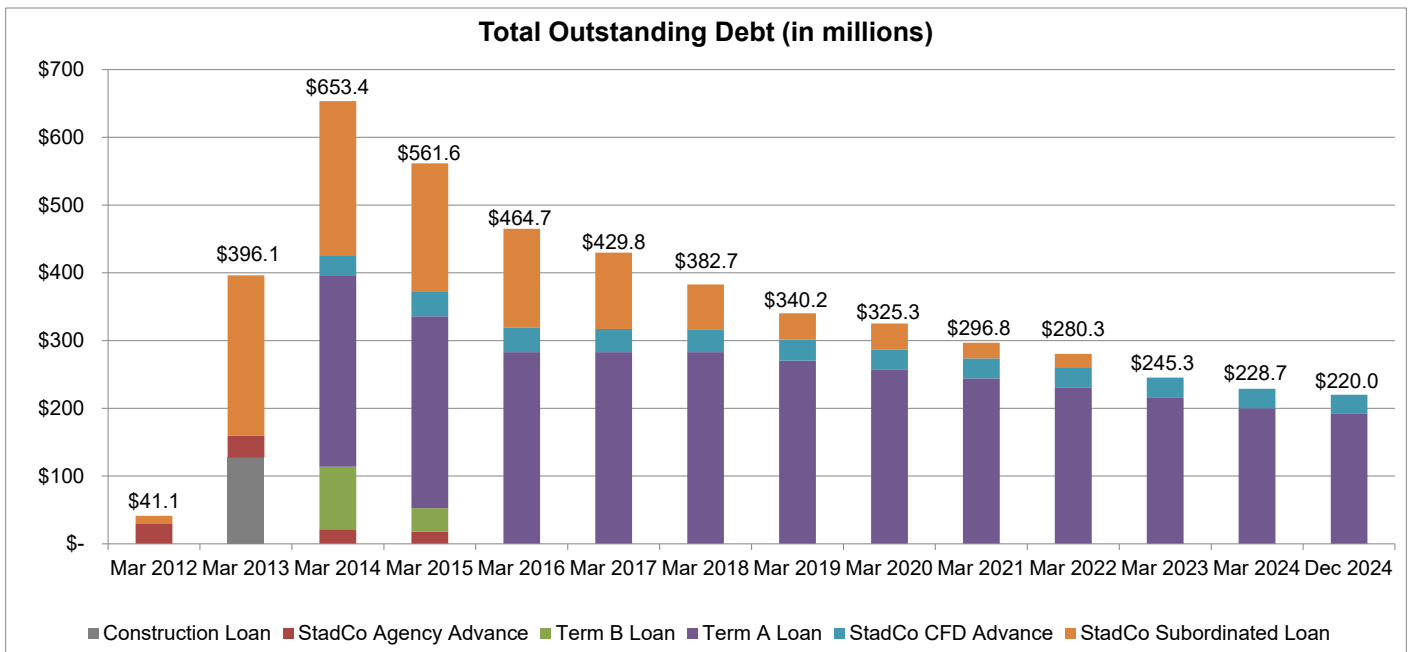
(1) Adjustments include previously approved budget amendments through January 14, 2025

Table 13

Santa Clara Stadium Authority
Debt Summary Report
 Period Ending December 31, 2024

| Type of Indebtedness | Interest Rates | Outstanding as of March 31, 2024 | Net Change | Outstanding as of December 31, 2024 |
|-----------------------------|----------------|-------------------------------------|-----------------------|--|
| Stadium Funding Trust Loan: | | | | |
| Term A Loan | 5.00% | \$ 199,956,240 | \$ (7,299,896) | \$ 192,656,344 |
| StadCo CFD Advance | 5.73% | 28,711,586 | (1,351,749) | 27,359,837 |
| Total | | \$ 228,667,826 | \$ (8,651,645) | \$ 220,016,181 |

Chart 1



Debt Service Budget – Recommended Budget Adjustments

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

On March 7, 2023, the Stadium Authority Board adopted the Santa Clara Stadium Authority FY 2023/24 Operating, Debt Service, and Capital Budget. Subsequent budget amendments were also adopted through January 14, 2025. The following budget adjustments are recommended based on FY 2024/25 projected actuals.

- 1) Contribution from CFD: Due to a continued improvement in the economy post COVID, hotel stays have been higher than anticipated, therefore CFD revenue is projected to be higher which allows for additional debt payment on the CFD Advance. A budget adjustment of \$675,000 is needed to reflect the increase in Contribution from CFD and the paydown of the CFD Advance.
- 2) CFD Advance Expense: The CFD Advance Expense is anticipated to increase by \$675,000 to reflect the additional debt payment of the CFD Advance due to higher CFD revenues. A budget amendment of \$675,000 is needed to reflect the increase in CFD Advance Expense.

Additional details are shown in Table 14.

Table 14

**Santa Clara Stadium Authority
2023/24 Debt Service Budget Adjustment**

| Item # | Line Item | Source of Funds | Use of Funds | Explanation |
|---------------|-----------------------|------------------------|---------------------|---|
| 1 | Contribution from CFD | \$675,000 | | This action increases the Contribution from CFD due to higher anticipated CFD revenues. |
| 2 | CFD Advance Expense | | \$675,000 | This action increases the Debt Service Budget for the debt payment of the CFD Advance due to higher anticipated CFD revenues that will fund the pay down of debt. |
| | Total | \$675,000 | \$675,000 | |

Capital Improvement Project (CIP) Budget

As part of the Capital Expense (“CapEx”) Plan, the following projects have been completed as of the current reporting period:

- Blackline Combustible Gas Indicators
- Command Post Video Wall Upgrade
- D7 Tactical Decon Spray
- Fire Station 9 Storage Cabinets
- Overhead Doors, Motors, Sensors and Track Replacements
- RAID 8 Multi Agent Detection Kit
- Secure Video File Sharing Software Integration
- Street Signage
- Women’s Locker Room

The following projects were underway during the current reporting period:

- Aesthetic Improvements – Premium Areas/Special Event Spaces
- CO2 Monitoring & Sensors for Code Compliance
- Concrete Replacements
- Enhance Stadium Security Coverage
- Field Turf Equipment
- General Areas/Coating Main Deck
- Kawasaki ATVs
- Levi’s® Naming Rights Signage Refurbishment
- Lighting System – Field / Sport Lighting LED Retrofit
- Lighting Systems – Fixture Replacement of Major Outdoor Lighting/LED Retrofit
- Main Kitchen Equipment
- Plumbing and Plumbing Fixtures
- Radio Booth Cabling
- Replace Furniture for Clubs and Special Event Spaces (2019/20 Carryover)
- Replacement of end of life IT Network equipment (2022/23 Carryover)
- Security General Allowance
- Smoke Evacuation System – Fire Smoke Curtain Replacement
- Stadium Event Signage (2019/20 Carryover)
- Updated Stadium Wayfinding Signage (2020/21 Carryover)

The CIP Budget increased from \$22 million to \$24 million in the current reporting period. A total of \$5.1 million has been spent during the first three quarters of FY 2024/25, which amounts to 21% of the budget. The main reason that this is below budget is due to the timing of activity for Capital Expenditure projects. There has also been little activity on warranty work which makes up 6% of the CIP Budget.

Additional details are shown below in Table 15.

Table 15

CIP Budget Status Report
For the Period Ending December 31, 2024 and 2023

| | Period Ending December 31, 2024 | | | | Period Ending December 31, 2023 | | | |
|--|----------------------------------|----------------|-----------------------------------|---------------|---------------------------------|----------------|-----------------------------------|---------------|
| | Amended ⁽¹⁾ Budget | YTD Actuals | Budget to Actual Difference | % Received | Final Budget | YTD Actuals | Budget to Actual Difference | % Received |
| Beginning Fund Balance | \$ 19,862,834 | \$ 19,862,834 | \$ - | NA | \$ 22,977,809 | \$ 22,977,809 | \$ - | NA |
| Revenue | | | | | | | | |
| Interest | \$ - | \$ - | \$ - | NA | \$ - | \$ 57,942 | \$ (57,942) | NA |
| Total Revenue | \$ - | \$ - | \$ - | NA | \$ - | \$ 57,942 | \$ (57,942) | NA |
| Transfers In | | | | | | | | |
| Transfers In from Operating | \$ 4,032,000 | \$ - | \$ 4,032,000 | 0% | \$ 3,915,000 | \$ - | \$ 3,915,000 | 0% |
| Transfers In from Operating - Levi's Naming Rights | 1,575,000 | - | 1,575,000 | 0% | - | - | - | NA |
| Total Transfers In | \$ 5,607,000 | \$ - | \$ 5,607,000 | 0% | \$ 3,915,000 | \$ - | \$ 3,915,000 | 0% |
| Total Source of Funds | \$ 25,469,834 | \$ 19,862,834 | \$ 5,607,000 | 78% | \$ 26,892,809 | \$ 23,035,751 | \$ 3,857,058 | 86% |
| | | | | | | | | |
| | Amended ⁽¹⁾ Budget | YTD Actuals | Budget to Actual Difference | % Used | Final Budget | YTD Actuals | Budget to Actual Difference | % Used |
| Expenses | | | | | | | | |
| Construction | \$ 15,667,725 | \$ 2,054,854 | \$ 13,612,871 | 13% | \$ 11,521,424 | \$ 4,678,782 | \$ 6,842,642 | 41% |
| Equipment | 5,908,000 | 3,087,754 | 2,820,246 | 52% | 7,372,196 | 1,199,511 | 6,172,685 | 16% |
| Contingency & Misc | 973,000 | - | 973,000 | 0% | 903,052 | 5,708 | 897,344 | 1% |
| Stadium Warranty Related Construction | 1,528,000 | - | 1,528,000 | 0% | 1,528,202 | - | 1,528,202 | 0% |
| Total Expenses | \$ 24,076,725 | \$ 5,142,608 | \$ 18,934,117 | 21% | \$ 21,324,874 | \$ 5,884,001 | \$ 15,440,873 | 28% |
| Ending Fund Balance | \$ 1,393,109 | \$ 14,720,226 | \$ (13,327,117) | NA | \$ 5,567,935 | \$ 17,151,750 | \$ (11,583,815) | NA |
| Total Use of Funds | \$ 25,469,834 | \$ 19,862,834 | \$ 5,607,000 | 78% | \$ 26,892,809 | \$ 23,035,751 | \$ 3,857,058 | 86% |

(1) Adjustments include previously approved budget amendments through January 14, 2025

CIP Budget – Recommended Budget Adjustments

From time to time, budget adjustments may be necessary to align revenues or expenditures to actual or unexpected activity during the course of a fiscal year, known after the adoption of the Stadium Authority Budget. The budget amendments recommended in this report include three CapEx projects that were anticipated to be completed in FY 2023/24, so the remaining budgets were not requested to be carried forward to the FY 2024/25 Operating, Debt Service, and Capital Budget. It also includes one carryover project that requires a budget amendment due to unanticipated costs.

- 1) Equipment - Kawasaki ATV (2021/22 Carryover): This project funds the purchase of a new Kawasaki ATV (All-Terrain Vehicle) for Police Department use at the Stadium. The ATV was purchased in FY 2023/24. It was anticipated that this project would be completed by the end of the FY 2023/24 so the remaining funds were not requested to be carried over to FY 2024/25. Due to unanticipated delays with the upfitting, a budget adjustment of \$11,000 is needed to include additional costs related to properly equip the ATV in FY 2024/25. Labor required by the City's fleet department was also more than initially projected and delayed beyond the anticipated billing cycle.
- 2) Equipment - Kawasaki ATV (2021/22 Carryover): This project funds the purchase of a new Kawasaki ATV for Police Department use at the Stadium. The ATV was purchased in FY 2023/24. It was anticipated that this project would be completed by the end of FY 2023/24 so the remaining funds were not requested to be carried over to FY 2024/25. Due to unanticipated delays with the upfitting, a budget adjustment of \$10,000 is needed to include additional costs related to properly equip the ATV in FY 2024/25. Labor required by the City's fleet department was also more than initially projected and delayed beyond the anticipated billing cycle.
- 3) Construction - Stadium Event Power Upgrades & Switchgear Electrical (2019/20 Carryover): The project will establish capability to monitor and report the Switch Gear Event Mode Status through the building Schneider Power Monitoring Expert (PME) system for remote monitoring. The plans and specifications required will include any electrical and communication wiring, as well as any controls upgrades necessary to complete the project. The project was originally scheduled to be completed in FY 2023/24 however, delays in the equipment configuration pushed back the timeline. The final installation is expected to be completed in FY2024/25. A budget amendment of \$30,000 is needed to complete the final work.
- 4) Equipment - Kawasaki ATVs (2023/24 Carryover): This project replaces 5 Kawasaki ATVs originally purchased in 2014 that are at the end of the 10-year useful life. The 5 ATV's have been purchased in FY 2024/25. Due to unanticipated costs related to upfitting the vehicles a budget adjustment of \$14,000 is needed for additional costs in FY 2024/25. Labor required by the City's fleet department was also more than initially projected.
- 5) Ending Fund Balance: The Ending Fund Balance is anticipated to decrease by \$65,000 due to the actions taken above. A budget amendment of \$65,000 is needed

to reflect the decrease in the Ending Fund Balance – Unrestricted.

Additional details are shown in Table 16.

Table 16

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

| Item # | Line Item | Source of Funds | Use of Funds | Explanation |
|--------|--|-----------------|--------------|--|
| 1 | Equipment: Kawasaki ATV (2021/22 Carryover) | | \$11,000 | This action increases the Capital Expenditure Budget for equipment due to delays, higher costs and not carrying over budget from the prior year. |
| 2 | Equipment: Kawasaki ATV (2021/22 Carryover) | | \$10,000 | This action increases the Capital Expenditure Budget for equipment due to delays, higher costs and not carrying over the budget from the prior year. |
| 3 | Construction: Stadium Event Power Upgrades & Switchgear Electrical (2019/20 Carryover) | | \$30,000 | This action increases the Capital Expenditure Budget due to delays and not carrying over the budget from the prior year. |
| 4 | Equipment: Kawasaki ATVs (2023/24 Carryover) | | \$14,000 | This action increases the Capital Expenditure Budget for equipment due to higher costs than anticipated. |
| 5 | Ending Fund Balance | | \$(65,000) | This action decreases the Ending Fund Balance to offset action taken for the Kawasaki ATVs and Stadium Event Power Upgrades & Switchgear Electrical. |
| | Total | | \$0 | \$0 |

City of Santa Clara Net General Fund Impact

During the current reporting period there was a total of \$1.9 million that was contributed to the General Fund as shown in Table 17. This section of the report also provides information on General Fund revenue and expenditure impacts resulting from the stadium. It should be noted that the 2024 Settlement Agreement had a final effective date of December 28, 2024 and as a result of that a total of \$7.3 million of Performance Rent for FY 2022/23 and FY 2023/24 was paid to the General Fund in January 2025. This will be included in the year-end report.

Table 17

**City of Santa Clara
Net General Fund Impact**

**For Stadium Authority
Period Ending December 31, 2024**

| | |
|--------------------------------------|---------------------|
| Ground Rent | \$ 1,000,000 |
| Performance Rent | - |
| Senior and Youth Fee | 289,049 |
| Sales Tax | 643,668 |
| Total Net General Fund Impact | \$ 1,932,717 |

Public Safety and Administrative Cost Reimbursement

As described in earlier sections of this report, costs incurred by the City on NFL and Non-NFL events are tracked and billed to the Stadium Manager. Reimbursement is monitored and included in this report. In the current reporting period, public safety costs incurred in support of NFL and Non-NFL events held at Levi’s® Stadium totaled \$5.4 million and \$3.1 million, respectively. The reimbursements come from a combination of payments from the Stadium Manager and the offsite parking fees that were collected. As of the report date, the City has received \$3.1 million in NFL and \$2.8 million in Non-NFL public safety reimbursements from the Stadium Manager.

Public safety costs for NFL events continue to be above the annual public safety cap. Pursuant to the Amended and Restated Lease, the Stadium Authority was in discussion with StadCo to adjust the annual public safety cap to reflect the true cost of service, which is higher than the cap. On May 23, 2024, the Stadium Authority entered into a settlement agreement with StadCo and ManCo over disputes regarding public safety and buffet costs and that agreement had a final effective date of December 28, 2024. As a result of the settlement, the public safety cap was adjusted to increase the per game and annual threshold beginning in FY 2024/25. Under the settlement agreement the \$14.8 million in accrued but unpaid Public Safety Cost Credits have been partially paid down using \$3.3 million in litigation contingency funds. The remaining \$11.5 million made up of credits that were issued from public safety costs paid in excess of the annual threshold and permitted credits carry-forwards were redefined as Public Safety Costs (PSC) 2024 Outstanding Balance and will be reimbursed to StadCo over time through excess revenues. \$5.9 million is projected to be paid in FY 2024/25 and \$3.0 million is projected to be paid in FY 2025/26. It is currently estimated that the PSC 2024 Outstanding Balance will be paid off

by FY 2027/28.

In addition to public safety costs, administrative costs are also tracked and billed to the Stadium Authority. These include the cost of providing overall stadium management, financial, human resource, legal, and other services to the Stadium Authority. In the second quarter of FY 2024/25, a total of \$1.1 million of administrative costs were incurred by the General Fund, which have been reimbursed to the City.

Rents and Senior and Youth Fee

As noted above, the City's General Fund collected ground rent of \$1 million. Additionally, the Senior and Youth Fee generated \$279,000, of which the entire amount forwarded to the City in support of senior and youth programs. See the Glossary for more information on these revenues and how they are calculated.

Other Revenue Impacts

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

Food and beverage concession sales and merchandise sales at Levi's® Stadium are taxable, resulting in sales tax revenue for the City. The last three quarter of sales tax collections from Levi's® Stadium transactions generated \$644,000 for the City's General Fund. In addition to the direct sellers at the Stadium, other businesses in Santa Clara are benefiting from the influx of people coming to attend one or more events at Levi's® Stadium, resulting in potentially more sales tax collections for the General Fund.

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

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

Glossary

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

Discretionary Fund – This is funded by \$2 of the Base Non-NFL ticket surcharge and has been used to cover NFL public safety costs above the public safety cost threshold in the first three fiscal years of operation and other items at the Stadium Authority’s discretion. It is anticipated that the discretionary fund will continue to cover NFL public safety costs above the threshold. Stadium Authority may transfer up to half of the balance of the Discretionary Fund over \$1.0 million from the Discretionary Fund to the City’s General Fund if (1) adequate provision has been made for the replacement of and upgrades to capital improvements contemplated under the Public Safety Plan and (2) an equal amount is transferred from the Discretionary Fund to Stadium Authority’s operating fund to be included as Stadium Authority Revenue.

Ground Lease – The Ground Lease Agreement has an initial term of 40 years commencing on the date of substantial completion which was July 31, 2014. The amount of annual base ground rent that is payable by the Stadium Authority to the City is noted in the Table 18.

Table 18

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

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

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

Non-NFL Event Ticket Surcharge – The Stadium Lease Agreement requires that the promoter or sponsor of any Non-NFL event collect a Non-NFL event ticket surcharge of \$4 per ticket. The Lease Agreement sets aside one-half of the non-NFL event ticket surcharge for stadium operating and maintenance costs and one-half for discretionary expenses of the Stadium Authority. Due to the 2024 Settlement Agreement starting in FY 2025/26 any ticketed non-NFL event that is held at Levi's® Stadium will be required to collect at least a \$8 per ticket surcharge with a \$1 escalator in FY 2028/29 and every four years thereafter on behalf of Stadium Authority. One-half of the \$4 base surcharge that is paid to Stadium Authority covers general stadium operations and the other half funds the Stadium Authority Discretionary Fund. The additional proceeds exceeding the \$4 base surcharge will be deposited to the Public Safety Cost Reserve to be used to pay public safety costs exceeding the threshold.

Offsite Parking Fees – Parking lot operators who wish to operate a parking lot for sports or entertainment venues are required to go through the City's permitting process. If approved, per the City's Municipal Fee Schedule, these operators remit an offsite parking fee for each car that is parked for sports or entertainment events. This fee is designed to recover the public safety costs associated with these permitted offsite parking lots. Therefore, when invoicing for NFL or Non-NFL public safety costs for a particular event held at Levi's® Stadium, the offsite parking fee that is collected for said event partly offsets the total public safety costs owed for that event. In the City's FY 2024/25 (July 1, 2024 through June 30, 2025) the offsite parking fee is \$6.71.

Performance-Based Rent – Stadium Authority pays the City performance-based rent on top of the fixed ground rent. After the completion of the fiscal year, net income from Non-NFL events are calculated and reported to Stadium Authority by ManCo. With the finalized Non-NFL events report, Stadium Authority calculates the performance-based rent to be remitted to the City during July following the Stadium Authority's fiscal year-end. The basic calculation for the performance-based rent is 50% of the net income from Non-NFL events for any given lease year less the sum of Performance-Based Rent Credits. The Performance-Based Rent Credits include (1) 50% of the fixed ground rent for the current lease year, (2) the amount, if any, that the Public Safety Costs exceed the Public Safety Cost Threshold for the current lease year, (3) following the Tax Allocation Termination Date, the amount of Received Possessory Interest Tax (PIT), and (4) the amount of any credit for Disproportionate Taxes for the current lease year.

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

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

All of these costs are reimbursed to the City of Santa Clara.

Public Safety Costs (PSC) 2024 Outstanding Balance: As part of the 2024 Settlement Agreement, public safety costs over the threshold for FY 2017/18 to FY 2023/24 would not be treated as Credited Public Safety Costs and therefore would not affect the calculation of Performance Based Rent. Instead, these costs amounting to approximately \$14.8 million have been redefined as “PSC 2024 Outstanding Balance” which would be paid from a legal contingency reserve and future excess revenues until paid off.

PSC 2024 Outstanding Balance

| Fiscal Year | Outstanding Balance | Actual/Projected Payments | Remaining Balance |
|-------------|---------------------|---------------------------|-------------------|
| 2023/24 | \$ 14,786,346 | \$ - | \$ 14,786,346 |
| 2024/25 | \$ 14,786,346 | \$ 9,214,116 | \$ 5,572,230 |

Public Safety Costs Over Threshold: As of the 2024/25 lease year, the public safety cost threshold will equal \$360,000 per game. For lease year 2025/26 and each lease year thereafter the threshold will increase by 4%. Public safety costs incurred above the annual threshold will be repaid over time with additional proceeds from the Non-NFL event ticket surcharge and the discretionary fund.

Senior and Youth Program Fees – During the lease terms, StadCo collects City of Santa Clara Senior and Youth Program Fees on behalf of Stadium Authority. The fee was originally \$0.35 per NFL game ticket up to a maximum of \$250,000 per lease year. As a result of the 2024 Settlement Agreement, beginning FY 2024/25 the fee will increase to \$0.40 per NFL game ticket up to a maximum of \$300,000 per lease year. Every ten lease years thereafter the fee will increase by \$0.05 in conjunction with the maximum amount increased by an additional \$50,000.

Stadium Management Fee – The Stadium Manager receives an annual base management fee to manage Levi’s® Stadium. The fee was \$400,000 in the first lease year and increases by 3% annually as detailed in the table below. This annual base management fee is split 50/50 between StadCo and the Stadium Authority since the Stadium Manager manages the stadium year-round for both entities. In addition to the base management fee, the Stadium Manager also receives a stadium marketing and booking fee (incentive fee) which is based on a percentage of the amount that the net income from Non-NFL events exceeds the marketing and booking fee benchmark. The marketing and booking fee benchmark was \$5 million in the first lease year and also increases by 3% annually as detailed in the table below. The annual stadium management fee for each of the first ten lease years are noted in the Table 19 below.

Table 19

| Fiscal Year | Lease Year | Annual Base Stadium Management Fee (SCSA Share) | Stadium Marketing and Booking Fee Benchmark | Net Income from Non-NFL Events | 1st Tier - paid at 10% Fee | Additional Stadium Marketing and Booking Fee 10% 1st Tier | 2nd Tier - paid at 15% Fee | Additional Stadium Marketing and Booking Fee 15% 2nd Tier | Total Stadium Management Fee |
|------------------------|------------|---|---|--------------------------------|----------------------------|---|----------------------------|---|------------------------------|
| 2014/15 | 1 | \$ 200,000 | \$ 5,000,000 | \$ 5,207,553 | | \$ 10,378 | | \$ - | \$ 210,378 |
| 2015/16 | 2 | 206,000 | 5,150,000 | 6,079,016 | | 46,451 | | - | 252,451 |
| 2016/17 | 3 | 212,180 | 5,304,500 | 5,316,894 | | 620 | | - | 212,800 |
| 2017/18 | 4 | 218,545 | 5,463,635 | 5,163,329 | 2,000,000 | - | 4,000,000 | - | 218,545 |
| 2018/19 | 5 | 225,102 | 5,627,544 | 18,591 | 2,060,000 | - | 4,120,000 | - | 225,102 |
| 2019/20 | 6 | 231,855 | 5,796,370 | (2,741,014) | 2,121,800 | - | 4,243,600 | - | 231,855 |
| 2020/21 | 7 | 238,810 | 5,970,261 | (476,960) | 2,185,454 | - | 4,370,908 | - | 238,810 |
| 2021/22 | 8 | 245,975 | 6,149,369 | (288,741) | 2,251,018 | - | 4,502,035 | - | 245,975 |
| 2022/23 | 9 | 253,354 | 6,333,850 | 8,809,167 | 2,318,548 | 231,855 | 4,637,096 | 23,515 | 508,724 |
| 2023/24 | 10 | 260,955 | 6,523,866 | 8,266,685 | 2,388,105 | 174,282 | 4,776,209 | - | 435,237 |
| 2024/25 ⁽¹⁾ | 11 | 268,783 | 6,719,582 | 9,250,000 | 2,459,748 | 253,042 | 4,919,495 | 10,601 | 532,425 |
| 2025/26 | 12 | 276,847 | 6,921,169 | | | To be determined | | | |

⁽¹⁾ Net income from Non-NFL events for FY2024/25 is projected.

Tasman Lots Parking Fees – The City collects a fee of \$5 per space for all cars that are parked on the Tasman surface lots during NFL events.

Appendix

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

Table 20

Levi's® Stadium Historical NFL Event Statistics

| | 2014/15 Q3 Total | 2015/16 Q3 Total | 2016/17 Q3 Total | 2017/18 Q3 Total | 2018/19 Q3 Total | 2019/20 Q3 Total |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| No. of NFL Events | 10 | 9 | 9 | 10 | 10 | 10 |
| No. of Tickets Sold | 682,095 | 602,268 | 588,794 | 643,189 | 651,237 | 662,731 |
| NFL Ticket Surcharge | \$ 8,366,290 | \$ 7,448,271 | \$ 7,403,778 | \$ 7,806,190 | \$ 8,076,510 | \$ 8,412,291 |
| Senior/Youth Program Fees | \$ 238,734 | \$ 210,794 | \$ 206,078 | \$ 225,116 | \$ 227,933 | \$ 231,956 |
| Cars Parked at Offsite Lots | 90,024 | 51,375 | 61,310 | 54,107 | 56,390 | 64,960 |
| City Offsite Parking Fee | \$ 442,919 | \$ 260,985 | \$ 321,264 | \$ 293,260 | \$ 317,476 | \$ 380,016 |
| Cars Parked on Tasman Lots | 4,983 | 6,184 | 4,653 | 5,530 | 4,729 | 5,751 |
| Cars Parked on Golf Course | 233,306 | 18,823 | - | - | - | - |
| City Tasman Lot and Golf Course Parking Fee | \$ 141,445 | \$ 125,035 | \$ 23,265 | \$ 27,650 | \$ 23,645 | \$ 28,755 |
| Stadium Public Safety Costs | \$ 2,414,028 | \$ 2,092,697 | \$ 2,497,858 | \$ 2,388,347 | \$ 2,994,735 | \$ 3,701,510 |
| Golf Course Public Safety Costs | \$ 180,766 | \$ 71,000 | \$ - | \$ - | \$ - | \$ - |
| Subtotal Event Public Safety Costs | \$ 2,594,794 | \$ 2,163,698 | \$ 2,497,858 | \$ 2,388,347 | \$ 2,994,735 | \$ 3,701,510 |
| Less: Offsite Parking Fee Credit | \$ (442,919) | \$ (260,985) | \$ (321,264) | \$ (293,260) | \$ (317,476) | \$ (380,016) |
| Reimbursable Stadium Public Safety Costs | \$ 2,151,875 | \$ 1,902,713 | \$ 2,176,593 | \$ 2,095,087 | \$ 2,677,259 | \$ 3,321,494 |

Table 21

Levi's® Stadium Historical Non-NFL Event Statistics

| | 2014/15 Q3 Total | 2015/16 Q3 Total | 2016/17 Q3 Total | 2017/18 Q3 Total | 2018/19 Q3 Total | 2019/20 Q3 Total |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| No. of Non-NFL Ticketed Events | 7 | 15 | 17 | 11 | 11 | 8 |
| No. of Tickets Sold | 248,591 | 623,687 | 579,059 | 319,580 | 290,341 | 183,874 |
| Non-NFL Ticket Surcharge | \$ 916,656 | \$ 2,455,816 | \$ 2,316,236 | \$ 1,278,320 | \$ 1,161,364 | \$ 735,496 |
| No. of Non-NFL Special Events | 138 | 171 | 101 | 84 | 87 | 64 |
| Non-NFL Special Event Attendees | 42,808 | 97,747 | 43,526 | 51,928 | 32,593 | 22,155 |
| Cars Parked at Offsite Lots | 16,054 | 55,720 | 60,969 | 25,741 | 26,041 | 17,127 |
| City Offsite Parking Fee | \$ 78,986 | \$ 278,703 | \$ 313,978 | \$ 138,087 | \$ 144,407 | \$ 98,547 |
| Stadium Public Safety Costs | \$ 1,217,852 | \$ 3,003,358 | \$ 2,938,082 | \$ 1,601,824 | \$ 1,948,594 | \$ 1,556,785 |
| Less: Offsite Parking Fee Credit | \$ (78,986) | \$ (278,703) | \$ (313,978) | \$ (138,087) | \$ (144,407) | \$ (98,547) |
| Reimbursable Public Safety Costs | \$ 1,203,483 | \$ 2,844,497 | \$ 2,664,009 | \$ 1,463,737 | \$ 1,804,187 | \$ 1,458,238 |

Table 22

| Discretionary Fund Reserve | | | | |
|-----------------------------------|--------------------------|----------------|-----------------|-----------------------|
| Fiscal Year | Beginning Balance | Revenue | Expenses | Ending Balance |
| 2014/15 | \$ - | \$ 715,770 | \$ - | \$ 715,770 |
| 2015/16 | 715,770 | 1,238,542 | 714,028 | 1,240,284 |
| 2016/17 | 1,240,284 | 1,164,698 | 699,129 | 1,705,853 |
| 2017/18 | 1,705,853 | 768,564 | 1,209,342 | 1,265,075 |
| 2018/19 | 1,265,075 | 796,294 | 101,267 | 1,960,102 |
| 2019/20 | 1,960,102 | 367,748 | - | 2,327,850 |