Santa Clara Stadium Authority Financial Status Report

- Initial report covers the 2014-15 fiscal year (April 1, 2014 to March 31, 2015)
- Recommend that the report be prepared quarterly going forward
- The annual audit of the Santa Clara Stadium Authority (Stadium Authority) is currently underway and the results will be presented to the Audit Committee and Stadium Authority Board in September
- Reports available on the Finance Department’s webpage
Stadium Authority Structure

- The Stadium Authority is structured so that the City is not liable for the debts or obligations of the Stadium Authority
- Stadium Authority hired the Forty Niners Stadium Management Company LLC (Stadium Manager) to manage the stadium on its behalf
- Services provided by the City to the Stadium Manager are fully reimbursed
- Staff track costs using special account codes in the City’s financial system and submit invoices after each event

NFL Events

- The San Francisco Forty Niners played 10 home games in Levi’s Stadium during the fiscal year (two preseason and eight regular season games)
- A total of 682,095 tickets were sold (an average of 68,210 per game)
- The 10% NFL ticket surcharge brought in $8.4 million during the year in support of Stadium Authority operations
- The $0.35 per ticket Senior and Youth Fee brought in $239 thousand which was transferred to the General Fund
NFL Events (Cont’d)

• A total of 90,024 cars were parked in permitted offsite lots generating $443 thousand in offsite parking fees which partly offset public safety costs
• A total of 28,289 cars were parked on the golf course and Tasman lots generating $141 thousand in parking fees ($116 thousand to partially offset lost golf course revenue and $25 for the General Fund)

NFL Events (Cont’d)

• A total of $2.41 million of public safety services were provided for NFL events
• $443 thousand were covered by the offsite parking fees
• $1.97 million were reimbursed by the Stadium Manager and the Stadium Authority
• In addition, there were $181 thousand of golf course public safety costs reimbursed by the Stadium Manager
Non-NFL Events

• Nine large scale non-NFL events were held during the fiscal year (an eight month initial operating year)
• A total of 377,312 tickets were sold
• In addition, there were 186 smaller special events with 62,357 attendees
• The $4 per ticket non-NFL ticket surcharge generated $1.4 million (half for stadium operations and half for Stadium Authority discretionary account)

Non-NFL Events (Cont’d)

• The Stadium Authority generated $5.0 million in net non-NFL revenue
• The net non-NFL event revenue is remitted by the Stadium Manager to the Stadium Authority after the end of each fiscal year
• 50% of the net non-NFL event revenue is paid to the City as performance rent (net of any performance rent credits)
Non-NFL Events (Cont’d)

• A total of 26,156 cars were parked in offsite lots generating $129 thousand in offsite parking fees which were used to partially offset public safety costs
• A total of 12,004 cars were parked on the golf course resulting in $60 thousand in parking fees used to partially offset lost golf course revenue

Non-NFL Events (Cont’d)

• A total of $1.79 million of public safety services were provided for non-NFL events
• $129 thousand of the public safety costs were covered by the parking fees and the remaining $1.66 million were reimbursed by the Stadium Manager
Operating Budget

- Total revenues of $57.1 million exceeded budget by $38.1 million primarily due to higher than expected SBL collections
- Total expenses of $10.0 million were $1.3 million below budget
- Individual budget line item variances were taken into account in development of the 2015-16 budget

Debt Service Budget

- Total revenues of $169.2 million exceeded budget by $15.9 million primarily due to higher than expected SBL collections
- Total outstanding debt as of March 31, 2015 is $561.6 million or $67.2 million below expected year end (down from a peak of $675.8 million)
CIP Budget

• The Stadium Authority’s share of the construction budget for Levi’s Stadium is $1.015 billion
• A total of $906 million was expended by the Stadium Authority through 2014-15 with an estimate to complete of $24 million bringing the total to $930 million
• A cost allocation study is expected to shift $48 million of costs from Stadium Authority to StadCo lowering the total cost at completion to $882 million or $134 million under budget and allowing for a like-dollar reduction in debt

General Fund Benefits

• Revenues of $8.4 million exceed expenditures of $5.6 million by $2.8 million
• This does not include additional sales tax and transient occupancy tax flowing to the General Fund
• $4.4 million of public safety costs and $1.2 million of administrative costs fully reimbursed
• Ground lease payments of $180 thousand in fixed base rent plus $2.41 million performance rent
• $239 thousand for senior and youth programs
City of Santa Clara
Council and Stadium Authority Meeting

Item 13.A. Santa Clara Stadium Authority Financial Status Report
August 18, 2015