Santa Clara Stadium Authority

Item 8.B. – Santa Clara Stadium Authority Financial Status Report for the Quarter Ending June 30, 2017

August 24, 2017
Santa Clara Stadium Authority
Financial Status Report

• Covers the first quarter of the 2017-18 fiscal year (April 1, 2017 to June 30, 2017) with comparative data from the 2016-17 fiscal year

• Reports are available on the Stadium Authority webpage
Non-NFL Events

• Four ticketed non-NFL events were held during the first quarter of the fiscal year
• A total of 90,456 tickets were sold
• In addition, there were 25 smaller special events with 8,438 attendees
• The $4 per ticket non-NFL ticket surcharge generated $362,000 (one-half for stadium operations and one-half for Stadium Authority discretionary fund)
Non-NFL Events - Parking

- A total of 7,939 cars were parked in offsite lots generating $42,000 in offsite parking fees
Non-NFL Events – Public Safety Costs

- A total of $452,000 of public safety services were provided for non-NFL events
- $42,000 of the public safety costs were covered by the parking fees and the remaining $410,000 were invoiced to ManagementCo.
- $8,000 of the public safety cost reimbursements were outstanding as of 8/11/17

![2017-18 Non-NFL Event Public Safety Costs]
Discretionary Fund

- The expenses from the discretionary fund have been NFL public safety costs above the public safety cost threshold, a total of $2.6 million since the stadium opened.

- The balance in the discretionary fund is currently $713,000.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Beginning Balance</th>
<th>50% of Non-NFL Ticket Surcharge</th>
<th>Expenses</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-16</td>
<td>715,770</td>
<td>1,238,542</td>
<td>714,028</td>
<td>1,240,284</td>
</tr>
<tr>
<td>2016-17</td>
<td>1,240,284</td>
<td>1,164,698</td>
<td>699,129</td>
<td>1,705,853</td>
</tr>
<tr>
<td>2017-18 through Q1</td>
<td>1,705,853</td>
<td>180,912</td>
<td>1,173,342</td>
<td>713,423</td>
</tr>
</tbody>
</table>
Stadium Builder Licenses (SBLs)

• Value of currently active SBLs is $532 million (60,711 active SBLs or 92% of 65,877 total sellable SBLs)
• Over 76% of principal collected as of 6/30/17 ($407 million)
• There were 1,653 defaulted SBLs, 209 new SBL sales, and a decrease of 152 SBLs due to customer seat upgrades
• SBL holders who default lose their SBL, forfeit any money they had invested, and those SBLs are available for resale at full value
Operating Budget

• Operating revenues through 1st quarter of $9.2 million or 12% of annual budget
  ➢ Net revenue from non-NFL events was $5.3 million

• Operating expenses through 1st quarter of $8 million or 39% of budget
  ➢ Several line items pay out most of their cost in first half of year (e.g., discretionary fund expense and performance rent)
  ➢ Performance rent paid to the City of Santa Clara was $2.5 million
Outstanding Debt

- Total outstanding debt as of 6/30/17 was $403 million

Santa Clara Stadium Authority
Debt Summary Report
For the Quarter Ending June 30, 2017

<table>
<thead>
<tr>
<th>Type of Indebtedness</th>
<th>Interest Rates</th>
<th>Outstanding as of March 31, 2017</th>
<th>Net Change</th>
<th>Outstanding as of June 30, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stadium Funding Trust Loan:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Term A Loan</td>
<td>5.00%</td>
<td>$282,794,108</td>
<td>$</td>
<td>$282,794,108</td>
</tr>
<tr>
<td>StadCo CFD Advance</td>
<td>5.73%</td>
<td>34,414,899</td>
<td>(562,915)</td>
<td>33,851,984</td>
</tr>
<tr>
<td>StadCo Subordinated Loan</td>
<td>5.50%</td>
<td>112,564,310</td>
<td>(26,401,398)</td>
<td>86,162,912</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$429,773,317</strong></td>
<td><strong>(26,964,313)</strong></td>
<td><strong>$402,809,004</strong></td>
</tr>
</tbody>
</table>
Outstanding Debt (cont.)
CIP Budget

• $2.9 million is appropriated for Stadium CIP costs
• $187,000 has been expended through 6/30/17 for LED service tunnel lighting, water treatment, fire alarm, and restroom stall vacancy signage
City of Santa Clara General Fund

• Revenues of $3.2 million exceeded expenditures of $574,000 by $2.7 million
  ➢ The City received $548,000 of public safety cost reimbursement and $125,000 of administrative costs reimbursement
  ➢ $2.5 million performance rent was received

• In addition, direct Stadium sales tax collections of $82,000 for the quarter and $648,000 over the last four quarters were received by the General Fund
Questions