Financial Status Report for the Quarters Ending June 30, 2019 and September 30, 2019 and Related Budget Amendments
Agenda

• Methodology and Limitations
• NFL Events
• Non-NFL Events
• Operating Budget Status
  • Stadium Builder Licenses (SBLs)
  • Discretionary Fund
• Debt Schedules
• Capital Improvement Program
Methodology and Limitations

- Reflects best information known at the time provided by ManagementCo.
- Some source documentation reviewed for Non-NFL events with attendance greater than 25,000
- For all other events, detailed review of financial information or source documentation is not conducted
- Firm contracted to review and evaluate Non-NFL event financial information from prior years
  - Delayed ETA for report
NFL Events

• Three NFL events were held in FY 2019/20 as of September 30, 2019

• A total of 184,796 tickets were sold, down 3.2% vs. prior year
  • Stadium Authority received $2.4 million in NFL ticket surcharge revenue based on 10% of ticket sales to NFL events
  • City of Santa Clara received $65,000 in Senior & Youth Fees based on $0.35/ticket to NFL events
NFL Events - Parking

- A total of 16,580 cars were parked in offsite parking lots generating $97,000 in offsite parking fees.
- A total of 1,485 cars were parked in the Tasman Lots generating $7,400 in parking fees for the General Fund.
NFL Events - Public Safety Costs

- Public safety costs amounted to $1.2 million:
  - $802,000 (69.3%) are direct City costs
  - $356,000 (30.7%) are outside agency costs
    - CHP $189,000
    - County of Santa Clara $33,000
    - County of S.F. $130,000
    - City of Sunnyvale $4,000
  - $97,000 were covered by the offsite parking fee
Non-NFL Events

- Six ticketed Non-NFL events
- A total of 125,587 tickets were sold
  - Stadium Authority received $502,000 in Non-NFL ticket surcharge revenue based on $4 per ticket sold to all non-NFL events (one-half for stadium operations and one-half for Stadium Authority Discretionary Fund); 46% less than the prior year
- Total of 28 non-ticketed events with 7,752 attendees; 51% less than the prior year
## Non-NFL Events – Through Q2

### Net Revenue for Non-NFL Events by Event Type
**FY 2019/20 Quarter 2**

<table>
<thead>
<tr>
<th>Event Type</th>
<th>No. of Events</th>
<th>Net Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ticketed Events</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Concerts</td>
<td>1</td>
<td>$871,777</td>
</tr>
<tr>
<td>Sporting Events</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Football (Non-NFL)</td>
<td>1</td>
<td>30,938</td>
</tr>
<tr>
<td>Soccer</td>
<td>2</td>
<td>83,456</td>
</tr>
<tr>
<td>Miscellaneous Events</td>
<td>2</td>
<td>(404,883)</td>
</tr>
<tr>
<td><strong>Subtotal Ticketed Events</strong></td>
<td>6</td>
<td>$581,288</td>
</tr>
<tr>
<td>Subtotal Non-Ticketed Non-NFL Events (weddings, corporate events, etc)</td>
<td>28</td>
<td>$362,074</td>
</tr>
<tr>
<td><strong>Total Non-NFL Event Net Revenue</strong></td>
<td>34</td>
<td>$943,362</td>
</tr>
<tr>
<td><strong>Total Estimated Performance Rent paid to the General Fund</strong></td>
<td>$294,181</td>
<td></td>
</tr>
</tbody>
</table>

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- Rolling Stones (Concert) made almost $900k
- Monster Jam (Miscellaneous Events) ($400k)
- Total Non-NFL Event Net Revenue approx. $943k through Q2

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(1) Performance Rent is calculated as 50% of the net revenue from Non-NFL events less...
Non-NFL Events – To Date

Levi's® Stadium
Ticketed Non-NFL Events Revenue and Expenditure Summary
FY 2019/20

<table>
<thead>
<tr>
<th>Ticketed Event</th>
<th>Revenue</th>
<th>Expense</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monster Jam</td>
<td>$1.6</td>
<td>$2.0</td>
<td>$(0.4)</td>
</tr>
<tr>
<td>Bay Area Wedding Fair</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>USWNT vs South Africa</td>
<td>0.3</td>
<td>0.1</td>
<td>0.2</td>
</tr>
<tr>
<td>ICC: Chivas vs Benfica</td>
<td>1.2</td>
<td>1.4</td>
<td>(0.2)</td>
</tr>
<tr>
<td>Rolling Stones: No Filter Tour</td>
<td>11.3</td>
<td>10.5</td>
<td>0.8</td>
</tr>
<tr>
<td>High School Football Series</td>
<td>0.1</td>
<td>0.1</td>
<td>0.0</td>
</tr>
<tr>
<td>Pac-12 Championship</td>
<td>3.1</td>
<td>5.3</td>
<td>(2.2)</td>
</tr>
<tr>
<td>Redbox Bowl</td>
<td>4.5</td>
<td>4.5</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Total Ticketed Non-NFL Net Revenue to date</strong></td>
<td><strong>$22.2</strong></td>
<td><strong>$23.9</strong></td>
<td><strong>$(1.8)</strong></td>
</tr>
</tbody>
</table>

- 6 of 8 ticketed events lost or did not make money
- Largest loss was Pac-12 Championship – last year of event
- ManCo projects $1.7-$2.0 million loss this FY
- Based on preliminary data and subject to change
Non-NFL Events – Parking

- A total of 13,130 cars were parked in offsite parking lots, **down 41%**
- Generated $75,000 in offsite parking fees
Public safety costs amounted to $1.0 million:

- $841,000 (83.8%) are direct City costs
- $163,000 (16.2%) are outside agency costs
  - CHP $81,000
  - County of Santa Clara $25,000
  - County of S.F. $57,000
- $75,000 were covered by the offsite parking fee
Operating Budget Summary

• Total Operating Revenues of $28.7 million or 39% of annual budget

• Total Operating Expenses of $18.3 million or 25% of annual budget

  • Revenues and expenses are below 50% because the Non-NFL event activity is not recorded until the end of the fiscal year per agreements

  • Suspension of shared Stadium Manager expenses based on Board direction to only release public funds if all supporting documents have been submitted and adhere to our agreements and State and local laws
Stadium Builder Licenses (SBLs)

- Value of currently active SBLs is $524.5 million (58,957 or 89.5% of 65,879 sellable SBLs)
- A total of 84% of principal value has been collected as of September 30, 2019 ($440.4 million)
- 234 new SBLs were sold with total face value of $1.5 million
Stadium Builder Licenses (SBLs)  
(cont.)

• SBL relocations netted 29 more SBLs
  • Increase of $721,000 in SBL face value

• Defaulted SBLs amounted to 1,565 with value of $10.1 million
  • Defaulted SBLs have either been resold or are available for resale at full price
### Discretionary Fund

#### Discretionary Fund - Accrual Basis

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Beginning Balance</th>
<th>Revenue</th>
<th>Expenses</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014/15</td>
<td>$</td>
<td>$715,770</td>
<td>$714,028</td>
<td>$1,742</td>
</tr>
<tr>
<td>2015/16</td>
<td>1,742</td>
<td>1,238,542</td>
<td>699,129</td>
<td>541,155</td>
</tr>
<tr>
<td>2016/17</td>
<td>541,155</td>
<td>1,164,698</td>
<td>1,209,342</td>
<td>496,511</td>
</tr>
<tr>
<td>2017/18</td>
<td>496,511</td>
<td>768,564</td>
<td>-</td>
<td>1,265,075</td>
</tr>
<tr>
<td>2018/19</td>
<td>1,265,075</td>
<td>796,294</td>
<td>101,267</td>
<td>1,960,102</td>
</tr>
<tr>
<td>2019/20</td>
<td>1,960,102</td>
<td>251,174</td>
<td>-</td>
<td>2,211,276</td>
</tr>
</tbody>
</table>

- Current balance is $2.2 million
- Expenses in FY 2018/19 were for consulting services
- Discretionary fund previously used to pay NFL public safety costs above the public safety threshold for the first three years – this is under litigation
Debt Schedule

<table>
<thead>
<tr>
<th>Type of Indebtedness</th>
<th>Interest Rates</th>
<th>Outstanding as of March 31, 2019</th>
<th>Net Change</th>
<th>Outstanding as of September 30, 2019</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>$270,266,412</td>
<td>($12,752,172)</td>
<td>$257,514,240</td>
</tr>
<tr>
<td>StadCo CFD Advance</td>
<td>5.73%</td>
<td>30,925,978</td>
<td>($561,874)</td>
<td>30,364,104</td>
</tr>
<tr>
<td>StadCo Subordinated Loan</td>
<td>5.50%</td>
<td>39,024,833</td>
<td>($107,449)</td>
<td>38,917,384</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$340,217,223</strong></td>
<td><strong>($13,421,495)</strong></td>
<td><strong>$326,795,728</strong></td>
</tr>
</tbody>
</table>

- Total outstanding debt as of September 2019 was $326.8 million
- Reduction of $13.4 million from March 2019
History of Debt Schedule

Total Outstanding Debt (in millions)

- Mar 2012: $41.1
- Mar 2013: $396.1
- Mar 2014: $653.4
- Mar 2015: $561.6
- Mar 2016: $464.7
- Mar 2017: $429.8
- Mar 2018: $382.7
- Mar 2019: $340.2

Legend:
- Construction Loan
- StaCo Agency Advance
- Term B Loan
- Term A Loan
- StaCo CFD Advance
- StaCo Subordinated Loan
Capital Improvement Program (CIP)

- Total Capital Budget of $14 million
- $61,000 or <1% spend on Stadium CIP costs
- Projects halted due to State procurement and prevailing wages non-compliance
- SCSA will need to assess priority projects to maintain asset
Budget Amendments

• Reflect adjustments to revenue and expenditure based on actuals to date
• Reallocates funding for shared Stadium Manager operating expenditures to Legal Contingency pending outcome of outstanding litigation
• Increases appropriations based on actual usage/invoices
• Decreases amount available to pay for outstanding debt
Recommendation

• Note and file the Santa Clara Stadium Authority Financial Status Reports for the Quarter Ending June 30, 2019 and Quarter Ending September 30, 2019.

• Approve Budget Amendments to the 2019/20 Santa Clara Stadium Authority Budget.