

# City of Santa Clara

## Meeting Agenda

### Call and Notice of Special Meetings City Council and Santa Clara Stadium Authority Board



**Tuesday, March 12, 2024**

**6:00 PM**

**Hybrid Meeting**

**City Hall Council Chambers/Virtual**

**1500 Warburton Avenue**

**Santa Clara, CA 95050**

The City of Santa Clara is conducting City Council meetings in a hybrid manner (in-person and continues to have methods for the public to participate remotely).

• Via Zoom:

o <https://santaclaraca.zoom.us/j/99706759306>

Meeting ID: 997-0675-9306

o Phone 1(669) 900-6833

#### **How to Submit Written Public Comment Before City Council Meeting:**

1. Use the eComment tab located on the City Council Agenda page <https://santaclaraca.legistar.com/Calendar.aspx>. eComments are directly sent to the iLegislate application used by City Council and staff, and become part of the public record. eComment closes 15 minutes before the start of a meeting.
2. By email to [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) by 12 p.m. the day of the meeting. Those emails will be forwarded to the Council and will be uploaded to the City Council Agenda as supplemental meeting material. Emails received after the 12 p.m. cutoff time up through the end of the meeting will form part of the meeting record. Please identify the Agenda Item Number in the subject line of your email.

NOTE: Please note eComments and Emails received as public comment will not be read aloud during the meeting.

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All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at Santa Clara City Hall, 1500 Warburton Avenue, Santa Clara, CA 95050 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. For the final document, you may contact the Office of the City Clerk at (408) 615-2220 or [Clerk@santaclaraca.gov](mailto:Clerk@santaclaraca.gov).

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of California Government Code §54956 (“The Brown Act”) and Section 708 of the Santa Clara City Charter, the Mayor/Chair calls for a Special Meeting of the City Council of the City of Santa Clara, the Governing Board of the Stadium Authority, to commence and convene on March 12, 2024 at 6:00 pm for a Special Meeting to be held virtually and in the City Hall Council Chambers located in the East Wing of City Hall at 1500 Warburton Avenue, Santa Clara, California, to consider the following matter(s) and to potentially take action with respect to them.

**6:00 PM SPECIAL CITY COUNCIL/STADIUM AUTHORITY MEETING**

**Call to Order**

*Call to Order in the Council Chambers (Open to the Public)*

**Roll Call**

**CONSENT CALENDAR**

*[Items listed on the CONSENT CALENDAR are considered routine and will be adopted by one motion. There will be no separate discussion of the items on the CONSENT CALENDAR unless discussion is requested by a member of the Council, staff, or public. If so requested, that item will be removed from the CONSENT CALENDAR and considered under CONSENT ITEMS PULLED FOR DISCUSSION.]*

**1.A 24-79** [Action on Stadium Manager's Request to Approve a Purchase Order with Pivot Interiors, Inc. for the Replace Furniture for BNY Field Clubs, United, Levi's 501, and Yahoo Clubs and Special Event Spaces CapEx Project and Related Budget Amendment](#)

**Recommendation:**

1. Approve a budget amendment for the Replace Furniture for BNY Field Clubs, United, Levi's 501, and Yahoo Clubs and Special Event Spaces line item in the Stadium Authority FY 2023/24 CapEx Budget to increase the budget by \$335,204 from the Capital Budget Ending Fund Balance, for a total budget amount of \$1,838,204;
2. Approve the Stadium Manager's request to award a purchase order to Pivot Interiors, Inc. in the amount of \$1,738,204 to replace the free-standing furniture in the described event spaces at Levi's Stadium for the Replace Furniture for BNY Field Clubs, United, Levi's 501, and Yahoo Clubs and Special Event Spaces CapEx Project, subject to a reservation of rights regarding possible allocations of costs to StadCo under the terms of the Stadium Lease; and
3. Authorize the Stadium Manager to execute any and all documents associated with, and necessary for the award, completion, and acceptance of the project.

- 1.B 24-241** [Action on the Stadium Manager's Request to Approve a Second Amendment to the Agreement with Allied Universal Security Services Universal Protection Services LLP for Levi's Stadium Event Security Services For a Month-to-Month Extension Not to Exceed Six Months](#)

**Recommendation:**

1. Approve the Stadium Manager's request to execute a Second Amendment to the Agreement with Allied Universal Security Services Universal Protection Services LLP to extend the term of the agreement on a month-to-month basis, beginning on April 1, 2024, for up to six months until the Stadium Manager enters into a new agreement for event security services, subject to the Stadium Authority Board's approval.

**CONSENT ITEMS PULLED FOR DISCUSSION**

**PUBLIC HEARING/GENERAL BUSINESS**

- 2. 24-1342** [Action on the Proposed Santa Clara Stadium Authority Fiscal Year 2024/25 Operating, Debt Service and Capital Budget, Stadium Authority Budget, Compliance and Management Policies, and 2024 Non-NFL Events Marketing Plan](#)

**Recommendation:**

1. Adopt the Santa Clara Stadium Authority Fiscal Year 2024/25 Operating, Debt Service, and Capital Budget;
2. Approve the 2024 Levi's Stadium Events Marketing Plan;
3. Adopt the Stadium Authority Board Budget Policy; and
4. Adopt the Stadium Authority Board Compliance and Management Policy.

- 3. 24-280** [Update on the George F. Haines International Swim Center \(ISC\)](#)

**Recommendation:**

- It is recommended that the City Council note and file the report.

4. 24-177 [Discussion of a Proposed Community Engagement Process Related to the City's Unfunded Capital Needs and Potential Revenue Strategies for Consideration on the November 2024 Ballot](#)

**Recommendation:** It is recommended that the City Council:

1. Provide feedback on the proposed community engagement effort as deemed appropriate; and,
2. Note and file the report.

5. 24-237 [Silicon Valley Power Bi-Annual Update](#)

**Recommendation:** Note and file the Silicon Valley Power Bi-Annual Update.

**ADJOURNMENT**

The next regular scheduled meeting is on Tuesday, March 19, 2024 in the City Hall Council Chambers.

## MEETING DISCLOSURES

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. If a person wishes to challenge the nature of the above section in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Santa Clara, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

**STREAMING SERVICES:** As always, the public may view the meetings on SantaClaraCA.gov, Santa Clara City Television (Comcast cable channel 15 or AT&T U-verse channel 99), or the livestream on the City's YouTube channel or Facebook page.

Note: The public cannot participate in the meeting through these livestreaming methods; livestreaming capabilities may be disrupted at times, viewers may always view and participate in meetings in-person and via Zoom as noted on the agenda.

**AB23 ANNOUNCEMENT:** Members of the Santa Clara Stadium Authority, Sports and Open Space Authority and Housing Authority are entitled to receive \$30 for each attended meeting.

Note: The City Council and its associated Authorities meet as separate agencies but in a concurrent manner. Actions taken should be considered actions of only the identified policy body.

**LEGEND:** City Council (CC); Stadium Authority (SA); Sports and Open Space Authority (SOSA); Housing Authority (HA); Successor Agency to the City of Santa Clara Redevelopment Agency (SARDA); Bayshore North Project Enhancement Authority (BNPEA); Public Facilities Financing Corporation (PFFC)

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](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

If a member of the public submits a speaker card for any agenda items, their name will appear in the Minutes. If no speaker card is submitted, the Minutes will reflect "Public Speaker."

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Santa Clara will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The City of Santa Clara will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the City's programs, services, and activities. The City of Santa Clara will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by the City in an appropriate alternative format. Contact the City Clerk's Office at 1 408-615-2220 with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of the City of Santa Clara, should contact the City's ADA Coordinator at 408-615-3000 as soon as possible but no later than 48 hours before the scheduled event.



## Agenda Report

24-79

Agenda Date: 3/12/2024

### REPORT TO STADIUM AUTHORITY BOARD

#### SUBJECT

Action on Stadium Manager's Request to Approve a Purchase Order with Pivot Interiors, Inc. for the Replace Furniture for BNY Field Clubs, United, Levi's 501, and Yahoo Clubs and Special Event Spaces CapEx Project and Related Budget Amendment

#### BOARD PILLAR

Ensure Compliance with Measure J and Manage Levi's Stadium

#### BACKGROUND

As the Stadium Manager of Levi's Stadium, Forty Niners Stadium Management Company LLC is responsible for maintaining "the Stadium in the Required Condition and operate the Stadium as a quality NFL and multi-purpose public sports, public assembly, exhibit and entertainment facility" as required by the Management Agreement between the Stadium Authority, Forty Niners SC Stadium Company LLC (StadCo), and Stadium Manager.

The Stadium Authority Fiscal Year (FY) 2023/24 Capital Expense (CapEx) Budget includes a \$1,503,000 line item for a Replace Furniture for BNY Field Clubs, United, Levi's 501 and Yahoo Clubs and Special Events Spaces project. The project replaces the free-standing furniture, including stools, chairs, tables, and sofas, in some of the most utilized spaces in the Stadium. The current furniture has been in place since the Stadium opened in 2014 and has aged due to normal wear and tear over the years. The furniture is located in shared spaces and are used for numerous events throughout the year including both NFL and Non-NFL Events.

The Stadium Manager is requesting approval for the following actions related to the Replace Furniture for BNY Field Clubs, United, Levi's 501 and Yahoo Clubs and Special Event Spaces CapEx Project (CapEx Project):

1. Approve a one-time purchase order to Pivot Interiors, Inc. in the amount of \$1,738,204 to replace the free-standing furniture in the clubs and event spaces at Levi's Stadium;
2. Approve a budget amendment to increase the total budget amount for the CapEx Project by \$335,204, from \$1,503,000 to \$1,838,204; and
3. Authorize the Stadium Manager to execute any and all documents associated with, and necessary for the award, completion, and acceptance of the project.

If approved, the amended line item will cover the costs of the one-time purchase order inclusive of labor, delivery and taxes (\$1,738,204), and an additional \$100,000 to procure additional bar height tables to complete the CapEx Project. The CapEx Project was budgeted and initiated in FY 2022/23, when the Stadium Manager used an existing Board approved agreement with Populous, Inc. to develop design plans for the CapEx Project. The CapEx Project was carried forward to FY 2023/24 to

complete.

A Recommendation for Award Memo was submitted describing the project, solicitation process, and the Stadium Manager's request (Attachment 1). Photos of existing furniture in Levi's Stadium clubs and special event spaces are attached to this report (Attachment 2).

### DISCUSSION

Stadium Authority staff reviewed the Stadium Manager's Recommendation for Award memo, supporting documentation, and draft purchase order for consistency against the City's bidding practices (City Code Section 2.105.140(d) - Competitive requirements for purchases - formal request for bids). The Stadium Manager's Request for Bids (RFB) received seven responses and the Stadium Manager is recommending award to the lowest responsive bidder, Pivot Interiors, Inc.

Based on the documentation and provided information, staff recommends approval of the Stadium Manager's request related to the Replace Furniture for BNY Field Clubs, United, Levi's 501, and Yahoo Clubs and Special Event Spaces CapEx Project.

The Stadium Authority Counsel's Office has reviewed the requested purchase order for comparison to the Stadium Authority's customary language. While there are some differences in the language, including portions covering compliance with laws such as prevailing wage and conflict of interest, the purchase order submitted for approval contains the necessary language which identifies these legal obligations to the vendor. The vendor expressly agrees to adhere to such obligations upon its execution of the agreement. Nothing in the proposed purchase order changes the Stadium Authority's rights under the Management Agreement and specifically with respect to any dispute that may arise from the Stadium Manager's obligations under the Management Agreement.

The Stadium Authority reserves all rights to confirm and dispute charges by and payments to the Stadium Manager during a fiscal year-end reconciliation/true-up, including but not limited to changes based on improper allocation, calculation, lack of support, or failure to comply with the Parties' contracts or California law. The Stadium Authority is also evaluating whether there should be an allocation of some portion of the costs associated with the furniture replacement to StadCo. The Stadium Authority reserves all rights on these issues, and may raise related questions before the fiscal year-end reconciliation/true-up, which the Stadium Manager agrees to assess and respond to in good faith.

### 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(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

### FISCAL IMPACT

As noted above, the Stadium Authority FY 2022/23 CapEx Budget included \$1,621,001 for the CapEx Project. Design services were performed by Populous, Inc. in FY 2022/23 and \$1,503,000 was carried forward into FY 2023/24.

Approval of the Stadium Manager's request will require a budget amendment to increase the line

item by \$335,204 to a total budget amount of \$1,838,204 to ensure that the funds are in place for the purchase order amount and to procure the additional furniture. It is anticipated that the project will continue into FY 2024/25; therefore, a separate budget action to carryover these funds is included in the proposed FY 2024/25 CapEx Budget that is being considered by the Stadium Authority Board. The table below summarizes the budget amendment as discussed above:

CapEx Project	Current	Increase/ (Decrease)	Revised
Replace Furniture for BNY Field Clubs, United, 501 & Yahoo clubs and Special Event spaces (2019/20 Carryover)	\$ 1,503,000	\$ 335,204	\$ 1,838,204
Capital Budget Ending Fund Balance	\$ 5,903,139	\$ (335,204)	\$ 5,567,935

**COORDINATION**

This report has been coordinated with the Stadium Authority Counsel and Treasurer’s Offices.

**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](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

**RECOMMENDATION**

1. Approve a budget amendment for the Replace Furniture for BNY Field Clubs, United, Levi’s 501, and Yahoo Clubs and Special Event Spaces line item in the Stadium Authority FY 2023/24 CapEx Budget to increase the budget by \$335,204 from the Capital Budget Ending Fund Balance, for a total budget amount of \$1,838,204;
2. Approve the Stadium Manager’s request to award a purchase order to Pivot Interiors, Inc. in the amount of \$1,738,204 to replace the free-standing furniture in the described event spaces at Levi’s Stadium for the Replace Furniture for BNY Field Clubs, United, Levi’s 501, and Yahoo Clubs and Special Event Spaces CapEx Project, subject to a reservation of rights regarding possible allocations of costs to StadCo under the terms of the Stadium Lease; and
3. Authorize the Stadium Manager to execute any and all documents associated with, and necessary for the award, completion, and acceptance of the project.

Reviewed by: Chuck Baker, Assistant City Manager

Approved by: Jovan D. Grogan, Executive Director

**ATTACHMENTS**

1. Stadium Manager’s Recommendation for Award Memo
2. Photos of Existing Furniture



## FORTY NINERS STADIUM MANAGEMENT COMPANY

Date: January 16, 2024

To: Jovan Grogan  
Executive Director  
Santa Clara Stadium Authority

From: Jenti Vandertuig  
Procurement Director  
Forty Niners Stadium Management Company LLC

Subject: Recommendation for Award RFB FY23-0061 Free Standing Furniture for Clubs and Events at Levi's Stadium.

### **Recommendation**

1. Recommend approval and award of a one-time contract to Pivot Interiors Inc. in the amount of \$1,738,204.00 for the Free Standing Furniture for Clubs and Events (Project) at Levi's Stadium.
2. Authorize Stadium Manager to execute any and all documents associated with, and necessary for the award, completion, and acceptance of this Project; and
3. Recommend a budget augmentation for the Free Standing Furniture for Clubs and Events Project (Project) of \$335,204, which will increase the total budget amount for this Project from \$1,503,000 to \$1,838,204. The Project budget was approved by the Santa Clara Stadium Authority (SCSA) as part of the FY23/24 SCSA Capital Expenditures Budget.

### **Solicitation Process**

Forty Niners Stadium Management Company LLC (Stadium Manager) has a need to procure free standing furniture to replace furniture for BNY Field Clubs, United, Levi's 501 and Yahoo clubs and special event spaces at Levi's Stadium (Stadium). The Project was approved as part of the FY23/24 SCSA Capital Expenditures budget. These spaces are amongst the most utilized in the entire Stadium. The current furniture has been in place since the building opened in 2014 and is aging due to normal wear and tear.

On November 28, 2023, Stadium Manager issued a Request for Bids (RFB) FY23-0061 for the Project.

Stadium Manager published the RFB on Bonfire Interactive, Stadium Manager's eProcurement portal <https://49ers.bonfirehub.com/portal/>. In addition to inviting a list of suppliers on our established supplier list, Stadium Manager also selected suppliers registered on the portal with

specific commodity codes offering such goods and service.

Stadium Manager held a non-mandatory pre-bid conference on December 11, 2023 at 10:00 a.m. (PT) to provide an overview of the Project, facilitate a site walk to cover the areas requiring the replacement furniture including the logistics for delivery and set up of furniture, and answer any questions from prospective bidders. Stadium Manager issued addendum #1 to the RFB on December 14, 2023. The addendum provided revisions to the bid requirements, new and revised forms and answers to questions asked by prospective bidders prior and during the pre-bid conference. Stadium Manager also extended the bid due date and time from January 3, 2024 to January 8, 2024 at 3:00 p.m. (PT).

Seven bids were received on or before the closing due date and time from the following firms:

1. Pivot Interiors, Inc. - \$1,635,890.72
2. Unisource Solutions. - \$1,657,811.03
3. One Workplace L. Ferrari, LLC - \$1,706,686.48
4. Peoplespace - \$1,746,735.00
5. Insidesource - \$1,753,230.00
6. KBM-Hogue - \$1,786,433.45
7. Metro-The Collective, JV (MTC) - \$1,791,034.34

The amount referenced above demonstrates the dollar values as identified in each bidder's response.

### **Public Bid Opening**

A public bid opening was held on January 8, 2024, at 4:00 p.m. (PT). The RFB provided the public bid opening webcast information including a meeting ID and password for bidders to log on via Zoom to attend. One caller was in attendance. Stadium Manager announced the receipt of the seven bids on or before the due date and time, announced the name of the bidders and the total amount for each bidder and declared Pivot Interiors, Inc. the apparent low bidder.

### **Evaluation of Apparent Low Bidder**

Bids were tabulated and a bid abstract created. Multiple bids had errors with the total cost. Stadium Manager utilized the unit price to calculate the correct total cost for each item. Stadium Manager reviewed the submission of Pivot Interiors, Inc. to validate the apparent lowest bidder was responsive and responsible with the lowest cost. Stadium Manager noted that Pivot Interiors, Inc. had provided "an equal" product for one of the 35 line items. Upon review of the specifications and the revised bid form, it was noted that Stadium Manager had inadvertently allowed for "an equal" item in Attachment F – Furniture Description and Specifications. Due to this reason, Stadium Manager decided to remove item #34 – Bar Height Table in Attachment B1-Revised Bid Response form by exercising the reservation clause in the RFB to waive or correct any minor or inadvertent defect, irregularity, informality, or technical error in any bid or procedure, as part of the RFB.

The following are the adjusted bid results without line item #34 – Bar Height Table (Davis):

1. Unisource Solutions - \$1,589,867.81
2. Pivot Interiors, Inc. - \$1,598,967.57
3. Insidesource - \$1,606,590.00
4. One Workplace L. Ferrari, LLC - \$1,627,004.76
5. Peoplespace - \$1,669,725.00
6. KBM-Hogue - \$1,707,956.53
7. Metro-The Collective, JV (MTC) - \$1,707,956.53

Multiple manufacturers required 16-18 weeks lead time for delivery from the receipt of purchase order. The bidders made a note of the delivery lead times in their response. The first lowest cost bidder, Unisource Solutions, was deemed non-responsive as they took exception to the terms and conditions in the RFB. The second low bidder, Pivot Interiors, Inc., provided all the required forms and was declared the lowest responsive and responsible bidder at \$1,598,967.57, exclusive of applicable state and local taxes.

On January 11, 2024, Stadium Manager issued a Notice of Intended Award and made it available to all the bidders.

The protest period ended on January 15, 2023. There were no protests.

**Next Steps**

The Project was approved as part of the FY23/24 SCSA Capital Expenditures budget. The current approved amount for this Project is \$1,503,000. Stadium Manager anticipates issuing an informal Request for Quotation for the line item #34 – for 17 Bar Height Tables (Davis) which is anticipated to be less than \$100,000 inclusive of all costs. The breakdown is as follows:

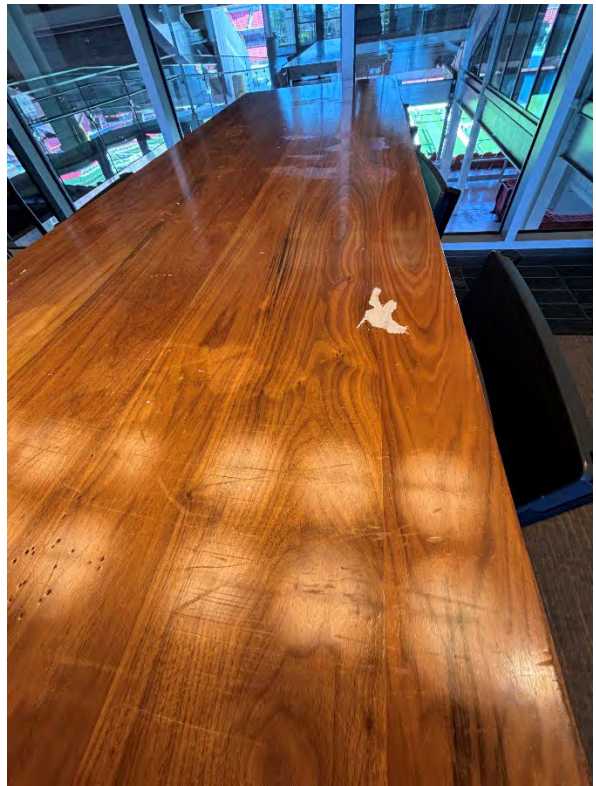
1. FY23/24 budgeted amount for Project: \$1,503,000
2. Purchase order amount for Pivot Interiors, Inc.: \$1,738,204.00 (inclusive of all taxes)
3. Budgeted amount for 17 Bar Height Tables (Davis): \$100,000
4. Total budget augmentation amount: \$335,204

Once Stadium Manager receives approval from the SCSA Board, a Purchase Order (with the terms included in the RFB) will be executed with Pivot Interiors, Inc., and a fully executed copy of the Purchase Order will be forwarded to the SCSA.

Supporting documentation has been provided for review and approval.

Submitted By:  \_\_\_\_\_ Date: 1/23/2024  
A4B5666F5BF147D...  
 Jenti Vandertuig, Procurement Director

Photos of Existing Furniture in Levi's Stadium Clubs and Special Event Spaces







## Agenda Report

24-241

Agenda Date: 3/12/2024

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### REPORT TO STADIUM AUTHORITY BOARD

#### SUBJECT

Action on the Stadium Manager's Request to Approve a Second Amendment to the Agreement with Allied Universal Security Services Universal Protection Services LLP for Levi's Stadium Event Security Services For a Month-to-Month Extension Not to Exceed Six Months

#### BOARD PILLAR

Ensure Compliance with Measure J and Manage Levi's Stadium

#### BACKGROUND

As the Stadium Manager of Levi's Stadium, Forty Niners Stadium Management Company LLC is responsible for maintaining "the Stadium in the Required Condition and operate the Stadium as a quality NFL and multi-purpose public sports, public assembly, exhibit and entertainment facility" as required by the Stadium Management Agreement between the Stadium Authority, Forty Niners SC Stadium Company LLC (StadCo), and Stadium Manager.

As described in an April 4, 2017 report to the Stadium Authority Board, the Stadium Manager conducted a Request for Proposal (RFP) process for security services for pre-event, event, and post-event services for the Stadium and surrounding areas and invited six security firms to participate. Companies submitting proposals provided information on their experience, training, local management, cost and organizational approach and Landmark Event Staffing Services, Inc. (Landmark) was selected as the firm best able to perform the required scope of work.

On April 17, 2017, the Stadium Authority Board adopted Resolution No. 17-4 that consented to an Agreement between the Stadium Manager and Landmark for event security services (Attachment 1); and noted and filed a First Amendment to the Agreement to include the Stadium Authority as an additional insured under Exhibit C - Insurance Requirements (Attachment 2). The Agreement included an initial term that ended on March 31, 2022 and provided the Stadium Manager with an option to extend the term for one additional two-year period.

On March 22, 2022, the Stadium Authority Board approved the Stadium Manager's request to exercise the option to extend the term of the Agreement with Landmark for one additional two-year period through March 31, 2024 and increase the hourly rates for certain positions during the two year extension. The Stadium Manager's March 8, 2022 notice to Landmark is reflective of the Board's approval (Attachment 3). In March 2023, Allied Universal Security Services Universal Protection Services LLP (Allied) acquired Landmark and assumed the rights, duties, and obligations of Landmark under the Agreement.

The Stadium Manager had planned to issue a solicitation in late 2023; however, due to the hiring and onboarding of their new Vice President, Security, Safety & Transportation Operations and the Forty

Niners' post-season success, now plans to issue a formal solicitation for event security services in March 2024 and bring forth a recommendation for a new Agreement in June 2024. Until the solicitation process is completed, an extension of the existing agreement for event security services is needed for continuity of services.

The Stadium Manager is requesting approval of a Second Amendment to the Agreement with Allied (successor in interest to Landmark) to extend the term on a month-to-month basis, beginning April 1, 2024, for up to six months (Attachment 4). The proposed Second Amendment provides the Stadium Manager the right to terminate the agreement with a thirty-day notice to the contractor and includes hourly rates of compensation and fees that are identical to the current rates outlined under the Stadium Manager's March 8, 2022 notice to Landmark.

A Recommendation for Award Memo was submitted describing the Stadium Manager's request and plans to implement a new solicitation in more detail (Attachment 5).

### DISCUSSION

Event security services are critical to the ongoing operation of Levi's Stadium. As described in the Stadium Manager's Recommendation for Award Memo, security services are used on a contractual basis for ticketed and non-ticketed events held at Levi's Stadium. The contractor supports the Stadium Manager's in-house security operation in order to maintain best practices and requirements for NFL events, and to work in partnership with the event promoters and production teams to handle security for Non-NFL ticketed events. Security responsibilities include, but are not limited to, access control, entry screening procedures via the use of frictionless and non frictionless technology, perimeter security, personal protection, foot patrols, camera monitoring, and other security related functions specific to different events.

There are several major Non-NFL Events that are scheduled in May and June 2024 that will require event security services such as the May 4 Earthquakes vs Los Angeles Football Club, May 17 and 18 Luke Combs Concerts, and June 22 CONMEBOL Copa America Ecuador vs Venezuela.

Based on the information above, staff recommends approval of the Stadium Manager's request to execute a Second Amendment to the Agreement with Allied (successor in interest to Landmark) to ensure continuity of security services for Levi's Stadium events until the Stadium Manager completes the event security services solicitation and brings forth a new Agreement for Board approval. As the Santa Clara Police Department works closely with the contractor during events, staff has requested to participate in the upcoming solicitation process, which the Stadium Manager agreed to.

The Stadium Authority Counsel's Office has reviewed the Second Amendment to the Agreement with Allied for comparison to the Stadium Authority's customary language. Nothing in the proposed Second Amendment or Agreement changes the Stadium Authority's rights under the Management Agreement and specifically with respect to any dispute that may arise from the Stadium Manager's obligations under the Management Agreement.

The Stadium Authority reserves all rights to confirm and dispute charges by and payments to the Stadium Manager during a fiscal year-end reconciliation/true-up, including but not limited to changes based on improper allocation, calculation, lack of support, or failure to comply with the Parties' contracts or California law. The Stadium Authority may raise related questions before the fiscal year-end reconciliation/true-up, which the Stadium Manager agrees to assess and respond to in good

faith.

### 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 a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

### FISCAL IMPACT

The costs associated with the Second Amendment to the Agreement with Allied (successor in interest to Landmark) are based on the compensation and fees schedule outlined under Exhibit B on a per event basis. StadCo is responsible for costs associated with NFL events. The costs for Non-NFL event security services will be borne either by the event promoter or by the revenue generated from the event.

The projected net revenues from the Non-NFL Events are accounted for in the proposed Stadium Authority FY 2024/25 Operating Budget under the Net Revenues from Non-NFL Events line item, which is being considered by the Stadium Authority Board at the March 12, 2024 meeting.

### COORDINATION

This report has been coordinated with the City’s Police Department and the Stadium Authority Counsel and Treasurer’s Offices.

### 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](mailto:clerk@santaclaraca.gov).

### RECOMMENDATION

1. Approve the Stadium Manager’s request to execute a Second Amendment to the Agreement with Allied Universal Security Services Universal Protection Services LLP to extend the term of the agreement on a month-to-month basis, beginning on April 1, 2024, for up to six months until the Stadium Manager enters into a new agreement for event security services, subject to the Stadium Authority Board’s approval.

Reviewed by: Chuck Baker, Assistant City Manager

Reviewed by: Jovan D. Grogan, Executive Director

### ATTACHMENTS

1. Agreement with Landmark
2. First Amendment to the Agreement with Landmark
3. Stadium Manager’s Notice to Landmark to Exercise 2-Year Extension Option
4. Proposed Second Amendment to the Agreement with Allied (Successor In Interest to Landmark)
5. Stadium Manager’s Recommendation for Award Memo

**AGREEMENT FOR THE PERFORMANCE OF SERVICES  
BY AND BETWEEN  
STADIUM MANAGER  
AND  
LANDMARK EVENT STAFFING SERVICES, INC.**

**PREAMBLE**

This agreement for the performance of services (“Agreement”) is made and entered into on this 15<sup>th</sup> day of February, 2017, (“Effective Date”) by and between LANDMARK EVENT STAFFING SERVICES, INC., a Delaware corporation, with its principal place of business located at 4131 Harbor Walk Drive, Fort Collins, CO 80525 (“Contractor”), and the FORTY NINERS STADIUM MANAGEMENT COMPANY LLC, a Delaware limited liability company (“Stadium Manager”), with its principal place of business located at [\*insert Stadium address number Marie P. DeBartolo Way, Santa Clara, CA 95054. Stadium Manager and Contractor may be referred to individually as a “Party” or collectively as the “Parties” or the “Parties to this Agreement.”

**RECITALS**

- A. The CITY OF SANTA CLARA, a municipal corporation (“City”) and the SANTA CLARA STADIUM AUTHORITY, a joint exercise of powers entity, created through Government Code sections 6500 et seq. (the “Authority”), are parties to that certain Ground Lease dated as of March 28, 2012, as amended by that certain First Amendment to Ground Lease (Stadium Site) (as the same may be further amended from time to time, the “Ground Lease”), pursuant to which the Authority leases certain real property from the City upon which the Authority has developed and constructed a multi-purpose stadium (the “Stadium”).
- B. The Authority and FORTY NINERS SC STADIUM COMPANY, LLC, a Delaware limited liability company (“StadCo”), are parties to that certain Amended and Restated Stadium Lease Agreement dated as of March 28, 2012 as amended and restated as of June 19, 2013 (as the same may be further amended from time to time, the “Stadium Lease”), pursuant to which StadCo is granted the right during the term of the Stadium Lease to use and occupy the Stadium for the operation of an NFL franchise, subject to, and on the basis of, the terms, covenants and conditions set forth in the Stadium Lease.
- C. StadCo and FORTY NINERS FOOTBALL COMPANY LLC, a Delaware limited liability company (“Team”) are parties to a certain Sublease Agreement dated as of March 28, 2012, as amended and restated as of June 19, 2013 (as the same may be further amended from time to time, the “Team Sublease”), pursuant to which, during the term of the Team Sublease, the Team shall play its NFL home games at the Stadium, subject to, and on the basis of, the terms, covenants and conditions set forth in the Team Sublease.
- D. The Authority, StadCo, and Stadium Manager are parties to a certain Stadium Management Agreement effective as of March 28, 2012, as amended by that certain First Amendment to Stadium Management Agreement dated as of November 13, 2012, that certain Second Amendment to Stadium Management Agreement dated as of May 9,

2013, that certain Third Amendment to Stadium Management Agreement dated as of June 19, 2013, and that certain Fourth Amendment to Stadium Management Agreement dated as of March 18, 2014 (as the same may be, further amended from time to time, the "Stadium Management Agreement"), pursuant to which the Stadium Manager will manage the operation of the Stadium year-round on behalf of the Authority and StadCo for the term and on the basis specified in the Stadium Management Agreement.

- E. Pursuant to the Stadium Management Agreement, the Stadium Manager is required to maintain and operate a security force to safeguard the Stadium, areas surrounding the Stadium, and users of the Stadium and, accordingly, desires to secure professional services more fully described in this Agreement, at Exhibit A, entitled "Scope of Services" (the "Services").
- F. Contractor represents that it, and its subcontractors, if any, have the professional qualifications, expertise, necessary licenses and desire to provide the Services of the quality and type which meet objectives and requirements of Stadium Manager.
- G. In accordance with the Stadium Management Agreement, the Stadium Manager is authorized to enter into this Agreement on behalf of the Authority and StadCo to engage Contractor to provide the Services; and, accordingly, the Stadium Manager and Contractor desire to enter into this Agreement whereby Contractor shall have the right to provide, and Contractor agrees to provide, the Services, subject to the terms and conditions of this Agreement, the Ground Lease, the Stadium Lease and the Stadium Management Agreement.

The Parties agree as follows:

### **AGREEMENT PROVISIONS**

#### **1. EMPLOYMENT OF CONTRACTOR.**

Stadium Manager hereby employs Contractor to perform the Services. Stadium Manager shall pay for all such Services which are consistent with the terms of this Agreement.

#### **2. SERVICES TO BE PROVIDED.**

- A. Except as and to the extent expressly set forth in this Agreement, Contractor shall furnish all Services necessary to satisfactorily complete the work required by Stadium Manager at Contractor's own risk and expense. The Recitals above and all of the exhibits referenced in this Agreement are attached and are incorporated by this reference.
- B. Stadium Manager shall provide, or cause to be provided, during the Term designated office and storage space within the Stadium for use by Contractor. The location of such office and storage space shall be in the sole discretion of Stadium Manager, and Stadium Manager may direct that the office and storage space be moved to a new location within the Stadium from time to time as it deems necessary.

- C. Except as expressly provided in Section 10 below, Contractor shall be responsible for all costs and expenses incurred in performing the Services, including costs and expenses of maintaining, repairing and replacing any furniture, fixtures, equipment, or other tangible property and all applicable taxes, staffing (including all managerial and Event staff), and training. Check-in staff, support staff, and managerial personnel including logistics, payroll, and other non-event deployment staffing shall not be billed to Stadium Manager unless otherwise agreed to in advance by Stadium Manager. As described in greater detail in Section 7.F hereof, Contractor agrees to fully abide by all sustainability and reuse programs established for or applicable to the Stadium, as each may be modified from time to time following the Effective Date.
- D. Without limiting the generality of any other provision in this Agreement, Contractor's provision of the Services shall be subject to the reasonable prior approval of Stadium Manager acting in conjunction with Contractor, including but not limited to staffing and the manner of Contractor's performance. Contractor shall not offer exclusivity to any supplier without the prior written approval of Stadium Manager.
- E. If at any time, Contractor fails or is otherwise prevented from providing all or any portion of the Services whether due to a suspension or termination of any licenses or permits or otherwise, then, in addition to any other right of Stadium Manager, Stadium Manager shall have the right, in its sole discretion, without the payment of any kind to Contractor, to provide through any available means the Services, or any portion thereof, until such time as Contractor has resumed its provision of the Services. In the event Stadium Manager exercises its rights pursuant to this Section, Contractor shall, and shall cause its employees and the Management Team (as defined in Section 10.D below), to cooperate and assist Stadium Manager in providing the Services.
- F. Notwithstanding the foregoing, and subject to any restrictions imposed by the Authority, including pursuant to the Stadium Lease and Stadium Management Agreement, the Stadium Manager and its designated agents reserve the right of access to all areas that Contractor is permitted to access, use and occupy hereunder for purposes of operating, inspecting, maintaining and repairing the Stadium (and all improvements therein or thereon) and for the purpose of determining whether the terms, covenants and conditions contained in this Agreement are being fully and faithfully observed and performed by Contractor. Use of any space or property that Contractor is permitted to access, use and occupy hereunder for purposes other than the operations to be conducted under this Agreement, without prior written approval of Stadium Manager in its sole discretion, is prohibited. Contractor shall not interfere with any other contractor, licensee or employee of the Authority, Stadium Manager or any other person working at the Stadium.

**3. COMMENCEMENT OF SERVICES.**

Contractor shall begin providing the Services upon the April 1, 2017 through the expiration of Term (as defined below) or the termination of this Agreement. Contractor shall complete the Services at the time and in the manner set forth in the Scope of Services or as mutually determined in writing by the Parties.

**4. QUALIFICATIONS OF CONTRACTOR – STANDARD OF WORKMANSHIP.**

- A. Contractor represents and maintains that it has the necessary expertise in the professional calling necessary to perform the Services, and its duties and obligations, expressed and implied, contained in this Agreement, and Stadium Manager expressly relies upon Contractor's representations regarding its skills and knowledge. Contractor shall perform such Services and duties and obligations in conformance to and consistent with the professional standards of a specialist in the same discipline in the State of California.
- B. The plans, designs, specifications, estimates, calculations, reports, and other documents furnished under Exhibit A shall be of a quality acceptable to Stadium Manager. To be accepted as provided under this Agreement, any such work shall be a product of neat appearance and shall be well-organized, technically and grammatically correct, and checked, and shall identify the maker and checker. The minimum standard of appearance, organization, and content of the drawings shall be that used by Stadium Manager for similar projects.

**5. TERM OF AGREEMENT.**

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement (the "Term") shall begin on the Effective Date of this Agreement and terminate on **March 31, 2022**, provided however, if this Agreement extends beyond a single fiscal year, the Term for subsequent fiscal years shall be conditioned upon approval of the Authority budget for the applicable fiscal year that includes the amounts due under this Agreement. The Stadium Manager shall have the option, in its sole discretion, to extend the Term for one (1) additional two (2) year period by notifying Contractor in writing of Stadium Manager's desire to exercise said option(s) not more than one hundred twenty (120) days prior to the expiration of the then-current Term, subject to mutual agreement as to rates.

**6. WARRANTY.**

Contractor expressly warrants that all Services covered by this Agreement shall be fit for the purpose intended, shall be free from defect, and shall conform to the specifications, requirements, and instructions upon which this Agreement is based. Contractor agrees to promptly replace or correct any incomplete, inaccurate, or defective Services at no further cost to Stadium Manager when defects are due to the negligence, errors, or omissions of Contractor. If Contractor fails to promptly correct or replace Services, Stadium Manager may make corrections or replace Services and charge Contractor for the cost incurred by Stadium Manager.

## 7. PERFORMANCE OF SERVICES.

- A. Contractor shall perform all Services in an efficient and expeditious manner and shall work closely with and be guided by Stadium Manager. Contractor shall be as fully responsible to Stadium Manager for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as Contractor is for the acts and omissions of persons directly employed by it. Contractor will perform all Services in a safe manner and in accordance with all Applicable Laws and safety regulations, the policies and procedures issued by the Stadium Manager relating to the Services, the general operating procedures of the Authority, and any and all other applicable rules, regulations, policies and directives established or implemented by the Authority and/or Stadium Manager, the designees of either of them, or the NFL, from time to time, including scheduling rules, regulations and policies, related to the use or operation of the Stadium (collectively, "Stadium Policies"). The term "Applicable Laws" as used in this Agreement shall mean any statute, law, treaty, rule, code, ordinance, regulation, permit, interpretation, certificate or order, whether now or hereafter existing, of any Governmental Authority, or any judgment, decision, decree, injunction, writ, order or like action of any court, arbitrator or other Governmental Authority, whether now or hereafter existing. The term "Governmental Authority" as used in this Agreement shall mean any federal, state, local or foreign governmental entity, authority or agency, court, tribunal, regulatory commission or other body, whether legislative, judicial or executive (or a combination or permutation thereof), and any arbitrator to whom a dispute has been presented under Applicable Laws or by agreement of the Parties with an interest in such dispute.
- B. Contractor shall at all times maintain a sufficient number of qualified personnel at the Stadium and, if applicable, the Related Facilities (*e.g.*, offsite parking areas) for the performance of all of Contractor's obligations under this Agreement. Contractor shall cause the members of the Management Team to attend meetings to be scheduled by Stadium Manager at the Stadium from time to time during the Term to review the performance of the Services and to implement Stadium Manager's reasonable recommendations and directives for improving such performance.
- C. Contractor's authorized personnel who are scheduled to work at events at the Stadium as requested by Stadium Manager ("Events") shall be provided with ingress to and egress from the Stadium through a gate or gates designated for such purpose by Stadium Manager, without charge, during all days on which Events are held and at all other times necessary to enable Contractor to prepare for Events and fulfill its responsibilities under this Agreement. Contractor shall be bound by and comply with all rules, policies and procedures relating to security and access rights, including requirements related to screening and identification of Contractor's personnel, established from time to time by Stadium Manager. Nothing herein contained shall be held to limit or qualify the right of the Authority or Stadium Manager to a free and unobstructed use, occupation and control of the Stadium and ingress and egress for itself, its lessees and the public.

- D. Contractor shall obtain on or before the Commencement Date and shall thereafter maintain throughout the Term, at its cost and in its name, all licenses and permits necessary for the performance of the Services and any and all other licenses and permits required to be obtained by Contractor by the terms of the Stadium Lease. Stadium Manager shall cooperate with Contractor in connection with applications submitted by Contractor for any and all licenses and permits and renewals thereof. Contractor shall not submit any application for a permit or license without first providing Stadium Manager a reasonable opportunity to review it. Contractor shall furnish Stadium Manager with copies of such licenses and permits and renewals thereof as are physically maintained at the Stadium, and all other licenses or permits otherwise required under Applicable Laws or this Agreement, and shall surrender all licenses and permits to Stadium Manager upon termination of this Agreement.
- E. In the event that Contractor fails to obtain or maintain in full force and effect any material license or permit necessary for the performance of the Services, including upon a suspension applicable to an Event or revocation thereof, (a) Stadium Manager shall have the right (but no obligation) to perform or have another Person perform the applicable obligation without compensation to Contractor and, whether or not Stadium Manager exercises that right or its termination rights, Contractor shall be responsible to Stadium Manager for the loss of income and all other damages, including consequential and special damages, suffered by Stadium Manager as the result of Contractor's breach of this Agreement, including any loss of income; and (b) Contractor shall be considered in material breach of this Agreement, and Stadium Manager may, in addition to any other rights or remedies it may have, immediately terminate this Agreement.
- F. Contractor shall comply in all respects with the Santa Clara Business and Commercial Recycling Program, as the same shall be amended from time to time, and shall, in partnership with Stadium Manager, prepare and implement a plan (the "**Waste Reduction and Recycling Plan**") that targets 100% diversion of solid waste from all Events, including composting or other diversion of compostable organics. Contractor shall train its employees in the methods and objectives of the Waste Reduction and Recycling Plan and shall direct and cause its employees to not dispose of or discharge recyclables, compostables, waste, garbage, refuse or Hazardous Substances in any area in or outside the Stadium other than in areas specifically designated therefor. Contractor shall be responsible for expeditiously collecting, separating, recycling, bagging and delivering recyclables, compostables, trash and garbage generated within the Stadium by Contractor's employees, and Contractor shall cause its employees to deposit such recyclables, compostables, trash and garbage in appropriate containers or equipment in the locations specified by Stadium Manager, whereupon Stadium Manager shall be responsible for the further delivery and ultimate disposal of such recyclables, compostables, trash and garbage. In addition, Contractor shall separate, compact and recycle the trash generated by Contractor's employees at Events on non-Event days. Contractor shall take all action necessary to: (i) ensure that all such recyclables, compostables, trash and garbage are placed in bags and/or the appropriate receptacles or other containers

(which receptacles and containers shall be provided by Contractor) that are durable for transport and not easily susceptible to breakage or leakage, (ii) notify Stadium Manager when the centralized Stadium recyclable, compostable and garbage receptacles are full and need to be emptied, (iii) prevent recyclables, compostables and trash from piling up around the outside of the receptacles and from using the Stadium receptacles in lieu of transferring the recyclables, compostables and trash to the required locations as described herein and (iv) ensure that recyclables, compostables and trash do not spill out prior to or during transport. Contractor agrees to and is fully committed to participating in the separation and recycling of refuse in the Stadium and to minimize the amount of non-recyclable and non-compostable refuse to be removed from the Stadium. All recyclable, compostable, trash and garbage receptacles within the office area controlled by Contractor shall be provided by Contractor and shall be cleaned and sanitized by Contractor in accordance with the standards reasonably set from time to time by the Authority and/or Stadium Manager, to ensure a consistently high standard of sanitation meeting or exceeding the standards set by the Santa Clara County Public Health Department and/or the City. Contractor will comply with all federal, state and local recycling and composting requirements and such recycling and composting programs implemented from time to time by the Authority and/or Stadium Manager and all rules and regulations applicable to the Stadium's adherence to, and/or certification by, the Leadership in Energy and Environmental Design (LEED) Green Building Rating System. Contractor shall indemnify Stadium Manager and make Stadium Manager whole for any out of pocket costs incurred by Stadium Manager which are solely attributable to any direct and identifiable negligence or intentional act or omission of Contractor or any of its employees with respect to the recycling or trash removal program, including the expense of returned or rejected recyclable, compostable and trash removals due to mixing or contaminating the trash flow in violation of Applicable Laws or specific directives provided to Contractor in writing as part of the Stadium's sustainability and recycling, composting or trash removal programs. Stadium Manager will determine the type, appearance and location of the recyclable, compostable and trash receptacles.

- G. Contractor agrees not to use Hazardous Substances at the Stadium, except in accordance with Applicable Laws, and agrees to indemnify, defend, and hold the Indemnified Parties harmless for all Losses (as defined in Section 22.A below) arising out of its use, generation or storage of Hazardous Substances at the Stadium.

## **8. MONITORING OF SERVICES.**

Stadium Manager may monitor the Services performed under this Agreement to determine whether Contractor's operations conform to Stadium operating policies and directives and to the terms of this Agreement. Stadium Manager may also monitor the Services to be performed to determine whether the Services are being conducted in accordance with applicable Stadium Policies, National Football League requirements, and Applicable Laws.

**9. CORRECTION OF SERVICES.**

Contractor agrees to correct any incomplete, inaccurate, or defective Services at no cost to Stadium Manager, when such defects are due to the negligence, errors, or omissions of Contractor. If any action of Contractor constitutes a breach, Stadium Manager may terminate this Agreement pursuant to the provisions described herein.

**10. RESPONSIBILITY OF CONTRACTOR.**

- A. Contractor shall be responsible for the professional quality, technical accuracy, and coordination of the Services furnished by it under this Agreement. Neither Stadium Manager's review, acceptance, nor payments for any of the Services required under this Agreement shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement and Contractor shall be and remain liable to Stadium Manager in accordance with Applicable Laws for all damages to Stadium Manager caused by Contractor failure to perform any of the Services furnished under this Agreement.
- B. Any acceptance by Stadium Manager of plans, specifications, construction contract documents, reports, diagrams, maps, and other material prepared by Contractor shall not in any respect absolve Contractor from the responsibility Contractor has in accordance with customary standards of good professional practice in compliance with Applicable Laws.
- C. Contractor shall comply and otherwise abide by, all emergency and security procedures and protocols of the Stadium Manager, the Authority, the City, the Team, the NFL and promoters of Events as the Stadium Manager or such other Persons shall adopt from time to time. Such procedures and protocols may include, without limitation, (i) employee pat-down and screening, (ii) presentment by Contractor's employees of identification cards or badges issued by Stadium Manager, which may include reporting criteria such as bar codes, "Mag Stripes", "RFID" or other identifier systems; (iii) restricting access to certain parts of the Stadium to specified employees of Contractor as reasonably approved by the Stadium Manager (with respect to security clearance standards); and/or (iv) conduct by Contractor, at its sole expense, of Team-specified minimum background and such other security screening checks on all of Contractor's employees as the Stadium Manager shall request from time to time, which checks may vary as to job function. Contractor shall be required to use Stadium Manager's existing time tracking system to verify all employees working the event and to share all information collected regarding the Stadium Manager's event (with the exception of any proprietary information) with the Stadium Manager. Contractor shall enroll with the Stadium Manager's existing or successive software requirements (as may be updated as reasonably required by Stadium Manager) and Contractor shall be responsible for all such costs associated with its subscription or enrollment. Contractor shall be responsible for utilizing software provided by Stadium Manager to track completion of scheduled tasks for Events, daily work, or as mutually agreed upon by the Parties.

D. Personnel.

- i. Contractor shall hire, employ, train, supervise and discipline any and all persons necessary to provide the Services in accordance with the terms of this Agreement and shall use its best efforts to ensure that its employees continually practice the high standards of safety, courtesy and service customarily followed in the conduct of a first-class operation. Contractor shall use its best efforts to select qualified, competent and trustworthy employees. Any and all persons who furnish services under this Agreement, whether or not employed by Contractor prior to the Effective Date, are exclusively employees, subcontractors and/or non-affiliated third parties employed by Contractor and are not employees of the Authority, the City, StadCo or Stadium Manager. Such persons furnishing services under this Agreement shall be subject to appearance standards mutually acceptable to the parties hereto and as permitted by Applicable Laws, and shall wear, at all times while working at the Stadium, neat and clean uniforms provided by Contractor and approved by Stadium Manager. Such uniforms shall bear such lettering and insignia (including the name and logo of the Stadium, the Stadium naming rights sponsor, if required, and the location of the employee's assignment (*e.g.*, a Club Area or Suite area)) as Stadium Manager may require and shall be of a design reasonably satisfactory to Stadium Manager. Contractor shall cause its employees to conduct themselves in a professional and courteous manner, and not to unreasonably disturb or interfere with Events. Contractor shall at all times maintain accurate records of the names, addresses, employment history and other legal identification of those to whom Contractor issues employee badges, uniforms or other identifying items to ensure the proper identification and legal working status of Contractor's employees at the Stadium. Contractor shall conduct such background and other security screening checks on its employees as Stadium Manager shall reasonably request from time to time and shall not knowingly hire any person who has been previously terminated by the Authority, StadCo, Stadium Manager or any of their respective Affiliates or contractors. Upon Stadium Manager's request, and so long as any such action shall not be contrary to law, Contractor shall immediately remove from the Stadium any employee, agent, contractor or invitee of Contractor and permanently revoke such person's access credentials.
- ii. Contractor shall employ the Management Team, identified in clause (v) of this Section 10.D below, on a full-time, year-round basis. Contractor shall cause the members of the Management Team to be at the Stadium during all Events that Stadium Manager requires the Management Team to attend and during reasonable business hours. All changes in the Management Team shall require the prior written approval of Stadium Manager. Contractor shall, within thirty (30) business days of the removal of a Management Team member, provide Stadium Manager with the resumes of not fewer than three (3) suitable candidates to replace the removed employee. The non-local Management Team shall, on and following the

Effective Date and during the Term, be exclusively responsible for the provision of services under this Agreement and shall hold no job-related responsibilities relating to any other venue or site without Stadium Manager's prior written approval.

- iii. Contractor shall conduct regularly scheduled employee training programs appropriate to the Services provided, including any programs specifically requested by Stadium Manager, for all of its employees working in the Stadium (the "Employee Training Programs"). The Employee Training Programs will be mandatory for all employees, agents and any subcontractors of Contractor and, at a minimum, will include customer service, guest interaction, security procedures and specific job skills training, and will be conducted in such frequency as may be approved or directed by Stadium Manager. Contractor shall cause all Employee Training Programs to be periodically reviewed (no less frequently than annually) and updated to the extent necessary to maintain the standard of service requested by Stadium Manager. All employees of Contractor shall also be required to attend such policy and procedures training sessions as may be held by the Stadium Manager, as well as the Stadium orientation tour and training conducted by the Stadium Manager. Contractor shall not permit any employee, agent or subcontractor to work at an Event prior to his or her completion of the prescribed training sessions and Employee Training Programs.
- iv. Contractor shall promptly notify Stadium Manager upon voluntary or involuntary termination of employment of its employees or contractors and ensure that each such terminated individual is denied further access to the Stadium. In no event shall the Authority, the City, StadCo or Stadium Manager be liable, and Contractor shall indemnify, protect, and hold the Authority, the City, StadCo and Stadium Manager harmless, for Contractor's record keeping (or lack of record keeping), including the legal identification and working status of Contractor's employees and subcontractors, or for any other matters relating to Contractor's employees or subcontractors.
- v. The individuals, and such other individuals as the Stadium Manager may approve, are the "Management Team" for purposes of this Agreement are listed on Exhibit G, entitled "Management Team."

## 11. COMPENSATION AND PAYMENT.

- A. In consideration for Contractor's complete performance of the Services, Stadium Manager shall pay Contractor for all materials provided and services rendered by Contractor the rates set forth in Exhibit B, entitled "CONTRACTOR COMPENSATION AND FEES." The rates are based upon a four-hour minimum paid per scheduled employee per Event, subject to potential exceptions as mutually agreed upon by the Parties in advance.

- B. Contractor will bill Stadium Manager within 72 hours of the conclusion of Events. All other Service deployments shall be billed on a monthly basis for Services provided by Contractor during the preceding month, subject to verification by Stadium Manager. Except as otherwise expressly provided in Exhibit B, Stadium Manager will pay Contractor within forty-five (45) days of Stadium Manager's receipt of invoice, provided the invoice provided is accurate and free of errors. In the event Contractor's invoice is inaccurate, Stadium Manager will notify contractor of such errors. Stadium Manager will pay Contractor within forty-five (45) days of receipt of the corrected invoice.
- C. The Parties shall meet and confer as to appropriate staffing levels for each Event at least one (1) week prior to such Event, provided that Stadium Manager shall have the sole and final discretion to determine appropriate staffing numbers for each role at each Event. In the event Stadium Manager modifies staffing levels less than twenty-four (24) hours prior to an Event, Contractor shall make best efforts to contact all scheduled employees. Should Contractor be unable to reach an employee and that employee shows for scheduled work, Stadium Manager shall pay to Contractor a minimum of two (2) hours for that employee (subject to exceptions for matters of force majeure).

## 12. TERMINATION OF AGREEMENT.

- A. In addition to any other rights or remedies Stadium Manager may have, Stadium Manager may terminate this Agreement by written notice to Contractor if:
  - (i) Contractor fails to correct to the reasonable satisfaction of Stadium Manager any condition created or controlled by Contractor that, in Stadium Manager's reasonable judgment, poses a hazardous condition to occupants of the Stadium Complex, any of the Related Facilities (*e.g.*, offsite parking areas), or any portion thereof, within twenty-four (24) hours after receipt of written notice from Stadium Manager;
  - (ii) Contractor fails to perform any material obligation under this Agreement and such failure continues unremedied for a period of ten (10) days after receipt of written notice from Manager of the particular failure to perform (or thirty (30) days in the case that a remedy has commenced but cannot reasonably be accomplished in ten days);
  - (iii) Contractor is placed into bankruptcy either voluntarily or involuntarily (and such involuntary proceeding is not dismissed within sixty (60) days), becomes financially insolvent, takes the benefit of any present or future insolvency statute, makes a general assignment for the benefit of creditors, or consents to the appointment of a receiver, trustee, or liquidator of all or substantially all of its property;
  - (iv) Contractor transfers or permits a transfer of this Agreement in violation of Section 133;
  - (v) Contractor fails to obtain and/or maintain required licenses and permits under Section 7.D; or
  - (vi) Contractor fails to work cooperatively and in good faith with the Authority, Stadium Manager, any of their respective Affiliates or any of subcontractors of any of the foregoing. Contractor and Stadium Manager acknowledge and agree that termination of this Agreement by Stadium Manager pursuant to this Section 11.A shall be "for cause."

- B. Upon the termination or expiration of this Agreement, (1) Contractor shall immediately surrender possession of the Related Facilities, if any (including any and all leasehold and other improvements therein), uniforms, equipment (and related manuals and software) to Stadium Manager, (2) Contractor shall immediately assign to Stadium Manager or its designee(s) all right, title and interest of Contractor in and to all items purchased by Contractor on Stadium Manager's behalf in connection with the Services (including uniforms and equipment), (3) Contractor shall make all payments required to be made by Contractor under this Agreement, (4) to the extent permitted by Applicable Laws, Contractor shall immediately surrender possession of and assign to Stadium Manager all permits and licenses acquired by Contractor in compliance with Section 7.D and any Applicable Laws, and (5) all matters, rights and liabilities existing on the date of termination between the parties hereto shall be determined as of such termination date (except as described above), and discharged as promptly as possible thereafter, including any known claims for damages either party may have against the other for breach of the terms and conditions hereof. Any such surrender shall require delivery of possession in good condition, reasonable and ordinary wear and tear excepted and otherwise in compliance with the terms of this Agreement. Notwithstanding any termination or expiration of this Agreement, all liabilities and obligations of the parties will survive until they are fully satisfied.
- C. If the Stadium is destroyed or otherwise rendered unusable for more than thirty (30) days for any reason (a "Casualty Event"), Stadium Manager shall give Contractor a notice within ninety (90) days after the Casualty Event stating that whether the Authority intends to rebuild or restore the Stadium. If the notice states that the Authority will not rebuild or restore the Stadium, this Agreement shall be terminated. If the notice states that the Authority intends to rebuild or restore the Stadium, the Parties' obligations hereunder shall be abated during that period. If such notice states that the Authority reasonably believes that it will take longer than two (2) years to restore or rebuild the Stadium or, if a shorter amount of time, such amount of time is longer than the remainder of the Term, either party shall have the option of terminating this Agreement by written notice to the other at any time within one hundred and eighty (180) days after Stadium Manager gives such notice, and such termination shall be effective one hundred twenty (120) days after the other party's receipt of such notice. Contractor shall not be entitled to any monetary or other damages or compensation from Stadium Manager in the event of a Casualty Event.
- D. In the event of a material change in the labor market for the Services that significantly impacts Contractor's ability to operate under the terms of this Agreement (a "Market Change"), Contractor shall have the right to terminate this agreement effective March 31, 2020, subject to Contractor providing Stadium Manager notice of the Market Change in writing a minimum of one hundred twenty (120) days prior to termination effective date of March 31, 2020. Upon Stadium Manager's receipt of such notice, the Parties shall work in good faith to reasonably modify the rates under this Agreement to accommodate such Market Change. Should the Parties be unable to reach modified terms mutually agreeable

to the Parties within thirty (30) days of Stadium Manager's receipt of a valid notice of the Market Change, the Agreement will terminate on March 31, 2020.

**13. NO ASSIGNMENT OR SUBCONTRACTING OF AGREEMENT.**

- A. Stadium Manager and Contractor bind themselves and their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred by Contractor without the prior written approval of Stadium Manager. Contractor shall not hire subcontractors without express written permission from Stadium Manager.
- B. Stadium Manager may sell, assign, pledge and otherwise transfer or encumber (each, a "**transfer**") this Agreement and any or all of its rights and obligations hereunder to any other Person, including any source of or guarantor or insurer of financing or any trustee, collateral agent or other Person appointed in connection with such financing (each, a "**Manager Assignee**"), whether by security agreement, collateral assignment, transfer or otherwise; provided, that such transfer shall not relieve Stadium Manager of its obligations under this Agreement unless such Manager Assignee assumes in writing Stadium Manager's obligations under this Agreement. Upon reasonable prior notice from Stadium Manager, Contractor shall make any payments due hereunder to such Manager Assignee and shall execute and deliver any documents that Stadium Manager or any Manager Assignee may reasonably request to acknowledge and confirm that upon any such transfer, this Agreement will remain in full force and effect, will continue to be a legal, valid and binding obligation of Contractor enforceable in accordance with its terms (subject to applicable bankruptcy or insolvency laws and general principles of equity), and that (to the extent accurate and correct) neither Contractor, nor to Contractor's knowledge, Stadium Manager is in material breach or violation of this Agreement.
- C. Contractor acknowledges and agrees that, in the event the Stadium Management Agreement is terminated for any reason, the Authority and StadCo shall, in accordance with the Stadium Lease, employ a replacement manager for the Stadium, who shall, following the effective date of such employment, constitute the "Stadium Manager" for all purposes under this Agreement, provided, however, that for any period of time before a replacement manager is appointed, this Agreement may be assigned to the Authority or StadCo.

**14. NO THIRD-PARTY BENEFICIARY.**

This Agreement shall not be construed to be an agreement for the benefit of any third party or parties, except for the Authority, StadCo, and Team, and no other third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

**15. INDEPENDENT CONTRACTOR.**

Contractor and all person(s) employed by or contracted with Contractor to furnish labor and/or materials under this Agreement are independent contractors and do not act as

agent(s) or employee(s) of Stadium Manager, the Authority or StadCo. Contractor has full rights, however, to manage its employees in their performance of Services under this Agreement. All liabilities that may arise as a result of Contractor's status as an employer shall be borne exclusively by Contractor, including liability relating to payments required to be made under, and documents to be filed with respect to, the Federal Insurance Contribution Act and the Federal Unemployment Tax Act or any similar federal, state, city or local legislation or other Applicable Laws. Contractor is not authorized to bind Stadium Manager, the Authority or StadCo to any contracts or other obligations.

**16. NO PLEDGING OF STADIUM MANAGER'S CREDIT.**

Under no circumstances shall Contractor have the authority or power to pledge the credit of the Stadium Manager or any other of the Indemnified Parties or incur any obligation in the name of such Persons. Contractor shall save and hold harmless the Authority, StadCo, Stadium Manager, their respective Affiliates, and their respective officers, employees, boards and commissions for expenses arising out of any unauthorized pledges of credit by Contractor under this Agreement.

**17. CONFIDENTIALITY OF MATERIAL.**

All ideas, memoranda, specifications, plans, manufacturing procedures, data, drawings, descriptions, documents, discussions, or other information developed or received by or for Contractor and all other written information submitted to Contractor in connection with the performance of this Agreement shall be held confidential by Contractor and shall not, without the prior written consent of Stadium Manager, be used for any purposes other than the performance of the Services nor be disclosed to an entity not connected with performance of the Services. Nothing furnished to Contractor which is otherwise known to Contractor shall be deemed confidential. Notwithstanding the above, the Contractor acknowledges that the Authority is a California public entity that is subject to the California Public Records Act. Information disclosed to the Authority regarding the Contractor's Services in connection with the performance of this Agreement may be subject to public disclosure in accordance with the Public Records Act.

**18. USE OF STADIUM MANAGER NAME OR EMBLEM.**

Contractor shall have no right to use the trademarks, symbols, trade names or other intellectual property of the Stadium, the Authority, Stadium Manager or their respective Affiliates, or Stadium tenants or their Affiliates or other Event performers directly or indirectly, in connection with any production, promotion, service or publication, without the written approval of Stadium Manager.

**19. OWNERSHIP OF MATERIAL.**

All material, including information developed on computer(s), which shall include, but not be limited to, data, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports, and other material developed, collected, prepared, or caused to be prepared under this Agreement shall be the property of Stadium Manager, but Contractor may retain and use copies thereof. Stadium Manager shall not be limited in any way or at any time in its use

of said material. However, Contractor shall not be responsible for damages resulting from the use of said material for work other than the Services, including, but not limited to, the release of this material to third parties.

**20. RIGHT OF STADIUM MANAGER TO INSPECT RECORDS OF CONTRACTOR.**

Stadium Manager, through its authorized employees, representatives, or agents shall have the right during the term of this Agreement and for three (3) years from the date of final payment for Services, to audit the books and records of Contractor for the purpose of verifying any and all charges invoiced by Contractor in connection with Contractor compensation under this Agreement, including termination of Contractor. Contractor agrees to maintain sufficient books and records in accordance with generally accepted accounting principles to establish the correctness of all charges invoiced to Stadium Manager. Any invoiced charges not incurred by Contractor shall be disallowed by Stadium Manager. If such charges were paid by Stadium Manager, then contractor must refund all such charges, plus interest of one percent (1%) per month, within 60 days of identification of such charges.

Contractor shall submit to Stadium Manager any and all reports concerning its performance under this Agreement that may be requested by Stadium Manager in writing. Contractor agrees to assist Stadium Manager in meeting Stadium Manager's reporting requirements with respect to Contractor's Services hereunder.

**21. FAIR EMPLOYMENT.**

Contractor shall not discriminate against any employee or applicant for employment because of race, color, creed, national origin, gender, sexual orientation, age, disability, religion, ethnic background, or marital status, in violation of Applicable Law.

**22. HOLD HARMLESS/INDEMNIFICATION.**

- A. Contractor shall indemnify, defend and hold harmless the Authority, Stadium Manager and the Additional Indemnitees, and their respective officers, directors, managers, members, partners, owners and employees ("**Indemnified Parties**") from and against all losses, costs, suits, actions, claims, damages, amounts paid in settlement, liabilities, costs and expenses, including reasonable attorneys' fees (collectively, "**Losses**"), resulting to, imposed upon, asserted against or incurred by any of them (including in any action between the parties) in connection with or arising out of (i) any breach by Contractor under this Agreement, (ii) any activity, inactivity, work or thing done or permitted by Contractor or its employees, agents or contractors in or upon the Stadium or Related Areas, including the performance of the Services, or (iii) any injury or damage to any Person or to the property of any Person caused by any action or omission of Contractor or its employees, agents or contractors.
- B. If any claim, demand, action or proceeding is made or commenced by any third party (a "**Third Party Claims**") against any Indemnified Party, the Indemnified Party shall give Contractor prompt notice thereof; the failure to give such notice

shall not affect the liability of Contractor under this Agreement except to the extent the failure materially and adversely affects the ability of Contractor to defend the Third Party Claim. Contractor shall have the right to assume the defense and resolution of the Third Party Claim, provided that (i) the Indemnified Party shall have the right to participate in the defense of the Third Party Claim at its own expense through counsel of its choice (control of the defense will remain with Contractor), (ii) Contractor shall not consent to the entry of any judgment or enter into any settlement that would require any act or forbearance on the part of the Indemnified Party or which does not unconditionally release the Indemnified Party from all liability in respect of the Third Party Claim or would otherwise bring dishonor or disrepute upon Authority, Stadium Manager, any of their respective Affiliates, without the prior written consent of the Indemnified Party, and (iii) the Indemnified Party may undertake the defense of the Third Party Claim, at Contractor's expense, if Contractor fails to (A) assume the defense within ten (10) business days after notice from the Indemnified Party or (B) diligently prosecute the defense.

**23. INSURANCE REQUIREMENTS.**

During the term of this Agreement, and for any time period set forth in Exhibit C, Contractor shall purchase and maintain in full force and effect, at no cost to Stadium Manager insurance policies with respect to employees and vehicles assigned to the performance of Services under this Agreement with coverage amounts, required endorsements, certificates of insurance, and coverage verifications as defined in Exhibit C.

**24. AMENDMENTS.**

This Agreement may be amended only with the written consent of both Parties.

**25. INTEGRATED DOCUMENT.**

This Agreement represents the entire agreement between Stadium Manager and Contractor. No other understanding, agreements, conversations, or otherwise, with any representative of Stadium Manager prior to execution of this Agreement shall affect or modify any of the terms or obligations of this Agreement. Any verbal agreement shall be considered unofficial information and is not binding upon Stadium Manager.

**26. SEVERABILITY CLAUSE.**

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal, or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect.

**27. WAIVER.**

Contractor agrees that waiver by Stadium Manager of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement.

**28. NOTICES.**

All notices to the Parties shall, unless otherwise requested in writing, be sent to Stadium Manager addressed as follows:

Name: Forty Niners Stadium Management Company LLC  
Attention: Jim Mercurio  
Address: 4949 Marie P. DeBartolo Way  
Santa Clara, CA 95054

With a CC to: Legal Affairs  
4949 Marie P DeBartolo Way  
Santa Clara, CA 95054

And to Contractor addressed as follows:

Name: Landmark Event Staffing Services, Inc.  
Attention: Michael Harrison  
Address: 4790 Irvine Blvd.  
Ste 105-323  
Irvine, CA 92620

If notice is sent via email, a signed, hard copy of the material shall also be mailed. The workday the email was sent shall control the date notice was deemed given if there is a computer-generated confirmation of receipt returned to the sender on the date of transmission. An email transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following Monday.

**29. CAPTIONS.**

The captions of the various sections, paragraphs, and subparagraphs of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of interpretation.

**30. LAW GOVERNING CONTRACT AND VENUE.**

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San Jose, California.

**31. DISPUTE RESOLUTION.**

- A. Unless otherwise mutually agreed to by the Parties, any controversies between Contractor and Stadium Manager regarding the construction or application of this Agreement, and claims arising out of this Agreement or its breach, shall be submitted to mediation within thirty (30) days of the written request of one Party after the service of that request on the other Party.

- B. The Parties may agree on one mediator. If they cannot agree on one mediator, the Party demanding mediation shall request the Superior Court of Santa Clara County to appoint a mediator. The mediation meeting shall not exceed one day (eight (8) hours). The Parties may agree to extend the time allowed for mediation under this Agreement.
- C. The costs of mediation shall be borne by the Parties equally.
- D. For any contract dispute, mediation under this section is a condition precedent to filing an action in any court. In the event of mediation which arises out of any dispute related to this Agreement, the Parties shall each pay their respective attorney's fees, expert witness costs, and cost of suit through mediation only. In the event of litigation, the prevailing Party shall recover its reasonable costs of suit, expert's fees, and attorney's fees. If mediation does not resolve the dispute, the Parties agree that the matter shall be litigated in a court of law, and not subject to the arbitration provisions of the Public Contracts Code.

**32. COMPLIANCE WITH ETHICAL STANDARDS.**

Contractor shall:

- A. Read Exhibit D, entitled "ETHICAL STANDARDS FOR CONTRACTORS SEEKING TO ENTER INTO AN AGREEMENT WITH STADIUM MANAGER"; and,
- B. Execute Exhibit E, entitled "AFFIDAVIT OF COMPLIANCE WITH ETHICAL STANDARDS."

**33. CONFLICT OF INTERESTS.**

This Agreement does not prevent either Party from entering into similar agreements with other parties. To prevent a conflict of interest, Contractor certifies that to the best of its knowledge, no Stadium Manager, StadCo, Team, Authority, or City officer, employee, or authorized representative has any financial interest in the business of Contractor and that no person associated with Contractor has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. Contractor is familiar with the provisions of California Government Code Section 87100 and following, and certifies that it does not know of any facts which would violate these code provisions. Contractor will advise Stadium Manager if a conflict arises.

**34. SUPPLEMENTAL PROVISIONS**

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives. It is the intent of the Parties that this Agreement shall become operative on the Effective Date.

*[Signatures continued on next page]*

**IN WITNESS WHEREOF**, the Parties have caused this agreement for the performance of services to be executed by their duly appointed representatives as of the Effective Date.

**STADIUM MANAGER:**

**FORTY NINERS STADIUM MANAGEMENT COMPANY LLC**,  
a Delaware limited liability company

DocuSigned by:  
*Scott Sabatino*  
46F43190F711442...  
By: \_\_\_\_\_  
Name: Scott Sabatino  
Title: Chief Financial Officer

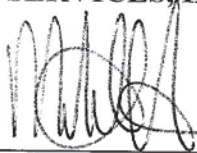
4949 Marie P. DeBartolo Way  
Santa Clara, CA 95054

Telephone: (408) 562-4949  
Fax Number: (408) 727-4937

4/18/2017

**CONTRACTOR:**

**LANDMARK EVENT STAFFING SERVICES, INC.**,  
a Delaware corporation

By:  \_\_\_\_\_  
Name: Michael Harrison  
Title: Chief Executive Officer

4790 Irvine Blvd.  
Ste 105-323  
Irvine, CA 92620

Telephone: (714) 293-4248  
Fax Number: (888) 709-5730

**AGREEMENT FOR THE PERFORMANCE OF SERVICES  
BY AND BETWEEN  
STADIUM MANAGER,  
AND  
LANDMARK EVENT STAFFING SERVICES, INC.**

**ADDENDUM ONE**

**DEFINITIONS**

The following terms shall have the meanings set forth below:

**Affiliate:** shall mean any Person directly or indirectly controlling or controlled by or under direct or indirect common control with a Person. For purposes of this definition, "control" when used with respect to any entity means the power to direct the management and policies of such entity, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

**Additional Indemnitees:** shall mean the Authority's Affiliates (including without limitation, the Authority's Board of Directors, the City, its City Council, and all City or Agency commissions, officers, employees, volunteers and agents), the Bayshore North Project Enhancement Authority, the Successor Agency to the Santa Clara Redevelopment Agency, StadCo and its Affiliates, the Team and any Additional Team (*i.e.*, an additional NFL franchise that plays its "home" games at the Stadium) (and their respective Affiliates), Manager's Affiliates (if not any of the previously mentioned Persons), each other tenant of the Stadium and each Event promoter, and any mortgagee, bond trustee or other financial institution from time to time holding a lien or indenture upon Manager's interest in the Stadium, the Stadium Lease or the Stadium Management Agreement.

**Default Rate:** shall mean a rate per annum equal to the lesser of (i) fifteen percent (15.0%) and (ii) the maximum non-usurious rate permitted by applicable law, with adjustments in that varying rate to be made on the same date as any change in that rate.

**Fiscal Year:** shall mean the twelve (12) month period commencing April 1 of each year after the execution of this Agreement, except that the first Fiscal Year will commence on the Commencement Date of the Stadium Lease and end on the next following March 31. If this Agreement expires or terminates on a date other than March 31 of a particular year, there shall be a partial last Fiscal Year ending on the date of such termination.

**Hazardous Substance:** shall mean, as of any date: (a) any petroleum or petroleum products, flammable explosives, radioactive materials, asbestos in any form that is or could become friable, urea formaldehyde foam insulation, and transformers or other equipment that contain dielectric fluid containing polychlorinated biphenyls (PCBs); (b) any chemicals or other materials or substances which as of such date are defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "contaminants,"

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“infectious wastes,” “pollutants” or words of similar import under any environmental law; and  
(c) any other chemical or other material or substance, exposure to which or use of which as of  
such date is prohibited, limited or regulated under any environmental law.

**Holidays:** shall mean New Year’s Day, MLK Day, Cesar Chavez Day, President’s Day,  
Easter Sunday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas  
Eve, Christmas Day, New Year’s Eve.

**Person:** shall mean any individual, corporation, partnership, limited liability company,  
association, trust or other entity whatsoever



**AGREEMENT FOR THE PERFORMANCE OF SERVICES  
BY AND BETWEEN  
STADIUM MANAGER  
AND  
LANDMARK EVENT STAFFING SERVICES, INC.**

**EXHIBIT A**

**SCOPE OF SERVICES**

1. Contractor Services: For each Event at the Stadium, Contractor shall provide the number of personnel that Stadium Manager requests for each of the roles listed below. All personnel provided by Contractor shall be certified by the California Bureau of Security and Investigative Services.
  - A. Management: Contractor shall employ the Management Team listed in Exhibit G and such other managers as are required to manage and operate the Services at the highest standards of employee competency, conduct and integrity. All manager and supervisors shall be Trained Crowd Manager (TCM) and National Incident Management System (NIMS) certified and shall have received at least eight hours of training on supervisory duties.
  - B. Event Manager: Contractor shall provide an Event Manager who works with Stadium Manager to manage the venue crowd management program. He or she directs Contractor's operations by passing on instructions to the event supervisors, who direct the staff in executing the crowd management plan. This individual is responsible for quality control at the venue. This is accomplished by moving around the venue to oversee Contractor's employees performing their jobs.
  - C. Supervisor: The Contractor shall provide Supervisory personnel who are responsible for directing the Event staff in providing a safe and enjoyable environment for guests. They direct and oversee the implementation of facility policies and procedures by the Event staff. They make decisions on the implementation of facility policy during event activities, incidents and emergencies. They communicate with Event staff personnel to execute the instructions of the Event Manager and the venue. They ensure that the staff is following the rules of the venue and are providing high quality guest services to the fans. They also mitigate and intercede to resolve any guest issues.
  - D. Event Security: The Contractor shall provide personnel who will assist the facility in providing a safe and enjoyable environment for the tenants and guests by implementing the policies and procedures of the facility. They are responsible for access control, assisting guests and answering questions, enforcing venue rules, responding to event staff and guest issues and cases of emergency and

communicating with law enforcement, emergency services and the public in a polite and courteous manner.

- E. Off Duty Officers: Contractor shall provide Off Duty Officers who shall (i) intervene and resolve any security situation within the Stadium, including conflicts and crowd control; (ii) have achieved success in a documented training course in screening techniques; (iii) communicate with patrons effectively and courteously, including in using radios and managing confrontation; (iv) effectuate Stadium Security policies (e.g., credential system, evacuation plans); (v) and have documented training history in (A) safe restraint and arrest techniques; and (B) Stadium Operating procedures and evacuation plan
  - F. Ushers: The Contractor shall provide Ushers who will welcome the guests and help guests find their assigned seats and other locations requested. They are responsible for assisting guests and answering questions, directing guests during the events, assisting guests in cases of emergency and communicating with the guest in a polite and courteous manner.
  - G. Ticket Takers: The Contractor shall provide staff who will examine admission tickets to verify authenticity. They are to refuse admission to individuals without proper tickets or event credential. They are responsible for assisting guests and answering questions, directing the guests during the events, assisting guests in cases of emergency and communicating with the guest in a polite and courteous manner.
  - H. Parking Security: The Contractor shall provide Parking Security staff personnel who will assist in providing a safe and enjoyable environment for the tenants and guests by implementing the policies and procedures of the facilities Parking Lots. They are responsible for access control, assisting guests and answering questions, enforcing venue parking rules, responding to event staff and guest issues and cases of emergency and communicating with law enforcement, emergency services and the public in a polite and courteous manner.
  - I. Parking Attendants and Flaggers: The Contractor shall provide Parking Attendants and Flaggers who will welcome the guests and help guests find available parking spaces and other locations requested. They are responsible for assisting guests and answering questions, directing guests during the events, assisting guests in cases of emergency and communicating with the guest in a polite and courteous manner.
2. Trainings: In addition to the above-listed role-specific trainings, Contractor shall pay one-half of the cost (as determined by Stadium Manager) for all personnel to be certified in the following trainings:
- A. NFL Best Practices.
  - B. 49ers Services Training.
  - C. Techniques for Effective Alcohol Management (TEAM).

D. Conflict Management (Conflict Management training shall be provided by Contactor through any documented conflict management training).

3. Radios: Contractor shall rent radios from Stadium Manager's official vendor and shall follow Stadium Manager's instructions regarding radio frequencies.



**AGREEMENT FOR THE PERFORMANCE OF SERVICES  
BY AND BETWEEN  
STADIUM MANAGER  
AND  
LANDMARK EVENT STAFFING SERVICES, INC.**

**EXHIBIT B**

**CONTRACTOR COMPENSATION AND FEES**

Compensation and fees for Services performed by Contractor under this Agreement shall be billed at the following rates for Year 1 (April 2017 – March 2018) of the Term:

- |  |              |
|--|--------------|
| 1. Event Manager   | \$35.90/hour |
| 2. Supervisor  | \$33.70/hour |
| 3. Off-Duty Law Enforcement Officer  | \$47.80/hour |
| 4. Usher, Ticket Taker, Parking Security,<br>Parking Flagger, Parking Attendant,<br>Event Security | \$30.47/hour |

Compensation and fees for Services performed by Contractor under this Agreement shall be billed at the following rates for Year 2 (April 2018 – March 2019) of the Term:

- |  |              |
|--|--------------|
| 1. Event Manager   | \$37.50/hour |
| 2. Supervisor  | \$35.23/hour |
| 3. Off-Duty Law Enforcement Officer  | \$49.75/hour |
| 4. Usher, Ticket Taker, Parking Security,<br>Parking Flagger, Parking Attendant,<br>Event Security | \$31.90/hour |

Compensation and fees for Services performed by Contractor under this Agreement shall be billed at the following rates for Year 3 (April 2019 – March 2020) of the Term:

- |  |              |
|--|--------------|
| 1. Event Manager   | \$39.39/hour |
| 2. Supervisor  | \$37.05/hour |
| 3. Off-Duty Law Enforcement Officer  | \$52.01/hour |
| 4. Usher, Ticket Taker, Parking Security,<br>Parking Flagger, Parking Attendant,<br>Event Security | \$33.63/hour |

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Compensation and fees for Services performed by Contractor under this Agreement shall be billed at the following rates for Year 4 (April 2020 – March 2021) of the Term:

- |  |              |
|--|--------------|
| 1. Event Manager   | \$40.11/hour |
| 2. Supervisor  | \$37.73/hour |
| 3. Off-Duty Law Enforcement Officer  | \$52.97/hour |
| 4. Usher, Ticket Taker, Parking Security,<br>Parking Flagger, Parking Attendant,<br>Event Security | \$34.24/hour |

Compensation and fees for Services performed by Contractor under this Agreement shall be billed at the following rates for Year 5 (April 2021 – March 2022) of the Term:

- |  |              |
|--|--------------|
| 1. Event Manager   | \$40.85/hour |
| 2. Supervisor  | \$38.42/hour |
| 3. Off-Duty Law Enforcement Officer  | \$53.96/hour |
| 4. Usher, Ticket Taker, Parking Security,<br>Parking Flagger, Parking Attendant,<br>Event Security | \$34.87/hour |

Subject to prior approval from Stadium Manager, time worked by an individual in direct performance of the in excess of eight (8) hours in a day shall be compensated as follows:

- such time between eight (8) hours and twelve (12) hours shall be compensated at one dollar (\$1.00) above the base rates listed above;
- such time greater than twelve (12) hours shall be compensated a twice (2x) the base rates listed above.

Base rates shall be increased by fifty percent (50%) for Services performed on Holidays as defined herein.

**AGREEMENT FOR THE PERFORMANCE OF SERVICES  
BY AND BETWEEN  
STADIUM MANAGER  
AND  
LANDMARK EVENT STAFFING SERVICES, INC.**

**EXHIBIT C**

**INSURANCE REQUIREMENTS**

At all times during the term hereof, Contractor shall keep and maintain in full force and effect the following types of insurance coverage and/or bonds:

1. Commercial general liability insurance, including property damage, against liability for personal injury, bodily injury, death and damage to property occurring in or about the property in the amount of One Million Dollars (\$1,000,000) per occurrence and Five Million Dollars (\$5,000,000) in the aggregate.
2. Automobile liability in the amount of One Million Dollars (\$1,000,000) with respect to owned, hired and non-owned vehicles.
3. Workers compensation insurance, as required by applicable law.
4. Employer's liability in the amount of One Million Dollars (\$1,000,000) each accident, One Million Dollars (\$1,000,000) each employee, by disease, and One Million Dollars (\$1,000,000) policy aggregate by disease.
5. Employment practices liability with limits of Five Million Dollars (\$5,000,000) including third party coverage.
6. Crime insurance including employee dishonesty covering all of Contractor's agents, contractors, managers and other employees in the amount of Five Hundred Thousand Dollars (\$500,000).
7. Liability insurance covering claims arising out of errors and omissions by vendors rendering professional services, in the amount of Five Million Dollars (\$5,000,000) each occurrence including contractual liability coverage, with all coverage retroactive to the earlier of the date of agreement or commencement of Contractor's services.
8. Umbrella or excess liability insurance in the amount of Ten Million Dollars (\$10,000,000) providing excess coverage over general liability, auto liability, garage liability and employer's liability specified above.

The above stated limits may be achieved by a combination of primary and excess/umbrella coverage. Any deductible or self-insured retention amounts are the sole responsibility of the Contractor.



At Stadium Manager's request from time to time (and in any event not less than 15 (fifteen) days prior to the expiration dates of any expiring policies or bonds furnished by Contractor), Contractor shall furnish to Stadium Manager certified copies or duplicate originals of all policies of insurance and bonds then maintained by Stadium Manager hereunder, or a certificate supplied by each such insurer and surety showing that the insurance and bonds required hereunder are in full force and effect and showing the limits thereof and that all such policies and bonds contain the provisions and endorsements required hereunder.

All insurance policies and bonds required to be maintained by Contractor shall be issued by insurers or sureties (as the case may be) reasonably satisfactory to client, authorized to do business in the state of California and having an AM Best rating and financial size category of A-/VII or better. All policies of the vendor shall be (i) primary and non-contributing with respect to any policies carried by client; (ii) with respect to liability insurance only, a provision including Stadium Manager as Additional Insured; (iii) a waiver by the insurer of any right to subrogate against Stadium Manager (iv) a severability of interest or endorsement; (v) a provision that the insurer will not cancel or change the coverage provided by such without giving the Stadium Manager thirty (30) days' prior written notice; and (vi) general liability be an "occurrence form" policy. Any policy of insurance required to be carried by Contractor that names Stadium Manager as Additional Insured shall not be subject to a deductible or self-insured retention, it being the intent of the parties that such insurance shall fully and completely insure such additional insured entities for all loss or expense.



**AGREEMENT FOR THE PERFORMANCE OF SERVICES  
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STADIUM MANAGER  
AND  
LANDMARK EVENT STAFFING SERVICES, INC.**

**EXHIBIT D**

**ETHICAL STANDARDS FOR CONTRACTORS SEEKING TO ENTER INTO AN  
AGREEMENT WITH STADIUM MANAGER**

**Termination of Agreement for Certain Acts.**

- A. Stadium Manager may, at its sole discretion, terminate this Agreement in the event any one or more of the following occurs:
1. If a Contractor<sup>1</sup> does any of the following:
    - a. Is convicted<sup>2</sup> of operating a business in violation of any Applicable Law;
    - b. Is convicted of a crime punishable as a felony involving dishonesty<sup>3</sup>;
    - c. Is convicted of an offense involving dishonesty or is convicted of fraud or a criminal offense in connection with: (1) obtaining; (2) attempting to obtain; or, (3) performing a public contract or subcontract;
    - d. Is convicted of any offense which indicates a lack of business integrity or business honesty which seriously and directly affects the present responsibility of a Stadium Manager contractor or subcontractor; and/or,
    - e. Made (or makes) any false statement(s) or representation(s) with respect to this Agreement.
  2. If fraudulent, criminal or other seriously improper conduct of any officer, director, shareholder, partner, employee or other individual associated with Contractor can

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<sup>1</sup> For purposes of this Agreement, the word "Consultant" (whether a person or a legal entity) also refers to "Contractor" and means any of the following: an owner or co-owner of a sole proprietorship; a person who controls or who has the power to control a business entity; a general partner of a partnership; a principal in a joint venture; or a primary corporate stockholder [i.e., a person who owns more than ten percent (10%) of the outstanding stock of a corporation] and who is active in the day to day operations of that corporation.

<sup>2</sup> For purposes of this Agreement, the words "convicted" or "conviction" mean a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere within the past five (5) years.

<sup>3</sup> As used herein, "dishonesty" includes, but is not limited to, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, failure to pay tax obligations, receiving stolen property, collusion or conspiracy.

be imputed to Contractor when the conduct occurred in connection with the individual's performance of duties for or on behalf of Contractor, with Contractor's knowledge, approval or acquiescence, Contractor's acceptance of the benefits derived from the conduct shall be evidence of such knowledge, approval or acquiescence.

- B. Stadium Manager may also terminate this Agreement in the event any one or more of the following occurs:
1. Stadium Manager determines that Contractor no longer has the financial capability<sup>4</sup> or business experience<sup>5</sup> to perform the terms of, or operate under, this Agreement; or
  2. If Stadium Manager determines that Contractor fails to submit information, or submits false information, which is required to perform or be awarded a contract with Stadium Manager, including, but not limited to, Contractor's failure to maintain a required State-issued license, failure to obtain a Stadium Manager business license (if applicable), or failure to purchase and maintain bonds and/or insurance policies required under this Agreement.
- C. In the event a prospective Contractor (or bidder) is ruled ineligible (debarred) to participate in a contract award process or a contract is terminated pursuant to these provisions, Contractor may appeal the action to the Authority by filing a written request with the Authority Secretary within ten (10) days of the notice given by Stadium Manager to have the matter heard. The matter will be heard within thirty (30) days of the filing of the appeal request with the Authority Secretary. Contractor will have the burden of proof on the appeal. Contractor shall have the opportunity to present evidence, both oral and documentary, and argument.

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<sup>4</sup> Contractor becomes insolvent, transfers assets in fraud of creditors, makes an assignment for the benefit of creditors, files a petition under any section or chapter of the federal Bankruptcy Code (11 U.S.C.), as amended, or under any similar law or statute of the United States or any state thereof, is adjudged bankrupt or insolvent in proceedings under such laws, or a receiver or trustee is appointed for all or substantially all of the assets of Contractor.

<sup>5</sup> Loss of personnel deemed essential by Stadium Manager for the successful performance of the obligations of Contractor to Stadium Manager.

*MA*

**AGREEMENT FOR THE PERFORMANCE OF SERVICES  
BY AND BETWEEN  
STADIUM MANAGER  
AND  
LANDMARK EVENT STAFFING SERVICES, INC.**

**EXHIBIT E**

**AFFIDAVIT OF COMPLIANCE WITH ETHICAL STANDARDS**

I, Michael Harrison being first duly sworn, depose and state I am Executive VP/CEO of Landmark Event Staffing Services, Inc. and I hereby state that I have read and understand the language, entitled "Ethical Standards" set forth in Exhibit D. I have the authority to make these representations on my own behalf or on behalf of the legal entity identified herein. I have examined appropriate business records, and I have made appropriate inquiry of those individuals potentially included within the definition of "Contractor" contained in Ethical Standards at footnote 1.

Based on my review of the appropriate documents and my good-faith review of the necessary inquiry responses, I hereby state that neither the business entity nor any individual(s) belonging to said "Contractor" category (i.e., owner or co-owner of a sole proprietorship, general partner, person who controls or has power to control a business entity, etc.) has been convicted of any one or more of the crimes identified in the Ethical Standards within the past five (5) years.

The above assertions are true and correct and are made under penalty of perjury under the laws of the State of California.

LANDMARK EVENT STAFFING SERVICES, INC.

By:   
Name: Michael Harrison  
Title: CEO

**NOTARY'S ACKNOWLEDGMENT TO BE ATTACHED**

Please execute the affidavit and attach a notary public's acknowledgment of execution of the affidavit by the signatory. If the affidavit is on behalf of a corporation, partnership, or other legal entity, the entity's complete legal name and the title of the person signing on behalf of the legal entity shall appear above. Written evidence of the authority of the person executing this affidavit on behalf of a corporation, partnership, joint venture, or any other legal entity, other than a sole proprietorship, shall be attached.

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Orange

On 02/15/2017 before me, Laurie H. Ertmann  
Date Here Insert Name and Title of the Officer

personally appeared Michael Harrison  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature: Laurie H Ertman  
Signature of Notary Public

Place Notary Seal and/or Stamp Above

### OPTIONAL

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

#### Description of Attached Document

Title or Type of Document: Affidavit of Compliance with Ethical Standards

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

#### Capacity(ies) Claimed by Signer(s)

Signer's Name: Michael Harrison Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): CEO  Corporate Officer — Title(s): \_\_\_\_\_

- Individual
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

**RIGHT THUMBPRINT OF SIGNER**  
Top of thumb here

- Individual
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

**RIGHT THUMBPRINT OF SIGNER**  
Top of thumb here

Signer Is Representing: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

**AGREEMENT FOR THE PERFORMANCE OF SERVICES  
BY AND BETWEEN  
STADIUM MANAGER  
AND  
LANDMARK EVENT STAFFING SERVICES, INC.**

**EXHIBIT G**

**MANAGEMENT TEAM**

President/COO	Peter Kranske
Executive VP/CEO	Michael Harrison
VP/Operations	Grant Haskell
Director of Development	Brian Campbell
Regional Manager	Nick Bermensolo
Branch Manager	Erik Rodriquez
ODO Manager	John Crabtree
Admin Manager	Christine Ho

*mtk*

**FIRST AMENDMENT TO AGREEMENT FOR THE PERFORMANCE OF SERVICES**

This FIRST AMENDMENT TO AGREEMENT FOR THE PERFORMANCE OF SERVICES (this "First Amendment"), effective as of March 10, 2017 (the "First Amendment Effective Date"), amends the AGREEMENT FOR THE PERFORMANCE OF SERVICES, dated as of February 15, 2017 (the "Agreement"), by and between **Forty Niners Stadium Management Company LLC** ("Stadium Manager"), a Delaware limited liability company, with principal offices at 4900 Marie P. DeBartolo Way, Santa Clara, CA 95054, and **Landmark Event Staffing Services, Inc.**, a Delaware corporation, with its principal place of business located at 4131 Harbor Walk Drive, Fort Collins, CO 80525 ("Contractor"). Capitalized terms not defined herein have the meaning given to them in the Agreement.

WHEREAS, Stadium Manager and Contractor have agreed to modify certain insurance requirements under the Agreement;

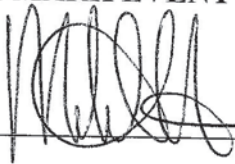
NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the sufficiency of which is hereby acknowledged, the Stadium Manager and Contractor agree to modify the Agreement as follows:

- 1. Exhibit C to the Agreement shall be amended and restated in its entirety as attached to this First Amendment.

Except as expressly set forth in this First Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, Stadium Manager and Contractor have caused this First Amendment to be executed by an authorized representative as of the First Amendment Effective Date.

**LANDMARK EVENT STAFFING SERVICES, INC.**

By: 

Name: Michael Harrison  
Title: Chief Executive Officer

**FORTY NINERS STADIUM MANAGEMENT COMPANY LLC**

By:   
46F43190F711442...

Name: Scott Sabatino  
Title: Chief Financial Officer

## EXHIBIT C

### INSURANCE REQUIREMENTS

At all times during the term hereof, Contractor shall keep and maintain in full force and effect the following types of insurance coverage and/or bonds:

1. Commercial general liability insurance, including property damage, against liability for personal injury, bodily injury, death and damage to property occurring in or about the property in the amount of One Million Dollars (\$1,000,000) per occurrence and Five Million Dollars (\$5,000,000) in the aggregate.
2. Automobile liability in the amount of One Million Dollars (\$1,000,000) with respect to owned, hired and non-owned vehicles.
3. Workers compensation insurance, as required by applicable law.
4. Employer's liability in the amount of One Million Dollars (\$1,000,000) each accident, One Million Dollars (\$1,000,000) each employee, by disease, and One Million Dollars (\$1,000,000) policy aggregate by disease.
5. Employment practices liability with limits of Five Million Dollars (\$5,000,000) including third party coverage.
6. Crime insurance including employee dishonesty covering all of Contractor's agents, contractors, managers and other employees in the amount of Five Hundred Thousand Dollars (\$500,000).
7. Liability insurance covering claims arising out of errors and omissions by vendors rendering professional services, in the amount of Five Million Dollars (\$5,000,000) each occurrence including contractual liability coverage, with all coverage retroactive to the earlier of the date of agreement or commencement of Contractor's services.
8. Umbrella or excess liability insurance in the amount of Ten Million Dollars (\$10,000,000) providing excess coverage over general liability, auto liability, garage liability and employer's liability specified above.

The above stated limits may be achieved by a combination of primary and excess/umbrella coverage. Any deductible or self-insured retention amounts are the sole responsibility of the Contractor.

At Stadium Manager's request from time to time (and in any event not less than 15 (fifteen) days prior to the expiration dates of any expiring policies or bonds furnished by Contractor), Contractor shall furnish to Stadium Manager certified copies or duplicate originals of all policies of insurance and bonds then maintained by Stadium Manager hereunder, or a certificate supplied by each such insurer and surety showing that the insurance and bonds required hereunder are in full force and effect and showing the limits thereof and that all such policies and bonds contain the provisions and endorsements required hereunder.

All insurance policies and bonds required to be maintained by Contractor shall be issued by insurers or sureties (as the case may be) reasonably satisfactory to client, authorized to do business in the state of California and having an AM Best rating and financial size category of A-/VII or better. All policies of the vendor shall be (i) primary and non-contributing with respect to any policies carried by client; (ii) with respect to liability insurance only, a provision including Stadium Manager, Santa Clara Stadium Authority, Forty Niners SC Stadium Company LLC and Forty Niners Football Company LLC as Additional Insured; (iii) a waiver by the insurer of any right to subrogate against Stadium Manager, Santa Clara Stadium Authority, Forty Niners SC Stadium Company LLC and Forty Niners Football Company LLC (iv) a severability of interest or endorsement; (v) a provision that the insurer will not cancel or change the coverage provided by such without giving the Stadium Manager thirty (30) days' prior written notice; and (vi) general liability be an "occurrence form" policy.

A handwritten signature in black ink, consisting of a series of loops and a horizontal line extending to the right.



**FORTY NINERS STADIUM MANAGEMENT COMPANY**

March 8, 2022

VIA CERTIFIED MAIL

Landmark Event Staffing Services, Inc.  
Attn: Michael Harrison  
4790 Irvine Blvd.  
Ste 105-323  
Irvine, CA 92620

Dear Mr. Harrison,

We are writing to provide formal written notice that Forty Niners Stadium Management Company LLC is hereby exercising its option, under Section 5 of the Agreement for the Performance of Services by and between Landmark Event Staffing Services, Inc. and Forty Niners Stadium Management Company LLC dated February 15, 2017 (the "Agreement"), to extend the Term of our Agreement for an additional two (2) year period through March 31, 2024 at the rates contained in SCHEDULE 1 to this letter.

All other terms and obligations shall remain unchanged during the extended Term of the Agreement.

We look forward to continuing our partnership with you and your team.

Sincerely,

JIM MERCURIO  
Executive Vice President, General Manager  
Forty Niners Stadium Management Company LLC

Acknowledged and Agreed:

Landmark Event Staffing Services, Inc.

Date: 3/8/22



**FORTY NINERS STADIUM MANAGEMENT COMPANY**

**SCHEDULE 1**

Compensation and fees for Services performed by Contractor during the extended Term of the Agreement shall be billed at the following rates (which shall replace the rates contained in Exhibit B to the Agreement):

**4/1/2022 – 3/31/2023**

- |  |              |
|--|--------------|
| 1. Event Manager   | \$40.85/hour |
| 2. Supervisor  | \$39.76/hour |
| 3. Off-Duty Law Enforcement Officer  | \$61.07/hour |
| 4. Usher, Ticket Taker, Parking Security,<br>Parking Flagger, Parking Attendant,<br>Event Security | \$36.09/hour |

**4/1/2023 – 3/31/2024**

- |  |              |
|--|--------------|
| 1. Event Manager   | \$40.85/hour |
| 2. Supervisor  | \$40.76/hour |
| 3. Off-Duty Law Enforcement Officer  | \$61.69/hour |
| 4. Usher, Ticket Taker, Parking Security,<br>Parking Flagger, Parking Attendant,<br>Event Security | \$36.99/hour |

Subject to prior approval from Stadium Manager, time worked by an individual in direct performance of the in excess of eight (8) hours in a day shall be compensated as follows:

- Such time between eight (8) hours and twelve (12) hours shall be compensated at two dollars (\$2.00) above the base rates listed above; and
- Such time greater than twelve (12) hours shall be compensated a twice (2x) the base rates listed above.

Base rates shall be increased by fifty percent (50%) for Services performed on Holidays as defined herein.

## SECOND AMENDMENT TO AGREEMENT FOR THE PERFORMANCE OF SERVICES

This SECOND AMENDMENT TO AGREEMENT FOR THE PERFORMANCE OF SERVICES (this “Second Amendment”), effective as of April 1, 2024 (the “Second Amendment Effective Date”), amends the AGREEMENT FOR THE PERFORMANCE OF SERVICES, dated as of February 15, 2017 (the “Agreement”), by and between **Forty Niners Stadium Management Company LLC** (“Stadium Manager”), a Delaware limited liability company, with principal offices at 4900 Marie P. DeBartolo Way, Santa Clara, CA 95054, and **Allied Universal Security Services Universal Protection Service LPP as successor-in-interest to Landmark Event Staffing Services, Inc.**, a California corporation with its principal place of business located at 113 Sunridge St., Playa del Ray, CA 90293 (“Contractor”). Capitalized terms not defined herein have the meaning given to them in the Agreement.

WHEREAS, Stadium Manager and Landmark Event Staffing Services, Inc., entered into the Agreement for an initial term commencing February 15, 2017 and expiring March 31, 2022 (“Initial Term”) provided Stadium Manager held a unilateral option to renew for an additional two (2) year period; and

WHEREAS, Stadium Manager exercised the unilateral option to renew for a first renewal term commencing April 1, 2022 and expiring March 31, 2024 (“First Renewal Term”); and

WHEREAS, in March 2023, Contractor acquired Landmark Event Staffing Services, Inc., and now as successor-in-interest holds all rights, duties, and obligations of Landmark Event Staffing Services, Inc. under the Agreement; and

WHEREAS, Stadium Manager and Contractor now desire to extend the Agreement on a month-to-month basis commencing April 1, 2024 (“Second Renewal Term”);

NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the sufficiency of which is hereby acknowledged, the Stadium Manager and Contractor agree to modify the Agreement as follows:

1. Amendment. The Second Renewal Term shall commence on April 1, 2024, and shall continue until terminated by Stadium Manager with thirty (30) calendar days’ advance written notice to Contractor provided in no event shall the Second Renewal Term exceed six (6) months from the commencement date set forth above..
2. Amendment. Exhibit B to the Agreement is amended and restated in its entirety as attached to this Second Amendment. The revised Exhibit B shall take effect and apply solely to Services rendered during the Second Renewal Term.

Except as expressly set forth in this Second Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

*Signatures on Following Page*

IN WITNESS WHEREOF, Stadium Manager and Contractor have caused this Second Amendment to be executed by an authorized representative as of the Second Amendment Effective Date.

**ALLIED UNIVERSAL SECURITY SERVICES UNIVERSAL PROTECTION SERVICE  
LPP**

By: \_\_\_\_\_

Name: [insert]

Title: [insert]

**FORTY NINERS STADIUM MANAGEMENT COMPANY LLC**

By: \_\_\_\_\_

Name: [insert]

Title: [insert]

**EXHIBIT B**

**CONTRACTOR COMPENSATION AND FEES - SECOND RENEWAL TERM**

Compensation to Contractor for the Services performed under this Agreement during the Second Renewal Term shall be paid at the rates specified below.

<b>SECOND RENEWAL TERM RATES</b>	
Event Manager	\$40.85/hour
Supervisor	\$40.76/hour
Off-Duty Law Enforcement Officer	\$61.69/hour
Usher, Ticket Taker, Parking Security, Parking Flagger, Parking Attendant, Event Security	\$36.99/hour

Subject to prior approval from Stadium Manager, time worked by an individual in direct performance of the Services in excess of eight (8) hours in a day shall be compensated as follows:

- Such time between eight (8) hours and twelve (12) hours shall be compensated at two dollars (\$2.00) above the base rates listed above; and
- Such time greater than twelve (12) hours shall be compensated at twice (2x) the base rates listed above.

Base rates shall be increased by fifty percent (50%) for Services performed on Holidays as defined in the Agreement.



**FORTY NINERS STADIUM MANAGEMENT COMPANY**

Date: February 16, 2024

To: Jovan Grogan  
Executive Director  
Santa Clara Stadium Authority

From: Jenti Vandertuig  
Procurement Director  
Forty Niners Stadium Management Company LLC

Subject: Recommendation to Amend Agreement with Allied Universal Security Services  
Universal Protection Services LLP for Event Staffing Services at Levi's Stadium

**Recommendation**

Recommend approval to execute the second amendment to the agreement with Allied Universal Security Services Universal Protection Services LLP (successor in interest to Landmark Event Staffing Services, Inc.) for event staffing services at Levi's Stadium to extend the term of the agreement on a month-to-month basis that will not exceed six months, commencing April 1, 2024 with thirty calendar days' advance notice to contractor to terminate the agreement.

**Reasons for Recommendation**

In January 2017, the Forty Niners Stadium Management Company LLC (Stadium Manager) issued a Request for Proposal for event staffing services at Levi's Stadium and awarded an agreement with Landmark Event Staffing Services, Inc., for a five year term, beginning April 1, 2017 through March 31, 2022 with an option to extend the agreement for an additional two years. That extension option was exercised, which extended the termination date to March 31, 2024. The recommendations were reviewed and approved by the Santa Clara Stadium Authority (SCSA) prior to the execution of the agreement and subsequent amendment.

Security services are used on a contractual basis for ticketed and non-ticketed events held at Levi's Stadium. The contractor is required to support the in-house security operation in order to maintain best practices and requirements for NFL events, and to work in partnership with the event promoters and production teams to handle security for Non-NFL ticketed events. Security responsibilities include, but are not limited to, access control, entry screening procedures via the use of frictionless and non frictionless technology, perimeter security, personal protection, foot patrols, camera monitoring, and other security related functions specific to different events.

[REDACTED] The Bureau of Security and Investigative Services (BSIS)

requires specific training for members of the security staff in order to secure their guard card, which is a requirement of the job.


Stadium Manager began developing the scope of work and requirements with a plan to issue the solicitation in late 2023. However, given the addition of new security leadership and the remarkable post-season success of the Forty Niners combined, it is anticipated that Stadium Manager will release the formal solicitation for event staffing services in March 2024 and bring forth a recommendation to the SCSA Board in June 2024. Stadium Manager hired a new Vice President, Security, Safety & Transportation Operations on December 1, 2023 and the time since has been imperative to learn the operation in order to objectively put together an appropriate formal solicitation for long term security services. Therefore, an extension of the current agreement on a month-to-month basis is appropriate in order to maintain continuity until completion of the solicitation process. The rates paid to contractor for the proposed month-to-month extension will be identical to the rates charged under the current contract, which are set forth in the attached Exhibit B – Contractor Compensation and Fees.

**Fiscal Impact**

There is no fiscal impact to the SCSA. The event security charges for NFL and the Non-NFL events are charged directly to the events.

**Next Steps**

Once approved, Stadium Manager will forward a copy of the executed amendment to the SCSA.

Submitted By:  Date: 3/4/2024  
Jenti Vandertuig, Procurement Director



## Agenda Report

24-1342

Agenda Date: 3/12/2024

### REPORT TO STADIUM AUTHORITY BOARD

#### SUBJECT

Action on the Proposed Santa Clara Stadium Authority Fiscal Year 2024/25 Operating, Debt Service and Capital Budget, Stadium Authority Budget, Compliance and Management Policies, and 2024 Non-NFL Events Marketing Plan

#### BOARD PILLAR

Ensure Compliance with Measure J and Manage Levi's Stadium

#### BACKGROUND

The Stadium Management Agreement (Management Agreement) defines the Stadium Operation and Maintenance Plan (SOMP) as the plan designed to achieve a safe and well maintained Stadium and states that it should include the standards for management and operation of the Stadium, including the required security, staffing, and other required elements of hosting Stadium Events. The Forty Niners Stadium Management Company LLC (ManCo or Stadium Manager) is responsible for preparing the SOMP, which shall be presented annually to the Santa Clara Stadium Authority (Stadium Authority), which must include the:

1. Annual Shared Stadium Expense Budget,
2. Annual Public Safety Budget,
3. Capital Expenditure Plan,
4. Marketing Plan.

Each year, Stadium Authority staff prepares a proposed Santa Clara Stadium Authority Operating, Debt Service, and Capital Budget for the Stadium Authority's twelve month Fiscal Year (FY), which begins on April 1 and runs through March 31 (in accordance with Article 4 - Records, Accounts, Budgets, and Reports of the Management Agreement).

Section 4.10 of the Management Agreement requires that the Marketing Plan set forth in reasonable detail the Stadium Manager's plans to develop, implement and monitor marketing, booking, advertising, and promotion of the Non-NFL Events for Levi's Stadium.

#### DISCUSSION

This report to the Stadium Authority Board transmits the Proposed FY 2024/25 Stadium Authority Operating, Debt Service, and Capital Budget (Attachment 1), Public Safety Budget (Attachment 2), and 2024 Levi's Stadium Events Marketing Plan (Attachment 3). It should be noted that the Public Safety Budget is included in this report for Stadium Authority Board information only, as budget appropriations for the City's public safety departments are approved by the City Council through the City's annual budgeting process.

The budget document contains several key sections including the:

- Stadium Operating Budget which includes a breakdown of the Stadium Authority's General and Administrative costs,
- Shared Stadium Manager Expenses including the total expenses and the Stadium Authority's share of those expenses,
- Debt Service Budget; and
- Capital Budget.

In addition, staff has included glossaries of commonly used financial terms in this proposed budget to facilitate understanding the types of revenues, expenses, debt, and capital expenses.

In accordance with Sections 4.5 through 4.8 of the Management Agreement, ManCo prepared and submitted a proposed operating, capital, and debt budget for the FY 2024/25 Stadium Authority Budget. Staff followed the budget development process outlined in the Proposed Stadium Authority Board Budget Policy (Attachment 4) in preparing the Proposed FY 2024/25 Stadium Authority Budget. The Proposed Stadium Authority Board Compliance and Management Policy (Attachment 5) includes some minor edits.

The goal of the budget development process is to allow the Budget to be presented to the Board and the public at two meetings: (1) a February 27<sup>th</sup> Special Meeting/Study Session and (2) a March 12 Public Hearing as part of its final consideration for approval.

The following summarizes the timeline of the FY 2024/25 budget process:

- In November 2023, Stadium Authority worked with ManCo to develop the annual budget plan which included the dates that ManCo would provide all necessary documents as required by the Stadium Lease, Management Agreement, and Stadium Operations Agreement.
- In January 2024, ManCo provided annual documents as outlined in the Stadium Agreements, which were used in the Budget Development Process:
  - Stadium Operations and Maintenance Plan
    - Annual Shared Expense Budget with Five Year Projection
    - Annual Stadium Authority Operations Budget
    - Annual Public Safety Budget
    - Capital Expenditure Plan with Five Year Projection
    - Levi's Stadium Events Marketing Plan
  - Public Safety Document Updates
  - NFL and Non-NFL Events Parking Plans
- In February 2024, Stadium Authority staff analyzed ManCo's budget submission including but not limited to the number of full-time equivalents (FTEs) recommended and related personnel costs as well as non-personnel costs and calculated the budget for Stadium Authority General and Administrative (G&A) costs (such as staff costs, consulting, audit, legal, and any reasonable and necessary expenses to uphold its support of the Board) as well as any necessary funding to be used for the Stadium Authority's Discretionary Fund.

The Proposed Budget is presented on an accrual basis which provides increased transparency for projected revenues and expenses, with added detail about financial transfers. The Proposed Budget continues the past practice of including reserves for Public Safety Costs and NFL-Stadium Builder License (SBL) Buffet costs for current unresolved ongoing litigation. The total Revenues and Expenses in the Stadium Authority Operating Budget for FY 2024/25 is \$62.8 million and \$47.3 million respectively.

A summary of key changes and assumptions for the Proposed Budget include:

- Net Non-NFL Events revenue is budgeted significantly lower than the actuals for FY 2022/23 and FY 2023/24, which were \$8.8 million and \$7.8 million (projected actuals), respectively. ManCo provided a budget estimate of \$4.5 million to \$6.0 million for Net-Non-NFL Event revenue for the upcoming fiscal year.
- Revenue from SBLs decreased significantly (by \$7.5 million) due to the completion of payments for a large number of financed SBL payment plans. SBL revenues are anticipated to continue to decrease over the years as SBL holders complete their payment plans.
- Renovation/Demolition Reserve is budgeted to have a balance of \$35.5 million by the end of FY 2024/25. This reserve is over half of the required amount because of the contribution from excess revenues that have been generated in recent years.
- Proposed Capital Expenditures totaling \$22.0 million including general building, security, furnishings and equipment, and public safety investments.
- Capital Reserve Fund Balance is budgeted to have a balance of \$3.4 million by the end of FY2024/25. Due to the limited source of funds that are contributed to this reserve and as the stadium ages, it is anticipated that additional contributions for CapEx projects may be necessary to maintain the stadium. Stadium Authority will continue to review and work with ManCo to ensure the projects with the highest priority and needs are addressed within the five-year CapEx plan.
- Adjustments to the General and Administrative Budget funding 8.5 full-time equivalent positions totaling \$2.9 million. This is a baseline level of support necessary for Stadium Authority operations.
- Two new positions in the City Manager's Office (0.9 Management Analyst and 0.2 Development Project Manager) are partly offset by the elimination of 0.5 Staff Aide.
- Total estimated Debt Service payments of \$19.7 million including debt related to the CFD (\$2.8 million) and Term A Loan (\$16.9 million). This reflects a decrease from prior year debt service payments because the Term A Loan principal payment schedule was structured to decrease in conjunction with the anticipated decrease in SBL revenue after the initial ten years of operations.

Key highlights for the Stadium Authority's 2024/25 budget are as follows:

### Operating Budget

#### Revenues

- FY 2024/25 total projected revenues of \$62.8 million includes \$24.8 million in facility rent, \$5.1 million in SBL revenue, \$13.7 million in NFL ticket surcharge, \$7.8 million in Naming Rights revenue, \$1.1 million in Non-NFL ticket surcharge, \$6.0 million in Non-NFL

events net revenue, \$3.5 million in interest revenue, and \$752,000 in miscellaneous other revenues.

- ManCo provided Net-Non-NFL Event Revenue to be between \$4.5 million and \$6.0 million for FY 2024/25. The Stadium Authority used the higher estimate of \$6.0 million as the anticipated Net Non-NFL Event Revenue for FY 2024/25. This is based on seven major events (three concerts and four soccer events) and seventy (70) non-ticketed events.

#### Expenses

- The proposed Operating Budget equals \$47.3 million and includes the Stadium Authority's share of expenses covered under the Management Agreement in the amount of \$13.6 million along with monies sufficient to fulfill the Stadium Authority's administrative oversight of the Stadium in the amount of \$4.2 million (of which \$2.9 million is for staff support and Board stipends), SBL sales and services of \$2.4 million, utilities of \$1.5 million, ground rent of \$1.0 million, and other expenses of \$1.5 million. It also includes transfers out of \$23.1 million as detailed below.
- Total transfers out of \$23.1 million include a \$5.6 million transfer to the Capital Fund for future Stadium capital improvements and \$17.5 million to the Debt Service Fund.

#### Reserves

- Total operating reserves are expected to be \$79.9 million at the end of FY 2024/25. This is composed of a Renovation/Demolition Reserve of \$35.5 million, an Operating Reserve of \$26.9 million, a Discretionary Fund Reserve of \$2.8 million, Legal Contingency Reserve - Buffet Costs of \$4.4 million, and Legal Contingency Reserve - Public Safety Costs of \$10.3 million.

#### Debt Service Budget

- The proposed 2024/25 Debt Service Budget of \$19.7 million (principal of \$8.4 million and interest of \$11.3 million) is based on the required debt service payments. Total outstanding debt is projected to decrease by \$8.4 million from \$228.8 million to \$220.4 million.

#### Capital Expense Budget

- The FY 2024/25 Capital Expense Budget totals \$22.0 million. Of this total, \$13.6 million of prior year appropriations are carried over into FY 2024/25. New capital improvement appropriations equal \$8.4 million

#### Subsequent Revisions to the Stadium Authority's FY 2024/25 Budget

A Study Session was held on February 27, 2024 to discuss the Proposed Santa Clara Stadium Authority Fiscal Year 2024/25 Operating, Debt Service, and Capital Budget and Stadium Authority Budget, Compliance and Management Policies. The following key items were discussed:

- Projected \$5.5 million of Net Revenues from Non-NFL Events was low compared to the trend.
- The need for additional funding to the CapEx Reserve balance as it is budgeted to decrease significantly with all committed capital projects through Fiscal Year 2024/25.
- Funds in the Renovation/Demolition Reserve is contractually limited to investments with 90-day or shorter maturity.
- Ongoing reserves set aside in Legal Contingency Reserves for Public Safety Costs and Performance Rent.
- Efforts to negotiate agreements with the Bay Area Host Committee to ensure

reimbursement of City and Stadium Authority costs for Super Bowl LX and FIFA World Cup 2026.

- SOMP is reviewed administratively by staff during the annual budget process.
- Efforts to work with ManCo on the 2024 Levi's Stadium Events Marketing Plan.

Subsequent to finalizing the budget for the Study Session, ManCo informed the Stadium Authority that they had increased their budget forecast for Net Revenues from Non-NFL Events by \$500,000. Therefore, the Net Revenues from Non-NFL Events line item has been increased from \$5.5 million to \$6.0 million. In conjunction with this change, the amount being held in the Legal Contingency Reserve for Public Safety Costs is being increased by \$250,000 bringing the balance in that reserve from \$10,056,000 to \$10,306,000. The Proposed Santa Clara Stadium Authority Fiscal Year 2024/25 Operating, Debt Service and Capital Budget (Attachment 1) reflects both of these changes.

#### FY 2024/25 SOMP

In addition to the Annual Shared Stadium Expenses Budget, the Annual Public Safety Budget, the Capital Expense Plan, and the Marketing Plan, the SOMP contains a plan for the operation and maintenance of Levi's Stadium. The Stadium Lease and Management Agreement requires the Stadium Manager to prepare the SOMP and present it annually to the Stadium Authority and StadCo for consideration and approval. At the time of writing this report, staff is in the process of reviewing this confidential document which contains sensitive public safety and building information and will share the City and Stadium Authority's comments with the Stadium Manager directly. The SOMP document is approved administratively.

#### 2024 Levi's Stadium Events Marketing Plan

The Stadium Manager submitted a 2024 Levi's Stadium Events Marketing Plan, which staff is transmitting to the Board through this report. Staff will work with the Stadium Manager in the upcoming year to continue to refine and implement the Marketing Plan in the following areas:

- Leveraging the Forty Niner's strong season performance to build Levi's Stadium and Santa Clara's reputation to attract public and private Non-NFL Events.
- Developing integrated marketing plan with Discover Santa Clara to increase sales and improve organizational efficiency.
- Establishing key performance indicators (KPIs) and performance metrics specific to each marketing initiative.

Staff recommends approving the Marketing Plan.

#### ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environment Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

#### FISCAL IMPACT

The Proposed FY 204/25 Budget includes \$47.3 million for operating costs (includes transfers out to Debt Service and Capital Funds), \$19.7 million for debt service, and \$22.0 million for capital (includes a \$13.6 million carryover from the prior year).

### COORDINATION

This report has been coordinated with the Executive Director and Stadium Authority Counsel's Offices.

### PUBLIC CONTACT

On February 28, 2024, a notice of the public hearing was published in the Santa Clara Weekly and the Proposed Budget (Attachment 1) was available to the public on the City's website and in the City Clerk's Office.

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](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>>, or at the public information desk at any City of Santa Clara public library.

### RECOMMENDATION

1. Adopt the Santa Clara Stadium Authority Fiscal Year 2024/25 Operating, Debt Service, and Capital Budget;
2. Approve the 2024 Levi's Stadium Events Marketing Plan;
3. Adopt the Stadium Authority Board Budget Policy; and
4. Adopt the Stadium Authority Board Compliance and Management Policy.

Reviewed by: Kenn Lee, Treasurer

Approved by: Jovan D. Grogan, Executive Director

### ATTACHMENTS

1. Santa Clara Stadium Authority Proposed Fiscal Year 2024/25 Operating, Debt Service, and Capital Budget
2. Fiscal Year 2024/25 Annual Public Safety Budget
3. 2024 Levi's Stadium Events Marketing Plan
4. Stadium Authority Board Budget Policy
5. Stadium Authority Board Compliance and Management Policy

# Santa Clara Stadium Authority

## **PROPOSED FISCAL YEAR 2024/25 OPERATING, DEBT SERVICE AND CAPITAL BUDGET**



**O**n June 8, 2010 the residents of Santa Clara voted to adopt Measure J, the Santa Clara Stadium Taxpayer Protection and Economic Progress Act, resulting in the approval to construct a stadium to be leased by the San Francisco 49ers. Measure J called for the creation of the Santa Clara Stadium Authority (Stadium Authority) to own, develop, construct, operate, and maintain the Stadium. The Stadium Authority exists as a public body, separate and distinct from the City. The Stadium Authority is structured so that the City is not liable for the debts or obligations of the Stadium Authority.

This budget and additional financial information on the Stadium Authority can be found at: *[santaclaraca.gov/our-city/santa-clara-stadium-authority](https://www.santaclaraca.gov/our-city/santa-clara-stadium-authority)*.

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# LEVI'S® STADIUM



# Santa Clara Stadium Authority

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# GENERAL INFORMATION

## ***Introduction***

This Santa Clara Stadium Authority (“Stadium Authority”) Budget Report provides information covering the Proposed Fiscal Year 2024/25 Operating, Debt Service, and Capital Budget as well as comparative data from prior fiscal years. Estimated revenue and expense information (three quarters of actuals and one projected quarter) included in this report for the FY 2023/24 is unaudited and, therefore, subject to change as a result of final results and the annual audit conducted by an external and independent auditing firm.

This budget provides the necessary funding to administer the duties of the Stadium Authority, including:

- Support for operating Levi’s® Stadium (Stadium) for Non-National Football League (Non-NFL) events through a management company, the Forty Niners Stadium Management Company LLC (ManCo or Stadium Manager);
- Advancement of the FY 2024/25 Work Plan;
- Payment of debt service obligations; and,
- Maintenance of a five-year capital plan.

The Stadium Authority Board (“Board”) provides overall governance and oversight of this operational structure. Amongst other due diligence requirements to support these duties, the Board is also responsible for: setting policy; debt and fiscal management; and ensuring implementation of required duties related to operations and capital projects.

In addition to this report, the Stadium Authority produces annual financial statements within six months of the fiscal year-end (March 31<sup>st</sup>). These financial statements are audited by an external auditing firm and presented to the Stadium Authority’s Audit Committee and Board. Once presented to the Board, the financial statements are published on the Stadium Authority’s web page. The FY 2023/24 audited financial statements will be presented to the Board by the end of September 2024.

The Stadium Authority is 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 to ManCo or the Stadium Authority are fully reimbursed. Types of services include the following:

- Administrative General Fund costs that are spent during operations are separately tracked using special account codes in the City’s financial system and all such costs are billed for reimbursement.
- General Fund public safety costs for NFL and Non-NFL events are separately tracked and all such costs are billed for reimbursement.

## GENERAL INFORMATION (CONT.)

### ***Methodology***

Information provided in this report was based in part on documentation submitted by ManCo on January 31, 2024. The Capital Budget included proposals by both the Stadium Authority and Stadium Manager. Per Section 4.6 of the Management Agreement, ManCo is required to submit a budget 45 days prior to the start of the fiscal year.

### ***Proposed Budget in Brief***

The total Revenues and Expenses in the Stadium Authority Operating Budget for FY 2024/25 is \$62.8 million and \$47.3 million respectively. Revenues decreased by \$2.1 million or -3%, compared to the prior fiscal year. This decrease is mainly due to FY 2023/24 being the last year of payments for a large number of financed Stadium Builder License (SBL) payment plans, offset by increases from NFL ticket surcharges, Naming Rights, sponsorship revenues, and interest income. Expenses decreased by \$5.6 million or -11% compared to the prior year. This is mainly due to a decrease in transfer out to Debt Service as a result of lower principal payments due on the Term A loan.

A summary of key assumptions for the Proposed Budget include:

- Net Non-NFL Events revenue is budgeted significantly lower than the actuals for FY 2022/23 and FY 2023/24, which were \$8.8 million and \$7.8 million (projected actuals), respectively. ManCo provided a budget estimate of \$4.5 million to \$6.0 million for Net-Non-NFL Event revenue for the upcoming fiscal year.
- Revenue from SBLs decreased significantly (by \$7.5 million) due to the completion of payments for a large number of financed SBL payment plans. SBL revenues are anticipated to continue to decrease over the years as SBL holders complete their payment plans.
- Renovation/Demolition Reserve is budgeted to have a balance of \$35.5 million by the end of FY 2024/25. This reserve is over half of the required amount because of the contribution from excess revenues that have been generated in recent years.
- Capital Reserve Fund Balance is budgeted to have a balance of \$3.4 million by the end of FY2024/25. Due to the limited source of funds that are contributed to this reserve and as the stadium ages, it is anticipated that additional contributions for CapEx projects may be necessary to maintain the stadium. Stadium Authority will continue to review and work with ManCo to ensure the projects with the highest priority and needs are addressed within the five-year CapEx plan.
- Proposed Capital Expenditures totaling \$22.0 million including general building, security, furnishings and equipment, and public safety investments.
- Adjustments to the General and Administrative Budget funding 8.5 full-time equivalent positions totaling \$2.9 million. This is a baseline level of support necessary for Stadium Authority operations.
- Two new positions in the City Manager's Office (0.9 Management Analyst and 0.2 Development Project Manager) are partly offset by the elimination of 0.5 Staff Aide.
- Total estimated Debt Service payments of \$19.7 million including debt related to the CFD (\$2.8 million) and Term A Loan (\$16.9 million). This reflects a decrease from prior year debt service payments because the Term A Loan principal payment schedule was structured to decrease in conjunction with the anticipated decrease in SBL revenue after the initial ten years of operations.

## GENERAL INFORMATION (CONT.)

The Proposed Budget is presented on an accrual basis which provides increased transparency for projected revenues and expenses, with added detail about financial transfers.

### ***FIFA World Cup 2026 & Super Bowl LX***

The Fédération Internationale de Football Association (FIFA) holds the World Cup soccer tournament between its national teams every four (4) years. In April 2017, Canada, Mexico and the United States announced a bid to host the World Cup 2026 jointly and in June 2018 this bid was selected by FIFA. In June 2022, FIFA announced the World Cup 2026 Host Cities and the San Francisco Bay Area was chosen as one of the 11 locations in the United States with the soccer matches to be played in Santa Clara at Levi's® Stadium from June to July 2026. On February 4, 2024, FIFA announced that Levi's® Stadium will host six (6) events from June 13 to July 1, 2026.

The Super Bowl is the annual championship game of the National Football League (NFL) between the National Football Conference (NFC) Champion and the American Football Conference (AFC) Champion. Levi's® Stadium hosted Super Bowl 50 in 2016, and in May 2023 it was announced that Levi's® Stadium would host Super Bowl LX in 2026.

The Bay Area Host Committee (BAHC) is a non-profit corporation that was created to bring global sporting events to the Bay Area. The City and Stadium Authority have worked with BAHC in the past to plan and implement Super Bowl 50 (2016) and the College Football National Championship Game (2019) at Levi's® Stadium. In both cases, agreements were executed between Stadium Authority and BAHC to contractually assign obligations to execute the event, any collateral events and financial obligations to the BAHC.

Aside from the management and administrative costs included in this budget, it should be noted that this budget does not include the full costs to host Super Bowl LX and multiple World Cup soccer matches. These events will require significant pre-planning efforts, the negotiation and execution of various agreements and coordination with the NFL, FIFA, BAHC, ManCo and other organizations. In preparing for these world-class events, it is key to ensure that the City continues its compliance with Measure J, which requires that the City be reimbursed for all City-related services and event costs for Levi's® Stadium. City staff's intention is to bring forth agreements in the form of a Governmental Services Agreement, an Assignment and Assumption Agreement, a Memorandum of Understanding (MOU) or a combination of these for both Super Bowl LX and World Cup 2026. These agreements are important to mitigate any City or Stadium Authority financial risk by articulating specific responsibilities. After the applicable agreements have been executed, all necessary budget adjustments will be presented to the Board and/or the City Council for review and approval.

### ***Capital Expenditure Reserve***

The Capital Expenditure (CapEx) Reserve was designed to provide the funds needed to maintain Levi's® Stadium as a world-class sports and entertainment venue. The Stadium Lease Agreement provides two sources that fund the CapEx Reserve. First, each year, the Stadium Authority is required to make an Annual Deposit into this reserve from its operating fund. In the first lease year the Annual Deposit was \$2 million and each lease year thereafter the Annual Deposit increases by three percent (3%). In FY 2024/25 the Annual Deposit amount will be \$2.7 million. Secondly, the CapEx Reserve is funded by means of an additional annual contribution should the Stadium Authority collect operating revenues in excess of its operating expenses in any given year. The annual contribution from Excess

## GENERAL INFORMATION (CONT.)

Revenues was \$1.0 million in the first lease year and each lease year thereafter, this annual amount increases by three percent (3%). In FY 2024/25 the annual amount that will be contributed to the CapEx Reserve from Excess Revenues is \$1.3 million. The total FY 2024/25 CapEx transfer from these two sources is \$4.0 million.

Each year ManCo recommends CapEx projects to keep Levi's® Stadium in top condition. Over the course of the first nine (9) years of operations approximately \$8.0 million was spent on CapEx projects and another \$7.1 million is projected to be spent FY 2023/24. A number projects that were approved in prior years are being carried over with this budget and ManCo is proposing several new projects. Given the limited source of funds that are transferred into the CapEx Reserve and as the stadium ages, it is anticipated that additional contributions for CapEx projects beyond the two sources outlined above may be necessary to maintain the stadium. With the projects included in this budget, the projected reserve balance is budgeted to drop to \$3.4 million in FY 2024/25. The Stadium Authority will continue to review and work with ManCo to ensure the projects with the highest priority and needs are addresses within the five-year CapEx plan.

### **Renovation/Demolition Fund Balance**

Levi's® Stadium opened its doors to the Forty Niners' first NFL season in Fiscal Year 2014/15. Since its inception, the Stadium Authority has generated sufficient revenues to cover its operating expenses and debt obligations. The Stadium Authority has also been able to generate Excess Revenues, which occur whenever Stadium Authority revenues received exceed expenses paid in a lease year, allowing it to contribute to its reserves requirements and prepay its debt. However, cash distributions from these Excess Revenues are restrictive and must follow Article 14 of the Stadium Lease, which requires Excess Revenues to be distributed in the following order:

1. Payoff any outstanding Management Company Revolving Loan
2. Fund Future SCSA Operating Expenses up to \$2 million
3. Fund Additional SCSA CapEx Reserve up to \$1 million annually with ongoing 3% CPI
4. Fund SCSA Operating Reserve up to \$10 million with ongoing 3% CPI
5. Payoff any outstanding Subordinated Loan
6. Fund Additional SCSA Operating Reserve up to \$20 million with ongoing 3% CPI
7. Fund SCSA Renovation/Demolition Reserve up to \$70 million
8. Additional Disbursements – Stadium Reinvestment or Disbursements to the City

In Fiscal Year 2022/23, the Stadium Authority was able to pay off the StadCo Subordinated Loan balance, fulfill the final \$20 million Operating Reserve requirement, and initiate contributions to the Renovation/Demolition Reserve. The completion of the \$20 million Operating Reserve requirement was completed 17 years sooner than originally anticipated. This was mainly due to higher facility rents, SBL revenues, Net Revenues from Non-NFL Events and interest revenues than projected. These factors enabled the Stadium Authority to begin its contribution to the Renovation/Demolition Reserve earlier than expected. At the end of Fiscal Year 2022/23, the Stadium Authority had \$5.3 million in the Renovation/Demolition Reserve and anticipates contributing \$18.7 million in Fiscal Year 2023/24 and \$11.4 million in Fiscal Year 2024/25. This brings the estimated balance to half of the required commitment, if Excess Revenues remain constant in the next few years, the Stadium Authority could be able to complete the \$70 million Renovation/Demolition Reserve requirement around Fiscal Year 2028/29.

The Stadium Authority is collaborating with ManCo to evaluate the capital requirements necessary to

## GENERAL INFORMATION (CONT.)

maintain the condition of Levi's® Stadium as it ages. The team plans to conduct a comprehensive review of all the capital needs for the Stadium in the coming year. Due to limited funding in the CapEx Reserve, ongoing maintenance funding for Levi's® Stadium may be constrained. However, upon completing the Renovation/Demolition Reserve requirement, the Stadium Authority will have the option to utilize Excess Revenues to finance the potential additional capital needs of the Stadium and/or allocate funds to the City's General Fund.

### ***Net Revenues from Non-NFL Events***

<b>FY2022/23 Actual</b>	<b>FY2023/24 Projection</b>	<b>FY2024/25 Budget</b>
\$ 8,809,167	\$ 7,756,000	\$ 6,000,000

ManCo is responsible for booking and managing Non-NFL Events at Levi's® Stadium on behalf of the Stadium Authority. After coming out of the COVID pandemic, over the past two years ManCo has been successful in booking a number of large scale events such as concerts and soccer matches in addition to many smaller special events that have brought in net revenues for the Stadium Authority.

The Net Non-NFL Event Revenues is projected at \$6.0 million in FY 2024/25 which assumes four (4) soccer matches, three (3) concerts and 70 non-ticketed events. This is 23% lower than the FY 2023/24 projection of \$7.8 million which includes two (2) soccer matches, five (5) concerts and an estimated 50 non-ticketed events. This decrease is projected primarily because FY 2023/24 had a strong line up of events and economic structures that were profitable for the Stadium Authority. These events also had high ticket prices which resulted in large sums of cash accruing at high interest rates leading up to the events which will not always be the case from year to year.

The Executive Director's Office will continue to provide oversight in an effort to maximize net revenue per event. The Stadium Authority will also work with ManCo to strive to book enough events to meet the Naming Rights Agreement requirements.

### ***Naming Rights Agreement Extension***

The Stadium Authority entered into a Naming Rights Agreement with Levi Strauss & Co. (Levi's®) in 2013. The agreement provides for an annual payment to Stadium Authority in exchange for exclusive naming rights and branding at the stadium for 20 years. Under this original Naming Rights Agreement, Levi's® has made annual payments to Stadium Authority that increase by 3% each year with the first year being \$5.74 million. The total naming rights revenue over the term of this 20-year agreement was \$154.2 million.

The Naming Rights Agreement allowed Levi's® an option to extend the term for an additional five (5) years by delivery of written notice no later than the last day of the fifth contract year. This option expired on May 10, 2018. This agreement also allowed Levi's® a right of first negotiation for a new naming rights agreement or extension if exercised by May 9, 2030. In January 2024, the Stadium Authority, Forty Niners SC Stadium Company LLC (StadCo) and Levi's® discussed the proposed terms for an extension to the Naming Rights Agreement and on January 30, 2024 the Board approved the proposed extension.

Under the First Amendment to the Naming Rights Agreement, the term will be extended an additional

## GENERAL INFORMATION (CONT.)

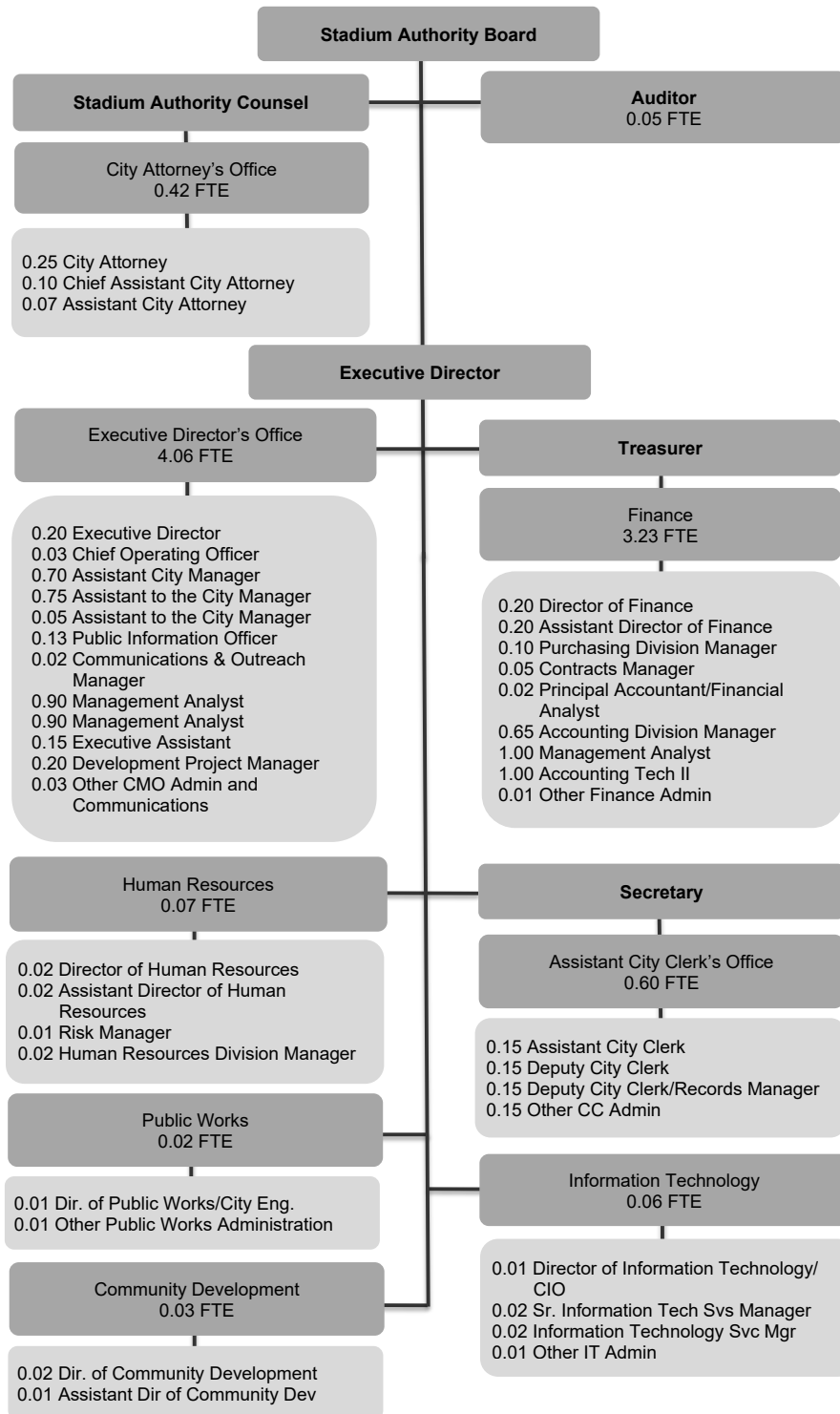
10 years ending on February 29, 2044. During this period Levi's® will continue paying an annual fee to the Stadium Authority that increases 3% per year. The revenue expected over this extension period is approximately \$118.9 million bringing the total Naming Rights revenue up to \$273.1 million over 30 years. This revenue will continue to be used to support Stadium Authority operations and maintenance, pay down debt from the original construction of Levi's® Stadium and fund reserves.

As part of the First Amendment to the Naming Rights Agreement, the Stadium Authority agreed to replace the existing main Levi's® signage. This includes the Suite Tower Marquee Sign on the West side of the stadium, the Façade Marquee Sign on the East side of the stadium and the signs above each of the two scoreboards facing the inner bowl of the stadium.

The Stadium Authority has also negotiated a Naming Rights Extension and Enhanced Signage Project Implementation Agreement (Implementation Agreement) with StadCo whereby the costs for this signage project will be shared with StadCo. Under this agreement the Stadium Authority will cover the first \$2.0 million in costs and all project costs in excess of \$2.0 million will be shared seventy percent (70%) Stadium Authority and thirty percent (30%) StadCo. The current estimate for the Enhanced Signage Project is \$3.0 million with the Stadium Authority's portion being \$2.7 million. The FY 2024/25 Capital Expense Proposed Budget includes a request for the Levi's® Naming Rights Enhanced Signage Project in the amount of \$2.7 million.

Although not part of the Stadium Authority Budget, the Implementation Agreement also includes StadCo's commitment to provide \$4.0 million for grants to Santa Clara serving community organizations. StadCo will provide grants and/or donations in the amount of \$200,000 each year for the next 20 years beginning on April 1, 2024.

# ORGANIZATIONAL CHART



The seven elected members of the City Council serve as the governing Board of the Santa Clara Stadium Authority with the Mayor serving as Chairperson of the Authority.

In addition, City of Santa Clara staff serve as Officers of the Stadium Authority with the City Manager serving as the Executive Director.

## NFL EVENT HIGHLIGHTS - YEAR IN REVIEW

The San Francisco 49ers played two (2) pre-season, eight (8) regular season, and two (2) post-season National Football League (NFL) games in FY 2023/24. Ticket sales resulted in approximately \$12.7 million of NFL ticket surcharge revenue to the Stadium Authority (based on the 10% NFL ticket surcharge on each ticket sold) for the two (2) pre-season and eight (8) regular season games (Stadium Authority does not collect NFL ticket surcharge for post-season games). Stadium Authority also collected \$250,000 of Senior and Youth Program Fees (based on \$0.35 per NFL game ticket, with a maximum of \$250,000) that are collected and forwarded to the City.

To meet the contractual parking requirements for events at Levi's® Stadium, offsite parking lots are required. These lots are above and beyond the City owned parking lots that are available. Third-party operators who wish to operate an offsite parking lot for sports or entertainment venues are required to secure approvals 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. This fee is \$6.44 for the City's FY 2023/24 (July 1, 2023 through June 30, 2024). This fee was 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 such event partly offsets the total public safety costs owed for that event. The offsite parking fees are projected at about \$538,000 in FY 2023/24.



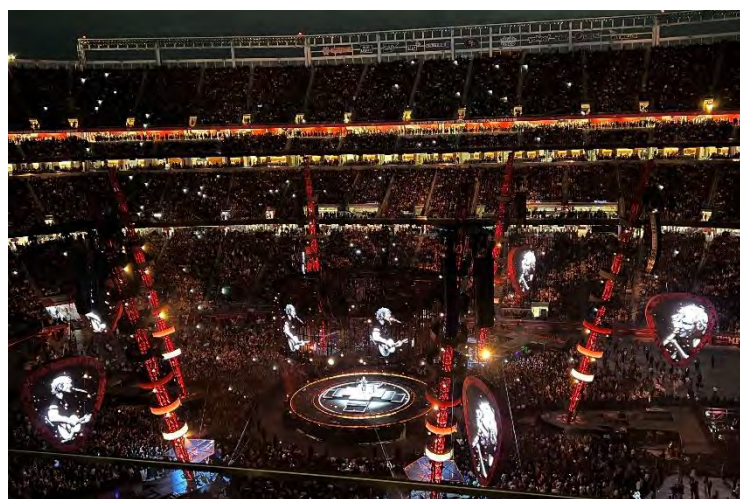
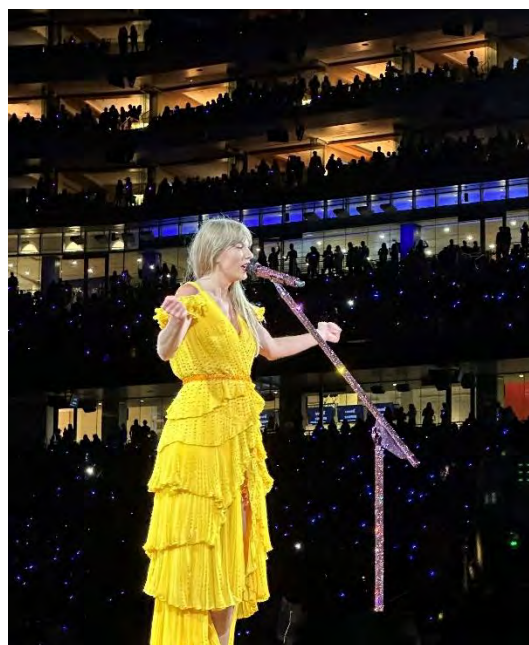
## NON-NFL EVENT HIGHLIGHTS - YEAR IN REVIEW

As of this report, there were seven (7) public Non-NFL events held at the Stadium and one (1) cancelled event. A total of 397,940 tickets sold in FY 2023/24 for the seven events, resulted in \$1.6 million in Non-NFL event ticket surcharge revenue (from the \$4 per ticket Non-NFL event surcharge).

There were also 37 smaller events held with 18,433 total attendees in the first two quarters of FY 2023/24. Examples of these special events include corporate events of various sizes, weddings, holiday parties, etc.

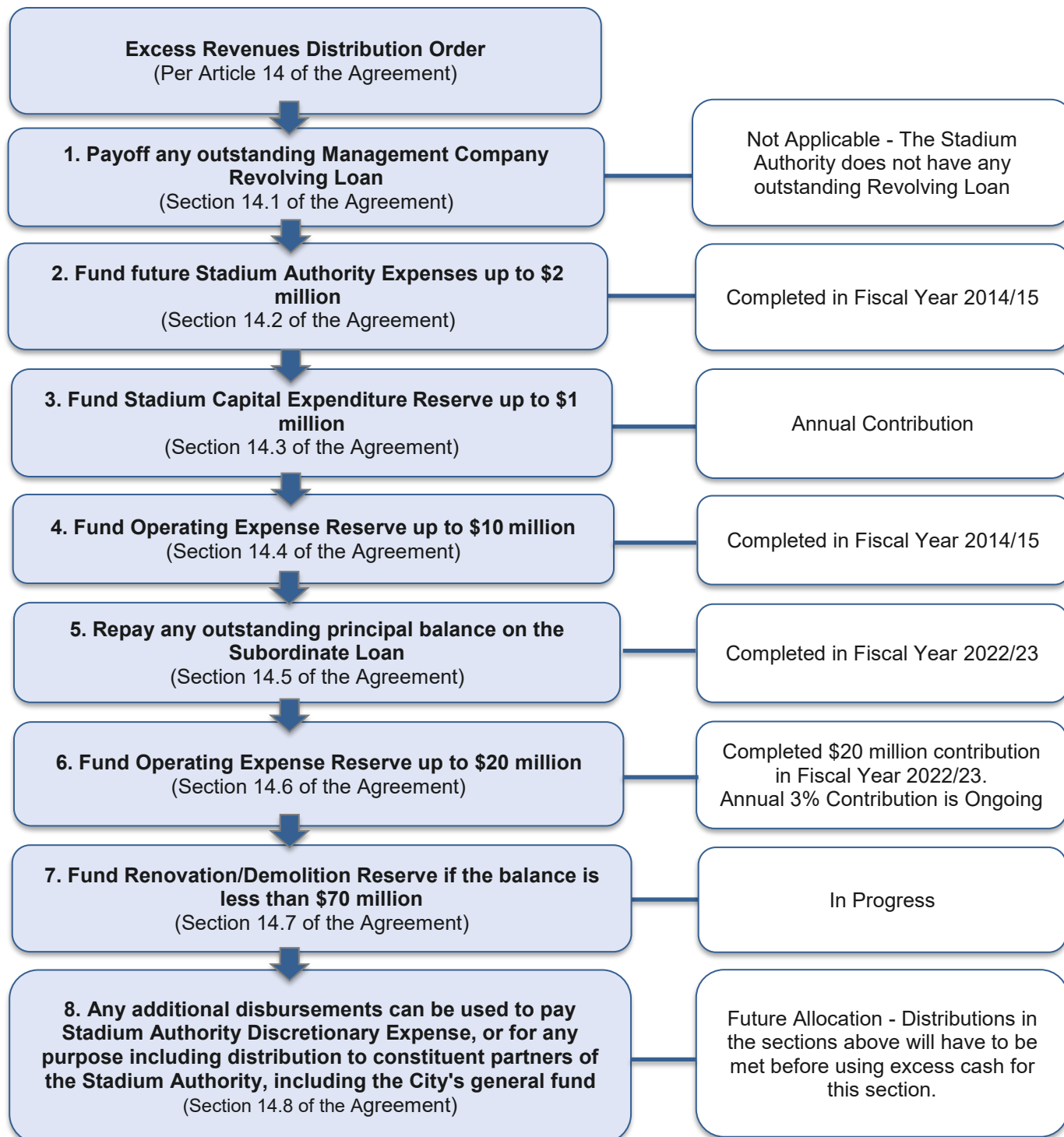
The table below shows the Non-NFL events, event date and tickets sold for each event.

2023/24 Non-NFL Events		
Event	Date	Tickets Sold
San Jose Earthquakes vs LAFC	5/6/2023	41,739
Gold Cup Tournament	7/2/2023	62,846
F.C. Barcelona vs. Juventus F.C. (Cancelled)	7/22/2023	-
Taylor Swift Day 1	7/28/2023	62,104
Taylor Swift Day 2	7/29/2023	61,692
Karol G	8/14/2023	43,691
Beyonce	8/30/2023	50,759
Ed Sheeran	9/16/2023	75,109
<b>Total to date</b>		<b>397,940</b>



# EXCESS REVENUES DISTRIBUTION

The Stadium Authority is considered to have Excess Revenues if the Stadium Authority revenues exceed expenses in a lease year. The Excess Revenues are required to be distributed in the order as set forth in Article 14 of the Stadium Lease agreement. The below Excess Revenues flow chart shows the order of distribution.



# EXCESS REVENUES DISTRIBUTION (CONT.)

A summary of the Stadium Authority's FY 2024/25 Excess Revenue Cash Reserves is as follows:

## Santa Clara Stadium Authority Excess Revenue Cash Reserves Summary

	2022/23 Year-end	2023/24 Projected	2024/25 Projected
<b>Beginning Balance</b>			
Capital Expenditures Reserve <sup>(1 &amp; 2)</sup>	\$ 21,970,559	\$ 22,525,031	\$ 18,256,031
Operating Reserve <sup>(2)</sup>	12,298,739	25,335,402	26,095,402
Renovation/Demolition Reserve	-	5,323,390	24,070,390
<b>Total Beginning Balance</b>	<b>\$ 34,269,298</b>	<b>\$ 53,183,823</b>	<b>\$ 68,421,823</b>
<b>Transfers In from Operating</b>			
Contribution to Capital Expenditures Reserve	\$ 2,533,540	\$ 2,610,000	\$ 4,263,000
Contribution from Excess Revenue:			
Capital Expenditures Reserve	1,266,770	1,305,000	1,344,000
Operating Reserve	13,036,663	760,000	783,000
Renovation/Demolition Reserve	5,323,390	18,747,000	11,406,315
<b>Total Transfers In</b>	<b>\$ 22,160,363</b>	<b>\$ 23,422,000</b>	<b>\$ 17,796,315</b>
<b>Expenses</b>			
Capital Expenditures	\$ 3,245,838	\$ 8,184,000	\$ 20,439,000
Operating Expenditures	-	-	-
Renovation/Demolition Reserve Expenditures	-	-	-
<b>Total Expenses</b>	<b>\$ 3,245,838</b>	<b>\$ 8,184,000</b>	<b>\$ 20,439,000</b>
<b>Ending Balance</b>			
Capital Expenditures Reserve	\$ 22,525,031	\$ 18,256,031	\$ 3,424,031
Operating Reserve	25,335,402	26,095,402	26,878,402
Renovation/Demolition Reserve	5,323,390	24,070,390	35,476,705
<b>Total Ending Balance</b>	<b>\$ 53,183,823</b>	<b>\$ 68,421,823</b>	<b>\$ 65,779,138</b>

<sup>(1)</sup> Capital Expenditures Reserve balance excludes the balance in the Authority Construction Account for Stadium Warranty Related Construction.

<sup>(2)</sup> Beginning cash balance was adjusted to reflect actual results, which exclude interests and fees.

# STADIUM AUTHORITY OPERATING BUDGET

The Stadium Authority FY 2024/25 Budget covers the Stadium Authority's twelve-month fiscal year which runs April 1, 2024 through March 31, 2025.

Key highlights for the Stadium Authority's FY 2024/25 Operating Budget are as follows:

## Revenues

- FY 2024/25 total projected revenues of \$62.8 million include \$24.8 million in facility rent, \$5.1 million in SBL revenue, \$13.7 million in NFL ticket surcharge, \$7.8 million in naming rights revenue, \$6.0 million in net revenues from Non-NFL events, \$3.5 million in interest revenue and \$1.9 million in other revenues.
- SBL revenues are projected to decrease by \$7.5 million or 60%, from \$12.6 million in FY 2023/24 to \$5.1 million, due to the completion of payments for a large number of financed SBL payment plans. SBL revenues are anticipated to continue to decrease over the years as SBL holders complete their payment plans. The decrease in SBL revenues will significantly impact the Stadium Authority's year-end excess cash distribution because they represent over 30% of the Stadium Authority's revenues from inception to date.
- Net revenues from Non-NFL events are projected to be \$6.0 million, based on an estimate of three (3) concerts, four (4) soccer events, and approximately seventy (70) non-ticketed events. Performance rent generated from Non-NFL events is proposed to be allocated to a litigation contingency reserve for the public safety costs dispute.

## Expenses

- The Operating Budget of \$47.3 million includes the Stadium Authority's share of expenses covered under the Management Agreement in the amount of \$13.6 million along with \$10.6 million for operating expenses including funds to reimburse the City for its staff support, ground rent, Senior and Youth Program Fees, funding for SBL sales and service, insurance, legal contingency, and other expenses. It also includes transfers out of \$23.1 million.

Fund	Transfers Out	Transfers In
Operating	\$ 23,078,000	\$ -
Debt Service	-	17,471,000
Capital Expenditure Fund	-	4,032,000
Capital Expenditure Fund - Levi's Naming Rights	-	1,575,000
<b>Total</b>	<b>\$ 23,078,000</b>	<b>\$ 23,078,000</b>

As shown in the table above, \$17.5 million will be transferred from the Operating Fund to the Debt Service Fund for principal and interest debt service payments. The remaining \$4 million and \$1.6 million will be transferred to the Capital Expenditure Fund. Total transfers out decreased due to lower principal payments due on the Term A loan.

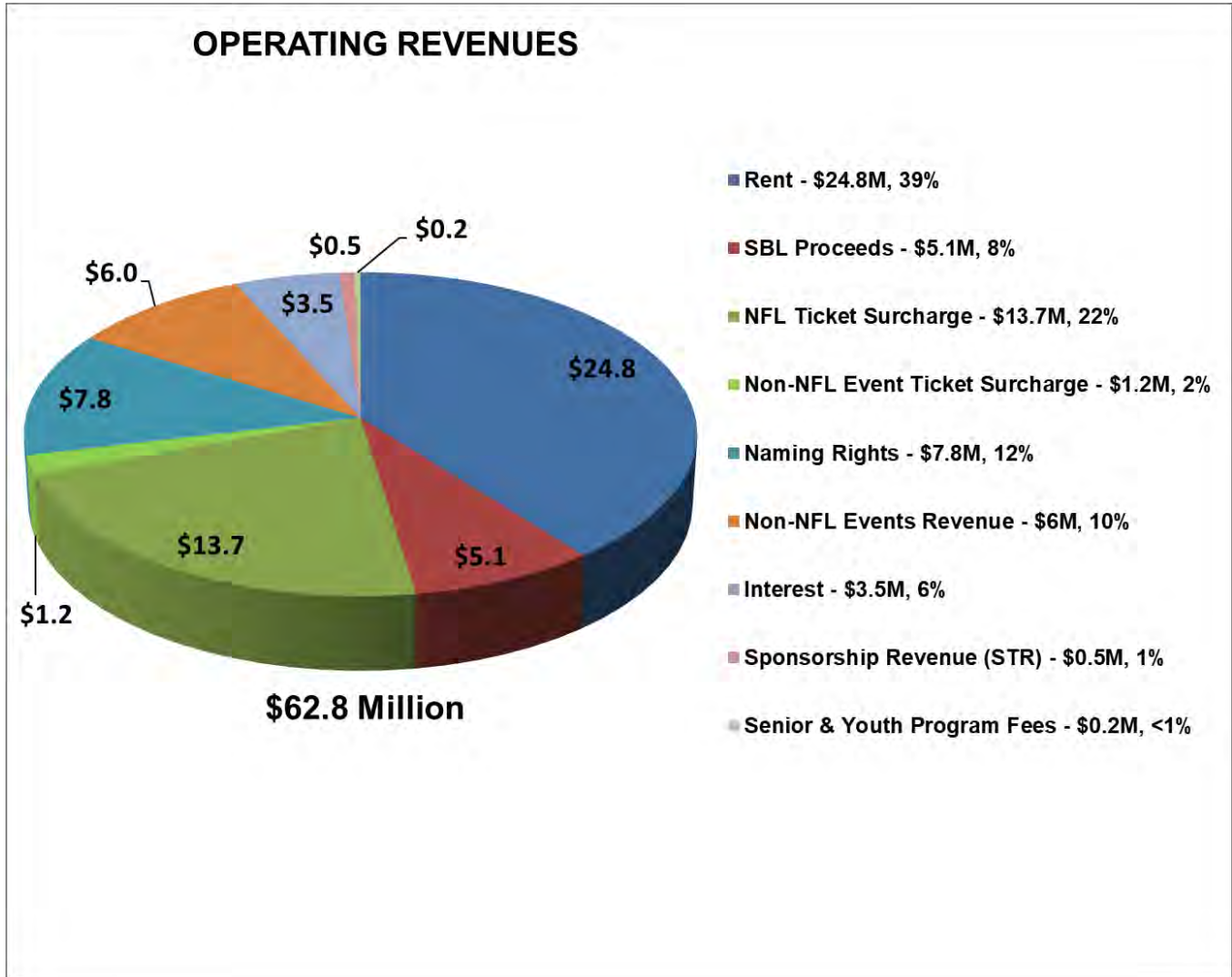
## STADIUM AUTHORITY OPERATING BUDGET (CONT.)

- Shared Stadium Manager Expenses are proposed to decrease by \$393,000 or 3% from \$13.9 million in the prior year budget to \$13.6 million. This decrease is driven by two main components, (1) lower Groundskeeping outside service costs due to fewer field replacements projected to be charged to Shared Stadium Expenses and (2) lower Guest Services uniform costs since the prior year budget included a plan to update a large portion of uniforms so there is no need to make as large an update in the current year.
- SBL Sales and Service is proposed to increase by \$115,000 or 5% from the prior year budget. This increase is due to increases for Stadium Manager staff offset by a reduction in sales general and administrative costs.
- Stadium Authority General & Administrative costs total \$4.2 million, an increase of \$268,000 or 7% when compared to the prior year budget of \$3.9 million. This increase is mainly due to increases in Legal Services and Executive Director & Board Directives. These costs are further described in detail on Page 22 of this report.

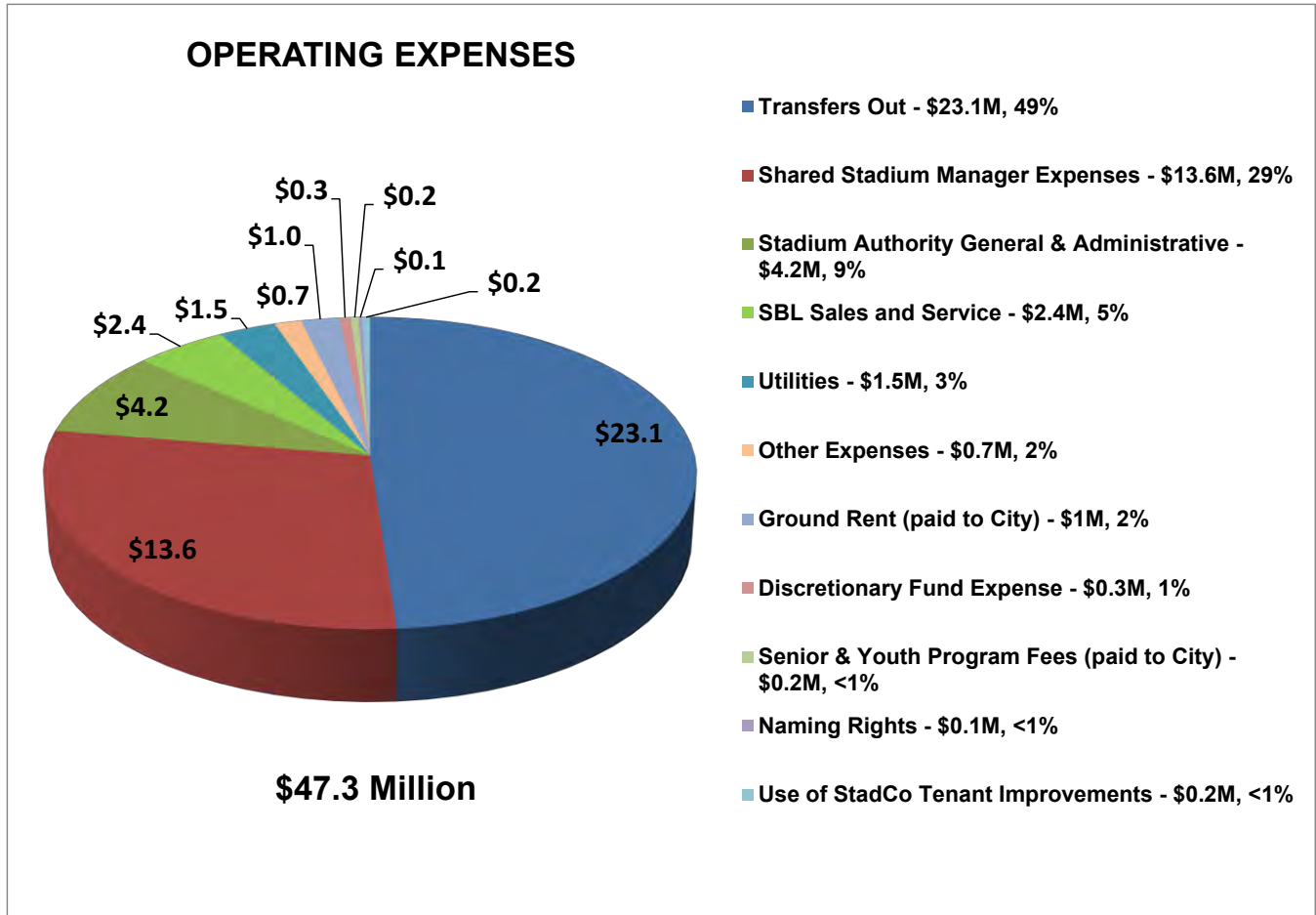
### Reserves

- With the complete repayment of the Stadium Authority Subordinate Loan at the end of FY 2022/23, the build-up of reserve balances in accordance with the Stadium Lease Agreement is projected to continue for FY 2024/25. Additional details can be found in the Excess Revenue Distribution section and Stadium Authority Operating Budget Glossary, Excess Revenue, section of this document.
- This budget includes the following reserves: Operating Reserve (\$26.9 million); Renovation/Demolition Reserve (\$35.5 million), and Discretionary Fund Reserve (\$2.8 million).
- The Legal Contingency Reserves are projected to be \$14.7 million at the end of FY 2024/25 which includes contingency for budgeted, but disputed, liabilities, costs or credits of Public Safety costs and NFL-SBL Buffet costs, which are the subject of ongoing litigation. The August 31, 2022 Settlement Agreement between StadCo, Stadium Manager and Stadium Authority did not include resolution terms regarding NFL-SBL Buffet costs and Public Safety costs disputes. Thus, consistent with past practice for costs that are the subject of ongoing litigation, the \$1.1 million requested for 2024/25 NFL-SBL Buffet costs by ManCo is proposed to be allocated in the Legal Contingency Reserve for Buffet costs. For the disputed NFL-SBL Buffet costs, cash proceeds are transferred to the Stadium Authority and these funds are placed in a reserve pending final outcome of the ongoing dispute. The Stadium Authority also included in the 2024/25 budget, the amount of \$2.5 million in the Legal Contingency Reserve for the ongoing Public Safety Costs litigation. This reserve amount represents the estimated Performance-Based Rent credits to StadCo that could be used to pay for Public Safety costs that exceeded the threshold for the 2024/25 season. This reserve amount for the disputed Public Safety Costs are included in the net Non-NFL events revenues the Stadium Authority receives.

# STADIUM AUTHORITY OPERATING BUDGET (CONT.)



# STADIUM AUTHORITY OPERATING BUDGET (CONT.)



# STADIUM AUTHORITY OPERATING BUDGET (CONT.)

## Santa Clara Stadium Authority Operating Budget Summary

	2022/23 Year-end <sup>(6)</sup> Actuals	2023/24 Amended <sup>(7)</sup> Budget	2023/24 Projected Actuals	2024/25 Proposed Budget
<b>Beginning Fund Balance</b>				
Discretionary Fund Reserve <sup>(2)</sup>	\$ 2,327,850	\$ 1,667,695	\$ 1,667,696	\$ 2,463,696
Legal Contingency Reserve - Buffet Costs <sup>(5)</sup>	902,081	2,066,749	2,066,749	3,321,116
Legal Contingency Reserve - Public Safety Costs <sup>(6)</sup>	-	4,246,725	4,246,725	7,805,725
Operating Reserve <sup>(2)</sup>	12,301,659	25,335,402	25,335,402	26,095,402
Renovation/Demolition Reserve <sup>(2)</sup>	-	5,323,390	5,323,390	24,070,390
Stadium Funding Trust Reserve	3,397,000	3,420,994	3,420,994	5,414,396
Unrestricted	21,379,741	13,880,278	13,880,277	17,137,508
<b>Total Beginning Fund Balance</b>	<b>\$ 40,308,331</b>	<b>\$ 55,941,233</b>	<b>\$ 55,941,233</b>	<b>\$ 86,308,233</b>
<b>Revenues</b>				
NFL Ticket Surcharge	\$ 11,366,724	\$ 12,178,000	\$ 12,717,000	\$ 13,700,000
SBL Proceeds	24,890,317	12,589,000	14,416,000	5,057,000
Interest	1,722,940	1,249,000	3,212,000	3,534,000
Net Revenues from Non-NFL Events <sup>(4)</sup>	8,809,167	4,500,000	7,756,000	6,000,000
Naming Rights	11,015,959	7,602,000	7,602,000	7,830,000
Sponsorship Revenue (STR)	585,534	475,000	592,000	519,000
Rent	24,762,000	24,762,000	24,762,000	24,762,000
Senior & Youth Program Fees	250,000	234,000	250,000	233,000
Non-NFL Events Ticket Surcharge	1,279,792	1,296,000	1,592,000	1,149,000
Other Revenue	213,157	-	-	-
<b>Total Revenues</b>	<b>\$ 84,895,590</b>	<b>\$ 64,885,000</b>	<b>\$ 72,899,000</b>	<b>\$ 62,784,000</b>
<b>Total Source of Funds</b>	<b>\$ 125,203,921</b>	<b>\$ 120,826,233</b>	<b>\$ 128,840,233</b>	<b>\$ 149,092,233</b>

# STADIUM AUTHORITY OPERATING BUDGET (CONT.)

## Santa Clara Stadium Authority Operating Budget Summary (Cont.)

	2022/23 Year-end <sup>(8)</sup> Actuals	2023/24 Amended <sup>(7)</sup> Budget	2023/24 Projected Actuals	2024/25 Proposed Budget
<b>Expenses</b>				
<b>Shared Stadium Manager Expenses</b>				
Stadium Operations <sup>(1)</sup>	\$ 3,495,283	\$ 4,550,000	\$ 4,057,000	\$ 3,384,000
Engineering <sup>(1)</sup>	2,674,884	2,694,000	3,007,000	3,935,000
Guest Services <sup>(1)</sup>	395,101	645,000	538,000	621,000
Groundskeeping <sup>(1)</sup>	447,655	650,000	591,000	316,000
Security <sup>(1)</sup>	1,247,867	1,564,000	1,328,000	1,602,000
Insurance <sup>(1)</sup>	3,230,263	3,327,000	3,327,000	3,427,000
Stadium Management Fee <sup>(1 &amp; 7)</sup>	253,354	516,515	640,000	269,000
<b>Shared Stadium Manager Expenses Subtotal</b>	<b>\$ 11,744,407</b>	<b>\$ 13,946,515</b>	<b>\$ 13,488,000</b>	<b>\$ 13,554,000</b>
<b>Other Operating Expenses</b>				
SBL Sales and Service <sup>(1)</sup>	\$ 2,157,787	\$ 2,333,000	\$ 2,303,000	\$ 2,448,000
Senior & Youth Program Fees (paid to City) <sup>(1)</sup>	250,000	234,000	250,000	233,000
Ground Rent (paid to City) <sup>(2)</sup>	460,000	495,000	495,000	1,000,000
Performance Rent (paid to City) <sup>(2)</sup>	-	-	-	-
Discretionary Fund Expense <sup>(3)</sup>	650,000	250,000	-	250,000
Utilities <sup>(1)</sup>	1,225,594	1,391,000	1,391,000	1,488,000
Use of StadCo Tenant Improvements <sup>(1 &amp; 7)</sup>	82,972	121,065	133,000	151,000
Stadium Authority General & Administrative <sup>(3 &amp; 7)</sup>	1,769,135	3,619,900	2,138,000	3,793,000
Stadium Authority Legal Services <sup>(3)</sup>	504,928	300,000	400,000	395,000
Naming Rights Expense <sup>(1)</sup>	90,891	94,000	94,000	136,000
Other Expenses <sup>(1)</sup>	426,722	734,000	627,000	748,000
<b>Other Operating Expenses Subtotal</b>	<b>\$ 7,618,029</b>	<b>\$ 9,571,965</b>	<b>\$ 7,831,000</b>	<b>\$ 10,642,000</b>
<b>Total Expenses</b>	<b>\$ 19,362,436</b>	<b>\$ 23,518,480</b>	<b>\$ 21,319,000</b>	<b>\$ 24,196,000</b>
<b>Transfers Out</b>				
Debt Service <sup>(2)</sup>	\$ 46,099,942	\$ 25,457,000	\$ 17,298,000	\$ 17,471,000
Capital Expenditures Reserve <sup>(2)</sup>	3,800,310	3,915,000	3,915,000	4,032,000
Capital Expenditures Reserve - Levi's Naming Rights	-	-	-	1,575,000
<b>Total Transfers Out</b>	<b>\$ 49,900,252</b>	<b>\$ 29,372,000</b>	<b>\$ 21,213,000</b>	<b>\$ 23,078,000</b>
<b>Ending Fund Balance</b>				
Discretionary Fund Reserve <sup>(2)</sup>	\$ 1,667,696	\$ 2,065,695	\$ 2,463,696	\$ 2,788,696
Legal Contingency Reserve - Buffet Costs <sup>(5)</sup>	2,066,749	3,143,749	3,321,116	4,441,801
Legal Contingency Reserve - Public Safety Costs <sup>(6)</sup>	4,246,725	6,249,225	7,805,725	10,305,725
Operating Reserve <sup>(2)</sup>	25,335,402	25,935,402	26,095,402	26,878,402
Renovation/Demolition Reserve <sup>(2)</sup>	5,323,390	11,016,390	24,070,390	35,476,705
Stadium Funding Trust Reserve	3,420,994	4,655,914	5,414,396	5,987,000
Unrestricted	13,880,277	14,869,378	17,137,508	15,939,904
<b>Total Ending Fund Balance</b>	<b>\$ 55,941,233</b>	<b>\$ 67,935,753</b>	<b>\$ 86,308,233</b>	<b>\$ 101,818,233</b>
<b>Total Use of Funds</b>	<b>\$ 125,203,921</b>	<b>\$ 120,826,233</b>	<b>\$ 128,840,233</b>	<b>\$ 149,092,233</b>

<sup>(1)</sup> Recommended by ManagementCo.

<sup>(2)</sup> Amounts are based on payment schedule or calculated as instructed per relevant agreements.

<sup>(3)</sup> Recommended by Stadium Authority staff.

<sup>(4)</sup> Net Revenues from Non-NFL Events are provided by ManCo on a cash basis, and table above reflects accrual basis; ManCo anticipating Net Revenues from Non-NFL Events to range from \$4,500,000 to \$6,000,000 for FY2024/25.

<sup>(5)</sup> Reserve for disputed NFL-SBL Buffet costs for FY2023/24 (\$1,254,367) and FY2024/25 (\$1,120,685).

<sup>(6)</sup> Reserve for disputed Public Safety Costs for FY2023/24 (\$3,559,000) and FY2024/25 (\$2,500,000).

<sup>(7)</sup> Amended Budget as of February 6, 2024.

<sup>(8)</sup> Beginning Fund Balance was adjusted to reflect actual results and revised presentation of reflecting reserves in Fund Balance.

# STADIUM AUTHORITY OPERATING BUDGET (CONT.)

## Stadium Authority Board Duties and Proposed General and Administrative Budget

The Board is a public entity responsible for governing the matters concerning Levi's® Stadium. As such, the Board is responsible for setting policy direction, ensuring implementation of its policy direction and other due diligence requirements through Stadium Authority staff, and auditing/oversight of its policy implementation, as reasonable and necessary.

The administrative budget totals \$4.2 million, or 9%, of the Fiscal Year 2024/25 Proposed Stadium Authority Operating Expense Budget of \$47.3 million. With this budget, staff will support the Board with its oversight of Levi's® Stadium per the various agreements with ManCo and StadCo, such as:

1. Uphold fiduciary responsibilities and debt obligations;
2. Maintain a productive and functional business relationship with StadCo as the Tenant of the Stadium;
3. Ensure that Levi's® Stadium is maintained in the required condition and operated as a quality NFL and multi-purpose public sports, public assembly, exhibit, and entertainment facility;
4. Work collaboratively with the Stadium Manager to hold safe events at Levi's® Stadium with minimal impacts to the surrounding residential and business community;
5. Continue developing Board policies as required for proper governance and transparency efforts concerning the Stadium Authority oversight efforts;
6. Continue the current noise monitoring program;
7. Implement public safety expert's recommendations during events held at Levi's® Stadium;
8. Develop and implement oversight initiatives consistent with public entity organizations;

Stadium Authority staff are responsible for the capital and programmatic oversight and audit of Stadium activities. As part of this budget, the oversight of Stadium activities is allocated primarily to the Executive Director, Stadium Authority Counsel, Auditor, Treasurer, and various supporting professional staff.

As such, the Stadium Authority G&A expense budget of \$4.2 million provides the financial means to fulfill the Board's policy direction and strategic initiatives and manage the day-to-day operations of the Stadium Authority. This is an increase of \$268,000 from the FY 2023/24 Amended Stadium Authority General and Administrative Budget of \$3.9 million for additional staff support. For example, a new Management Analyst position is proposed to support community outreach and relations as well as operational projects and assignments related to SBLs and procurement. A Development Project

# STADIUM AUTHORITY OPERATING BUDGET (CONT.)

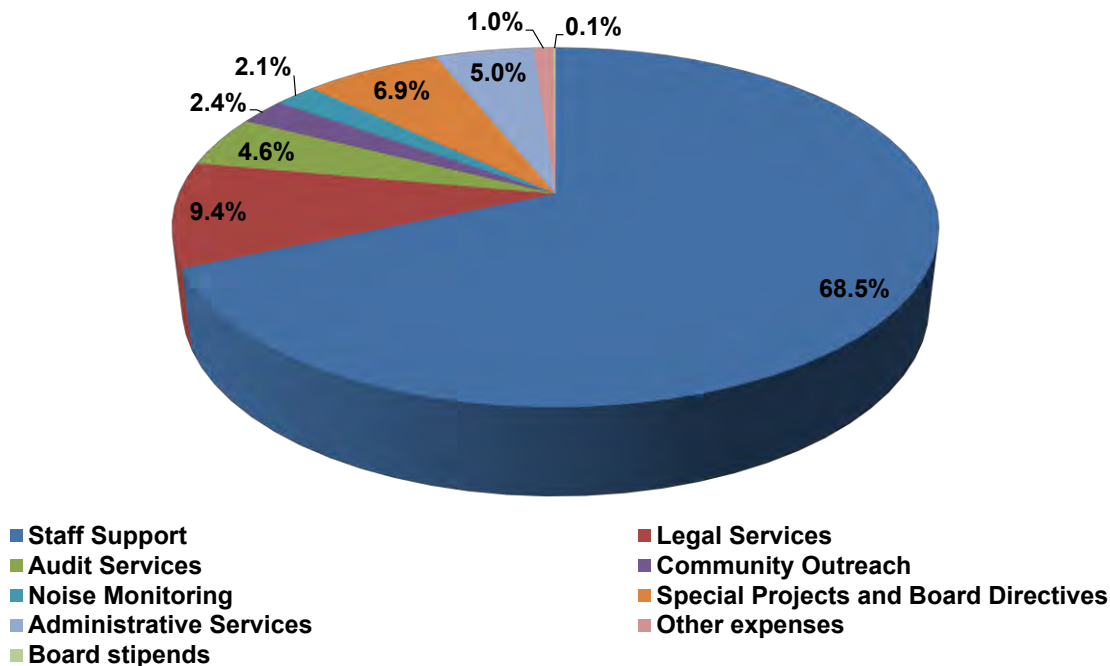
Manager is also proposed to be partially allocated to the Stadium Authority to review, track, and coordinate the scheduling and implementation of capital projects with the Stadium Manager. This position will serve as the Stadium Authority’s liaison to address issues and concerns related to these capital projects.

A breakdown of the Stadium Authority’s portion of the overall operating expense budget of \$45.7 million is shown below.

## Proposed Stadium Authority FY2024/25 General and Administrative Budget

Expense Type	Budget	Comments
Staff support	\$ 2,868,000	To support the Stadium Authority with its oversight duties of stadium activities
Legal Services	395,000	As needed for outside legal services
Audit Services	193,000	Financial and performance audits performed by external auditors
Consultants		
- Community Outreach/Communications/Engagement	100,000	Community engagement efforts and/or Board initiatives consistent with the work plan
- Noise Monitoring	87,000	Continued noise monitoring of Levi's Stadium
Special Projects & Board Directives	289,000	Funding for unanticipated Stadium Authority directives, Executive Director assignments, etc
Administrative Services	208,000	Laserfiche Repository, Financial Management System, banking fees, etc
Other Expenses	40,000	Routine office expenses, travel, training and conferences, etc
Board Stipends	8,000	Stadium Authority meetings
<b>Total</b>	<b>\$ 4,188,000</b>	

## Stadium Authority FY2024/25 General and Administrative Budget



# STADIUM AUTHORITY OPERATING BUDGET GLOSSARY

**Accrual Basis Accounting:** The method of recording revenues and expenses when they are incurred, regardless of when cash is exchanged.

**Contribution to Operating Reserve:** The contributions to the operating reserve are funded by means of excess revenues (see Excess Revenue below). (*Source: The Amended and Restated Stadium Lease Agreement*).

**Discretionary Fund** This is funded by half of the Non-NFL ticket surcharge (see Non-NFL Event Ticket Surcharge on Page 27) 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. Stadium Authority has been building this fund pending the outcome of the ongoing public safety cost litigation. 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. (*Source: The Amended and Restated Stadium Lease Agreement*).

Discretionary Fund Balance Summary	FY 2022/23 Year-end Actual	FY 2023/24 Amended Budget <sup>(2)</sup>	FY 2023/24 Projected Actuals	FY 2024/25 Proposed Budget
Beginning Balance	\$ 2,327,850	\$ 1,667,695	\$ 1,667,696	\$ 2,463,696
Contributions from Operating <sup>(1)</sup>	(10,154)	648,000	796,000	575,000
Discretionary Fund Expenditures	(650,000)	(250,000)	-	(250,000)
<b>Ending Balance</b>	<b>\$ 1,667,696</b>	<b>\$ 2,065,695</b>	<b>\$ 2,463,696</b>	<b>\$ 2,788,696</b>

<sup>(1)</sup> Contributions from Operating equal 50% of Non-NFL Event Ticket Surcharge. FY 2022/23 includes a \$650k transfer out from the Discretionary Fund to the SFT O&M Reserve as a part of the August 2022 settlement.

<sup>(2)</sup> Amended Budget as of February 6, 2024.

**Excess Revenue:** If Stadium Authority revenue exceeds expenses for any lease year, such excess revenues shall be distributed as described in the table below. This table reflects how the excess revenues are projected to be distributed in the 2023/24 Fiscal Year. (*Source: The Amended and Restated Stadium Lease Agreement*)

## 2023/24 Projected Result - Use of Excess Revenues

No.	Description	Amount Funded	Notes
	Projected Excess Revenues at Year-end	\$ 20,812,000.00	
1	Payment of ManCo Revolving Loan	\$ -	N/A
2	Funding Operating Reserve up to \$2 Million +3% annually	\$ -	Funding requirement met
3	Funding CapEx Reserve an Additional \$1 Million +3% annually	\$ (1,305,000.00)	Funding annual CapEx Reserve
4	Funding Operating Reserve up to \$10 Million +3% annually	\$ -	Funding requirement met
5	Prepayment of StadCo Subordinated Loan	\$ -	N/A
6	Funding Operating Reserve up to \$20 Million +3% annually	\$ (760,000.00)	Funding annual Op Reserve
7	Funding Renovation/Demolition Reserve up to \$70 Million	\$ (18,747,000.00)	Funding Reno/Demo Reserve
8	Available for Additional Disbursements as described in the Stadium Lease	\$ -	N/A
	Balance of Excess Revenues at Year-end	\$ -	

# STADIUM AUTHORITY OPERATING BUDGET GLOSSARY (CONT.)

**Ground Rent:** The City has agreed to lease the land under Levi's® Stadium to Stadium Authority for an initial term of 40 years. The fixed ground rent schedule is noted below for the 40-year initial term. (Source: Ground Lease Agreement)

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

# STADIUM AUTHORITY OPERATING BUDGET GLOSSARY (CONT.)

**Insurance:** ManCo procures insurance for Levi’s® Stadium for the entire year and the cost is split between Stadium Authority and StadCo (see Shared Stadium Manager Expenses on Page 28). The Stadium Lease sets the Stadium Authority’s share of insurance expense at \$2,550,000 for the first lease year with each succeeding lease year’s insurance expense increasing by 3%. (Source: Stadium Management Agreement & The Amended and Restated Lease Agreement)

**Interest:** This is interest earned from cash on hand.

**Naming Rights:** Levi Strauss & Co (Levi’s®) pays an annual naming rights fee to Stadium Authority that increases by 3% each contract year. The initial Naming Rights Agreement covered a 20-year term, however in January 2024 the First Amendment to the Naming Rights Agreement extended the term an additional 10 years. This annual fee is paid in two equal semi-annual installments on or before March 1<sup>st</sup> and October 1<sup>st</sup>. (Source: Naming Rights Agreement & The First Amendment to the Naming Rights Agreement)

The Naming Rights Agreement with Levi’s® requires the Stadium Authority to hold at least 36 “Major Events” (with 25,000+ attendees) every three contract years. However, the Second Amendment to the Stadium Management Agreement states that ManCo would pay the Stadium Authority the amount owed by the Stadium Authority to Levi’s®, as liquidated damages. ManCo has acknowledged responsibility for liquidated damages which are paid by ManCo outside the Stadium Authority’s share of Shared Stadium Manager Expenses. During discussion between the Stadium Manager and Levi’s®, it was determined based on the contract language that the first contract year began March 1, 2015. As of this report, the current number of Major Events held at Levi’s® Stadium was fourteen (14) through the current three-year period. It should be noted that the periods from March 1, 2018 to February 28, 2021 and March 1, 2021 to February 28, 2024 were both impacted by the COVID pandemic. Stadium Authority will work with ManCo and provide oversight during the March 1, 2024 to February 28, 2027 to strive to meet the required 36 “Major Events”. The below table reflects the number of major events from March 1, 2015 to date:

Naming Rights Agreement Three-Year Periods			Number of Major Events
March 1, 2015	to	February 28, 2018	40
March 1, 2018	to	February 28, 2021	12
March 1, 2021	to	February 29, 2024	14

**Net Revenues from Non-NFL Events:** ManCo provides management services for Levi’s® Stadium year-round. As such, ManCo is responsible for booking and scheduling all Non-NFL events on behalf of Stadium Authority. ManCo is required by the agreement to maintain complete and accurate books and records relating to the net income from the Non-NFL events. Those records are reviewed by Stadium Authority staff and/or outside consultants and audited by an independent auditor. After the completion of the fiscal year, the net revenues are paid to Stadium Authority by ManCo. (Source: Stadium Management Agreement)

**NFL Ticket Surcharge:** The Forty Niners Football Company, LLC (the Team) collects a 10% NFL

# STADIUM AUTHORITY OPERATING BUDGET GLOSSARY (CONT.)

ticket surcharge on the price of admission to all NFL games occurring in Levi's® Stadium on behalf of Stadium Authority. (Source: Amended and Restated Non-Relocation Agreement)

**Non-NFL Event Expense**: The gross expenses for Non-NFL events held at Levi's® Stadium.

**Non-NFL Event Revenue**: The gross receipts from Non-NFL events held at Levi's® Stadium.

**Non-NFL Event Ticket Surcharge**: Promoters or sponsors of any ticketed Non-NFL event that is held at Levi's® Stadium are required to collect a \$4 per ticket surcharge on behalf of Stadium Authority. One-half of this surcharge that is paid to Stadium Authority covers general stadium operations and the other half funds the Stadium Authority Discretionary Fund. (Source: Amended and Restated Stadium Lease Agreement)

**Other Expenses**: Miscellaneous Stadium Authority expenses such as bank fees.

**Other Revenue**: Miscellaneous Stadium Authority revenues.

**Performance-Based Rent**: Stadium Authority pays the City performance-based rent on top of the fixed ground rent. The basic calculation for the performance-based rent is fifty percent (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) fifty percent (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. The table below represents a projection of the 2023/24 and 2024/25 fiscal years' performance-based rent. (Source: Ground Lease Agreement & Amended and Restated Stadium Lease Agreement)

Performance Rent Calculation	Fiscal Year 2023/24 Projection	Fiscal Year 2024/25 Budget
Ground Rent	\$ 495,000	\$ 1,000,000
Net Non-NFL Event Revenue (Expense)	7,756,000	6,000,000
50% of Net Non-NFL Event Revenue (Expense)	\$ 3,878,000	\$ 3,000,000
Performance Rent Credit from Ground Rent (50% of Ground Rent)	(247,500)	(500,000)
<b>Subtotal</b>	<b>\$ 3,630,500</b>	<b>\$ 2,500,000</b>
Public Safety Credits	TBD	TBD
Other Credits	N/A	N/A
Reserve for Litigation Contingency - Public Safety Costs <sup>(1)</sup>	(3,630,500)	(2,500,000)
<b>Net Performance Rent paid to the City of Santa Clara</b>	<b>\$ 0</b>	<b>\$ 0</b>

<sup>(1)</sup> Per Ground Lease and Stadium Lease, Public Safety Costs exceeding threshold are treated as credits toward performance rent, which is part of an unsettled claim. Stadium Authority projects that \$6.1 million will be set aside in reserves for Public Safety Costs (\$3.6 million for FY 2023/24 and \$2.5 million for FY 2024/25). Stadium Authority will true-up the FY2023/24 reserve amount at year-end and request for a budget amendment, if needed.

**Rent**: The facility rent was originally set at \$24.5 million for StadCo to lease the Stadium for their half of the year. As a result of the rent reset arbitration award in favor of Stadium Authority, the facility rent was reset to \$24.8 million retro-active to the first lease year. The rent adjustment process is outlined in the Amended and Restated Stadium Lease. (Source: Amended and Restated Stadium Lease)

# STADIUM AUTHORITY OPERATING BUDGET GLOSSARY (CONT.)

*Agreement)*

**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 is \$0.35 per NFL game ticket up to a maximum of \$250,000 per lease year. (*Source: Amended and Restated Stadium Lease Agreement*)

**Shared Stadium Manager Expenses:** ManCo oversees the day-to-day operations of Levi's® Stadium year-round. Since StadCo leases the Stadium from Stadium Authority for half of each fiscal year, expenses incurred by the Stadium Manager are shared between StadCo and Stadium Authority. Most Shared Stadium Manager Expenses are split 50/50 between StadCo and Stadium Authority; grounds-keeping is the exception with a 70/30 split, with StadCo responsible for the larger share. In addition, ManCo procures insurance for Levi's® Stadium that is shared between StadCo and Stadium Authority (see Insurance on Page 26). (*Source: Stadium Management Agreement & The Amended and Restated Stadium Lease Agreement*)

The Stadium Authority is in ongoing litigation with ManCo with regard to the NFL-SBL Buffet costs. The FY 2023/24 projection and FY 2024/25 proposed budget assume the continuation of withholding payments for the disputed NFL-SBL Buffet costs. The funding requested for NFL-SBL Buffet costs by ManCo will be allocated in a Legal Contingency until pending dispute resolution.

**Sponsorship Revenue (STR):** STR Marketplace, LLC (STR) established a secondary market website to facilitate the transfer and resale of SBLs. In exchange for the use of the Levi's® Stadium trademarks and links on the website (hence the title Sponsorship Revenue), STR pays Stadium Authority a minimum annual fee of \$325,000 based on the commissions that are collected by STR. In addition to the minimum annual fee, Stadium Authority also receives 50% of any commissions in excess of \$650,000. The agreement with STR expires on May 31, 2027. (*Source: SBL Website Marketing Agreement & Subsequent Amendments*)

**Stadium Authority General & Administrative:** As an independent public entity, Stadium Authority incurs its own expenses in relation to Board governance, fiduciary responsibilities, oversight, and operations of Levi's® Stadium. These include but are not limited to Stadium Authority staff time and various outside contractors and consultants who are hired to support staff with administering the necessary requirements for owning and operating Levi's® Stadium and the day-to-day operations of the Stadium Authority. Also included are various administrative type costs such as bank fees, phone charges, IT equipment maintenance, etc.

**Stadium Builder License (SBL) Proceeds:** SBL holders who are on a payment plan make annual payments. Additionally, some SBL holders make payments above and beyond their annual scheduled payment plan. There are also sales of new SBLs and/or SBLs that were defaulted and resold. SBL cash collections from all these sources make up SBL proceeds.

**Stadium Builder License (SBL) Sales and Service:** ManCo provides sales and service to SBL holders on behalf of Stadium Authority. This includes all SBL collection efforts and customer service support. (*Source: Agreement for Stadium Builder License Sales & Fourth Amendment to the Stadium Management Agreement*)

# STADIUM AUTHORITY OPERATING BUDGET GLOSSARY (CONT.)

**Stadium Management Fee:** ManCo 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. This annual base management fee is split 50/50 between StadCo and Stadium Authority since ManCo manages the Stadium year-round for both entities. In addition to the base management fee, ManCo 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 table below shows the first 11 years of the base management fee and the stadium marketing and booking fee benchmark. It also shows the first nine (9) years of net income from Non-NFL events and a projection of the tenth year as well as the applicable marketing and booking fee. (*Source: The Stadium Management Agreement*)

Fiscal Year	Lease Year	Annual Base Stadium Management Fee (SCSA Share)	Stadium Marketing and Booking Fee Benchmark	Actual/Projected 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 <sup>(1)</sup>	10	\$ 260,955	\$ 6,523,866	\$ 7,756,000	\$ 2,388,105	\$ 123,213	\$ 4,776,209	\$ -	\$ 384,168
2024/25	11	\$ 268,783	\$ 6,719,582				To be determined		

<sup>(1)</sup> Net income from Non-NFL events for FY2023/24 is projected.

**Transfers Out:** Transfers from the Stadium Authority Operating Fund to fund Debt Service and Capital Expenditure Projects.

**Utilities:** StadCo leases the Stadium from Stadium Authority for six months of each fiscal year from August through January. StadCo is therefore responsible for the day-to-day utilities during that period. Stadium Authority pays for the day-to-day utilities from February through July. Utilities associated with large ticketed Non-NFL events are charged as an expense to the event which is included in the Non-NFL events expense.

**Use of StadCo Tenant Improvements:** StadCo charges Stadium Authority for use of various StadCo tenant improvements (such as the use of the scoreboard) during Non-NFL events. (*Source: Amended and Restated Lease Agreement*)

## SHARED STADIUM MANAGER EXPENSES

The Stadium Management Agreement is between the Stadium Authority, StadCo and ManCo and was entered into as of March 28, 2012. This agreement was developed to provide the Stadium Authority with the expertise of an outside manager to oversee the day-to-day operations of Levi's® Stadium. Additionally, the Amended and Restated Stadium Lease Agreement between the Stadium Authority and StadCo was made and entered into as of June 19, 2013.

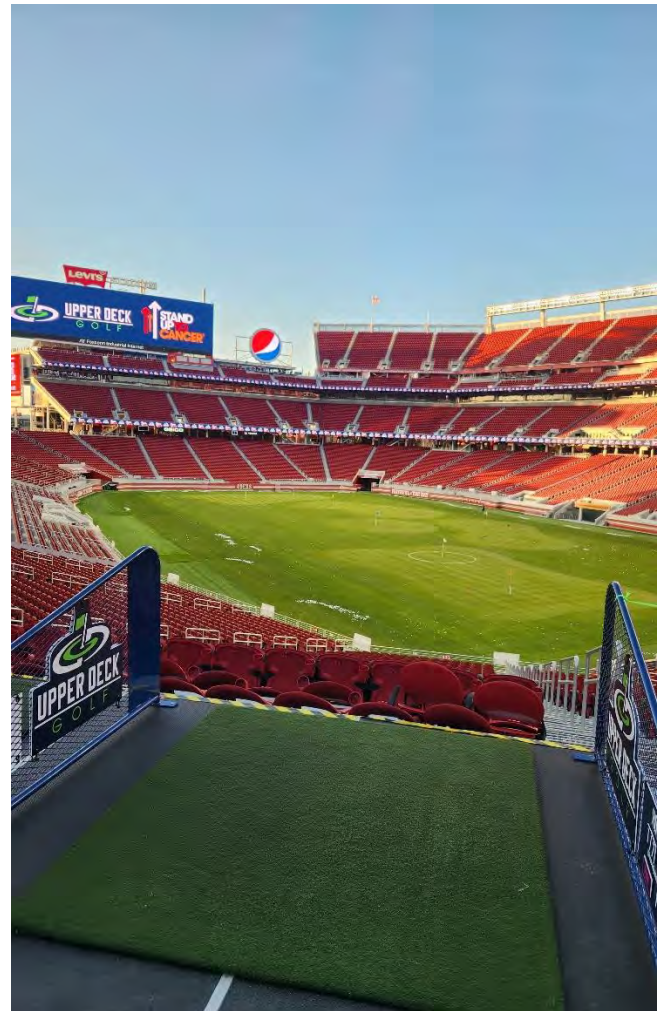
This agreement amended the original stadium lease to set the initial rent, to allow StadCo to enter into agreements with alternative energy providers, to cap Stadium Authority's share of the insurance costs at a fixed amount each year, and to require Stadium Authority to fund various reserves.

Per the terms of the Stadium Lease Agreement, StadCo leases the Stadium from the Stadium Authority for half of each fiscal year and is responsible for the Stadium Manager's operating expenses during that period. The Stadium Manager's operating expenses for the other half of the year are the responsibility of the Stadium Authority. Section 8.3.1 describes the proportionate share of Stadium Manager expenses that are owed by the Stadium Authority and StadCo. Namely that most Stadium Manager's operating expenses are split 50/50 with grounds-keeping being the exception with a 70/30 split, StadCo being responsible for the larger share.

ManCo procures insurance for Levi's® Stadium for the entire year and the cost is shared between Stadium Authority and StadCo.

Section 4.7 of the Management Agreement notes that ManCo will provide an Annual Shared Stadium Expense Budget to be adopted annually by Stadium Authority and StadCo.

Once the budget has been adopted, ManCo invoices Stadium Authority monthly for its budgeted portion of shared expenses which include Stadium Manager's operating expenses. As part of the year-end work, the budgeted amounts that were paid are to be trued up with actual expenditures.



# SHARED STADIUM MANAGER EXPENSES (CONT.)

## Stadium Manager

### 2024/25 Total Shared Stadium Expenses

Between the Santa Clara Stadium Authority and Forty Niners SC Stadium Company (StadCo)

	Stadium					Total
	Security	Operations	Engineering	Guest Services	Groundskeeping	
Total Compensation	\$ 897,156	\$ 5,705,144	\$ 3,758,700	\$ 714,140	\$ 267,063	\$ 11,342,203
Travel, Meals & Entertainment	44,200	313,680	54,750	156,000	9,457	578,087
Outside Services	1,936,000	27,300	3,868,622	5,010	606,000	6,442,932
General Supplies	50,400	25,692	750	140,274	159,000	376,116
Telephone	33,600	389,968	17,640	5,760	1,440	448,408
Equipment	195,480	241,798	148,542	104,540	9,000	699,360
Uniforms	28,000	-	17,612	74,750	3,000	123,362
Other	18,500	64,312	3,800	40,650	-	127,262
<b>Subtotal</b>	<b>\$ 3,203,336</b>	<b>\$ 6,767,894</b>	<b>\$ 7,870,416</b>	<b>\$ 1,241,124</b>	<b>\$ 1,054,960</b>	<b>\$ 20,137,730</b>

### Santa Clara Stadium Authority Proportionate Share of Stadium Expenses <sup>(1)</sup>

	Stadium					Total
	Security	Operations	Engineering	Guest Services	Groundskeeping	
Total Compensation <sup>(2)</sup>	\$ 448,578	\$ 2,852,572	\$ 1,879,350	\$ 357,070	\$ 80,119	\$ 5,617,689
Travel, Meals & Entertainment	22,100	156,840	27,375	78,000	2,837	287,152
Outside Services	968,000	13,650	1,934,311	2,505	181,800	3,100,266
General Supplies	25,200	12,846	375	70,137	47,700	156,258
Telephone	16,800	194,984	8,820	2,880	432	223,916
Equipment	97,740	120,899	74,271	52,270	2,700	347,880
Uniforms	14,000	-	8,806	37,375	900	61,081
Other	9,250	32,156	1,900	20,325	-	63,631
<b>Subtotal</b>	<b>\$ 1,601,668</b>	<b>\$ 3,383,947</b>	<b>\$ 3,935,208</b>	<b>\$ 620,562</b>	<b>\$ 316,488</b>	<b>\$ 9,857,873</b>
Insurance <sup>(3)</sup>						3,427,000
Management Fee <sup>(4)</sup>						269,000
<b>Total</b>						<b>\$ 13,553,873</b>

<sup>(1)</sup> The Santa Clara Stadium Authority proportionate share of stadium expenses is rounded to the nearest \$1,000 in the operating budget.

<sup>(2)</sup> Total compensation is based on a total of 55 full time equivalent positions.

<sup>(3)</sup> The stadium lease sets Stadium Authority's share of insurance expense at \$2,550,000 for the first lease year with each succeeding lease year's expense increasing 3%.

<sup>(4)</sup> The stadium management agreement sets the base management fee at \$400,000 for the first lease year with each succeeding lease year's management fee increasing 3%. This base management fee is split 50/50 between Stadium Authority and StadCo.

# SHARED STADIUM MANAGER EXPENSES GLOSSARY

**Total Compensation:** This cost includes full-time staff (55 employees), part-time staff, and benefits. Stadium Authority pays for 50% of these costs except for Groundskeeping which is set at 30%.

- **Full-time wages** are costs for all management company full-time employees.
- **Part-time wages** are costs for all management company part-time employees. Wages include annual training for all Guest Services Representatives.
- **Benefits** are costs of employees' health insurance, pension, vacation time, and all employer taxes.

**Travel, Meals & Entertainment:** These are costs for employee travel (airfare, ground, lodging, and meals) to stadium management conferences. In addition, this category includes costs for staff meals for general food and beverage, vendor engagement, and the year-end guest service employee appreciation banquet.

**Outside Services:** Costs for outside service providers, which include the following:

- **Janitorial and Medical** costs related to the janitorial, cleaning, landscaping, and trash services of the interior and exterior of the Stadium and medical services for the Stadium during regular business hours.
- **Stadium Security** costs for staffing 24/7 security guards in and around the Stadium and explosive detection canines.
- **Engineering & Maintenance** for mandatory safety and general maintenance costs associated with fire sprinklers, fire alarms, elevators, and backflows. Also includes outside sub-contracted calls for services for windows, signage and roof repair, HVAC & electrical, carpet, concrete or other miscellaneous repairs.

**General Supplies:** Supplies for stadium operations, janitorial, engineering, and Guest Services (For example: janitorial supplies, general printing costs for stadium signage, deployment sheet, notes, handbooks etc.).

**Telephone:** These are costs for landlines and internet/data service for the Stadium, net of the costs for the Team's business offices, and cell service for Stadium Manager's Stadium Operations and Security Department personnel.

**Equipment:** Costs associated with stadium operations and security software, including incident tracking, mobile safety application, stadium staff scheduling/event calendar software, video surveillance licensing software, X-ray machine rental for deliveries, and monthly cost for off-site equipment storage.

## STADIUM MANAGER SHARED EXPENSES GLOSSARY (CONT.)

**Uniforms:** Guest Services Department's replacement and replenishment of uniforms.

**Other Costs:** Costs associated with Stadium Operations (For example: specialized training, command post, CPR first aid, background checks, recruiting, marketing/advertising, and employee retention program).

**Tenant Improvements:** Interior improvements within Tenant's exclusive facilities and any other improvements within the Stadium that are to be owned by, and constructed at the cost of, Tenant or any Tenant transferee as may be agreed by the Parties (Stadium Authority and StadCo). (Source: Stadium Lease Agreement).

### Stadium Manager

#### Santa Clara Stadium Authority Proportionate Share of Stadium Expenses - Five Year Forecast

	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>2029/30</u>
Total Compensation	\$ 5,786,221	\$ 5,959,807	\$ 6,138,602	\$ 6,322,760	\$ 6,512,442
Travel, Meals & Entertainment	295,766	304,639	313,778	323,191	332,887
Outside Services	3,193,273	3,289,072	3,387,744	3,489,376	3,594,057
General Supplies	160,945	165,774	170,747	175,869	181,145
Telephone	230,633	237,552	244,679	252,019	259,580
Equipment	358,317	369,066	380,138	391,542	403,289
Uniforms	62,913	64,801	66,745	68,747	70,810
Other	65,540	67,506	69,531	71,617	73,766
<b>Total</b>	<b>\$ 10,153,608</b>	<b>\$ 10,458,217</b>	<b>\$ 10,771,964</b>	<b>\$ 11,095,121</b>	<b>\$ 11,427,976</b>
Insurance <sup>(1)</sup>	3,530,000	3,636,000	3,745,000	3,857,000	3,973,000
Management Fee <sup>(2)</sup>	277,000	285,000	294,000	303,000	312,000
<b>Total</b>	<b>\$ 13,960,608</b>	<b>\$ 14,379,217</b>	<b>\$ 14,810,964</b>	<b>\$ 15,255,121</b>	<b>\$ 15,712,976</b>

<sup>(1)</sup> The stadium lease sets SCSA's share of insurance expense at \$2,550,000 for the first lease year with each succeeding lease year's expense increasing 3%.

<sup>(2)</sup> The stadium management agreement sets the base management fee at \$400,000 for the first lease year with each succeeding lease year's management fee increasing 3%. This base management fee is split 50/50 between SCSA and StadCo.

# STADIUM DEBT SERVICE BUDGET

## Santa Clara Stadium Authority Debt Service Budget Summary

	<u>2022/23</u> Year-end <sup>(2)</sup> <u>Actuals</u>	<u>2023/24</u> Amended <sup>(1)</sup> <u>Budget</u>	<u>2023/24</u> Projected <u>Actuals</u>	<u>2024/25</u> Proposed <u>Budget</u>
<b>Beginning Fund Balance</b>				
Required Debt Service Reserve	\$ 11,536,235	\$ 11,536,235	\$ 11,536,235	\$ 11,536,235
Debt Service Reserve	16,026,323	15,663,801	15,663,801	7,996,801
<b>Total Beginning Fund Balance</b>	<b>\$ 27,562,558</b>	<b>\$ 27,200,036</b>	<b>\$ 27,200,036</b>	<b>\$ 19,533,036</b>
<b>Revenues</b>				
Contribution from CFD	\$ 2,126,816	\$ 2,696,000	\$ 3,207,000	\$ 2,782,000
<b>Total Revenues</b>	<b>\$ 2,126,816</b>	<b>\$ 2,696,000</b>	<b>\$ 3,207,000</b>	<b>\$ 2,782,000</b>
<b>Transfers In</b>				
Transfers In from Operating	\$ 46,099,942	\$ 25,457,000	\$ 17,298,000	\$ 17,471,000
<b>Total Transfers In</b>	<b>\$ 46,099,942</b>	<b>\$ 25,457,000</b>	<b>\$ 17,298,000</b>	<b>\$ 17,471,000</b>
<b>Total Source of Funds</b>	<b>\$ 75,789,316</b>	<b>\$ 55,353,036</b>	<b>\$ 47,705,036</b>	<b>\$ 39,786,036</b>
<b>Expenses</b>				
CFD Advance	\$ 2,248,478	\$ 2,379,000	\$ 2,715,000	\$ 2,754,000
Term A Loan	25,493,763	25,457,000	25,457,000	16,933,000
StadCo Subordinated Loan	20,847,039	-	-	-
<b>Total Expenses</b>	<b>\$ 48,589,280</b>	<b>\$ 27,836,000</b>	<b>\$ 28,172,000</b>	<b>\$ 19,687,000</b>
<b>Ending Fund Balance</b>				
Required Debt Service Reserve	\$ 11,536,235	\$ 11,536,235	\$ 11,536,235	\$ 11,536,235
Debt Service Reserve	15,663,801	15,980,801	7,996,801	8,562,801
<b>Total Ending Fund Balance</b>	<b>\$ 27,200,036</b>	<b>\$ 27,517,036</b>	<b>\$ 19,533,036</b>	<b>\$ 20,099,036</b>
<b>Total Use of Funds</b>	<b>\$ 75,789,316</b>	<b>\$ 55,353,036</b>	<b>\$ 47,705,036</b>	<b>\$ 39,786,036</b>

<sup>(1)</sup> Amended Budget as of February 6, 2024.

<sup>(2)</sup> Beginning Fund Balance was adjusted to reflect actual results, which included accruals.

## STADIUM DEBT SERVICE BUDGET (CONT.)

**Debt Service Payment:** The FY 2024/25 Debt Service Budget of \$19.7 million is based on the required and additional principal and interest debt service payments. It excludes payment to the StadCo Subordinated Loan because this was paid off by the Stadium Authority with excess cash in FY 2022/23. A glossary is included at the end of this section that describes the type of debt and the applicable source documents for each loan. Of the \$19.7 million budget, \$2.8 million represents anticipated contributions from the Community Facilities District (CFD). The total Debt Service Reserves are projected at \$20.1 million.

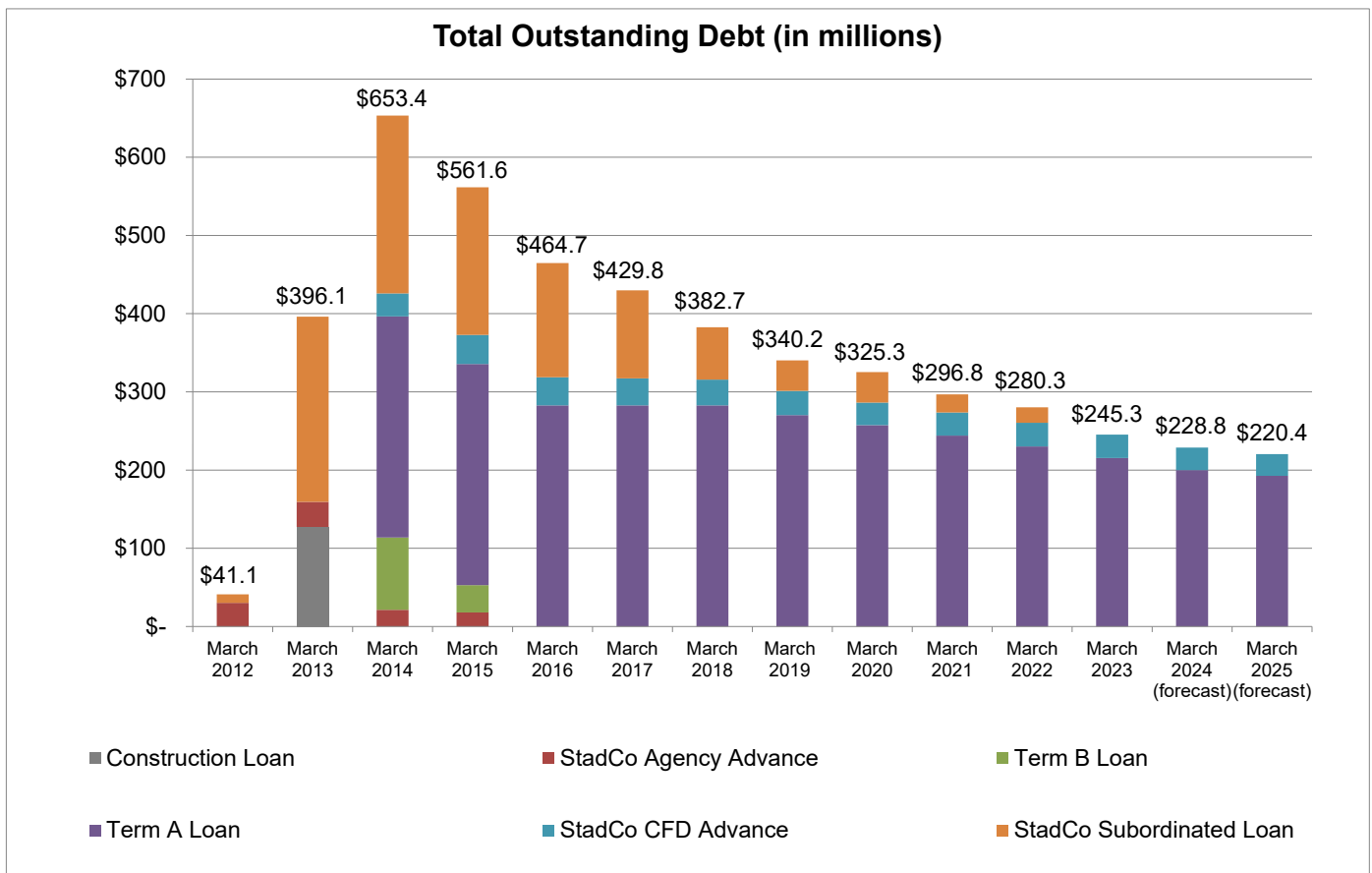
The schedule on page 35 provides a breakdown of the principal and interest payments budgeted in FY 2024/25 for each loan as well as the beginning and ending balances. The total outstanding debt is projected to decrease by \$8.4 million in FY 2024/25 from \$228.8 million to \$220.4 million.

# STADIUM DEBT SERVICE BUDGET (CONT.)

## Santa Clara Stadium Authority Debt Service Payment Schedule

Debt Obligations	Interest rates	2024/25 Interest	2024/25 Beginning Balance	2024/25 Principal Payments	2024/25 Ending Balance
Stadium Funding Trust Term A Loan	5.00%	\$ 9,633,000	\$ 199,956,240	\$ (7,299,896)	\$ 192,656,344
StadCo CFD Advance <sup>(1)</sup>	5.73%	1,626,000	28,836,825	(1,128,092)	27,708,733
<b>Total</b>		<b>\$ 11,259,000</b>	<b>\$ 228,793,065</b>	<b>\$ (8,427,988)</b>	<b>\$ 220,365,077</b>

<sup>(1)</sup>Community Facilities District (CFD) principal payment is an estimate based on anticipated contributions from the CFD. Any increase in principal for the year is due to adding unpaid interest to the principal.



# STADIUM DEBT SERVICE BUDGET GLOSSARY

**Contribution from the Community Facilities District (CFD):** The CFD was established for the purpose of financing and constructing publicly owned facilities. To support that, the CFD levies and collects a special hotel tax of 2% on hotel rooms within the CFD. During the construction of Levi’s® Stadium, Stadium Authority spent \$35.0 million on CFD infrastructure. All collections from the special CFD hotel taxes are contributed to Stadium Authority to pay down the CFD Advance which was used to fund the construction of the CFD publicly owned facilities. (Source: The Reimbursement Agreement Relating to the CFD)

**CFD Advance:** StadCo agreed to loan Stadium Authority a not to exceed amount of \$35.0 million for CFD infrastructure and with a maximum principal amount of \$38.0 million including capitalized interest. This loan bears interest at a fixed rate of 5.73% and the loan is payable solely from amounts received by Stadium Authority from the CFD. (Source: The Authority Promissory Note in Respect of StadCo CFD Advance)

**Debt Service Reserve:** The required Term A Loan principal payments are due on April 1<sup>st</sup> each year. However, the cash transfer from the Operating Fund is made in the prior Fiscal Year, this transfer is the main component of the Debt Service Reserve. The other component is the accrued interest on the CFD Advance and the Term A Loan that is recorded at the end of each Fiscal Year.

**Term A Loan:** The Stadium Funding Trust (FinanceCo) agreed to loan Stadium Authority \$282.8 million to fund construction of Levi’s® Stadium. This loan bears interest at a fixed rate of 5% payable semi-annually, with annual principal payments due beginning in April 2018. It has a maturity date in 2039 and is subject to certain prepayment premiums. The principal payment schedule is noted below. (Source: The Restated Credit Agreement)

Term A Loan Amortization (Required Principal Payment Schedule)						
Date	Annual Principal Payment		Date	Annual Principal Payment		
April 1, 2018	\$ 12,110,000		April 1, 2026	\$ 8,404,934	April 1, 2033	\$ 13,306,164
April 1, 2019	\$ 12,718,000		April 1, 2027	\$ 9,001,865	April 1, 2034	\$ 14,160,901
April 1, 2020	\$ 13,354,000		April 1, 2028	\$ 9,630,410	April 1, 2035	\$ 15,060,270
April 1, 2021	\$ 14,022,000		April 1, 2029	\$ 10,292,166	April 1, 2036	\$ 16,006,521
April 1, 2022	\$ 14,723,000		April 1, 2030	\$ 10,988,812	April 1, 2037	\$ 17,002,017
April 1, 2023	\$ 15,459,000		April 1, 2031	\$ 11,722,111	April 1, 2038	\$ 18,049,239
April 1, 2024	\$ 7,299,896		April 1, 2032	\$ 12,493,914	April 1, 2039	\$ 19,150,793
April 1, 2025	\$ 7,838,094					

**StadCo Subordinated Loan:** StadCo agreed to loan Stadium Authority an amount not to exceed \$500 million to fund construction of Levi’s® Stadium. The actual amount loaned to the Stadium Authority was \$236.9 million. This loan bears a fixed interest rate of 5.5% with annual principal payments due beginning in March 2016 and it may be prepaid at any time without penalties. The Stadium Authority had fully paid off this loan in FY 2022/23. (Source: The Restated StadCo Obligations Agreement)

## STADIUM DEBT SERVICE BUDGET GLOSSARY (CONT.)

**Required Debt Service Reserve**: Stadium Authority agreed to deposit \$11,536,235.33 (the Debt Service Reserve Required Amount) into a Debt Service Reserve Account. This amount will remain in the reserve account until the Term A Loan has been fully repaid. (*Source: Restated Credit Agreement & Restated Deposit and Disbursement Agreement*)

# STADIUM AUTHORITY CAPITAL EXPENSE BUDGET

The Capital Expense (CapEx) Budget is used to fund the purchase or upgrade of fixed assets for the Stadium. While the funding for appropriations occur on an annual basis, the Capital Expense Plan extends for a five-year period (shown on Page 49 of this report). Changes to existing projects, as well as the addition of new projects, may occur during the five-year planning period as new needs are identified. The appropriations for capital projects do not lapse at year-end but carryover into future years until the project is complete.

The FY 2024/25 CapEx Budget totals \$22.0 million. Of this total, \$13.6 million of prior year appropriations are projected to be carried over from FY 2023/24 (\$1.5 million of the projected carryover amount is for warranty-related construction, and the other \$12.1 million is for prior year CapEx projects). New capital improvement appropriations equal \$8.4 million.

A detailed listing of proposed FY 2024/25 projects is provided starting on Page 41 of this report. Stadium Authority is submitting it as transmitted by the Stadium Manager.



# STADIUM AUTHORITY CAPITAL EXPENSE BUDGET (CONT.)

## Santa Clara Stadium Authority Capital Expense Budget Summary

	2022/23	2023/24	2023/24	2024/25	2024/25	2024/25
	Year-end <sup>(2)</sup>	Amended <sup>(1)</sup>	Projected	Projected	Proposed	2024/25
	Actuals	Budget	Actuals	Carryover	Budget	Total Proposed Budget
<b>Beginning Fund Balance</b>						
Capital Expenditure Reserve	\$ 21,474,420	\$ 21,449,608	\$ 21,449,608	\$ 18,256,608		\$ 18,256,608
Stadium Warranty Construction Reserve	1,528,202	1,528,202	1,528,202	1,528,202		1,528,202
<b>Total Beginning Fund Balance</b>	<b>\$ 23,002,622</b>	<b>\$ 22,977,810</b>	<b>\$ 22,977,810</b>	<b>\$ 19,784,810</b>		<b>\$ 19,784,810</b>
<b>Revenue</b>						
Interest	\$ 83,713	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Revenue</b>	<b>\$ 83,713</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Transfers In</b>						
Transfers In from Operating	\$ 3,800,310	\$ 3,915,000	\$ 3,915,000	\$ -	\$ 4,032,000	\$ 4,032,000
Transfers In from Operating - Levi's Naming Rights	-	-	-	-	1,575,000	1,575,000
<b>Total Transfers In</b>	<b>\$ 3,800,310</b>	<b>\$ 3,915,000</b>	<b>\$ 3,915,000</b>	<b>\$ -</b>	<b>\$ 5,607,000</b>	<b>\$ 5,607,000</b>
<b>Total Source of Funds</b>	<b>\$ 26,886,645</b>	<b>\$ 26,892,810</b>	<b>\$ 26,892,810</b>	<b>\$ 19,784,810</b>	<b>\$ 5,607,000</b>	<b>\$ 25,391,810</b>
<b>Expenses</b>						
Construction	\$ 3,001,545	\$ 11,186,220	\$ 5,907,000	\$ 6,340,000	\$ 7,218,000	\$ 13,558,000
Equipment	903,030	7,372,196	1,201,000	5,124,000	784,000	5,908,000
Contingency	4,260	903,052	-	573,000	400,000	973,000
Stadium Warranty Related Construction	-	1,528,202	-	1,528,000	-	1,528,000
<b>Total Expenses</b>	<b>\$ 3,908,835</b>	<b>\$ 20,989,670</b>	<b>\$ 7,108,000</b>	<b>\$ 13,565,000</b>	<b>\$ 8,402,000</b>	<b>\$ 21,967,000</b>
<b>Ending Fund Balance</b>						
Capital Expenditure Reserve	\$ 21,449,608	\$ 5,903,140	\$ 18,256,608	\$ 6,219,608	\$ (2,795,000)	\$ 3,424,608
Stadium Warranty Construction Reserve	1,528,202	-	1,528,202	202	-	202
<b>Total Ending Fund Balance</b>	<b>\$ 22,977,810</b>	<b>\$ 5,903,140</b>	<b>\$ 19,784,810</b>	<b>\$ 6,219,810</b>	<b>\$ (2,795,000)</b>	<b>\$ 3,424,810</b>
<b>Total Use of Funds</b>	<b>\$ 26,886,645</b>	<b>\$ 26,892,810</b>	<b>\$ 26,892,810</b>	<b>\$ 19,784,810</b>	<b>\$ 5,607,000</b>	<b>\$ 25,391,810</b>

<sup>(1)</sup> Amended Budget as of February 6, 2024.

<sup>(2)</sup> Beginning Fund Balance was adjusted to reflect actual results, which included accruals.

**Santa Clara Stadium Authority**  
**2024/25 CapEx Budget**

Item Type	SCSA Requested	Description	Cost	Contingency (5%)	Total Cost
Electrical		<b>Distribution - High Voltage Assessment and Replacement - Automatic Transfer Switches (ATS) &amp; Electrical Grids</b>  The project will test, inspect and assess the seven (7) stadium Automatic Transfer Switches ("ATS") and supporting electrical switchgear for the three (3) emergency grids. Assessment will inspect equipment and replace faulty equipment. The assessment will provide a report and recommendation for necessary replacement and modifications necessary to maintain full and safe electrical operation at the stadium. The project includes an allowance for any necessary replacements and / or enhancements identified during the assessment. Replacements and / or modifications are dependent upon the results of the assessment. Additionally, the project will establish a baseline for this electrical equipment and may determine the need and frequency of future test and inspection of electrical equipment.	\$ 400,000	\$ 20,000	\$ 420,000
Electrical		<b>Lighting Systems - Fixture Replacement of Major Outdoor Lighting / LED Retrofit / Sports Lighting</b>  This project replaces the current metal halide stadium field / sport lights ("field lights") with an outdoor LED retrofit. LED field lights will dramatically reduce the carbon footprint, lower the number of mercury containing fixtures and cut energy consumption caused by the field lights by up to as much as 40%, which is one of the largest energy consuming systems in the stadium. LED field lights provide an energy efficient solution to upgrade the a product that may soon be phased out. LED lights tend to last much longer and require less maintenance than metal halide lights. The design phase for this project was initiated in FY 2023/24.	4,500,000	225,000	4,725,000
Electrical		<b>LED Retrofit Project - Phase 1</b>  This project will replace existing fixtures that are no longer manufactured and/or inefficient lighting fixtures. Facility staff is unable to procure existing fixture parts and lamps due to new California Title 24 requirements. This project will start phasing out the existing / outdated fixtures with new energy efficient Title 24 compliance fixtures.	125,000	6,250	131,250
General Building		<b>Expansion / Waterproofing / Caulk Joint Replacements - Phase 2</b>  This is the second phase of the traffic deck recoating with the seating bowl and concourse areas, which are currently showing signs of wear. Phase 1 completed the lower seating bowl and main concourse. The deck coating serves as a secondary waterproofing system for the occupied spaces below these areas and also protects and extends the life of the concrete. Periodic replacement and recoating of this system is necessary to maintain current waterproofing system and maintain the expected life of the structure.	1,262,500	63,125	1,325,625
General Building		<b>Painting (Structural Steel, Concrete Walls, etc.) White steel - Phase 1</b>  This project begins to repaint the exterior structural steel of the building structure. The structural steel paint is exposed to sun, rain and other outdoor elements. This project will start the multi-year process of repainting the structural steel.	250,000	12,500	262,500
General Building		<b>Trash Compactor Replacement</b>  This project will replace two (2) waste compactors at the stadium loading dock. The units has reached end of life and are in need of replacement. This equipment is critical to the operation of the stadium. The project will furnish, deliver and install the new equipment.	330,000	16,500	346,500
General Building		<b>Broadcast Booth Window System Replacement</b>  The retractable window system in the 400 Level broadcast booth opens for all events. The window system casters and rails system has reached end of life due to frequent use, weather and environmental exposure. This project will replace the wall system to provide reliability of the system and successful operations during events.	150,000	7,500	157,500
General Building		<b>Stormwater System Assessment and Replacements</b>  The project will provide an assessment and servicing of the Levi's Stadium stormwater system. The contractor will inspect, service and replace equipment as necessary. This equipment is necessary for local and state environmental regulations.	200,000	10,000	210,000
<b>Subtotal New CapEx Construction Costs</b>			<b>\$ 7,217,500</b>	<b>\$ 360,875</b>	<b>\$ 7,578,375</b>

## Santa Clara Stadium Authority 2024/25 CapEx Budget (Cont.)

Item Type	SCSA Requested	Description	Cost	Contingency (5%)	Total Cost
Public Safety - IT		<b>Replacement of end of life End User equipment</b>	\$ 26,500	\$ 1,325	\$ 27,825
	x	This project replaces eleven desktops that are end of life and also budgets for the replacements of eighteen monitors that are at the end of life and no longer under warranty, in case of failure. Costs include equipment, taxes, shipping, and deployment costs.			
Public Safety - Fire		<b>Blackline Combustible Gas Indicators</b>	5,000	250	5,250
	x	This project replaces the current Joint Hazard Assessment Team (JHAT) MultiRae Combustible Gas Indicator (CGI) that is no longer being supported by the department. This replacement enables a common operating picture with other resources in the City.			
Public Safety - Fire		<b>D7 Tactical Decon Spray</b>	700	35	735
	x	This project is to purchase a pack of six decontamination spray kits to be carried by the Joint Hazard Assessment Team (JHAT) and used in HazMat response.			
Public Safety - Fire		<b>RAID 8 Multi Agent Detection Kit</b>	2,000	100	2,100
	x	This allocation funds the addition of a test kit for biological threats to be carried by the Joint Hazard Assessment Team (JHAT) and used in HazMat response.			
Public Safety - Fire		<b>Fire Station 9 Storage Cabinets</b>	3,000	150	3,150
	x	This allocation funds the purchase of heavy duty storage cabinets to house specialized Joint Hazard Assessment Team (JHAT) equipment at Fire Station 9. JHAT equipment is stored and maintained at the Fire Station between stadium events.			
Public Safety - Police		<b>Kawasaki Mules</b>	53,000	2,650	55,650
	x	This projects replaces two Kawasaki Mules (utility vehicles) purchased in 2015 that are at the end of the 10-year useful life.			
IT		<b>Command Post Video Wall Upgrade</b>	150,000	7,500	157,500
		The video wall equipment in the command post is at its end of life and cannot be upgraded or enhanced. Core system has already been installed and in use in 24/7 control room. This upgrade will come with increased functionality of the stadium event command center for use by public safety entities during major events.			
Security		<b>Secure Video File Sharing Software Integration</b>	44,000	2,200	46,200
		This project will allow secure video file sharing integrated into the Stadiums Video Management System (Genetec). This software provides a secure way to store, save, audit, and track the sharing of video footage captured by the stadium during all events. The software will allow the sharing of video footage captured by Body worn cameras.			
Security		<b>Stadium Camera Coverage Upgrade</b>	500,000	25,000	525,000
		This project will replace old cameras installed in 2014 with updated cameras to match the infrastructure with the rest of the stadium. All originally installed cameras at are end of life, and many areas currently do not have coverage.			
<b>Subtotal New CapEx Equipment Costs</b>			<b>\$ 784,200</b>	<b>\$ 39,210</b>	<b>\$ 823,410</b>
<b>Total New CapEx Project Costs</b>			<b>\$ 8,001,700</b>	<b>\$ 400,085</b>	<b>\$ 8,401,785</b>

## Santa Clara Stadium Authority 2024/25 CapEx Budget Carryover

Item Type	SCSA Requested	Description	Cost	Remaining Contingency	Total Cost
Electrical		<b>Lighting System - Controls System</b>  The current stadium lighting control system server must be replaced. The current server has reached its end of useful life and is not compatible with future software upgrades. Upgrading the lighting control system server ensures the lighting control system remains supported and operational. Project originally approved in FY 2023/24. Technical specifications bid documents are developed, but work will carryover into FY 2024/25.	\$ 75,000	\$ 3,750	\$ 78,750
Electrical		<b>Lighting System - Field / Sport Lighting LED Retrofit</b>  This project replaces the current metal halide stadium field / sport lights ("field lights") with an outdoor LED retrofit. LED field lights will dramatically reduce the carbon footprint, lower the number of mercury containing fixtures and cut energy consumption caused by the field lights by up to as much as 40%, which is one of the largest energy consuming systems in the stadium. LED field lights provide an energy efficient solution to upgrade the product that may soon be phased out. LED lights tend to last much longer and require less maintenance than metal halide lights. This is the design and permitting phase for this project. Project originally approved in FY 2023/24. Technical specifications bid documents are developed, but work will carryover into FY 2024/25.	100,000	5,000	105,000
General Building		<b>Aesthetic Improvements - Premium Areas / Special Event Spaces (2022/23 Carryover)</b>  This project will renovate and refresh the premium club spaces in the stadium by replacing carpet and paint in the BNY Clubs, Fii Club, United Club, Yahoo Club and special event spaces. These club spaces are used for numerous events throughout the year. The high traffic experienced in these spaces have worn on finishes and caused the carpet to near the end of life. This project will enhance these premium spaces and ensure Levi's Stadium remains an attractive destination for any and all events.	1,190,000	59,500	1,249,500
General Building		<b>Automatic Logic Control Building Engineering System (2019/20 Carryover)</b>  This project installs an automatic logic controller system upgrade to monitor the building's HVAC in all quadrants simultaneously. This updated system will enable graphic interface and help the system to operate more efficiently with time clock management and assisting in potential lighting control energy savings. Increased budget amount due to anticipate additional cost.	54,999	2,750	57,749
General Building		<b>Engineering Shop Enhancements</b>  The project invests into the stadium Engineering shop by providing improvements to shop work stations and key shop facilities. It provides necessary resources for stadium Engineering staff to perform maintenance and repair activities. Work station enhancements will improve shop work and storage capabilities. The key shop enhancements provide necessary programming for inventory and key tracking capabilities. This is a FY 2023/24 carryover project.	50,000	2,500	52,500
General Building		<b>Exterior Stairwell Traffic Coating Refurbishment</b>  The project removes and reinstalls traffic coating material on the exterior stadium emergency and exit staircases in areas where the traffic coating is compromised. The traffic coating replacement at the staircase landings will prevent trip and fall hazards, as well as protect the staircase structures from rust and corrosion. This project will extend the life of the staircases. This project was not part of the 5-year Capex project list in previous years, but was determined that this project is necessary due to the unanticipated spalling of the traffic coating materials in specific areas on the staircases. Project originally approved in FY 2023/24. Technical specifications bid documents are developed, but work will carryover into FY 2024/25.	50,000	2,500	52,500
General Building		<b>Field Turf Equipment - Design Phase</b>  This project installs a field turf maintenance system, to included associated mechanical and miscellaneous equipment. The turf system extends the growing season by stimulating earlier growth in spring and continuing growth in late fall/winter. This project may reduce the number of field replacements in the future as result of impacts from Non-NFL Events. This system promotes and maintains a healthier turf. This is the design and permitting phase for this project. Project originally approved in FY 2023/24. Technical specifications bid documents are developed, but were started in FY 2023/24 and will carryover into FY 2024/25.	250,000	12,500	262,500

## Santa Clara Stadium Authority 2024/25 CapEx Budget Carryover (Cont.)

Item Type	SCSA Requested	Description	Cost	Remaining Contingency	Total Cost
General Building		<p><b>Levi's Naming Rights Signage Refurbishment/Replacement (2022/23 Carryover)</b></p> <p>This project was originally intended to refurbish the current four (4) Levi's Naming Rights signs located above the North and South Scoreboards, west side of the suite tower, and on the east side of the grandstands (\$1.2 million). However, under the First Amendment to the Naming Rights Agreement, Stadium Authority agreed to replace the signage so this project was carried forward and increased to \$2.7 million cover the Stadium Authority's portion of the replacement costs.</p>	\$ 2,700,000	\$ 135,000	\$ 2,835,000
General Building		<p><b>Miscellaneous (2016/17 Carryover)</b></p> <p>This project funds general renewal and replacement of flooring, carpeting, millwork, tiles, masonry, granite counters, stainless steel panels and counters, cladding, wall acoustic panels etc. throughout the building as items reach their end of life. The project was originally approved in FY 2016/17 but was not completed.</p>	100,000	5,000	105,000
General Building		<p><b>Miscellaneous (2022/23 Carryover)</b></p> <p>This project funds renewal and replacement of general building items to include, but not limited to, architectural finishes, fixtures, coatings, equipment, etc.</p>	100,000	5,000	105,000
General Building		<p><b>Overhead Doors, Motors, Sensors and Track Replacements (2022/23 Carryover)</b></p> <p>This project will furnish and install a replacement gate and necessary ancillary equipment at the 200 Level of the exterior ramp location at the south end of the stadium. The original overhead roll gate is damaged and is unable to be repaired. The original gate was installed as part of the stadium construction to assist in the flow of pedestrian traffic at the ramp location. Stadium Operations staff have used operational procedures to substitute for the non-functional gate. However, replacing the gate will restore the original operational intent of the gate at the ramp. This project was originally approved in FY 2022/23.</p>	109,000	5,450	114,450
General Building		<p><b>Project and Construction Management Firm</b></p> <p>This budget line item is intended to be used for the four (4) Construction Management / Project Management firms selected to assist in managing various SCSA Capex projects. The fees incurred by these firms will be tracked to the various projects that are being supported and will be reported as part of the final costs for each project. Project originally approved in FY 2023/24, but was not completed.</p>	172,000	8,600	180,600
General Building		<p><b>Women's Locker Room (2019/20 Carryover)</b></p> <p>This project converts a portion of the auxiliary locker room area to accommodate a larger private space for female athletes, performers, officials, and other female event day sporting and entertainment professionals visiting or working events at Levi's Stadium. The project will include the design, permitting and construction of alterations necessary to accommodate these new designated spaces necessary to provide equal accommodations.</p>	263,890	13,195	277,085
Plumbing		<p><b>Plumbing - Boilers (2023/24 Carryover)</b></p> <p>Project addresses general renewal and replacement of necessary plumbing equipment in the stadium to include, but not limited to, replacement of piping, fittings, vents, joints, switches, cleanouts, valves, drains, traps, primers, strainers, pumps, water heaters, interceptors, filters and/or water softener systems. This is a FY 2023/24 carryover project.</p>	700,000	35,000	735,000
Plumbing		<p><b>Plumbing (2020/21 Carryover)</b></p> <p>This project addresses general renewal and replacement of necessary plumbing equipment in the stadium to include, but not limited to, replacement of Pressure Reducing Valves (PRV) and other parts on domestic and recycled water systems.</p>	65,500	3,275	68,775
Plumbing		<p><b>Plumbing Fixtures</b></p> <p>The project includes the purchase of plumbing fixtures needed to replace existing end of life components. Labor for this project will be performed by stadium Engineering staff. Components that will be purchased as part of this project include, but are not limited to, toilet, urinal and sink components. The project will start a phased replacement program of existing fixtures in stadium restrooms. This is the first of several phases to replace aging plumbing fixtures and components. This is a FY 2023/24 carryover project.</p>	75,000	3,750	78,750

**Santa Clara Stadium Authority**  
**2024/25 CapEx Budget Carryover (Cont.)**

Item Type	SCSA Requested	Description	Cost	Remaining Contingency	Total Cost
Site		<b>Asphalt (2018/19 Carryover)</b>  The project will evaluate the current pavement status and provide asphalt overlay and/or seal coat at the visitor parking on Tasman, Gold 4 & 5 parking lots and South Access Road. Design services will be engaged to evaluate the current condition of pavement and recommend the correct application. Proper overlay and crack fill seals the pavement and prevents the infiltration of water which prevents pavement failure.	\$ 158,095	\$ 7,905	\$ 166,000
Site		<b>Concrete Replacements (2022/23 Carryover)</b>  This project will address the concrete at the Northwest stairwell landing on the 700 Level North Plaza area. The railing at the stairwell has been compromised in the past. This project will restore the handrail and concrete at the stairwell, as well as improve the condition by strengthening the reinforcement at the stairwell railing. The project will require demolition of the existing concrete, potentially patch the waterproofing layer of the structural slab, add reinforcing steel, pour concrete, apply lymltal coating and re-install the existing handrail at the stairwell. The improved and additionally reinforced slab will improve safety and prevent future damage from carts and other equipment that are used in the nearby area.	127,000	6,350	133,350
<b>Subtotal Carryover CapEx Construction Costs</b>			<b>\$ 6,340,484</b>	<b>\$ 317,025</b>	<b>\$ 6,657,509</b>
Audio/Visual		<b>A/V - Renewal and Replacements</b>  This project improves Audio and Visual ("A/V") infrastructure by replacing broadcast patch panel equipment and other A/V equipment that is used by all events. Existing A/V equipment is worn and/or partially damaged due to regular wear and tear on equipment from typical use during events. The existing equipment is original to the building and is in need of replacement. The project was originally approved in FY 2023/24. Technical specifications bid documents are developed, but work will carryover into FY 2024/25.	75,000	3,750	78,750
Audio/Visual		<b>Crestron Control &amp; Building Operating System Upgrades - Phase 2</b>  The project upgrades the existing Crestron Control system. This upgrade allows the stadium Engineers to utilize the Crestron system to monitor HVAC, lighting, electrical, and fire alarms. The comprehensive system shall enable these items to interface with one another for stadium Engineers to see a real time view of the building's systems. This project is phase 2 to a project that was completed in FY 2022/23 which evaluated the project and provided direction for phase 2. This is a FY 2023/24 carryover project.	30,000	1,500	31,500
Audio/Visual		<b>Radio Booth Cabling (2019/20 Carryover)</b>  The project will install fiber optic cabling to increase the low voltage cabling backbone. This installation will accommodate the expanding requests received for booth usage during stadium events and will help the stadium keep up with emerging trends. The project will install fiber optics between multiple booths located on the 800 level suite tower location and the broadcast patch panel (Room 01.69.08) near the loading dock on the exterior south end of the stadium. Fiber design shall include TAC-12 and DT-12, or better. Design will consider new fiber termination panels in each booth. Design shall investigate and determine if additional conduit and raceway are necessary during the installation phase.	523,708	26,185	549,893
Food and Beverage		<b>CO2 Monitoring &amp; Sensors for Code Compliance (2020/21 Carryover)</b>  The project will design and install remote CO2 monitoring equipment utilizing the existing Automatic Logic Controller (ALC) system. The current CO2 monitoring has a local alarm three stage alarm, but is not connected to any Building Management System for remote monitoring. A recent CO2 assessment was performed that found the current monitoring system is compliant with all requirements, but the assessment recommended this remote monitoring upgrade as a best practice for safety. This project will evaluate, recommend and design a remote CO2 monitoring system for enhanced safety for stadium staff per Authorities having jurisdiction. All Beer Cooler locations and Concession Soda Box Locations shall be monitored by the remote monitoring system.	178,000	8,900	186,900

## Santa Clara Stadium Authority 2024/25 CapEx Budget Carryover (Cont.)

Item Type	SCSA Requested	Description	Cost	Remaining Contingency	Total Cost
Food and Beverage		<b>Main Kitchen Equipment (2016/17 Carryover)</b>  This project funds general renewal and replacement of kitchen service equipment in the Main Kitchen. The project will include any necessary design, permit, purchase and installation of aging kitchen equipment that is near or at the end of life. The project was originally approved in FY 2016/17 but was not completed.	\$ 324,000	\$ 16,200	\$ 340,200
Furniture, Fixtures & Equipment		<b>Replace Furniture for BNY Field Clubs, United, Levi's 501 &amp; Yahoo clubs and Special Event spaces (2019/20 Carryover)</b>  This project funds replacement furniture for clubs (BNY, United, Levi's 501 and Yahoo) and special event spaces to enhance areas and meet client expectations. These spaces are amongst the most utilized in the entire stadium. The current furniture has been in place since the building opened in 2014 and is aging due to normal wear and tear as a result of numerous events in the stadium over the last eight years.	1,738,204	86,910	1,825,114
HVAC/Mechanical		<b>Install New Kitchen Exhaust Fans Throughout the Building (2019/20 Carryover)</b>  This project installs variable frequency drive (VFD) Units on kitchen exhaust fans for soft start (slow ramp up) capabilities. Kitchen exhaust fans currently operate 100 percent of the time. Installing VFD units will modulate the power and save energy whenever the fan is in use. Soft start extends the life of the equipment and saves energy.	230,770	11,539	242,309
Life Safety / Fire		<b>Smoke Evacuation System - Fire Smoke Curtain Replacement (2022/23 Carryover)</b>  This project replaces an existing Elevator C6 Smoke Curtain and miscellaneous life safety / fire equipment which has been identified for replacement during preventative maintenance. The current smoke curtain experienced issues with the control box and fuses. A temporary repair was performed, but a full replacement of the smoke curtain is required. This project will remove the existing curtain and reinstall a new fire and smoke rated curtain. This project was originally approved in FY 2022/23.	43,400	2,170	45,570
Public Safety - IT	x	<b>Replacement of end of life Network equipment (2022/23 Carryover)</b>  This projects replaces network equipment. Network equipment was originally installed several years ago and is now end of life and not supported. This replacement cost includes equipment, shipping/tax and installation.	25,000	1,250	26,250
Public Safety - Police	x	<b>Communication Equipment - Console (2023/24 Carryover)</b>  This project replaces the MCC7500 Console communication equipment purchased in 2013 that is at the end of the 10-year useful life.	80,000	4,000	84,000
Public Safety - Police	x	<b>Fingerprinting Equipment (2023/24 Carryover)</b>  The Police Department's existing fingerprinting equipment will reach its end of life in February of 2024. As such, the department is requesting to purchase the replacement fingerprinting hardware and associated maintenance for Levi's Stadium. This purchase is needed to obtain fingerprints as a part of the booking process at Levi's Stadium. (Implementation hardware and services: \$2500; annual support cost is \$1694.04/year for five (5) years.	6,526	326	6,852
Public Safety - Police	x	<b>GPS Software for Tracking Personnel (2019/20 Carryover)</b>  This project funds GPS software to track personnel. Live tracking of law enforcement personnel is critical in providing an accurate picture of public safety coverage. This technology and software will allow the Command Post to know where our personnel are at all times and make necessary assignment adjustments on the go. It is desired that the software also be capable of retaining data for historical analysis. The funding of \$25,000 is estimated to cover the initial purchase price for approximately 100 devices and the software. There is a monthly operating cost of \$30/month each; \$36,000 total annually.	25,000	1,250	26,250
Public Safety - Police	x	<b>Kawasaki Mules</b>  This projects replaces 5 Kawasaki Mules (utility vehicles) originally purchased in 2014 that are at the end of the 10-year useful life. Mules are used up to 261 hours/year with an average of approx. 96 per mule in 2022.	132,500	6,625	139,125

## Santa Clara Stadium Authority 2024/25 CapEx Budget Carryover (Cont.)

Item Type	SCSA Requested	Description	Cost	Remaining Contingency	Total Cost
Public Safety - Police		<b>Safety Gear for SEOs &amp; TCs</b>	\$ 2,200	\$ 110	\$ 2,310
	x	This project funds safety gear for traffic control personnel, such as rain suits, high visibility jackets, and flashlights. Traffic control personnel are a critical element to our public safety deployment. Beyond this application, they also provide welcomed guidance and direction to visitors and our neighborhood residents. Upon directing traffic and pedestrians, our traffic control staff works amongst vehicles in all types of weather for extended periods of time. Rain suits would afford this staff the ability to effectively and safely work in these conditions while remaining dry. High visibility jackets will increase our staff's visual recognition increasing their personal safety while performing their duties around vehicles. Flashlights and high visibility jackets will increase the public's ability to notice the traffic control staff leading to overall safety of all who visit our footprint and increased recognition of direction offered by this staff.			
Public Safety - Public Works		<b>Street Signage (2017/18 Carryover)</b>	1,000,000	50,000	1,050,000
	x	This project provides funding supporting Project 1227 Changeable Message Signs (CMS) in the Transportation Section of the current CIP for the installation of permanent CMS at strategic locations on major corridors (Great America Parkway, Tasman Drive, Lafayette Street, Mission College Boulevard) in the north Bayshore area of the City. The purpose of a CMS is to provide real-time traffic wayfinding to the Convention Center, Great America Theme Park, Mission College, Levi's Stadium and hotels in the area. Two of the signs will span the full width of Great America Parkway. A CMS can also be used to provide guidance information to motorists in case of an emergency. Bidding process is expected to commence in FY 2022/23.			
Security		<b>Enhance Stadium Security Access Control (2020/21 Carryover)</b>	235,000	11,750	246,750
		This project installs card readers on manual doors to increase access control features and security. Based on operational demands, doors have been identified via staff request and event activity in order to improve operational awareness and enhance the access control abilities by automating the doors. This also increases security to areas deemed by staff to hold sensitive or high value assets. The access control enhancements include Vertx/Mercury upgrade, EvoE400/Mercury upgrade, and various doors with access control upgrade or enhancement requirements.			
Security		<b>Install Stadium Camera Booths Card Readers (2019/20 Carryover)</b>	84,000	\$ 4,200	\$ 88,200
		This project installs card readers for north and south camera booths to secure the spaces that enter into/from general public access areas.			
Security		<b>Lobby Security Desk Enhancements (2022/23 Carryover)</b>	22,712	1,136	23,848
		The scope of this project will enhance security in a stadium lobby on major non-event days and for private events. This security checkpoint will screen everything entering into the stadium at this location. These enhancements will add electrical and data connections necessary to support security screening equipment at the point of entry. This project is necessary to maintain compliance with Department of Homeland Security Safety Act Requirements. This project was originally approved in FY 22/23.			
Security		<b>Security - Electrical / Data Distribution Expansion - Security Screening Locations (2022/23 Carryover)</b>	42,823	2,141	44,964
		Department of Homeland Security requires exterior screening of all patrons entering the facility. This scope of work will add electrical and data distribution to exterior screening locations, allowing stadium security staff to utilize critical security screening technology. This project aids in compliance with DHS Safety Act requirements. This project was originally approved in FY 22/23.			

**Santa Clara Stadium Authority**  
**2024/25 CapEx Budget Carryover (Cont.)**

Item Type	SCSA Requested	Description	Cost	Remaining Contingency	Total Cost
Security		<b>Security General Allowance</b>	\$ 325,000	\$ 16,250	\$ 341,250
		Security enhancements include, but are not limited to, Command Post video display improvements, virtualizing archivers, incident management system equipment, Security Control Desk work stations and monitors, X-Ray machines upgrades and CCTV camera display improvements. Project originally approved in FY 2023/24. Technical specifications bid documents are developed, but work will carryover into FY 2024/25.			
		<b>Subtotal Carryover CapEx Equipment Costs</b>	<b>\$ 5,123,843</b>	<b>\$ 256,192</b>	<b>\$ 5,380,035</b>
		<b>Total Carryover CapEx Project Costs</b>	<b>\$ 11,464,327</b>	<b>\$ 573,217</b>	<b>\$ 12,037,544</b>

# STADIUM AUTHORITY CAPITAL EXPENSE BUDGET (CONT.)

## Santa Clara Stadium Authority Capital Expense Plan Summary - 5 Year Forecast

	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget
Electrical	\$ 5,200,000	\$ 225,000	\$ 300,000	\$ 500,000	\$ 1,025,000
General Building	7,232,389	820,000	1,050,000	800,714	2,170,000
Plumbing	840,500	600,000	35,000	70,000	115,500
Public Safety	-	-	-	-	-
Security	-	-	500,000	-	-
Site	285,095	-	-	625,000	225,000
<b>Subtotal CapEx Construction Costs</b>	<b>\$ 13,557,984</b>	<b>\$ 1,645,000</b>	<b>\$ 1,885,000</b>	<b>\$ 1,995,714</b>	<b>\$ 3,535,500</b>
Audio/Visual	\$ 628,708	\$ 870,000	\$ -	\$ -	\$ -
FF&E	1,738,204	61,669	-	60,000	-
Food & Beverage	502,000	-	1,200,000	1,000,000	-
HVAC/Mechanical	230,770	425,000	175,000	650,000	275,000
Information Technology	150,000	-	-	-	-
Life Safety/Fire	43,400	-	225,000	150,000	110,000
Security	1,253,535	750,000	-	100,000	10,000
Public Safety Equipment	1,361,426	177,000	22,500	-	30,000
Vertical Support	-	-	400,000	250,000	350,000
<b>Subtotal CapEx Equipment Costs</b>	<b>\$ 5,908,043</b>	<b>\$ 2,283,669</b>	<b>\$ 2,022,500</b>	<b>\$ 2,210,000</b>	<b>\$ 775,000</b>
Contingency (5%)	973,302	196,433	195,375	210,286	215,525
<b>Total CapEx Project Costs<sup>(1)</sup></b>	<b>\$ 20,439,329</b>	<b>\$ 4,125,102</b>	<b>\$ 4,102,875</b>	<b>\$ 4,416,000</b>	<b>\$ 4,526,025</b>

<sup>(1)</sup> Total CapEx Project Costs in table above do not include budget requested for Stadium Warranty Related Construction.

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## STADIUM AUTHORITY WORK PLAN

Staff is responsible for supporting the Stadium Authority Board with its contractual oversight of Levi’s® Stadium and managing the day-to-day operations of the Stadium Authority.

These general responsibilities include but are not limited to: Support for Stadium operations for Non-NFL events through the Stadium Manager, payment of debt service obligation, maintenance of a five-year capital plan, accounting and management of Stadium Authority financials, preparation of the annual financial statement and quarterly financial updates, review and recommendation of procurement requests for Board approval, implementation of the Financial Management System, community outreach, management of noise monitoring services, follow up and resolution of complaints and inquiries related to Levi’s® Stadium, execution of Stadium Builder Licenses, management of Public Records Acts requests, and reporting of Stadium Authority and Stadium Manager staff meetings.

The Work Plan summarizes the Stadium Authority’s priorities for the year based on previous Board direction and anticipated work efforts. Within the context of continuing to support ongoing Stadium Authority operations and ongoing litigation, staff work efforts include the following:

Work Effort	Work Plan	Planned Outcome
<b>Capital Projects</b>	<ul style="list-style-type: none"> <li>Align on timing, rationale, and costs of proposed capital projects.</li> <li>Review, track, and coordinate the scheduling and implementation of capital projects and corresponding procurement requests with the Stadium Manager.</li> <li>Provide oversight of the Levi’s Naming Rights Enhanced Signage Project to ensure completion before December 31, 2025.</li> <li>Complete ADA compliance with multi-year improvements to Main Lot and Stadium building.</li> </ul>	<p>Ensure Stadium is maintained in the required condition and operated as a quality NFL and multi-purpose public sports, public assembly, exhibit, and entertainment facility.</p> <p>Compliance with Naming Rights Agreement requirements.</p> <p>Compliance regarding accessible parking spaces at Stadium Main Lot and Stadium.</p>
<b>Community Room</b>	<ul style="list-style-type: none"> <li>Return to Board to seek input on proposed next steps, including evaluation of the other locations discussed in 2018. Develop policy/guidelines for use.</li> </ul>	<p>Resolution of Community Room location, policy/guidelines for use.</p>

<b>Public Records Act Requests</b>	<ul style="list-style-type: none"> <li>• Continue to streamline the Public Records Act Request process.</li> <li>• Continue to respond to records requests in compliance with the California Public Records Act.</li> </ul>	Ensure public transparency while balancing Stadium Authority resources.
<b>San Tomas Aquino Creek Trail</b>	<ul style="list-style-type: none"> <li>• By review of other venues with shallow security perimeters and legal documents that relate to accessing the area, and consultation with Homeland Security and other stakeholders, evaluate options for keeping trail open during events and/or providing alternate routes if trail is closed.</li> </ul>	Balance Creek trail access and/or safe and/or accessible alternate routes during NFL games and major Non-NFL events with Stadium-related safety and risk.
<b>SCSA Board Policy Manual</b>	<ul style="list-style-type: none"> <li>• Continue to create manual, beginning with Governance and Budget policies.</li> <li>• Identify areas where policies are appropriate and propose drafts for the Board's approval.</li> </ul>	Develop additional policies and present to Board for inclusion in manual.
<b>SCSA Auditor Annual Audit Work Plan</b>	<ul style="list-style-type: none"> <li>• Review the Stadium Authority Financial Reporting Policy with staff and external auditors and provide feedback on best practices.</li> <li>• Provide oversight of Non-NFL Events audit (contracted service).</li> <li>• Retain consultants to perform the annual financial audit for the Stadium Authority (contracted service).</li> </ul>	Promote honest, efficient, effective and fully accountable public agency through accurate, independent and objective audits.

<p><b>Stadium Authority Procurement Policy</b></p>	<ul style="list-style-type: none"> <li>• Update components of the Stadium Authority Procurement Policy.</li> </ul>	<p>Ensure alignment with public procurement best practices.</p>
<p><b>Stadium Builder Licenses</b></p>	<ul style="list-style-type: none"> <li>• Continue to review and execute Stadium Builder Licenses.</li> <li>• Continue ongoing efforts to integrate Stadium Builder Licenses into Laserfiche records system.</li> </ul>	<p>Generate funds for debt repayment.</p> <p>Ensure effective recordkeeping for audits and reference.</p>
<p><b>Suite and/or General Ticket Allocations for NFL and Non-NFL Events</b></p>	<ul style="list-style-type: none"> <li>• Develop budget and policy for ticket allocation to suite and/or general tickets.</li> </ul>	<p>Stadium Authority can leverage ticket allocation to maximize net revenues from Non-NFL events.</p>
<p><b>Super Bowl LX</b></p>	<ul style="list-style-type: none"> <li>• Provide updates to the Board and community about the Stadium Authority and City’s planning efforts and general information related to Levi’s Stadium hosting Super Bowl LX in February 2026.</li> <li>• Negotiate and execute agreement(s) with the Bay Area Host Committee to ensure responsibility of City/Stadium Authority costs.</li> <li>• Continue planning efforts and coordination with key partners including the Bay Area Host Committee and NFL.</li> </ul>	<p>Provide transparency on the Stadium Authority and City’s planning efforts for Super Bowl LX.</p> <p>Ensure compliance with Measure J.</p> <p>Mitigate the Stadium Authority and City’s risks and liabilities.</p>

<b>World Cup 2026</b>	<ul style="list-style-type: none"><li>• Provide updates to the Board and Santa Clara community about the Stadium Authority and City's obligations, planning efforts, and general information related to Levi's Stadium hosting six World Cup 2026 event from June 13 – July 1, 2026.</li><li>• Negotiate and execute agreement(s) with the Bay Area Host Committee to assign responsibility of City/Stadium Authority costs.</li><li>• Continue planning efforts and coordination with key partners including the Bay Area Host Committee and FIFA.</li></ul>	<p>Provide transparency on the Stadium Authority and City's planning efforts for World Cup 2026.</p> <p>Ensure compliance with Measure J.</p> <p>Mitigate the Stadium Authority and City's risks and liabilities.</p>
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**FY2024 Annual Public Safety Budget (CONFIDENTIAL)**  
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	<u>Amount</u>	<u>Footnote</u>
Public Safety Costs - Tenant (NFL Events)	\$ 3,505,050	1
Public Safety Costs - Authority (Non-NFL Events)	\$ 2,233,631	2
Public Safety Capital Expenditures (2024/25 Budget)	\$ 1,361,426	3
Amortization of 2024/25 Budgeted Public Safety Capital Expenditures	\$ 71,207	4
Amortization of Prior Years Public Safety Capital Expenditures included in 2024/25 Budget	\$ 222,872	4
Public Safety Capital Expenditure Amortization in 2024/25 Budget	\$ 294,079	4
Tenant's Estimated Public Safety Share	\$ 172,988	4
Stadium Authority's Estimated Public Safety Share	\$ 121,091	4

Footnotes to Schedule:

- 1 Assumes 10 home games, and that PSC above the threshold will be paid from the Discretionary Fund per Section 7.5.3 (a).
  
- 2 The proposed non-NFL event PSC budget is based on seven (7) events, assumed to be three (3) concerts and four (4) soccer events, for the 2024-25 fiscal year.
 

The Stadium Manager has received Public Safety Capital Expenditure requests from the SCSA Finance Director in December 2023 for the 2024-25 fiscal year totaling \$1,361,426. This includes \$1,271,226 of carryover requests for items approved in prior Capital Expenditure Plans. Please see the 2024-25 Capital Expenditure Plan for more detail.
  
- 4 Public Safety Capital Expenditure amortization for the current lease year is \$294,079 which includes \$287,934 of amortization from prior year Capital Expenditure purchases. The Tenant's estimated Public Safety Share is \$172,987 and the Stadium Authority's estimated Public Safety Share is \$121,091.

FY2024 Public Safety Capital Expenditures (CONFIDENTIAL)  
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Equipment	Dept	Quantity	Useful Life	FY17/18	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	Totals
Kubota (4x4 gas powered) UTV ambulance	Fire	1	10	15,922	-	-	-	-	-	-	-	15,922
Kimtech MTD-103 Advanced (med cart upgrade)	Fire	1	10	-	8,382	-	-	-	-	-	-	8,382
Kawasaki Pro-FXT LE Black Mule (1)	Police	1	10	-	17,209	-	-	-	-	-	-	17,209
Kawasaki Pro-FXT LE Black Mule (2)	Police	1	10	-	17,209	-	-	-	-	-	-	17,209
Portable Radios	Police	20	5	-	50,980	-	-	-	-	-	-	50,980
Public Safety Command Post Dispatch System	Police, IT	1	5	-	189,931	-	-	-	-	-	-	189,931
Kawasaki Pro-FXT LE Black Mule (3)	Police	1	10	-	-	15,738	-	-	-	-	-	15,738
EMS Equipment (Auto Pulse Automated Compressors)	Fire	2	5	-	-	31,101	-	-	-	-	-	31,101
EMS Equipment (ALS Lifepack Monitor)	Fire	1	5	-	-	30,810	-	-	-	-	-	30,810
Diesel Particulate Filter for Stadium Authority Fire Truck	Fire	1	10	-	-	9,392	-	-	-	-	-	9,392
APX 8500 Mobile Radio for Stadium Authority Fire Truck	Fire	1	10	-	-	7,150	-	-	-	-	-	7,150
LCD3-3 Chemical Warfare Detector	Fire	1	10	-	-	13,734	-	-	-	-	-	13,734
Up-Fitting Kawasaki Mules	Police	3	10	-	-	26,451	-	-	-	-	-	26,451
Stadium Vehicles (Gator & Kubota) Upfits	Fire	1	10	-	-	-	8,832	-	-	-	-	8,832
Storage Conex Garage for Apparatus	Fire	1	10	-	-	-	12,416	-	-	-	-	12,416
Stadium Personal Protective Equipment	Fire	1	3	-	-	-	45,238	-	-	-	-	45,238
Stadium Personal Protective Equipment - FY20 Rollover	Fire	1	3	-	-	-	-	14,886	-	-	-	14,886
Heavy Lift Kit	Fire	1	10	-	-	-	51,914	-	-	-	-	51,914
Radiation Detector	Fire	1	10	-	-	-	17,910	-	-	-	-	17,910
Rope Rescue Gear Kit	Fire	1	10	-	-	-	-	27,054	-	-	-	27,054
Motorola APX 6000 Radio/Charger/Battery	Fire	1	5	-	-	-	4,517	-	-	-	-	4,517
Motorola Earpieces	Fire	25	5	-	-	-	952	-	-	-	-	952
Battery Charging Pack for JHAT Crew	Fire	1	5	-	-	-	72	-	-	-	-	72
Small Cooler and Ice Pack	Fire	1	5	-	-	-	305	-	-	-	-	305
Mass Contamination Hydrant Nozzles	Fire	4	5	-	-	-	1,649	-	-	-	-	1,649
Radio Batteries 2021	Police	188	3	-	-	-	19,574	-	-	-	-	19,574
Safety Gear for SEOs and TCs	Police	195	2	-	-	-	5,892	-	-	-	-	5,892
Motor Vehicle Barricades	Police	8	10	-	-	-	360,892	-	-	-	-	360,892
EOD Blankets/Water Barrier	Police	1	5	-	-	-	13,743	-	-	-	-	13,743
Bicycles	Police	10	5	-	-	-	22,734	-	-	-	-	22,734
Body Worn Cameras (BWCs) for Stadium Events	Police	150	5	-	-	-	149,462	-	-	-	-	149,462
Permanent Changeable Signage	Public Works	1	10	-	-	-	-	-	-	-	1,000,000	1,000,000
Portable License Plate Reader/PTZ Cameras	Police	±	5	-	-	-	-	-	-	-	-	-
Fencing on Tosman & Lafayette	Police	±	20	-	-	-	-	-	-	-	-	-
GPS Software Tracking Personnel	Police	100	5	-	-	-	-	-	-	-	25,000	25,000
Staff Scheduling Software	Police	1	5	-	-	15,000	8,750	-	-	16,250	-	40,000
MCI Trailer	Fire	1	10	-	-	-	-	108,307	-	-	-	108,307
Dispatch Monitors	Police	16	5	-	-	-	-	7,582	-	-	-	7,582
Radio Chargers	Police	±	5	-	-	-	-	-	-	-	-	-
Radios	Police	±	5	-	-	-	-	-	-	-	-	-
RadHalo Remote Radiation Monitors	Fire	4	10	-	-	-	-	189,729	-	-	-	189,729
PPE Replacement (Nomex Tops) - FY21	Fire	15	5	-	-	-	-	5,759	-	-	-	5,759
PPE Replacement (Nomex Bottoms) - FY21	Fire	15	5	-	-	-	-	3,287	-	-	-	3,287
Rigaku CQL 1064nm Handheld Raman Chemical Detector	Fire	1	10	-	-	-	-	50,348	-	-	-	50,348
Tru Defender FTX S1 WMD Chemical Detector	Fire	1	10	-	-	-	-	61,514	-	-	-	61,514
Vehicle Upfits for John Deere Gator	Fire	1	10	-	-	-	-	7,729	-	-	-	7,729
Kawasaki Mule - EOD Team	Police	1	10	-	-	-	-	-	-	25,000	-	25,000
Kawasaki Mule - Special Response Team	Police	1	10	-	-	-	-	-	-	20,000	-	20,000
Enclosed Trailer (Previously: Onsite Conex Storage)	Police	1	10	-	-	-	-	-	16,422	-	-	16,422
PPE Replacement (Nomex Tops) - FY22	Fire	15	5	-	-	-	-	6,038	-	-	-	6,038
PPE Replacement (Nomex Bottoms) - FY22	Fire	15	5	-	-	-	-	3,423	-	-	-	3,423
Lifepak CR2 AEDs	Fire	10	7	-	-	-	-	18,464	-	-	-	18,464
Rope Rescue Equipment	Fire	±	5	-	-	-	-	-	-	-	-	-
Communication Equipment - Police Radio Hand Packs	Police	±	10	-	-	-	-	-	-	-	-	-
Communication Equipment - Console	Police	1	10	-	-	-	-	-	-	-	80,000	80,000
Body Worn Cameras (BWCs) for Stadium Event Officers	Police	±	5	-	-	-	-	-	-	-	-	-
Replace End of Life Network Equipment 2022	IT	1	7	-	-	-	-	-	-	40,000	25,000	65,000
Replace End of Life End User Equipment 2022	IT	1	5	-	-	-	-	-	9,056	-	-	9,056
Observation Platforms on SAP Tower	Police	±	5	-	-	-	-	-	-	-	-	-
Levi's Stadium Blast Analysis	Police	1	5	-	-	-	-	-	119,750	-	-	119,750
Medixsafe Narcotics Safe	Fire	1	5	-	-	-	-	-	-	1,673	-	1,673
First Aid Medical Equipment (2022/23 Carryover)	Police	11	5	-	-	-	-	-	-	1,592	-	1,592
PPE Replacement (Nomex Tops) - FY23	Fire	15	5	-	-	-	-	-	-	4,500	-	4,500
PPE Replacement (Nomex Bottoms) - FY23	Fire	15	5	-	-	-	-	-	-	2,500	-	2,500
Lucas CPR Assist Device	Fire	2	8	-	-	-	-	-	-	36,750	-	36,750
Blackline Combustible Gas Indicators	Fire	1	5	-	-	-	-	-	-	4,183	-	4,183
Replace end of life Network equipment 2023	IT	5	7	-	-	-	-	-	-	105,000	-	105,000
Replace end of life End User equipment 2023	IT	23	5	-	-	-	-	-	-	25,332	-	25,332
Kawasaki Mules	Police	5	10	-	-	-	-	-	-	-	132,500	132,500
Safety Gear for SEOs & TCs	Police	195	2	-	-	-	-	-	-	4,800	2,200	7,000
Radio Batteries	Police	±	2	-	-	-	-	-	-	-	-	-
Replace End of Life End User - FY24	IT	29	5	-	-	-	-	-	-	-	26,500	26,500
PPE Replacement (Nomex/Tops) - FY24	Fire	±	5	-	-	-	-	-	-	-	-	-
PPE Replacement (Nomex/Bottoms) - FY24	Fire	±	5	-	-	-	-	-	-	-	-	-
Blackline Combustible Gas Indicator - FY24	Fire	1	5	-	-	-	-	-	-	-	5,000	5,000
D7 Tactical Decon Spray	Fire	6	5	-	-	-	-	-	-	-	700	700
RAID 8 Multi Agent Detection Kit	Fire	1	5	-	-	-	-	-	-	-	2,000	2,000
Fire Station 9 Storage Cabinets	Fire	2	20	-	-	-	-	-	-	-	3,000	3,000
Replacement Vehicles - Kawasaki Mule Utility Vehicles - FY24	Police	2	10	-	-	-	-	-	-	-	53,000	53,000
Communication Equipment - Console - FY24	Police	±	10	-	-	-	-	-	-	-	-	-
Fingerprinting Equipment	Police	1	6	-	-	-	-	-	-	-	6,526	6,526
<b>Totals</b>				\$ 15,922	\$ 283,711	\$ 149,377	\$ 724,852	\$ 476,195	\$ 173,153	\$ 287,580	\$ 1,361,426	\$ 3,472,215

FY2024 Public Safety Capital Expenditures (CONFIDENTIAL)  
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Equipment	In Svc Date	Estimate	Useful Life	FY17/18	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	Totals
Kubota (4x4 gas powered) UTV ambulance	Apr-18		10	-	1,592	1,592	1,592	1,592	1,592	1,592	1,592	11,145
Kimtech MTD-103 Advanced (med cart upgrade)	Jun-18		10	-	699	838	838	838	838	838	838	5,728
Kawasaki Pro-FXT LE Black Mule (1)	Jan-19		10	-	430	1,721	1,721	1,721	1,721	1,721	1,721	10,756
Kawasaki Pro-FXT LE Black Mule (2)	Jan-19		10	-	430	1,721	1,721	1,721	1,721	1,721	1,721	10,756
Portable Radios	Sep-18		5	-	5,948	10,196	10,196	10,196	10,196	4,248	-	50,980
Public Safety Command Post Dispatch System	Mar-19		5	-	3,166	37,986	37,986	37,986	37,986	34,821	-	189,931
Kawasaki Pro-FXT LE Black Mule (3)	Jun-19		10	-	-	1,311	1,574	1,574	1,574	1,574	1,574	9,180
EMS Equipment (Auto Pulse Automated Compressors)	May-19		5	-	-	5,702	6,220	6,220	6,220	6,220	518	31,101
EMS Equipment (ALS Lifepack Monitor)	Jun-19		5	-	-	5,135	6,162	6,162	6,162	6,162	1,027	30,810
Diesel Particulate Filter for Stadium Authority Fire Truck	Jul-19		10	-	-	704	939	939	939	939	939	5,400
APX 8500 Mobile Radio for Stadium Authority Fire Truck	Jan-20		10	-	-	179	715	715	715	715	715	3,754
LC3D-3 Chemical Warfare Detector	Oct-19		10	-	-	687	1,373	1,373	1,373	1,373	1,373	7,554
Up-Fitting Kawasaki Mules	Jul-19		10	-	-	1,984	2,645	2,645	2,645	2,645	2,645	15,209
Stadium Vehicles (Gator & Kubota) Upfits	Mar-21		10	-	-	-	74	883	883	883	883	3,606
Storage Conex Garage for Apparatus	Mar-21		10	-	-	-	103	1,242	1,242	1,242	1,242	5,070
Stadium Personal Protective Equipment	Mar-21		3	-	-	-	1,257	15,079	15,079	13,823	-	45,238
Stadium Personal Protective Equipment - FY20 Rollover	Mar-22		3	-	-	-	-	414	4,962	4,962	4,549	14,886
Heavy Lift Kit	Oct-20		10	-	-	-	2,596	5,191	5,191	5,191	5,191	23,361
Radiation Detector	Nov-20		10	-	-	-	746	1,791	1,791	1,791	1,791	7,910
Rope Rescue Gear Kit	Dec-21		10	-	-	-	-	902	2,705	2,705	2,705	9,018
Motorola APX 6000 Radio/Charger/Battery	Mar-21		5	-	-	-	75	903	903	903	903	3,689
Motorola Earpieces	Mar-21		5	-	-	-	16	190	190	190	190	777
Battery Charging Pack for JHAT Crew	Mar-21		5	-	-	-	1	14	14	14	14	59
Small Cooler and Ice Pack	Mar-21		5	-	-	-	5	61	61	61	61	249
Mass Contamination Hydrant Nozzles	Mar-21		5	-	-	-	27	330	330	330	330	1,347
Radio Batteries 2021	Mar-21		3	-	-	-	544	6,525	6,525	5,981	-	19,574
Safety Gear for SEOs and TCs	Mar-21		2	-	-	-	246	2,946	2,701	-	-	5,892
Motor Vehicle Barricades	Nov-20		10	-	-	-	15,037	36,089	36,089	36,089	36,089	159,394
EOD Blankets/Water Barrier	Nov-20		5	-	-	-	1,145	2,749	2,749	2,749	2,749	12,140
Bicycles	Mar-21		5	-	-	-	379	4,547	4,547	4,547	4,547	18,566
Body Worn Cameras (BWCs) for Stadium Events	Oct-20		5	-	-	-	14,946	29,892	29,892	29,892	29,892	134,516
Permanent Changeable Signage	Oct-24	Est	10	-	-	-	-	-	-	-	-	45,000
Portable License Plate Reader/PTZ Cameras	N/A	N/A	5	-	-	-	-	-	-	-	-	-
Fencing on Tosman & Lafayette	N/A	N/A	20	-	-	-	-	-	-	-	-	-
GPS Software Tracking Personnel	Oct-24	Est	5	-	-	-	-	-	-	-	2,500	2,500
Staff Scheduling Software	Mar-24	Est	5	-	-	-	-	-	-	667	8,000	8,667
MCI Trailer	Mar-22		10	-	-	-	-	903	10,831	10,831	10,831	33,395
Dispatch Monitors	Mar-22		5	-	-	-	-	126	1,516	1,516	1,516	4,676
Radio Chargers	Oct-24	Est	5	-	-	-	-	-	-	-	-	-
Radios	Oct-24	Est	5	-	-	-	-	-	-	-	-	-
RadHalo Remote Radiation Monitors	Mar-22		10	-	-	-	-	1,581	18,973	18,973	18,973	58,500
PPE Replacement (Nomex Tops) - FY21	Mar-22		5	-	-	-	-	96	1,152	1,152	1,152	3,551
PPE Replacement (Nomex Bottoms) - FY21	Mar-22		5	-	-	-	-	55	657	657	657	2,027
Rigaku CQL 1064nm Handheld Raman Chemical Detector	Dec-21		10	-	-	-	-	1,678	5,035	5,035	5,035	16,783
Tru Defender FTX S1 WMD Chemical Detector	Dec-21		10	-	-	-	-	2,050	6,151	6,151	6,151	20,505
Vehicle Upfits for John Deere Gator	Sep-21		10	-	-	-	-	451	773	773	773	2,770
Kawasaki Mule - EOD Team	Mar-24	Est	10	-	-	-	-	-	-	208	2,500	2,708
Kawasaki Mule - Special Response Team	Mar-24	Est	10	-	-	-	-	-	-	167	2,000	2,167
Enclosed Trailer (Previously: Onsite Conex Storage)	Jan-24	Est	10	-	-	-	-	-	-	411	1,642	2,053
PPE Replacement (Nomex Tops) - FY22	Jan-24	Est	5	-	-	-	-	-	-	302	1,208	1,510
PPE Replacement (Nomex Bottoms) - FY22	Feb-24	Est	5	-	-	-	-	-	-	114	685	799
Lifepak CR2 AEDs	Jan-23		7	-	-	-	-	-	659	2,638	2,638	5,935
Rope Rescue Equipment	N/A	N/A	5	-	-	-	-	-	-	-	-	-
Communication Equipment - Police Radio Hand Packs	N/A	N/A	10	-	-	-	-	-	-	-	-	-
Communication Equipment - Console	Oct-24	Est	10	-	-	-	-	-	-	-	4,000	4,000
Body Worn Cameras (BWCs) for Stadium Event Officers	N/A	N/A	5	-	-	-	-	-	-	-	-	-
Replace End of Life Network Equipment 2022	Oct-24	Est	7	-	-	-	-	-	-	-	4,643	4,643
Replace End of Life End User Equipment 2022	Mar-24	Est	5	-	-	-	-	-	-	151	1,811	1,962
Observation Platforms on SAP Tower	N/A	N/A	5	-	-	-	-	-	-	-	-	-
Levi's Stadium Blast Analysis	Mar-23		5	-	-	-	-	1,996	23,950	23,950	23,950	49,896
Medixsafe Narcotics Safe	Mar-24	Est	5	-	-	-	-	-	28	335	362	362
First Aid Medical Equipment (2022/23 Carryover)	Mar-24	Est	5	-	-	-	-	-	27	318	345	345
PPE Replacement (Nomex Tops) - FY23	Mar-24	Est	5	-	-	-	-	-	75	900	975	975
PPE Replacement (Nomex Bottoms) - FY23	Mar-24	Est	5	-	-	-	-	-	42	500	542	542
Lucas CPR Assist Device	Mar-24	Est	8	-	-	-	-	-	383	4,594	4,977	4,977
Blackline Combustible Gas Indicators	Mar-24	Est	5	-	-	-	-	-	70	837	906	906
Replace end of life Network equipment 2023	Mar-24	Est	7	-	-	-	-	-	1,250	15,000	16,250	16,250
Replace end of life End User equipment 2023	Mar-24	Est	5	-	-	-	-	-	422	5,066	5,489	5,489
Kawasaki Mules	Oct-24	Est	10	-	-	-	-	-	-	-	6,625	6,625
Safety Gear for SEOs & TCs	Oct-24	Est	2	-	-	-	-	-	-	1,750	1,750	1,750
Radio Batteries	N/A	N/A	2	-	-	-	-	-	-	-	-	-
Replace End of Life End User - FY24	Oct-24	Est	5	-	-	-	-	-	-	2,650	2,650	2,650
PPE Replacement (Nomex/Tops) - FY24	N/A	N/A	5	-	-	-	-	-	-	-	-	-
PPE Replacement (Nomex/Bottoms) - FY24	N/A	N/A	5	-	-	-	-	-	-	-	-	-
Blackline Combustible Gas Indicator - FY24	Oct-24	Est	5	-	-	-	-	-	-	500	500	500
D7 Tactical Decon Spray	Oct-24	Est	5	-	-	-	-	-	-	70	70	70
RAID 8 Multi Agent Detection Kit	Oct-24	Est	5	-	-	-	-	-	-	200	200	200
Fire Station 9 Storage Cabinets	Oct-24	Est	20	-	-	-	-	-	-	75	75	75
Replacement Vehicles - Kawasaki Mule Utility Vehicles - FY24	Oct-24	Est	10	-	-	-	-	-	-	2,650	2,650	2,650
Communication Equipment - Console - FY24	N/A	N/A	10	-	-	-	-	-	-	-	-	-
Fingerprinting Equipment	Oct-24	Est	6	-	-	-	-	-	-	544	544	544

Totals	\$ -	\$ 12,264	\$ 69,757	\$ 110,881	\$ 190,372	\$ 237,282	\$ 251,915	\$ 294,079	\$ 1,166,550
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Events with tickets sold or available for sale > 20k	FY17/18	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	Totals
NFL (StadCo) Events	10	10	12	12	10	12	12	10	88
SCSA Events	10	9	5	5	0	7	7	7	50
Total Events	20	19	17	17	10	19	19	17	138

StadCo Proportion	50%	53%	71%	71%	100%	63%	63%	59%	64%
SCSA Proportion	50%	47%	29%	29%	0%	37%	37%	41%	36%

Depreciation Split	FY17/18	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	Totals
StadCo Depreciation	-	6,455	49,240	78,269	190,372	149,862	159,104	172,988	806,290
SCSA Depreciation	-	5,809	20,517	32,612	-	87,420	92,811	121,091	360,260
Totals	\$ -	\$ 12,264	\$ 69,757	\$ 110,881	\$ 190,372	\$ 237,282	\$ 251,915	\$ 294,079	\$ 1,166,550



# **2024 Levi's Stadium Events Marketing Plan**

**January 31, 2024**

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## Levi's Stadium Events Definitions and Profiles

The Levi's Stadium Events business is comprised of two overarching event categories: Public Events and Private Events.

**Public Events** are stadium-wide, ticketed events open to the public. The Stadium has successfully executed a variety of different events that have brought local economic impact, higher awareness, and positive brand association for Levi's Stadium. Spanning numerous leagues, sports, and attractions, Public Events have helped establish Levi's Stadium as an iconic venue. These high-profile events keep Levi's Stadium in the limelight, which is a significant factor in driving the Special Events category of the Non-NFL Event business, as well as attracting other high-profile events themselves.

**Private Events** are private, usually non-ticketed and exclusive events, subject to the event's nature and the client's objectives. These events span a wide range, from weddings to corporate anniversaries, charitable fundraisers, and conferences, and make up the vast majority of the venue's event calendar. The Private Events sales pipeline is driven primarily by relationships formed with local companies, as well as our reputation and established experience in hosting a variety of events, as well as the luster of hosting at a venue known for hosting such high-profile events as 49ers games, Super Bowl, COPA America, College Football National Playoff, Wrestlemania, and famous artists' concerts. Therefore, we are not only focused on the immediate health and profitability of our business but also on the connections we create with clients and opportunities to innovate the venue's guest experience.

## Levi's Stadium Private Events

### Looking Back

The past year has been exciting for the Levi's Stadium Private Events team, with the joining of the public and private events teams under one umbrella. This has allowed the teams to maximize revenue opportunities with calendar management, leveraging public event hospitality suites, and creating streamlined sales and service processes throughout all Levi's Stadium Events. The team observed another year of quick-turn events. However, clients seem to want larger and more experiential-style events, which is a hopeful sign for growth in the future. As the team reflects on the past year, there is much to celebrate, including excellent client survey results, increased event enhancements and add-ons, and a strong pipeline of event opportunities via new contacts.

### 2023 Goals

#### Industry Partnerships and Advertising

In 2023, the private events team invested in B2B partnerships like the Silicon Valley Business Journal and the Admin Awards. Both organizations market to major Bay Area corporations and provide opportunities for boosting brand visibility through advertising and networking events.

#### **Silicon Valley Business Journal (SVBJ) Best Places to Work Event**

In May, the private events team sponsored the Silicon Valley Business Journal's Best Places to Work event. The sponsorship package included a full-page special focus section in the Best Places to Work publication, podium time during the event, bar sponsorship with logo recognition, and access to the attendee list for continued outreach. The list included 472 individuals representing a wide variety of Bay Area businesses.

One example of the value provided by participation in such events is a past client of the private events team we met with during the SVBJ event who elected to book another event at the stadium following our conversation. Attending and sponsoring these local business events are essential for the private events team to establish their reputation and continue to support the Bay Area's "Best Places to Work."

#### **Admin Awards**

The Levi's Stadium Special Events team partnered with the Admin Awards as an event sponsor for both the Silicon Valley and San Francisco Admin Awards. The Admin Awards recognizes and celebrates San Francisco Bay Area administrative professionals.

The sponsorship included website and email marketing benefits, an invitation to attend Advisory Board meetings as a critical relationship-building feature, and an opportunity to present an award and sponsor recognition during the program. In addition, the sales team was provided with a list of nominees, which they used throughout the year for outreach and prospecting.

Year after year, the Admin Awards event is a valuable resource for the sales team. It provides a unique opportunity to build and foster relationships with Bay Area Administrative Professionals and the departments they support. Over 40 Bay Area companies are represented at the event, including some of the most significant technology and healthcare corporations, and many C-Level executives show up to support their Administrative Professionals.

### **Unique Venues**

This year, the private events team continued its membership with Unique Venues, an online venue-sourcing platform that connects Event Planners with unique venues such as Levi's Stadium. As a part of the membership, the team receives an expanded online profile with photos, videos/360 tours, top-tier positioning in search results, two regional email marketing campaigns, and one targeted Google ad Campaign.

Since May, the team has received 28 leads from the Unique Venues website and RFP form. Although these leads did not convert to booked events, primarily due to low budgets or issues with availability, they show a strong interest in Levi's Stadium and provide the team with event information that will drive future decision-making on marketing spending. In addition to the website listing, the sales team worked with the Unique Venues representative to distribute an email campaign to 4,328 event professionals. Of the emails distributed, 1,598 viewers opened the email, and 458 viewers clicked the email, a click-to-open (CTO) rate of 29%.

### **SFTravel**

As a part of their membership with SFTravel, the private events team had the opportunity to purchase an ad in the SFTravel Meeting Planner Guide and a custom email blast sent to meeting professionals. The Meeting Planner Guide reaches over 6,000 recipients through website placement, email distribution, and social media. The custom email allows the team to connect with a new database of event professionals with an average open rate of 20.5% and a click-through rate of 5.8%

The private events team worked with SFTravel to craft a custom email featuring all Levi's Stadium offers from a meetings and events perspective. The email was delivered to 3,458 meeting professionals. Of the emails delivered, 533 viewers opened the email, and 222 viewers clicked the email, a click-to-open rate of 41.65%. These results demonstrated the effectiveness of the email's

messaging, showing that over 40% of the readers who opened the email decided to click on the content to learn more.

### Screenshot from SFTravel Meeting Planners Guide

- viewed over 1,500 times and counting.



The ultimate goal of our marketing strategy for private events is always to convert marketing spend to booked events. However, tracking this kind of ROI can be difficult when event planners tend to have multiple touchpoints with a venue or supplier before deciding to go to contract. Therefore, the second most crucial element is ensuring the brand is active and visible where most buyers are. Whether this be in-person at events or digitally online, the private events team continues to research new opportunities to connect with event planners and expand their reach to larger audiences.

### Sales Events

## IMEX

The private events team returned to IMEX America this year, the largest trade show in the US for the global meetings, events, and incentive travel industry. The show took place in October in Las Vegas and hosted a new record 15,000 buyers, visitors, and exhibitors. Of the 15,000 participants, 4,000 hosted buyers participated in more than 80,000 prescheduled meetings with exhibitors.

The private events sales team attends IMEX America each year to capture a pulse on trends from industry peers and California convention and visitors bureaus (CVBs). The team met with event planners and fellow suppliers during the three-day show on the trade show floor and at networking events. This year, the sales team partnered with Discover Santa Clara to support in-booth appointments, promoting Santa Clara as a meeting and event destination and highlighting Levi's Stadium's features. The private events team also donated a signed Nick Bosa 49ers jersey to drive excitement around the Discover Santa Clara brand and encourage more engagement at the booth.

In addition to networking and client prospecting, the sales team was able to join educational sessions and learn about current trends and what's on the horizon for the meetings and events industry. Some of the learnings include:

- Quick-turn bookings are on the rise, meaning there is a shorter window between the date of contracting and the event date.
- There is a shorter lead time from company leadership to source event venues, creating a scramble for information and a need for turn-key experiences.
- Organization-wide events are returning, including company-wide holiday parties (events with over 1,000 + attendees)
- Clients are looking for ways to incorporate AI in events & elevate event technology.
- Event budgets were cut this year for a variety of reasons.

## Connect West

On November 1-3, 2023, qualified representatives from CVBs, hotels, event venues, and convention centers gathered at Connect West in San Francisco to meet with professional meeting planners from around the region. Connect West is a B2B conference for event professionals based in California, Nevada, Utah, Arizona, and New Mexico. This two-day conference brought together 140 attendees (70 planners & 70 suppliers). The planners were required to have active event RFPs with the primary goal of meeting with suppliers to plan future meetings & events in the Western U.S.

The Levi's Stadium Events sales team attended 25 one-on-one appointments with event planners and joined networking and educational sessions. Of the 25 appointments, the sales team walked away with ten qualified leads or interested buyers for Levi's Stadium, which included companies in the retail, technology, non-profit, insurance, and healthcare industries.

In addition to the contacts made, the sales team was able to take away some valuable information related to industry trends and future forecasting. A few of the key takeaways from the event included:

- There is a high demand for creating experiential events within event venues where there is an opportunity for a one-stop-shop approach to event planning.
- Event planners seek out food & beverage "wow factors" or photo-worthy event content.
- High demand for impactful experiences but tight budgets make these experiences challenging to execute.
- More meeting planners are leveraging platforms like Chat GPT for Know Before You Go/Event maps and guidelines to curate an event experience for attendees ahead of time.

### **Local Events**

**SVBJ Best Places to Work** (See section above titled "Industry Partnerships and Advertising")

**Admin Awards** (See section above titled "Industry Partnerships and Advertising")

### **Update Event Packages and Experiences**

In 2023, the private events team focused on leveraging the 49ers brand to create unique event experiences for clients and guests. The private events team classifies this category as "49ers Experiences," and it includes everything from a photo op on the field to football "skills and drills" activities to custom messaging on the gameday video boards, custom stadium tours and creating custom 49ers jerseys for attendees or event VIPs.

Over the past year, 17 events added the turf track (field sidelines) or the entire playing field to their event contract. These events ranged from youth sporting events to corporate cocktail receptions and employee recognition events. Additionally, 12 clients added the 49ers Museum to their event as an event enhancement, meaning attendees could visit the 49ers Museum for a portion of the event, providing clients with an immersive experience of the franchise's history and its most recent home, Levi's Stadium.

The private events team continues to focus on ways to showcase each company's brand and event vision while providing fun and immersive ways to experience the 49ers brand. Through 49ers

Experiences and gameday assets, the private events team can provide clients with custom experiences that cater to various event types and help them achieve their goals and objectives.

### **Client Prospecting and Industry Networking Event**

The busy public event schedule gave the Special Events team a unique opportunity to host past and prospective clients at concerts and soccer games this past year. The sales team was able to leverage two concerts and two soccer games by hosting prospective clients in a hospitality suite. These opportunities provided valuable one-on-one time with clients and a unique look into Levi's Stadium Events on a non-NFL public event day.

The Special Events team continues to work on a model for hosting a client and industry networking event at the stadium. The team will look at opportunities to partner with local hospitality businesses and host an intimate event in the spring to bring prospective clients and industry partners to the stadium for an in-depth tour and educational experience.

## **2023 Key Wins and Strengths**

### **Fully Staffed Sales Team and Active Pipeline**

As the 2023 year closes, the private event sales team can celebrate being fully staffed and having the time and resources to prospect for future event bookings. Between attending local sales events, traveling to national events, and touchpoints with past clients, the sales team has been busy working to fill the pipeline of future bookings for 2023 and beyond. Since the start of the year, the sales team has added 328 event opportunities to the CRM system. An event opportunity is an event inquiry (lead) with a defined date received through the RFP form on the website, via email, or on a sales call. The overall goal of the sales team is to increase the number of event opportunities and ultimately convert those opportunities into booked events. The time between receiving the event opportunity and the requested booking date can vary from 1 week to 3 years, meaning the sales team is prospecting for the current year and 1-3 years out. The sales managers must constantly communicate with the public events and football operations teams to ensure calendar availability and proper communication with clients.

Although the team has received event opportunities with 12+ months of advance notice, the more common trend over the past year has been quick-turn events. A quick-turn event is an event booked within 2-3 weeks of the event date. Similar to 2022, there has been a rise in quick-turn events, which puts more pressure on the event services team and on securing third-party contracts or event enhancements requiring extra lead time. The sales team plans to focus on booking windows and securing event contracts earlier in 2024.

### **Consistent presence with email marketing and social media**

Throughout 2023, the Private Events team has been actively promoting and selling events at Levi’s Stadium through email marketing, paid advertising, and social media. In addition to active sales outreach and attending networking events and tradeshow, the team was focused on creating engaging content for past and prospective clients through bi-monthly emails, LinkedIn Posts, and paid advertisements with local and national organizations.

The team designed and executed eight email campaigns sent to the Levi’s Stadium Events database. These campaigns aimed to educate readers on the various events hosted at Levi’s Stadium and provide consistent content to remain top-of-mind with event planners. The campaigns promoted events such as sales kickoff meetings, summer picnics, holiday parties and celebrated holidays throughout the year. The team tracked 12 event opportunities (leads) generated from marketing campaigns, three of which went to the proposal phase.

Another primary focus was to generate and promote organic content on the Levi’s Stadium Events LinkedIn page. Over the past year, the team developed 25 posts, which resulted in 14,565 organic impressions. Since the start of 2023, the Levi’s Stadium Events LinkedIn page has added 220 out of 1,309 followers, 43% of whom reside or work in the Bay Area. LinkedIn continues to be a budget-friendly opportunity for generating content and connecting with prospective clients and industry peers.

### 2023 Marketing Campaign Performance

Third Party E-Blast/Advertisement
Internal E-Blast

Campaign Name	Date	Emails Delivered	Emails Opened	% Opened	Clicks	% Clicked	CTOR*
Sales Kickoff Events	1.10.23	4679	992	21.2%	98	2.1%	9.91%
February - Love at First Sight	2.10.23	4561	1,017	22.3%	78	1.7%	7.62%
Amin Appreciation Day (Targeted)	4.26.23	871	276	31.70%	31	3.60%	11.36%
Summer Dates Available	5.22.23	6,606	1,949	29.50%	172	2.60%	8.81%
A Recommendation from Unique Venues	8.22.23	4,328	1,677	38.75%	458	10.58%	27.31%
Holiday Parties	8.29.23	5,773	1,980	34.30%	104	1.80%	5.25%
Pixels to Presence - Back to Office	9.28.23	5,835	1,896	32.50%	140	2.40%	7.38%
November - Thankful	11.20.23	6,606	2,378	36.00%	185	2.80%	7.78%
SFTravel Meeting Professionals Email	11.7.23	3,458	533	15.41%	222	6.42%	41.65%
December - Happy Holidays	TBD						
	<b>TOTAL</b>	<b>42,717</b>	<b>12,699</b>	<b>29.73%</b>	<b>1,488</b>	<b>3.48%</b>	<b>11.72%</b>

**Provided by Silicon Valley Business Journal**

Dedicated Email Performance Averages	Average	Ranges
Unique Open Rate (% Opened)	17.71%	7.10-25.80%
Unique Click Through Rate (% Clicked)	0.32%	0.10-4.10%
UniqueClick To Open Rate (CTOR)	1.78%	0.10-18.20%

**Samples from Email Marketing Campaigns**

**February: "Love at First Site"**



**April: "Administrative Professionals Day"**



**May: "Summer Dates Available"**



**August: "Holiday Party Checklist"**



**Continued Success with Client Satisfaction Scores**

The private events team continues to meet and exceed client survey score goals. The 2023 goal was to achieve an average department score of 4.5+ out of 5 on the post-event client surveys. Clients receive a survey after each event, including questions about the event sales and event service processes, catering service and food quality, audio-visual service, and the event day execution experience. The team has met and exceeded their 2023 client survey score goals as of December 2023.

Post-Event Client Survey Scores (averages):

- Event Sales: 4.8
- Event Service: 4.9
- Overall Event Experience: 4.7

### **Leveraging Public Events to Drive Special Event Revenue**

The success of the Levi's Stadium public event schedule and the 49ers football season offered the private events team many client prospecting opportunities. The events team hosted clients and prospects in hospitality suites during four Levi's Stadium public events, including two soccer games and two concerts. In addition to the public event hospitality suites, the sales team leveraged a 49ers home game to secure event bookings. During the 49ers home game against the Pittsburgh Steelers, the sales team met with three clients already planning to be there. The meetings included a tour of club spaces the clients were interested in renting for private events. One client, in particular, was considering hosting up to 1,000 attendees and wanted to see how the club spaces activate for larger groups. The team secured \$758K in gross private event revenue thanks to these opportunities and strengthened client relationships for future event opportunities.

## **Looking Forward**

### **Focus on Large-Scale Private Event Prospecting**

The private event sales team plans to take a proactive and strategic approach to prospecting and securing large-scale private events in 2024. They plan to strengthen their relationships with Bay Area corporations to understand unique event needs and preferences. The tactics to accomplish this goal include attending local sales events and conferences and implementing strategic outbound sales techniques. Initiating these tactics at the start of the year will be paramount to securing preferred dates well in advance and building a strong pipeline of event opportunities. The objective for the sales team will be clear and transparent communication to build trusting relationships with clients. The time spent on this research and development phase will allow the larger team to curate event experiences tailored to each client and their company's preferences.

As the team embarks on this prospecting goal for 2024, the focus will be on staying ahead of industry trends, building meaningful relationships, and showcasing the stadium as the premier choice for organizations seeking a distinctive and memorable venue for their large-scale private events.

**Develop Local Partnerships to Drive Event Opportunities**

The private events team will look to local partnerships within the events and hospitality industry to combine resources and drive new business. When venues, suppliers, and destination management companies (DMCs) partner, everybody wins, including clients. The sales team looks forward to building their relationship with Discover Santa Clara and aligning on local and national shows to combine resources and amplify Santa Clara as an events destination. Additionally, the team will look at supporting the DMO with site visits and familiarization (FAM) trips, opening the stadium to clients who are looking for unique event experiences and one-of-a-kind destination offerings.

**Focus on Content and Brand Awareness**

As the private events team turns the page to 2024, there will be a continued focus on consistent marketing efforts and generating quality content to strengthen the Levi’s Stadium Events brand identity. Since COVID, organizational staff turnover around the Bay Area has impacted our contacts and their teams. Some clients are planning events for the first time or working within a new company with new policies. Now more than ever, the private events team will need to focus on educating the marketplace and providing tools and resources for clients to navigate the event planning process at a venue such as Levi’s Stadium. The private events team will look to deliver engaging content, helpful tools, and valuable incentives to promote bookings and provide a streamlined and stress-free experience for clients.

**2023 Year-to-Date Performance Indicators (KPIs)**

<b>2023 Special Events Key Performance Indicators (KPIs)</b>			
	<b>2023 Goal</b>	<b>YTD</b>	<b>Variance</b>
<b>1. Gross Booked Revenue</b>	\$5,040,000	\$4,021,430	-\$1,018,570
<b>3. Client Satisfaction Scores (1-5)</b>			
<b>Event Sales</b>	4.5+	4.8	
<b>Event Planning</b>	4.5+	4.9	
<b>Overall Event Experience</b>	4.5+	4.7	

**2024 Performance Goals**

<b>2024 Special Events Key Performance Indicators (KPIs)</b>			
	<b>2024 Goal</b>	<b>YTD</b>	<b>Variance</b>
<b>1. Gross Booked Revenue</b>	\$5,040,000	\$476,870	-\$4,563,130
<b>3. Client Satisfaction Scores (1-5)</b>			
<b>Event Sales</b>	4.5+		
<b>Event Planning</b>	4.5+		
<b>Overall Event Experience</b>	4.5+		

## Levi's Stadium Public Events

### Looking Back

Since the opening of Levi's Stadium in 2014, the public event business has continued to bring the industry's largest entertainment acts and sporting events to Santa Clara, delivering significant economic impact and exposure to the region. Since its opening, events at Levi's Stadium have generated more than \$2 billion in positive economic impact through 49ers games, Super Bowl 50, and other public events.

After turning in the most profitable year since its opening in 2022, Levi's Stadium once again hosted an extensive and diverse calendar of events, resulting in one of the most profitable years in the stadium's history. We welcomed a total of five concerts and three soccer matches spanning from May to September.

In addition to bringing in revenue via tickets, ticketing fees, food and beverage, and merchandise, Public Events also enhance the value proposition for SBL holders, who have committed more than \$550M to the Santa Clara Stadium Authority. Priority ticket presale access gives SBL Members a chance to purchase specific premium seating available for many events and shows prior to the general public.

### Public Events in 2023

Due to the diligent efforts and calendaring strategy, the public events team was able to successfully produce seven full stadium events, which consisted of San Jose Earthquakes vs Los Angeles FC, Concacaf Gold Cup (Jamaica vs Saint Kitts & Nevis and Mexico vs Qatar), Taylor Swift The Eras Tour, Karol G Mañana Será Bonito Tour, Beyoncé Renaissance World Tour, and Ed Sheeran The Mathematics Tour.

The public events team pursued numerous promoters over the course of the year in order to place Levi's Stadium at the forefront of decision-makers minds. Routing several events simultaneously can pose significant challenges, but the team capitalized on relationships and the ability to be nimble when adjusting scheduling conflicts in order to fill the Public Event season with seven events over the course of five months.

### Profitability

In addition to securing seven unique events, the public events team was also able to maintain an elevated level of profitability for each. We tactfully evaluated each revenue-generating vertical to negotiate deal terms that most significantly impacted the overall net profit. While ensuring profitability, we also worked in tandem with promoters to agree to terms that were mutually beneficial in order to establish long-lasting relationships.

### Weekday Curfew Extension

In previous years, the Stadium Manager was forced to pass on artists who could only route shows in the Bay Area during weekdays, as the music ban hindered them from playing the venue because the conditions it imposed weren't to their liking (earlier start times, shortened setlists, etc.). The board's action in granting curfew extension waivers proved to have an immediate impact in 2022, and continued to benefit our ability to book events in 2023. The public events team was able to capitalize on the

extension by securing two-weekday shows, Karol G Mañana Será Bonito Tour and Beyoncé Renaissance World Tour. Beyoncé's Tour ranked as one of the most profitable events the stadium has hosted.

### **Diverse Line-Up**

The public events team continues to proactively secure a distinct product mix in order to grow and diversify our attendee and customer database. The concerts offered in 2023 included varying music genres covering pop, R&B, hip-hop, folk-pop, soft rock, reggaeton, and the stadium's first-ever female Latin show. We were also able to cater to the growing Northern California soccer community by hosting San Jose Earthquakes vs the defending MLS Champions, Los Angeles FC, and two matches for the Concacaf Gold Cup (Jamaica vs Saint Kitts & Nevis and Mexico vs Qatar).

### **Proactive Outreach**

Proactive outreach and the ability to maintain strong relationships in the live entertainment industry are imperative to a successful calendar year. In-person meetings have consistently proven to be the most impactful, as these relationships with key decision makers in the entertainment industry inevitably lead to more opportunities for Levi's Stadium.

With the approval of the travel and entertainment budget, the public events team was able to secure a multitude of in-person meetings with key decision-makers to actively pitch Levi's Stadium as an iconic venue and bring large scale events to Santa Clara.

Over the course of the fiscal year, the Public Events team secured over 30 in-person meetings with the top promoters in the industry, including AEG, AEG Presents, Copa America, Concacaf, Conmebol, Live Nation, Major League Soccer, Soccer United Marketing, Messina Touring Group, Concerts West, Feld Entertainment, and LA Galaxy.

### **Public Events Secured for 2024**

The public events team has already successfully secured six events for 2024:

On December 20th, The San Jose Earthquakes announced they would return to Levi's Stadium to play Los Angeles FC on May 4th.

Reigning 2x CMA Entertainer of the Year, Luke Combs will perform his "Growin' Up and Gettin' Old Tour" for two nights - Friday, May 17th, and Saturday, May 18th. Special guests for the Friday night shows include Cody Jinks, The Avett Brothers, Charles Wesley Godwin, Hailey Whitters, and The Wilder Blue, while the Saturday shows will feature Jordan Davis, Mitchell Tenpenny, Drew Parker, and Colby Acuff.

On December 7th, the South American Football Confederation carried out the draw for the Group Stage of CONMEBOL Copa América 2024™, which will take place from June 20 to July 14 in the United States. Based on the results of the draw, Levi's® Stadium will host Ecuador vs. Venezuela on Saturday, June 22, and Brazil vs. Colombia on Tuesday, July 2. Brazil is a nine-time champion of CONMEBOL Copa América and will be playing at Levi's Stadium for the first time ever.

On November 21st, The Rolling Stones announced they are going back on the road with a brand-new tour performing in cities across the U.S. and Canada, stopping in Santa Clara on July 17. Fans can expect to experience Mick, Keith, and Ronnie play their most popular hits, ranging from “Start Me Up,” “Gimme Shelter,” “Jumpin’ Jack Flash,” “Satisfaction,” and more, as well as fan favorite deep cuts and music from their new album HACKNEY DIAMONDS. The legendary rockers will be returning to the road following the success of their history-making and chart-topping studio album HACKNEY DIAMONDS, which has just received a Grammy nomination for the project’s lead single “Angry.” Showcasing a new stage and high energy that only the Stones can bring as one of the world’s most iconic artists ever, this tour will guarantee a show to remember.

## **Looking Forward**

### **Continued Proactive Outreach**

In order to maintain relevance in the industry and continue the success of the public event business, it is necessary to be proactive with networking and relationship-building with key decision-makers.

The public events team saw a significant impact on the in-person meetings and touch points made in 2023, and we look to carry those same practices into 2024.

Utilizing the approved travel and entertainment budget, we will meet with the top promoters in the major events business once again. These points of contact are imperative in strengthening the existing relationships. Along with continued outreach to promoters who actively conduct business at the stadium, we will also layer in outbound meetings with promoters and decision-makers who have not held events at Levi’s Stadium in the past. We are continuously evaluating new opportunities and exploring unique small, mid, and large-scale events. Expanding upon our current network will open up the opportunity for new business and additional profits.

In addition to in-person meetings, the public events team will also utilize the approved travel and entertainment budget to attend industry-related conferences. As the sports and entertainment industry evolves, it is necessary to be knowledgeable about new insights and ideas presented through conference content.

### **Small-to-Mid-Scale Events**

The public events team proactively engages in discussions with various promoters to evaluate a wide range of small-to-mid-scale events (anywhere from 1K to 20K in anticipated attendance). We will continue to look to amplify our portfolio of ticketed events beyond large-scale concerts and sporting events by evaluating smaller opportunities as well. Potential events we have explored include food festivals, drone racing, runs, races, movie nights, and music festivals.

Ultimately, these did not come to fruition because we were unable to agree on terms that would provide a profitable outcome for the Stadium Authority, which has been clearly communicated as the highest priority by the Stadium Authority Board over the past few years. The major challenge for the economics of these potential events is consistently prohibitive public safety costs event organizers must contend with when considering Levi’s Stadium as a venue.

Although we were not able to produce a small-to-mid-scale event in 2023, we will continue to evaluate and explore these opportunities.

### Weekday Curfew Extension

The public events team will continue to ensure that the availability of weekday curfew waivers maximizes revenue-generating opportunities as needed. Similar to previous years, numerous promoters have already contacted the stadium looking for weekday availability. The 2024 calendar is proving to be a demanding year for concerts and soccer matches, and weeknight availability is at an all-time premium. We are currently working with multiple promoters on the West Coast routing for their shows, and it has been made clear that weeknight availability is critical in Levi's Stadium being able to host a concert for their artists.

### Leverage Organic Assets

The public events team will leverage Levi's Stadium and 49ers organic assets to increase the viewership of upcoming events through a variety of outlets.

We will continue to promote public events using digital video boards during 49ers home games and non-event days. Public events are also promoted through a full slate of Levi's Stadium and 49ers digital and social channels, including specific event pages on the levisstadium.com website, and promotion of monthly and event-specific emails to our growing database. Levi's Stadium subscribers total 90,000 accounts. These accounts include 10,000 SBL members. We also utilize an emailable list of previous concert buyers totaling 65,000 accounts and include about 600 accounts that have expressed interest in receiving emails about Music and Entertainment at Levi's® Stadium. In addition to email marketing initiatives, we have a total of 66,000 subscribers who opted into app push notifications for Levi's Stadium events.

Examples of video board rotations visible to daily Tasman foot and vehicle traffic



Examples of promotion of ticket sales via monthly and event-specific emails to customer database



The poster features the Rolling Stones' iconic red lips and tongue logo in the center. The text 'ROLLING STONES' is written in large, bold, gold letters at the top. Below it, 'HACKNEY DIAMONDS TOUR' is written in white, and 'SPONSORED BY AARP' is written in red. The date 'JULY 17' and 'LEVI'S STADIUM' are at the bottom right.

The Rolling Stones recently announced they are going back on the road with a brand-new tour performing in 16 cities across the U.S. and Canada, stopping in Santa Clara on **July 17, 2024, at Levi's® Stadium**. Fans can expect to experience Mick, Keith and Ronnie play their most popular hits, as well as fan favorite deep cuts and music from their new album **HACKNEY DIAMONDS**.

Purchase your tickets [here](#) or by clicking the button below.

**PURCHASE NOW**

Example of event announcements on Levi's Stadium social platforms

levisstadium

# STONES

HACKNEY  
DIAMONDS

# TOUR '24

Liked by djtootall and 295 others

levisstadium Tickets are on sale now for the Rolling Stones, Hackney Diamonds Tour, July 17 at #LevisStadium.

Link in bio to purchase

levisstadium

# LUKE COMBS

GROWIN' UP AND GETTIN' OLD TOUR

<b>FRIDAY MAY 17</b>	<b>&amp;</b>	<b>SATURDAY MAY 18</b>
<small>WITH SPECIAL GUESTS</small> CODY JINES CHARLES WESLEY GODWIN HAILY WHITERS • THE WILDER BLUE		<small>WITH SPECIAL GUESTS</small> JORDAN DAVIS MITCHELL TENBERY DREW PARKER • COLBY ACUFF

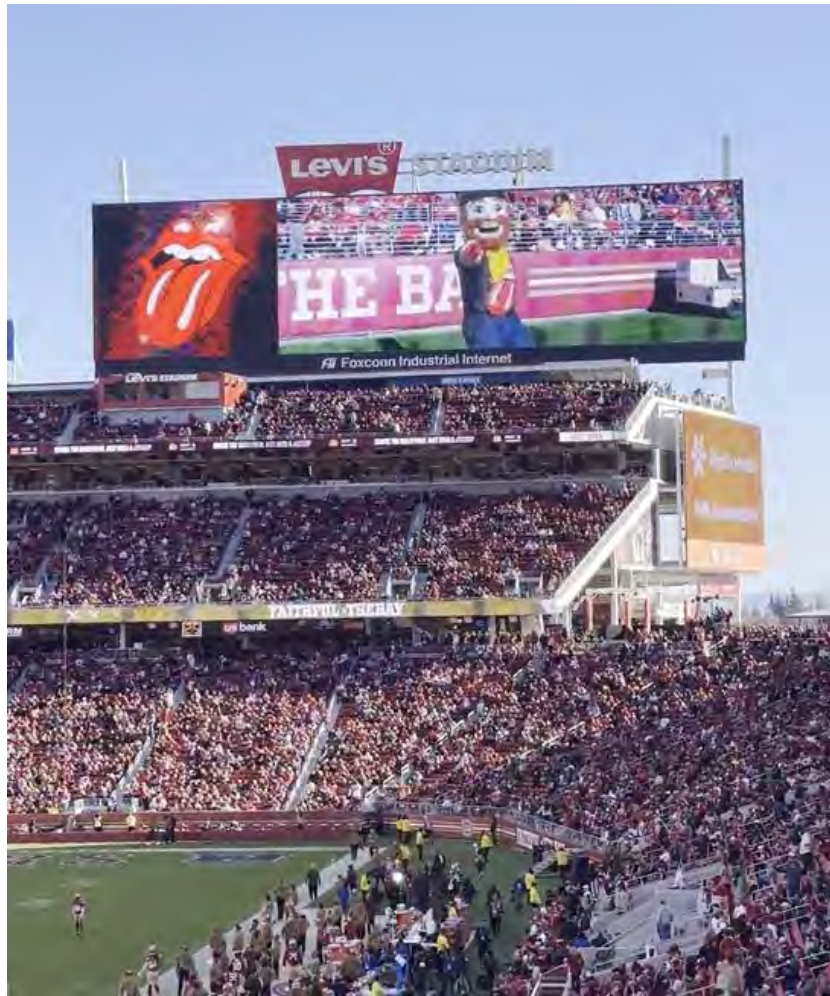
**LEVI'S STADIUM**

TICKETS ON SALE NOW • LUKECOMBS.COM

Liked by arnoldpartyof4 and 257 others

levisstadium JUST ANNOUNCED: @m10penny is joining Luke Combs on Saturday, May 18! Get your tickets now at the link in bio!

Example of in-stadium event promotions



### **Key Performance Indicators**

The number of events secured - based on our experience in previous years and having a close pulse on the industry, we feel confident the stadium manager will host a minimum of six public events.

Profitability - having hosted fourteen events over the past two years, all of which remained profitable, we will continue to negotiate deal terms that prove to have a positive net outcome.

Event mix - we aim to create a diverse product mix in order to provide a variety of entertainment experiences for the Santa Clara community. Our goal of hosting six events includes concerts of varying music genres, and soccer matches ranging from international clubs, national teams, and MLS clubs.

## **Conclusion**

As we recap another profitable year and lay the foundation for continued success, we are confident we have outlined a marketing plan that conveys our strategic approach to attract significant private and public events. Proactive client outreach, tactical marketing plans, creativity, and cooperation will continue to produce highly profitable events for the Stadium Authority.



Board Policy Manual  
Proposed  
March 12, 2024

## Stadium Authority Board Budget Policy

The Santa Clara Stadium Authority (Stadium Authority) has a responsibility to the Santa Clara community, its financing agencies, the Forty Niners Stadium Management Company (ManCo), and other stakeholders to manage the Stadium finances wisely and with transparency and to plan for the provision of services desired by, and in the best interest of, the public.

The Proposed Operating, Debt Service, and Capital Budget for the Stadium Authority is developed as required in the Stadium Authority Management Agreement, Section 4.6: Annual Operating Budget. The budget provides the necessary funding to administer the duties of the Stadium Authority, including:

- Funding for operating the Stadium for Non-NFL events through ManCo,
- Advancement of the FY 2024/25 Work Plan;
- Payment of debt service obligations; and,
- Maintenance of a five-year capital plan.

Through the Management Agreement, ManCo is held to a Standard of Care as outlined in Section 2.9 of the Management Agreement, which states:

2.9 Standard of Care. Subject to the limitations set forth in this Agreement, the Budget, and the Stadium Lease, the Stadium Manager shall exercise prudent, commercially reasonable good faith efforts in managing and operating the Stadium in accordance with the terms hereof so as to (a) maintain the Stadium in the Required Condition and operate the Stadium as a quality NFL and multi-purpose public sports, public assembly, exhibit and entertainment facility, to a standard of quality comparable to other similar facilities (except that the parties recognize that portions of the Stadium may be in need of capital upgrades); (b) control Manager Operating Expenses, StadCo Operating Expenses and Stadium Authority Operating Expenses; and (c) maximize Operating Revenues.

This policy is designed to provide standards for financial decision-making consistent with applicable law, agreements, and debt covenants and establish parameters for directing the financial affairs of the Stadium.

This policy is meant to be dynamic and is subject to change as the needs arise or when additional information is available. All amendments will be approved by the Stadium Authority Board (Board) at a public meeting.

**A. Budget Objectives:**

1. Ensure proper governance and accountability as reflected in the annual budget.
2. Identify needs of the community, ManCo, and key stakeholders (such as Stadium Builder License holders/season ticket holders, fans, and event attendees).
3. Inform and communicate clearly and thoroughly to the community as a whole the Stadium Authority's fiscal position and budget schedule/hearings to actively participate in the Stadium Board's budget deliberations.
4. Align the budget with Stadium Authority Board priorities and duties, as proposed by ManCo, Stadium Authority staff, and/or Board members.
5. Identify and budget the resources required to perform services and accomplish policy objectives.
6. Ensure the long-term upkeep and maintenance of the Stadium.
7. Set standards to measure, monitor, and evaluate the Stadium Authority's accomplishment of budget objectives and expenditure of appropriations:
  - Quarterly Financial Reports
  - Annual Budget Review and Adoption
  - Annual Financial Statements
8. Focus on business process redesign in order to improve productivity and quality, flexibility, and cost-effectiveness of service delivery (e.g., streamlining, simplifying, reorganizing functions, and reallocating resources).

**B. Budget Policy Statements:**

1. Stadium Authority Staff will submit a structurally balanced budget (revenues will equal or exceed expenses) for Stadium Authority Board approval to cover annual debt requirements and operating and maintenance expenses. If a structural imbalance occurs, a plan will be developed and implemented to correct the imbalance.
2. Stadium Authority Executive Director will submit the annual proposed budget to the Board in compliance with the relevant provisions of the Stadium Management Agreement in late February/early March for Board review and public input and the Board will adopt the annual budget before March 31st of each year.
3. The Stadium Authority Budget will comply with all local, including Measure J, State, and Federal legal requirements.
4. The Stadium Authority Budget will provide for adequate maintenance and repair of capital assets and equipment for the Stadium:
  - a. An annual capital budget will be prepared and approved by the Board as part of the annual budget.
  - b. A five-year capital plan will be prepared and updated annually. The plan will prioritize all anticipated capital projects.
5. The Stadium Authority will maintain a budgetary control system to ensure adherence to the budget and will use a budget/encumbrance control system to ensure proper budgetary control. Budgetary appropriation control for expenditures shall be at the fund level.
6. Stadium Authority staff will prepare quarterly reports comparing actual revenues and expenses to budgeted amounts.

7. Stadium Authority staff will bring forward budget amendments for Board consideration during the year in order to address unanticipated needs, emergencies, or compliance with Stadium agreements.
8. The Stadium Authority Budget will be prepared using the accrual basis.
9. The Stadium Authority Treasurer is responsible for coordinating the overall preparation of the Stadium Authority's budget and analyzing its content, reflective of expenses for operations of ManCo and Stadium Authority staff, debt requirements, and capital expenses.

**A. Budget Development Process:**

The Stadium Authority Treasurer is responsible for coordinating the overall preparation of the Stadium Authority's budget and analyzing its content. The goal of each budget development process is that the Budget is presented to the Board and the public at one Study Session and one Public Hearing before its final approval of the annual budget. The following are key steps to the budget development process:

1. In November of each year (or before), Stadium Authority staff will meet with the ManCo and develop the annual budget development plan which includes the date that the ManCo will provide all necessary documents as required by the Stadium Lease and Stadium Management Agreement.
2. No later than 45 days prior to the start of the upcoming fiscal year, the ManCo will provide annual documents as outlined in the Stadium Agreements, which will be used in the Budget Development Process.
  - Stadium Operations and Management Plan (*Source: Stadium Management Agreement*)
    - Annual Shared Expense Budget w/ Five Year Projection (*Source: Stadium Management Agreement*)
    - Annual Stadium Operations Budget (*Source: Stadium Management Agreement*)
    - Annual Public Safety Budget (*Source: Stadium Management Agreement*)
    - Capital Expenditure Plan with Five Year Projection (*Source: Stadium Management Agreement*)
    - Non-NFL Event Marketing Plan (*Source: Stadium Management Agreement*)
3. Stadium Authority staff will analyze ManCo's budget submission including but not limited to the number of FTEs recommended and related personnel costs; line item recommended expenses; and strategic focus of recommended resources using various tools such as historical expense analysis, incremental increases, and base budget review.
4. Stadium Authority staff will calculate the budget for Stadium Authority General and Administrative costs (such as staff costs, consulting, audit, legal, and any reasonable and necessary expenses to uphold its support of the Board).
5. Stadium Authority staff will calculate any necessary funding to be used for the Stadium Authority's Discretionary Fund.

6. Stadium Authority staff will compile a draft budget incorporating the items provided by ManCo and calculated by staff and will submit the document to the Stadium Authority Board at a Study Session or Public Hearing for review and seeking input from the public and the Board.
7. Prior to March 31st, staff will submit the proposed Annual Stadium Authority Budget to the Board for final approval.



Board Policy Manual  
Proposed  
March 12, 2024

## **Stadium Authority Board Compliance and Management Policy**

This policy sets the framework for compliance of the mandates of *The Santa Clara Stadium Taxpayer Protection and Economic Progress Act* (Measure J), passed by the voters of the City of Santa Clara in June 2010 and the management of Levi's® Stadium (Stadium). Measure J was the legislation that approved the development on City-owned land of a Stadium suitable for the exhibition of professional football games and other event subjects, however, to the binding requirements set forth in Measure J to safeguard the City's General and Enterprise Fund and protect City taxpayers. Measure J was enacted for the following purposes:

1. Generate New Revenue for Santa Clara
2. Create New Jobs
3. Provide Taxpayer Protections
4. Generate Community Funding

To ensure that the Stadium operates within the boundaries of Measure J and that it is managed effectively, the Stadium Authority Board (Board) established the following Board priority in January 2017:

- *Ensure Compliance with Measure J and Manage Levi's Stadium*

The Board is committed to complying with the regulations of Measure J and governance of the Stadium Authority and its activities through the below framework:

- Oversight – effective management of the Stadium
- Commitment – to the citizens of Santa Clara to protect the community and safeguard the City's General Fund
- Compliance – with Measure J and various Stadium agreements
- Transparency – to provide information required for decision making
- Communication – to keep the public informed of issues related to the Stadium
- Adequate Resources – to maintain the necessary resources, including staffing, to effectively manage the Stadium
- Enforcement – to require that Stadium contracts and agreements are accurately followed

- Monitoring – perform compliance and financial audits by both internal and external auditors
- Corrective Action – audit report of all findings which will require a written response to any non-compliant finding

Board decisions must be aligned to the voter approved Measure J legislation and evaluation of this initiative must be reviewed against the purpose for which Measure J was established. The intent of the above framework is to provide transparency of conventional activities that the Stadium Authority will engage in to ensure Measure J compliance.



## Agenda Report

24-280

Agenda Date: 3/12/2024

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### REPORT TO COUNCIL

#### SUBJECT

Update on the George F. Haines International Swim Center (ISC)

#### COUNCIL PILLAR

Enhance Community Sports, Recreational and Arts Assets

#### BACKGROUND

At the March 5, 2024 City Council meeting, the City Council requested that an update on the status of the George F. Haines International Swim Center (ISC) be placed on the next Council agenda.

The purpose of this item is to respond to that direction.

#### DISCUSSION

On January 18, 2024, the City Manager directed that the ISC be closed immediately. This action was taken in response to health and safety concerns raised by the City's consultant (LPA) who had conducted a visual observation assessment of the ISC. On January 30, 2024, staff presented a report to Council which included the final report from LPA along with a proposed workplan to further evaluate next steps for the ISC.

Since that time, City staff has met with all three of the swim clubs (Santa Clara Swim Club, Aquamaids, and Santa Clara Dive Team), as well as with the Santa Clara School District and other local pool operators, to identify needs and space availability.

In addition, City staff has facilitated additional assessment of the ISC by the City's Building Official, as well as the County of Santa Clara Environmental Health Department to explore options for re-opening the facility if possible. Both of these assessments affirmed major deficiencies at the site and have identified significant requirements that would need to be met prior to re-opening the ISC for any use.

Additional time is needed to analyze the recommendations from the two agencies, as well as to obtain cost estimates for the remediation/mitigation work that will be required. This work is underway. Within this framework, staff will provide a verbal presentation at the City Council's March 12, 2024 meeting on all of the efforts that have taken place since the January 30, 2024 City Council meeting.

#### 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(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

**FISCAL IMPACT**

There is no fiscal impact associated with this report.

**COORDINATION**

This report has been coordinated with the City Attorney's Office and the City Manager.

**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](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

**RECOMMENDATION**

It is recommended that the City Council note and file the report.

Reviewed by: Cynthia Bojorquez, Assistant City Manager/Acting Director of Parks and Recreation

Approved by: Jovan D. Grogan, City Manager



## Agenda Report

24-177

Agenda Date: 3/12/2024

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### REPORT TO COUNCIL

#### SUBJECT

Discussion of a Proposed Community Engagement Process Related to the City's Unfunded Capital Needs and Potential Revenue Strategies for Consideration on the November 2024 Ballot

#### COUNCIL PILLAR

Enhance Community Engagement and Transparency  
Deliver and Enhance High Quality, Efficient Services and Infrastructure

#### BACKGROUND

The City of Santa Clara has a very limited Capital Improvement Program (CIP). The most recently adopted CIP (2022-23 & 2023-24) consists only of \$9.9 million for capital projects citywide - \$6.7 million for new projects and \$3.2 million for projects previously approved for funding in the out years of the last CIP. These modest sources are sufficient to fund only some of the most critical needs; there remains \$571.4 million of unfunded projects identified over the next five years. In addition, the aging of the City's infrastructure has become a significant challenge affecting service delivery and the City's ability to respond to community priorities.

Within this framework, the City Council has expressed interest in exploring the feasibility of placing revenue measures on the November 2024 ballot. To that end, on July 18, 2023, the City Council appropriated funding to hire a consultant to assist the City with a community engagement and education effort to identify community priorities and viable funding mechanisms. (RTC 23-913). A Request for Qualifications process was conducted and Tulchin Research, together with their partner Team Civx, was selected to perform this work.

At the February 6, 2024 City Council meeting, staff provided an overview of the elections process timeline for the November ballot and indicated that future updates would be provided on community engagement efforts, as well as the results of voter research in the coming months.

The purpose of this report is to provide the City Council with a high-level overview of the community engagement efforts that will be conducted in the coming months in advance of the City Council action in July, to consider the placement of potential revenue measures on the November ballot.

#### DISCUSSION

In accordance with prior City Council discussions, it is staff's intent to evaluate the viability of revenue measures that would support the City's unfunded capital infrastructure needs. Given the magnitude of this need and the importance of educating the general public about the need for their support, community education, and engagement, will be critical factors of success.

To that end, the following is a summary of the various communication strategies that will be used in

the coming months:

1. Initial Survey: Design of a survey instrument, based on research objectives, that will yield a statistically valid sampling of 400 likely voters, including newly registered voters and those who have voted in at least one (1) of the past four (4) elections. This survey will be conducted in four languages: English, Spanish, Chinese, and Vietnamese. This survey will be conducted in late March, with a report to the City Council in April.
2. Community Outreach (meetings and social media): Based on the results of the baseline survey results, the consultant in coordination with City staff, will develop a community outreach effort to increase voter awareness, identify community priorities, and the need for potential ballot measures to meet those needs in Santa Clara. The intent of the plan will be to inform voters and provide residents an invitation to ask questions or provide feedback. The outreach effort may include, but not be limited to community meetings, social media posts, and other similar mechanisms.
3. Mailers and Online Communications: Consultant would work closely with City's communications team to develop enhanced informational mailers and online promotional strategies designed to help residents understand more about the city's needs and provide input or ask questions. Enclosed as Attachment 1 and 2 are examples of mailers that were used for a local school funding effort for the San Ramon School District. While these examples are provided for illustration-purposes only, the format of an initial mailer asking residents to provide feedback on priorities, followed by a second mailer to report out the results of the community input, is proposed to be used for the Santa Clara process.
4. Communications Toolkit: A communications toolkit will be designed to support both pre-placement and post-placement community education needs. It is anticipated that the pre-placement community engagement would take place in the April/May/June timeframe. If the City Council decides to proceed with a ballot measure, the toolkit will be used to conduct post-placement presentations in the community during September and October. These presentations would be focused on educating the public on the City's infrastructure needs.
5. Second Survey: In June, a follow-up survey will be conducted to evaluate the effects of the pre-placement community engagement process. This survey will help the team refine the scope of revenue measures and the associated messaging to be used going forward.

#### 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(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

#### FISCAL IMPACT

There is no fiscal impact associated with this report other than staff time used in preparation of the report.

#### COORDINATION

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This report has been coordinated with the City Attorney's office and the City Manager.

### 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](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

### RECOMMENDATION

It is recommended that the City Council:

1. Provide feedback on the proposed community engagement effort as deemed appropriate; and,
2. Note and file the report.

Reviewed by: Cynthia Bojorquez, Assistant City Manager/Acting Director of Parks and Recreation Department.

Approved by: Jōvan Grogan, City Manager

### ATTACHMENTS

1. San Ramon School District Mailer #1
2. San Ramon School District Mailer #2

# A Tradition of Excellence



An Update from  
San Ramon Valley Unified School District



San Ramon Valley School District  
699 Old Orchard Drive  
Danville, CA 94526

Non-Profit  
U.S. Postage  
**PAID**  
XXXX

## Our Local Schools!

**Elementary Schools**

- Alamo
- Bella Vista
- Bollinger Canyon
- Country Club
- Coyote Creek
- Creekside
- Golden View
- Green Valley

- Greenbrook
- Hidden Hills
- John Baldwin
- Live Oak
- Montair
- Montevideo
- Neil Armstrong
- Quail Run

- Rancho Romero
- Sycamore Valley
- Tassajara Hills
- Twin Creeks
- Vista Grande
- Walt Disney

**Middle Schools**

- Charlotte Wood
- Diablo Vista
- Gale Ranch
- Iron Horse
- Los Cerros
- Pine Valley
- Stone Valley
- Windemere Ranch

**High Schools**

- California
- Del Amigo
- Dougherty Valley
- Monte Vista
- San Ramon Valley
- Venture Independent Study

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PLACE  
STAMP  
HERE

SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT  
699 OLD ORCHARD DR  
DANVILLE CA 94526-4331



Please complete the survey  
on the other side of this card  
to let SRVUSD know your  
priorities for our local schools.



# Award-Winning Local Schools Set SRVUSD Apart



Dear Neighbor,

With the school year well under way, I am grateful to the entire San Ramon Valley Unified School District (SRVUSD) community. SRVUSD has a tradition of excellence and a reputation for exemplary schools. We are one of the highest performing school districts in the country, with more National Blue Ribbon schools this past year than any other district in the State or nation.

## Voter-Approved Funding Supports Top Academic Programs

SRVUSD's award-winning schools are funded through a combination of local funding measures, State funds, and donations. Because the local community has historically approved local funding measures, local students have had access to programs that support their academic success and social emotional well-being above and beyond what State funding can provide on its own.

## Multiple School Funding Sources Set to Expire

However, the District faces two reductions in available school funding in the near future. First, in 2025 a local voter-approved funding measure will expire. Second, over the next two years, the District will have exhausted \$6 million in State funds that have been supporting our schools. These funding sources currently support core academic programs, small class sizes, and programs that help ensure students are prepared for college and careers.

## Potential Measures to Maintain a High-Quality Education

To address the loss of these funds, the Board of Trustees of SRVUSD is currently considering placing two measures on the ballot. The first measure would renew the expiring parcel tax funding, at the current rate of \$144 per parcel, per year. The second measure would address the loss of State funding, at the rate of \$98 per parcel, per year.

Community engagement has always been a key tenet for SRVUSD, as we continue to broaden the definition of success on a foundation of academic excellence, so that all students can thrive. Our students are thriving when they are great students and happy, healthy human beings who are effectively prepared for the world after graduation. As we consider options for protecting high-quality education in our local schools, your input is important to us. Please fill out the survey card in this mailer or visit [tinyurl.com/SurveySRVUSD](http://tinyurl.com/SurveySRVUSD) to share your priorities for SRVUSD.

Sincerely,

Dr. John Malloy  
Superintendent, San Ramon Valley Unified School District



## Renewal of Expiring Funding Source at the Current Rate

- Attract and retain highly qualified teachers
- Support academic programs in science, technology, engineering, arts, math, reading and writing
- Prepare students for college and careers
- Maintain Career and Technical Education (CTE) programs

## Supplemental Funding to Address Exhausted State Resources

- Support programs in reading and literacy for the youngest learners
- Provide support for struggling students to succeed academically
- Address student mental health needs
- Attract and retain qualified teachers to support students with special needs

## Mandatory Fiscal Accountability and Local Control

Both measures would include independent citizens' oversight, mandatory annual audits, and no funds spent for administrators' salaries. All funds would be controlled locally and could not be taken away by the State. To ensure the measures are not a burden to those on fixed or limited incomes, senior citizens would be exempt.

Please rate the importance of the following priorities for our local schools:

	Low	Medium	High	Do you currently have children attending SRVUSD schools?	Name:	Address:	Phone:	Email:	Comments/Questions:
Attract and retain highly qualified teachers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No					
Attract and retain qualified teachers to support students with special needs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>						
Support academic programs in science, technology, engineering, arts, math, reading and writing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>						
Support programs in reading and literacy for the youngest learners	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>						
Prepare students for college and careers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>						
Maintain Career and Technical Education (CTE) programs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>						
Provide support for struggling students to succeed academically	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>						
Address student mental health needs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>						

## We Want to Hear from You!

Please complete the attached survey card and mail it back to let us know your priorities for our local schools. You may also take the survey online by scanning the QR code at right.





San Ramon Valley School District  
699 Old Orchard Drive  
Danville, CA 94526

NON-PROFIT  
U.S. POSTAGE  
PAID  
CORNERSTONE

# We Asked, You Answered

## Frequently Asked Questions About Local School Funding

### How are San Ramon Valley Unified schools funded?

SRVUSD's award-winning schools are funded through a combination of local funding measures, State funds, and donations. Because the local community has historically approved local funding measures, local students have had access to programs above and beyond what State funding can provide on its own.

### Which local school funding sources are expiring?

SRVUSD schools face two reductions in available school funding in the near future. Local voter-approved funding that our schools have used for almost 20 years is set to expire, unless voters again choose to renew it. Additionally, our local schools face the loss of expiring State funds.

### What is the practical effect of these funding reductions?

Expiring local and State funding currently accounts for \$12.8 million of the District budget. This funding supports educators, core academic programs, student mental health services, early literacy efforts, and career-technical education.

### What is the plan to address the loss of these funds?

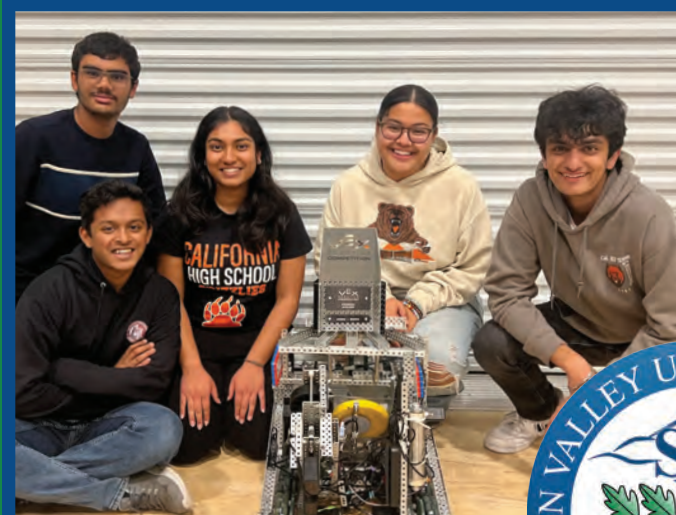
SRVUSD is considering two potential ballot measures. One measure would renew an existing, voter-approved parcel tax to maintain funding without raising taxes from their current rate. The other measure would create a stable, local funding source at the rate of \$98 per parcel per year to address the loss of State funds and protect important local educational programs from the State budget situation.

### Would both measures include a senior exemption?

Senior citizens can be exempted from the cost of both measures.

### Would all funds benefit our local SRVUSD schools only?

All funds from the potential measures would benefit SRVUSD schools only. No funds could be taken by the State or used for other purposes.



Your Priorities for San Ramon Valley Unified Schools

# Attracting Quality Teachers and Supporting Core Academic Programs Are Top Priorities for Our Community

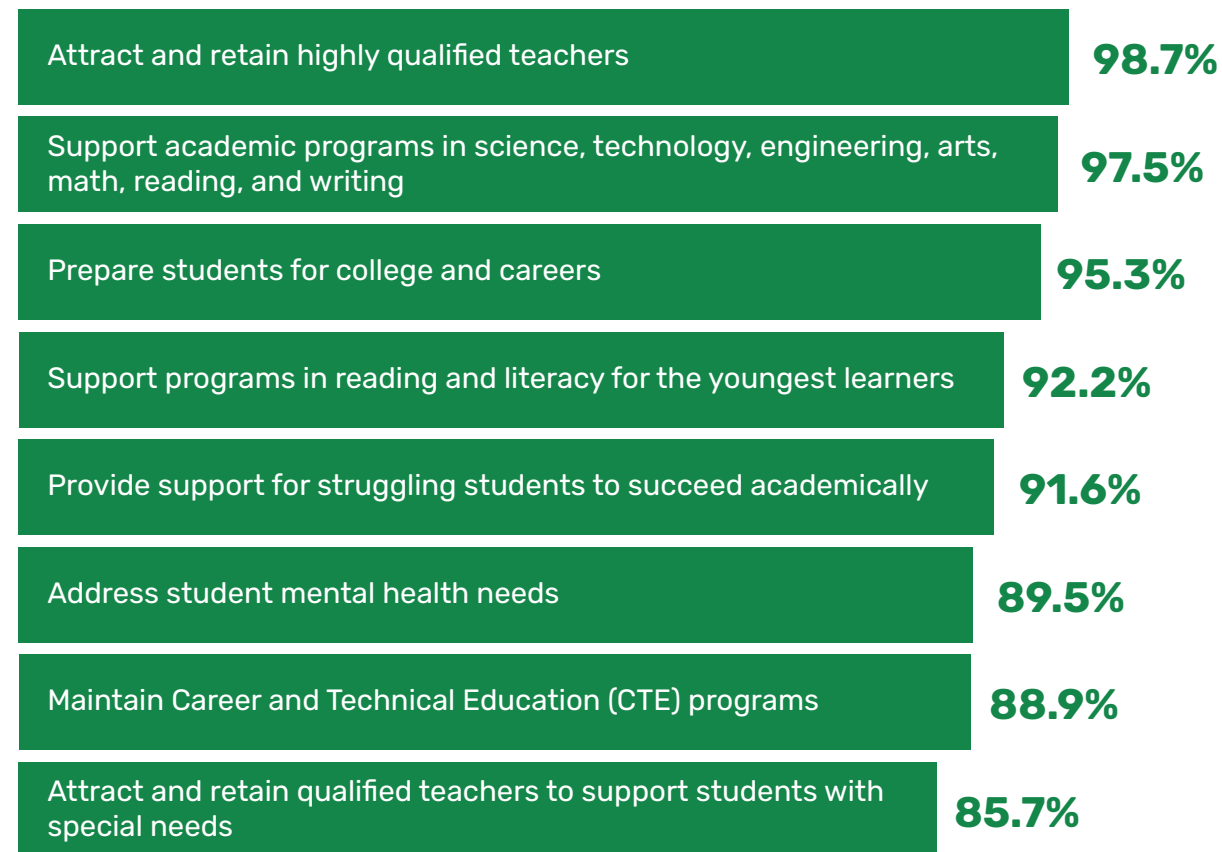
## Award-Winning Local Schools Support Student Success

San Ramon Valley Unified School District (SRVUSD) had more National Blue Ribbon schools this past year than any other district in the State or Nation. As one of the highest-performing school districts in the Nation, SRVUSD's graduation rate stands at nearly 97%.

Soon, local voter-approved funding that our schools have used for almost 20 years is set to expire. Additionally, our local schools face the loss of expiring State funds. Taken together, our schools face the loss of two funding sources that currently support core academic programs, early literacy programs, student mental health, and preparing students for college and careers.

## Community Priorities for SRVUSD Schools

In early May, SRVUSD mailed a survey asking you to share your priorities for a pair of potential local funding measures. With over 800 survey responses tallied, here are the top community priorities for our local San Ramon Valley schools:



Percent of respondents marking items as a high or medium priority. Responses received through December 20, 2023.

## Protecting Teachers & Academic Programs

To address expiring funding and community priorities for our schools, SRVUSD is considering placing two measures on the May 2024 special election ballot. The first measure would renew the expiring parcel tax funding at the current rate of \$144 per parcel, per year. The second measure would address the loss of State funding at the rate of \$98 per parcel, per year.

## Renewing Locally Controlled Funding for Our Schools

Funds from the first measure, to renew the expiring parcel tax funding, would be used to:

- Attract and retain highly qualified teachers
- Support academic programs in science, technology, engineering, arts, math, reading, and writing
- Prepare students for college and careers
- Maintain Career and Technical Education (CTE) programs

## Supplementing State Funding

Funds from the second measure, to supplement expiring State funds, would be used to:

- Support programs in reading and literacy for the youngest learners
- Provide support for students struggling to succeed academically
- Address student mental health needs
- Attract and retain qualified teachers to support students with special needs

## Local Control & Accountability

The citizens' Parcel Tax Oversight Committee (PTOC) has confirmed that SRVUSD schools spent past voter-approved funding as promised. Both measures being considered would include the same strict accountability requirements as past measures, including:

- All funds would be controlled locally and could not be taken away by the State
- No funds could be used for administrators' salaries or pensions
- Independent citizens' oversight committee and annual audits would be required
- Senior citizens and individuals with qualifying disabilities would be eligible for an exemption from the cost



## Learn More!

To learn more, please email [communications@srvusd.net](mailto:communications@srvusd.net) or visit [www.srvusd.net/HighQualityEd](http://www.srvusd.net/HighQualityEd).



## Agenda Report

24-237

Agenda Date: 3/12/2024

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### REPORT TO COUNCIL

#### SUBJECT

Silicon Valley Power Bi-Annual Update

#### COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

#### BACKGROUND

The City of Santa Clara's Electric Department, Silicon Valley Power (SVP), is a recognized industry leader with a strong history and reputation of providing excellent customer service. The electric industry is rapidly changing and undergoing a fundamental transformation, shifting from a centralized resource grid toward an increasingly decentralized electrical grid with distributed renewable energy resources (e.g. wind, solar, hydrogen, and biogas), shifting variability in supply, and greater customer choice.

#### DISCUSSION

The report to be presented to Council will provide an update to Council on SVP, its major capital projects, and its February 2024 storm response.

#### ENVIRONMENTAL REVIEW

There is no discretionary action being considered under this Report to Council; therefore, there is no "project" within the meaning of the California Environmental Quality Act ("CEQA") and no further environmental review is required pursuant to section 15060(c) of Title 14 of the California Code of Regulations.

#### FISCAL IMPACT

There is no fiscal impact associated with this update. Implementation of certain elements will require funding which will be requested through the normal budget process.

#### COORDINATION

This report has been coordinated with the Finance Department and the City Attorney'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](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Note and file the Silicon Valley Power Bi-Annual Update.

Reviewed by: Manuel Pineda, Chief Electric Utility Officer

Approved by: Jovan D. Grogan, City Manager