

4/24/18

Study Session

Santa Clara Stadium Authority

2019 College Football Playoff National
Championship at Levi's Stadium



April 24, 2018 Study Session

1

College Football Championship Game

- The City of Santa Clara is honored to host the 2019 College Football Playoff (CFP) National Championship.
- This is an excellent example of our region's prestige and ability to host and attract major events.
- Santa Clara and, particularly, Levi's Stadium is a key ingredient to the region's status.
- Important to review the public resource and event requirements to host the Championship game at Levi's Stadium.



2

POST MEETING MATERIAL

Event Summary

**Santa
Clara**

- Host to Teams (both teams will stay in Santa Clara)
- Media Events –Media Operations & Alumni Activities
- Gameday & Championship Tailgate
- CFP National Championship Game

**San
Jose**

- Extra Yard for Teachers Summit & Lounge
- Taste of the Championship
- Playoff Fan Central
- AT&T Playoff Playlist Live!
- Media Events – Media Day, Media Party, Media Operations



3

Event Summary



4

Public Service Event Resources

- **Public Safety** *Lead: City of Santa Clara (Police & Fire)*
 - Outreach/deployment for large scale event consistent with Stadium Public Safety Plan
 - Staffing requirements are similar in size/ scope to a Monday or Thursday Night 49ers Football Game
- **Transportation** *Lead: Stadium Manager*
 - Coordinate consistent with past practice and Transportation Management & Operations Plan (TMOP)
- **Parking** *Lead: Stadium Manager*
 - Coordinate with all parties consistent with the TMOP; including specified rideshare lots to minimize impacts on neighborhoods.
 - SCPD responsible for public safety response to parking lots.



5

Public Service Event Resources

- **Coordination/Timeline**
 - **January:** Site visit to 2018 CFP National Championship (Atlanta)
 - **May 3:** Kickoff Meeting - CFP Operational Planning Meeting
 - Will cover all events in Santa Clara (Levi's Stadium, Santa Clara Convention Center, Team Hotels and Great America)
 - **Ongoing:** SCPD, SCFD and City Emergency Services (EMS) will participate in action-planning meetings (1-2 per month).



6

Public Service Event Resources: Public Safety

Operational plan similar to NFL Game Deployment Model (Monday/Thursday night game to include all sweeps, perimeter security measures, neighborhood protection, and traffic plans)

Agencies

- City of Santa Clara Departments
 - Police (Security, Law Enforcement) – Lead
 - Fire (Fire, HazMat, EMS) – Lead
 - Public Works
- California Highway Patrol
- Santa Clara County Sheriff's Office
- Federal Bureau of Investigations
- Double Badgers



7

Public Service Event Resources: Transportation

- **Coordination consistent with Transportation Management & Operations Plan (TMOP) for large-scale events**
 - Lead: Stadium Manager
 - Full implementation with adjustments
 - Neighborhood protection detail to be coordinated with SCPD
 - Messaging to public and event attendees
- **Public Transportation Agencies/Traffic Coordination**

○ City of Sunnyvale	○ Caltrans	○ ACE
○ City of San Jose	○ VTA	○ Capitol Corridor
○ County of Santa Clara	○ CalTrain	○ AmTrack
- **Rideshare (Uber/Lyft/Taxi) – Red Lot 7 identified as ride share lot**



8

Public Service Event Resources: Parking

- Parking and Transportation Operation Order will be completed and all related information included in briefings
- Pre-Event and Event Day Planning
 - Parking Requirements - Consistent with TMOP
 - Parking lots in use at right
 - Anticipating more buses, RVs than NFL large scale event.
 - Circulation Plan
 - Public Access Plan
 - Neighborhood Protection Plan
- Game Day Staffing
 - SCPD, Public Works, CHP, Santa Clara County Sheriff's Office

Estimated Spaces by Parking Lot

Lot	Spaces	Lot	Spaces
Blue #1	5,081	Red #2	500
Green #1	4,997*	Red #3	606
Green #2	1,490	Red #4	825
Green #3	758	Red #7**	600
Green #4	1,577	Red VIP	459
Green #5	672	Yellow #1	1798
Green #6	900	Yellow #2	314
Purple #3	995	Yellow #3	444
Red #1	761		

Total 19,377

*2,500 used for Championship Tailgate

** Rideshare Lot



9

Next Steps/Schedule

- May 3rd – Kickoff Meeting: CFP Operational Planning Meeting
- Aug/Sept – Monthly updates via Reports to SCSA Board or City Manager Bi-Weekly Activity Report
- November/December – CFP Production Meeting
- CFP Site Visits –
 - May 17 – 18
 - June 5 – 7
 - August 21 – 23
 - September 11 – 13
 - October 16 – 18
 - November 14 – 16



10

Assignment Agreement & Venue Agreement

11

Assignment Agreement

- The CFP National Championship was bid by ManCo and contracted for as of October 23, 2015. On November 4, 2015, CFP publicly announced its selection of Levi's Stadium as host venue for the 5th annual playoff game.
- ManCo (acting as Bay Area Host Committee to the CFP) has advised that it disclosed to the former SCSA Executive Director, Julio Fuentes, the financial losses, estimated at \$5M originally.
- Stadium Authority Board not advised either by the former SCSA Executive Director or ManCo.

OPERATIONAL MANAGEMENT

The Host Committee shall maintain control and responsibility for managing and funding all aspects of building operations and associated vendors to ensure the Venue operates at an optimum performance level in connection with the Game; provided, however, that the Host Committee or its designee shall coordinate with the CFP Group to ensure proper management of existing vendors and to comply with all directions provided by the CFP Group at its sole discretion; and provided, further, that the CFP Group shall have ultimate control and final decision-making authority over all aspects of operations directly affecting the presentation, management and playing of the Game and official ancillary events that take place at the Venue.

Accepted with clarification. Stadium will continue Daily Operations. The Host Committee has raised \$5,000,000 to fund all expenses associated with hosting the CFPNCG. The total cost responsibility of the Host Committee for all obligations in this bid shall be capped at \$5,000,000 ("Host Committee Expense Cap").

Source: Forty-Niners Stadium Management Company RFP Response (Page 6), 11/11/15

12



Assignment Agreement

- Our existing agreements do not contemplate an event with these financials: handling this event as a Non-NFL event would be unfavorable within our existing contractual terms.
- ManCo has proposed a solution – Stadium Authority needs to learn more about how Forty Niners, LCC will backstop the financial losses.
- Assigning the CFP National Championship Game Agreement to the Host Committee is a prudent step to protect the SCSA from ANY losses or adverse fiscal impacts of holding this particular non-NFL event at Levi's Stadium.



13

Assignment Agreement

- Bay Area Host Committee is a newly-formed (established January 2018) California nonprofit mutual benefit corporation that would become the entity that would manage and be financially responsible for the CFP National Championship.
- **Both ManCo and SCSA Executive Director recommend that the event should be assigned to the Bay Area Host Committee. SCSA Executive Director has proposed terms for the Board to consider that isolate the event's financial losses from the current Agreements.**



14

Assignment Agreement

- Event does not qualify, under existing agreements, to be held as an NFL event (e.g., 10 NFL games, Super Bowl).
- If the event were allowed to be held as a Non-NFL event, without an assignment that included a financial contribution as a backstop against losses, the losses to the SCSA **could result in a combination of:**
 - Reduction in approved schedule to pay down debt of Levi's Stadium
 - Draw down through existing lines of credit
 - Reduction in the necessary City support services to manage the Stadium
 - No Performance Rent of \$2.7 million (est.) paid to the City
(Non-NFL expenses will exceed Non-NFL revenues)
- The Assignment Agreement approach isolates the SCSA from all negative financial impacts.



15

SCSA Approved Balanced Budget, March 27 2018

Description	Adopted Budget	
REVENUES:		
Non-NFL Revenues	\$62,147,000	
All other Revenues	\$68,614,000	
Total	\$130,761,000	\$ Capital Expenditures \$ Debt Service
EXPENSES:		
Shared Stadium Manager Expenses	\$11,173,000	
Non-NFL Expenses	\$56,519,000	
Performance Rent (paid to City)	\$2,654,000	
Transfers Out	\$52,691,000	
All other Expenses	\$7,724,000	
Total	\$130,761,000	\$ SBL Sales & Service \$ Stadium Authority General & Administrative \$ Utilities
Surplus/Deficit	\$0	

16

Potential Impacts – Approved Budget Without Assignment

CFP Loss	(\$12,000,000)
Impact of Loss	
Loss of Performance Rent (paid to City)	(\$2,654,000)
Potential SCSA Board Budget Amendments	
• Reduce “Transfers Out” ◦ Modify approved schedule to pay down debt of Levi’s Stadium ◦ Reduce funding for planned capital projects • Draw down from lines of credit (Current Budget: N/A) • Reduce stadium management expenses ◦ Reduce necessary City support services to manage the Stadium (“All Other Expenses”) ◦ Reduce “Shared Stadium Manager Expenses” • Other as directed by Board	(\$9,346,000)
Total	(\$12,000,000)

17

Assignment Agreement

- **SCSA Proposed Terms:** Host Committee will be responsible for all costs and expenses in connection with the Game, including all Stadium Operation Expenses (e.g., pre-, during-, and after- event costs), and specifically including:
 - All actual public services/workforce costs, including all public safety costs (up to double- overtime rate), planning, traffic, and code enforcement
 - All public service expenses for Non-Game Day events
 - Expenses not covered by permits
 - Any costs associated with team stay at hotels that don’t fit in “Game” definition
 - In short, no public service support expenditures will be absorbed by the Stadium Authority and/or City of Santa Clara – No Financial Losses



18

Assignment Agreement

SCSA Proposed Terms—Cont'd

- Shared net income to SCSA or City (General Fund) (if applicable)
- Complete accounting of all revenue and expenses provided to SCSA, through an independent third party auditor at no cost to SCSA, audit contract with and managed by SCSA Executive Director or SCSA Auditor (when hired):
 - Including but not limited to all financial information pertaining to the Venue Use Agreement, CFP National Championship Agreement, and any other vendor or related agreement or contract pertaining to the Game
- Bay Area Host Committee can't operate with a deficit, Forty Niners Football Company LLC (Team) will be the Third Party Guarantor to backstop any shortfall associated with the event. A full understanding of the backstop is required as part agreement and audit.



19

Assignment to Host Committee



20

Venue Agreement

- Venue Agreement relatively standard and consistent with past practice.
- Licensee (CFP Group) shall retain all parking revenue.
 - Licensee shall determine the price of parking in its sole discretion and the parties shall mutually agree on procedures for the sale of such parking.
 - City parking fee will be charged and paid to the City.



21

Venue Agreement

Continued

- CFP Group determines the price of Event Tickets in its sole discretion.
 - The Ticket Surcharge shall be added to the Ticket Pricing of each ticket. Stadium Manager shall remit to Stadium Authority the Ticket Surcharge owed on each ticket. Stadium Manager and Licensee shall mutually agree upon whether fee shall be included in ticket price or appear as a stand-alone fee.
 - Ticket Surcharge means the Four Dollar (\$4) surcharge on each ticket shall be remitted to Stadium Authority via Stadium Manager pursuant to the Stadium Lease.
 - SCSA Executive Director or Auditor right to audit financials (as in Assignment Agreement) for the purpose of validating revenue to the SCSA.



22

Next Steps

- May 29, 2018 -- SCSA Board will consider Assignment and Venue Agreements
- Aug/Sept – Monthly updates to SCSA Board
- Integrate SCSA Board March 27, 2018 motion into future discussions on this event (any relevant findings that provide for improved planning, etc.)



23

SCSA

Santa Clara Stadium Authority

24