

SCSA

Santa Clara Stadium Authority

SANTA CLARA STADIUM AUTHORITY FINANCIAL STATUS REPORT

Fiscal Year Ending March 31, 2018



October 2, 2018

Table of Contents

Introduction.....	2
NFL Events.....	3
Non-NFL Events.....	5
Discretionary Fund.....	9
Stadium Builder Licenses	10
Santa Clara Stadium Authority Budget Status Reports.....	12
<i>Operating Budget</i>	12
<i>Debt Service Budget</i>	14
<i>Capital Improvement Project Budget</i>	17
City of Santa Clara Net General Fund Impact.....	19
<i>Public Safety and Administrative Cost Reimbursement</i>	19
<i>Rents and Senior and Youth Fee</i>	20
<i>Other Revenue Impacts</i>	20
Glossary.....	22

Introduction

This Santa Clara Stadium Authority (Stadium Authority) Financial Status Report provides information covering the Stadium Authority's 2017/18 year ended March 31, 2018 as well as comparative data from the prior fiscal year.

It is important to note that this report includes the incorporation of the following Harvey Rose audit recommendation:

2.M -The Stadium Authority Board should direct staff to report actual revenues and expenditures on an accrual basis in budgetary documents so that all amounts presented reflect actual results for the year, regardless of the timing of revenue receipt or expenses incurred.

In addition to this report, the Stadium Authority produces annual financial statements within six months of fiscal year-end. These financial statements are audited by an external audit firm and were presented to the Stadium Authority's Audit Committee on August 27, 2018 and the Stadium Authority Board on September 11, 2018. Once presented to the Stadium Authority Board, the financial statements as well as this report are published on the Stadium Authority's website.

The Stadium Authority also prepares a detailed budget prior to the beginning of the new fiscal year. The 2018/19 Stadium Authority budget was adopted on March 27, 2018.

Stadium Authority finances are 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, including administrative and public safety, to the Forty Niners Stadium Management Company, LLC (Stadium Manager) or the Stadium Authority are reimbursed.

It is important to note that at the request of the Stadium Authority Board, the Stadium Manager has transferred a set of supporting financial documents for non-NFL events to the Stadium Authority which are currently being analyzed for completeness and accuracy. Once this review is complete, staff will report out the findings and if there are any changes to prior year financial information they will be reported in the current year financial statements.

The following report includes information related to non-NFL event revenues and expenses previously made available from the Stadium Manager's financial accounting system and does not include any possible corrections that may result from the analysis of the backup document that is currently underway.

NFL Events

This section provides annual and comparative data for NFL games categorized as pre-season and regular season games.

The San Francisco Forty-Niners (49ers) played a total of ten NFL games (two pre-season games and eight regular season games) at Levi's Stadium as of March 31, 2018. There were a total of 643,189 tickets sold to all NFL games, approximately 12,700 tickets, or 1.9%, less than the previous year for an average of 64,319 per game. The ticket sales resulted in \$7.8 million in NFL ticket surcharge revenue (10% of ticket sales) to the Stadium Authority. This is down by 4.5% from the same period in the prior fiscal year due to a decrease in ticket prices and number of tickets sold during the season. A total of \$225,000 of Senior and Youth Program Fees, which is based on \$0.35 per NFL ticket sold, were collected through the end of the fiscal year and transferred to the City's General Fund in support of such programs.

A total of 54,107 cars were parked in the permitted offsite parking lots generating \$293,000 in offsite parking fees. The Tasman lot parking fee generated \$28,000 for the General Fund through the end of the fiscal year. The overall number of cars parked in the permitted offsite lots and the Tasman lots went down by 13,000 cars or 18.2% when compared to the prior fiscal year. This decrease is due to lower overall attendance at NFL games in the current fiscal year.

There were \$2.6 million of NFL event public safety costs in the current fiscal year. This is down by \$452,000 or 14.6% from the prior year. This decrease is due to the continued effort of City staff to evaluate the deployment model and provide services more efficiently. It is worth noting, that there is a limit in efficiencies that can be achieved that will yield reduced public safety cost and that workforce costs continue to increase.

Of the \$2.6 million NFL event public safety costs, \$2.2 million or 83.8% are direct City costs and \$427,000 or 16.2% are outside agency costs. \$293,000 of the total NFL event public safety costs were covered by the offsite parking fees that were collected and the remaining \$2.3 million were invoiced to the Stadium Manager.

Statistics for the NFL games held at Levi's Stadium in the 2017/18 fiscal year as well as comparative data from the first three years of operations are shown in the following tables.

Levi's Stadium
2017/18 NFL Event Statistics
As of March 31, 2018

	Game 1 vs Broncos 08/19/17	Game 2 vs Chargers 08/31/17	Game 3 vs Panthers 09/10/17	Game 4 vs Rams 09/21/17	Game 5 vs Cowboys 10/22/17	Game 6 vs Cardinals 11/05/17	Game 7 vs Giants 11/12/17	Game 8 vs Seahawks 11/26/17	Game 9 vs Titans 12/17/17	Game 10 vs Jaguars 12/24/17	2017/18 YTD Total
No. of Tickets Sold	61,278	59,295	64,307	64,528	67,480	65,153	65,114	65,623	66,208	64,203	643,189
NFL Ticket Surcharge	\$ 557,568	\$ 553,588	\$ 854,183	\$ 579,381	\$ 1,517,429	\$ 584,669	\$ 1,109,495	\$ 867,454	\$ 593,163	\$ 589,259	\$ 7,806,190
Senior/Youth Program Fees	\$ 21,447	\$ 20,753	\$ 22,507	\$ 22,585	\$ 23,618	\$ 22,804	\$ 22,790	\$ 22,968	\$ 23,173	\$ 22,471	\$ 225,116
Cars Parked at Offsite Lots	5,534	3,113	6,778	6,017	6,939	4,552	5,315	4,769	5,739	5,351	54,107
City Offsite Parking Fee	\$ 29,994	\$ 16,872	\$ 36,737	\$ 32,612	\$ 37,609	\$ 24,672	\$ 28,807	\$ 25,848	\$ 31,105	\$ 29,002	\$ 293,260
Cars Parked on Tasman Lots	495	915	452	495	644	514	511	515	521	468	5,530
City Tasman Lot Parking Fee	\$ 2,475	\$ 4,575	\$ 2,260	\$ 2,475	\$ 3,220	\$ 2,570	\$ 2,555	\$ 2,575	\$ 2,605	\$ 2,340	\$ 27,650
Stadium Public Safety Costs	\$ 272,064	\$ 262,431	\$ 258,421	\$ 262,293	\$ 254,783	\$ 261,710	\$ 266,006	\$ 251,518	\$ 252,264	\$ 291,805	\$ 2,633,295
Less: Offsite Parking Fee Credit	\$ (29,994)	\$ (16,872)	\$ (36,737)	\$ (32,612)	\$ (37,609)	\$ (24,672)	\$ (28,807)	\$ (25,848)	\$ (31,105)	\$ (29,002)	\$ (293,260)
Reimbursable Stadium Public Safety Costs	\$ 242,070	\$ 245,558	\$ 221,684	\$ 229,681	\$ 217,174	\$ 237,038	\$ 237,199	\$ 225,670	\$ 221,158	\$ 262,802	\$ 2,340,035
Amount Reimbursed	\$ 242,070	\$ 245,558	\$ 221,684	\$ 229,681	\$ 217,174	\$ 237,038	\$ 237,199	\$ 225,670	\$ 221,158	\$ 262,802	\$ 2,340,035

Levi's Stadium
Historical NFL Event Statistics

	2014/15 Total	2015/16 Total	2016/17 Total	2017/18 Total
No. of Tickets Sold	682,095	669,826	655,891	643,189
NFL Ticket Surcharge	\$ 8,366,290	\$ 8,273,378	\$ 8,175,462	\$ 7,806,190
Senior/Youth Program Fees	\$ 238,733	\$ 234,439	\$ 229,562	\$ 225,116
Cars Parked at Offsite Lots	90,024	57,166	67,740	54,107
City Offsite Parking Fee	\$ 442,918	\$ 290,403	\$ 354,958	\$ 293,260
Cars Parked on Tasman Lots	4,983	6,876	5,122	5,530
Cars Parked on Golf Course	23,306	20,090	-	-
City Tasman Lot and Golf Course Parking Fee	\$ 141,445	\$ 134,830	\$ 25,610	\$ 27,650
Stadium Public Safety Costs	\$ 2,455,404	\$ 2,437,902	\$ 3,084,850	\$ 2,633,295
Golf Course Public Safety Costs	\$ 180,766	\$ 81,210	\$ -	\$ -
Subtotal Event Public Safety Costs	\$ 2,636,170	\$ 2,519,111	\$ 3,084,850	\$ 2,633,295
Less: Offsite Parking Fee Credit	\$ (442,918)	\$ (290,403)	\$ (354,958)	\$ (293,260)
Reimbursable Stadium Public Safety Costs	\$ 2,193,252	\$ 2,228,708	\$ 2,729,892	\$ 2,340,035
Amount Reimbursed	\$ 2,193,252	\$ 2,228,708	\$ 2,729,892	\$ 2,340,035

Non-NFL Events

This section provides annual and comparative data for non-NFL events categorized as events ranging from high school and college football games, international soccer matches, concerts, wedding fairs, and special events. Staff is continuing to work with the Stadium Manager on compliance with the required disclosure of efforts to book non-NFL Events for the Stadium Authority as outlined in the Stadium Management Agreement section 3.3.

During the current reporting period there were a total of 384,282 tickets sold for the 13 ticketed non-NFL events that were held, resulting in \$1.5 million in non-NFL event ticket surcharge revenue (from the \$4 per ticket non-NFL event surcharge). This is a decrease in ticket surcharge revenue of \$792,000 or 34% over the same period in the prior year. The main reason for the decrease is fewer events held in the current year (13) when compared to the prior year (18).

In correlation with the decrease in the number of events, parking at the permitted offsite parking lots also saw a decrease when compared to the prior year. There were 30,734 cars parked at these offsite lots, a 49.6% decrease from the previous year. The City received \$165,000 in related offsite parking fees.

Total non-NFL event public safety costs were \$2 million, a decrease of \$1.2 million or 37.8% from the prior year. As noted previously, this decrease in cost is due to fewer events held this year when compared to the prior year. Of these costs, \$165,000 were covered by the offsite parking fee and the remaining \$1.9 million were invoiced to the Stadium Manager.

There were also 113 smaller special events held at Levi's Stadium which is a 10.3% decrease from the 126 events that were held in the prior year. However the attendance at these events went up from 54,176 in the prior year to 62,917 in the current year, a 16.1% increase. Examples of these special events include corporate events of various sizes, weddings, holiday parties, high school dances, etc.

Statistics for the 13 non-NFL ticketed events and 113 special events held at Levi's Stadium in the 2017/18 fiscal year as well as comparative data from the first three years of operations are shown in the following tables.

**Levi's Stadium
2017/18 Non-NFL Ticketed Event Statistics
As of March 31, 2018**

	Monster Jam 04/22/17	U2 Concert 05/17/17	Wedding Fair 05/21/17	Wedemeyer High School Football 06/24/17	Champions Cup Soccer 07/23/17	Gold Cup Final 07/26/17	High School Football 09/23/17	Coldplay Concert 10/04/17	Wedding Fair 10/15/17	Pac 12 Championship 12/01/17	Foster Farms Bowl 12/27/17	Bacon & Beer Classic 02/24/18	Mexico vs. Iceland Soccer Match 03/23/18	2017/18 YTD Total
No. of Tickets Sold	38,805	49,489	401	1,761	58,294	57,728	3,679	44,547	438	38,282	26,156	3,368	61,334	384,282
Non-NFL Ticket Surcharge	\$ 155,220	\$ 197,956	\$ 1,604	\$ 7,044	\$ 233,176	\$ 230,912	\$ 14,716	\$ 178,188	\$ 1,752	\$ 153,128	\$ 104,624	\$ 13,472	\$ 245,336	\$ 1,537,128
Cars Parked at Offsite Lots	4,022	3,917	-	-	6,072	5,455	-	2,819	-	3,107	349	-	4,993	30,734
City Offsite Parking Fee	\$ 21,075	\$ 20,525	\$ -	\$ -	\$ 32,910	\$ 29,566	\$ -	\$ 15,279	\$ -	\$ 16,840	\$ 1,892	\$ -	\$ 27,062	\$ 165,149
Stadium Public Safety Costs	\$ 180,993	\$ 272,191	\$ 1,624	\$ 8,013	\$ 245,802	\$ 269,155	\$ 9,063	\$ 276,815	\$ 3,557	\$ 217,824	\$ 123,655	\$ 4,393	\$ 295,018	\$ 1,908,103
Less: Offsite Parking Fee Credit	\$ (21,075)	\$ (20,525)	\$ -	\$ -	\$ (32,910)	\$ (29,566)	\$ -	\$ (15,279)	\$ -	\$ (16,840)	\$ (1,892)	\$ -	\$ (27,062)	\$ (165,149)
Reimbursable Public Safety Costs	\$ 159,917	\$ 251,666	\$ 1,624	\$ 8,013	\$ 212,892	\$ 239,589	\$ 9,063	\$ 261,536	\$ 3,557	\$ 200,985	\$ 121,763	\$ 4,393	\$ 267,955	\$ 1,742,954
Amount Reimbursed	\$ 159,917	\$ 251,666	\$ 1,624	\$ 8,013	\$ 212,892	\$ 239,589	\$ 9,063	\$ 261,536	\$ 3,557	\$ 200,985	\$ 121,763	\$ 4,393	\$ 267,955	\$ 1,742,954

**Levi's Stadium
Historical Non-NFL Event Statistics⁽¹⁾**

	2014/15 Total	2015/16 Total	2016/17 Total	2017/18 Total
No. of non-NFL Ticketed Events	9	17	18	13
No. of Tickets Sold	377,312	629,004	582,349	384,282
Non-NFL Ticket Surcharge	\$ 1,431,540	\$ 2,477,084	\$ 2,329,396	\$ 1,537,128
No. of Non-NFL Special Events	186	207	126	113
Non-NFL Special Event Attendees	62,357	105,997	54,176	62,917
Cars Parked at Offsite Lots	26,156	55,720	60,969	30,734
City Offsite Parking Fee	\$ 128,688	\$ 278,704	\$ 313,979	\$ 165,149
Cars Parked on Golf Course	12,004	20,661	9,562	-
City Golf Course Parking Fee	\$ 60,020	\$ 103,305	\$ 47,810	\$ -
Stadium Public Safety Costs	\$ 1,782,821	\$ 3,083,668	\$ 3,207,507	\$ 2,020,343
Golf Course Public Safety Costs	\$ 76,462	\$ 119,842	\$ 39,905	\$ -
Subtotal Event Public Safety Costs	\$ 1,859,283	\$ 3,203,510	\$ 3,247,412	\$ 2,020,343
Less: Offsite Parking Fee Credit	\$ (128,688)	\$ (278,704)	\$ (313,979)	\$ (165,149)
Reimbursable Public Safety Costs	\$ 1,730,595	\$ 2,924,805	\$ 2,933,433	\$ 1,855,194
Amount Reimbursed	\$ 1,730,595	\$ 2,924,805	\$ 2,933,433	\$ 1,855,194

⁽¹⁾ Includes non-NFL special events.

New to this report is the inclusion of the non-NFL net revenue by event type and event revenue and expenses by category. The Board has expressed an interest in seeing this detailed information on an annual basis. The inclusion of this information is to provide a greater level of transparency and provide the overall financial results of the non-NFL events while still maintaining the confidentiality related to a specific event.

There were 13 ticketed non-NFL events held in 2017/18 with an average net income to the Stadium Authority of \$117,000 per event. Once the Stadium Authority applies relevant contractual requirements, the average of \$117,000 net income per event is reduced to an average of approximately \$55,000 per event benefitting the City's General Fund. Based on the analysis shown in the following table, Special Events (such as weddings, corporate events, birthday parties, etc.) generate the largest revenue for the Stadium Authority. In addition, Concerts and Soccer events continue to be positive revenue generators for the Stadium Authority. However, it is evident from the information that non-NFL football events (college and high school) generate substantial losses to the Stadium Authority which in turn reduces the Performance Rent that is paid to the City's General Fund.

Section 3.2.1 of the Management Agreement describes the marketing and booking duties and responsibilities of the Stadium Manager as follows:

Subject to all limitations and exclusions contemplated by the Major Contracts, and consistent with any guidelines as may be adopted from time to time in the Marketing Plan, use commercially reasonable efforts to market, promote, schedule and book Non-NFL Events and other activities at the Stadium in accordance with the Scheduling Procedures; and negotiate, execute, and perform all contracts, use agreements, licenses and other agreements...

As we move forward it is prudent that the Board be provided a complete Marketing Plan that will provide them with the ability to provide input on the type of Non-NFL events that are being booked and reject those that they do not feel are in the best interest of the Stadium Authority, City, and the surrounding community as a whole.

Levi's Stadium
Net Revenue for Non-NFL Events
by Event Type
As of March 31, 2018

EVENT TYPE	2016/17			2017/18			Change	
	No. of Events	Net Revenue ⁽¹⁾	% of Total Net Revenue	No. of Events	Net Revenue ⁽¹⁾	% of Total Net Revenue	No. of Events	Net Revenue ⁽¹⁾
Ticketed Events								
Concerts	4	\$ 2,424,572	46%	2	\$ 1,819,099	35%	(2)	\$ (605,473)
Sporting events:								
Football (non-NFL)	4	(2,946,165)	-55%	4	(3,601,827)	-70%	-	(655,662)
Soccer	5	2,414,209	45%	3	3,228,754	63%	(2)	814,545
Miscellaneous events	5	(159,175)	-3%	4	76,379	1%	(1)	235,554
Subtotal Ticketed Events	18	\$ 1,733,441	33%	13	\$ 1,522,405	29%	(5)	\$ (211,036)
Subtotal Remaining Non-NFL Events (weddings, corporate events, etc.)	127	\$ 3,583,453	67%	113	\$ 3,640,924	71%	(14)	\$ 57,471
Total Non-NFL Net Revenue	145	\$ 5,316,894	100%	126	\$ 5,163,329	100%	(19)	\$ (153,565)
Total Performance Rent paid to the General Fund⁽²⁾		\$ 2,533,447			\$ 2,439,164			\$ (94,283)
Average General Fund Revenue per Ticketed Event		\$ 45,887			\$ 55,322			\$ 9,435

⁽¹⁾ Does not include non-NFL ticket surcharge revenue

⁽²⁾ Performance Rent is calculated as 50% of the net revenue from Non-NFL events less performance-based credit of 50% of fixed ground rent (see pg 20)

Levi's Stadium
Non-NFL Event Results by Category
As of March 31, 2018

	2016/17		2017/18		Change	
	YTD Total	YTD Total	YTD Total	YTD Total	Amount	%
REVENUE:						
Seating Bowl	\$ 26,657,484	\$ 32,360,072	\$ 5,702,589			21.39%
Ticket Master Fees	2,318,523	2,129,559	(188,965)			-8.15%
Suites	1,592,175	940,225	(651,950)			-40.95%
Food & Beverage	5,093,523	3,764,714	(1,328,809)			-26.09%
Parking	2,291,326	1,934,508	(356,818)			-15.57%
Sponsorship	1,332,125	496,600	(835,525)			-62.72%
Merchandise	261,478	110,655	(150,824)			-57.68%
Miscellaneous ⁽¹⁾	12,692,128	13,470,342	778,215			6.13%
Total Revenue	\$ 52,238,762	\$ 55,206,675	\$ 2,967,913			5.68%
EXPENSE:						
Public Safety/Security	\$ 5,424,931	\$ 2,930,619	\$ (2,494,313)			-45.98%
Utilities/Solid Waste	308,623	215,877	(92,747)			-30.05%
Parking	2,466,020	1,507,685	(958,335)			-38.86%
Food & Beverage - Ticketed Events	810,701	794,029	(16,673)			-2.06%
Food & Beverage - Special Events	6,144,348	6,985,053	840,705			13.68%
Operations/Janitorial/Maintenance	7,209,687	4,665,504	(2,544,183)			-35.29%
Miscellaneous ⁽²⁾	24,557,556	32,944,580	8,387,024			34.15%
Total Expense	\$ 46,921,867	\$ 50,043,346	\$ 3,121,479			6.65%
Total Non-NFL Net Revenue	\$ 5,316,894	\$ 5,163,329	\$ (153,565)			-2.89%

⁽¹⁾ Includes special event revenue such as corporate events, weddings, holiday parties, etc.

⁽²⁾ Includes rentals, fees & commissions, transportation, marketing, and other expenses

Discretionary Fund

The Stadium Lease contains a provision under which NFL public safety costs are subsidized through revenue earned from non-NFL events. The mechanism by which this has occurred has been alternatively referred to as the public safety costs threshold or “cap”. For the first three years of Stadium operations, the cap was set at \$170,000 per NFL game, subject to a small percentage annual increase. Any NFL public safety costs that exceed the annual cap have been funded by transfers from the Stadium Authority “Discretionary Fund”.

The Discretionary Fund is funded by revenue equal to 50% of the non-NFL ticket surcharge of \$4 per event. The following table shows the revenues and expenses in the discretionary fund since Fiscal Year 2014/15. As described previously on page five of this report, the decrease in discretionary fund revenue is due to fewer non-NFL events. The current balance is \$1.3 million.

The total NFL public safety costs above the threshold for the 2016/17 fiscal year was \$1.2 million, which was fully paid to the City by the Stadium Manager. The Stadium Authority subsequently reimbursed \$1.2 million to the Stadium Manager out of the discretionary fund in fiscal year 2017/18. Under the Stadium Lease, the Stadium Authority invoked its right to review the issue of the threshold with the Forty Niners SC Stadium Company (StadCo). As of the date of this report the discussions have not been concluded, but it continues to be the Stadium Authority’s position that the previous transfers by the Stadium Authority from the discretionary fund to pay City costs in excess of the threshold are not an indication of the Stadium Authority’s position with regard to the continuing legal validity of the cap.

Discretionary Fund				
Fiscal Year	Beginning Balance	Revenue	Expenses	Ending Balance
2014-15	\$ -	\$ 715,770	\$ -	\$ 715,770
2015-16	715,770	1,238,542	714,028	1,240,284
2016-17	1,240,284	1,164,698	699,129	1,705,853
2017-18	1,705,853	768,564	1,209,342	1,265,075

Stadium Builder Licenses

The total principal value of currently active Stadium Builder Licenses (SBLs) is \$532.9 million and, as of March 31, 2018, 79.6% of the total principal value of all SBLs sold (i.e., \$424 million) had been collected.

SBL holders that finance their purchase pay an annual interest rate of 8.5% and payments are due by March 1st each year. The majority of SBL holders make their payments on time. For those that do not pay on time, SBL service staff working for the Stadium Manager on the Stadium Authority's behalf, contact the SBL holders and attempt to collect the full amounts owed. Ultimately, an SBL can be defaulted for non-payment. Once an SBL is defaulted, the SBL holder in default loses their right to buy season tickets as well as their priority rights to tickets to non-NFL events, and forfeits any money they had invested in the SBL. Defaulted SBLs are then available for resale.

There are a total of 60,467 currently active SBLs, or 91.8% of the 65,877 total sellable SBL seats. This is down by 1,840 from the total active SBLs at the end of the prior fiscal year (March 31, 2017). The main reason for the reduction is due to SBLs that have been defaulted. The customer seat upgrade program also resulted in a net reduction in SBLs. This program allows customers to trade in their SBLs in return for fewer SBLs as long as the total face value of the new seats is equal to or greater than the original seats.

During the current fiscal year, 1,190 SBLs were sold for a total face value of \$7.7 million. SBL sales were especially strong in the fourth quarter with 620 of the 1,190 new SBLs being sold during that time period. The customer seat upgrade program resulted in an increase of \$1.6 million to the SBL face value, while netting 798 fewer SBLs. There were also 2,232 SBLs defaulted during the same period with a total face value of \$15 million. Of the \$15 million, approximately 42% or \$6.3 million has already been collected.

Additional details regarding currently active SBLs are noted in the following table:

Santa Clara Stadium Authority

Currently Active Stadium Builder License (SBL) Summary ⁽¹⁾

Through March 31, 2018										
Seat Value	SBL Seats Available	SBL Seats Sold as of 3/31/17	New SBL Sales	Net SBL Upgrades	SBL Defaults	SBL Seats Sold	SBL Value	SBL Collected	% SBL Principal Collected	
141,392	98	98	-	-	-	98	\$ 13,856,398	\$ 11,009,162	79.45%	
80,000	938	928	8	2	(10)	928	74,240,000	61,268,011	82.53%	
40,000	2	2	-	-	-	2	80,000	58,676	73.35%	
30,000	4,869	4,647	31	40	(122)	4,596	137,880,000	114,158,755	82.80%	
20,000	3,395	2,993	37	35	(92)	2,973	59,460,000	47,869,393	80.51%	
15,000	7	7	-	-	-	7	105,000	56,923	54.21%	
12,000	2,167	2,129	49	(1)	(74)	2,103	25,236,000	20,541,422	81.40%	
10,000	9	9	-	-	(1)	8	80,000	54,641	68.30%	
6,000	20,619	20,110	452	314	(699)	20,177	121,062,000	90,134,885	74.45%	
5,000	14,297	13,385	290	(7)	(376)	13,292	66,460,000	51,452,638	77.42%	
4,000	917	913	-	10	(10)	913	3,652,000	3,126,427	85.61%	
3,000	98	98	-	1	(3)	96	288,000	201,336	69.91%	
2,500	49	49	-	(1)	(2)	46	115,000	84,107	73.14%	
2,000	18,367	16,894	323	(1,191)	(840)	15,186	30,372,000	23,980,273	78.96%	
1,000	45	45	-	-	(3)	42	42,000	29,927	71.25%	
Total	65,877	62,307	1,190	(798)	(2,232)	60,467	\$ 532,928,398	\$ 424,026,576	79.57%	
Plus: Interest on financed SBLs								44,454,306		
Total Principal & Interest								\$ 468,480,882		

⁽¹⁾ This report does not include \$16.6 million that has been collected from defaulted SBL holders.

Santa Clara Stadium Authority Budget Status Reports

Operating Budget

The total operating revenues for the 2017/18 fiscal year were \$82.5 million representing 98% of the overall budget for revenues. Stadium rent earned from StadCo totaled \$23.4 million. This is \$1.1 million lower than what was budgeted due to the change from a cash basis to an accrual basis budget as discussed in the prior quarterly report. StadCo pays rent one month in advance, the cash payment received in March 2018 is related to April 2018, and therefore it will be included in the 2018/19 first quarter report. Further, the rent for April 2017 was received in the prior fiscal year and not yet accrued to FY 2017/18. Net revenues from 2016/17 and 2017/18 non-NFL events were \$5.3 million and \$5.2 million respectively. During the current reporting period, the Stadium Authority also collected \$31.7 million in SBL proceeds or 100% of what was budgeted. All SBL proceeds are transferred to the debt service fund per applicable loan agreements.

Total operating expenses were \$22.5 million, or 87% of the annual budget. The shared stadium manager expenses were at 93% of the \$10.8 million budgeted amount. SBL Sales & Service expenses were only 69% of the budget due to a large true-up from the prior year due to a decrease in SBL sales activity in that year. Discretionary fund expenses were 54% of the budgeted amount of \$2.2 million. These funds were used to cover 2016/17 NFL event public safety costs over the public safety cost threshold and consultant services. Lastly, Stadium Authority G&A costs were \$3 million or 89% of the budget.

Overall, the Stadium Authority operating fund ended the fiscal year with a fund balance of \$22.7 million an increase of \$2.2 million or 10.9%. Included in that amount is a \$10.9 million operating reserve and a \$1.3 million discretionary fund.

Santa Clara Stadium Authority

Operating Budget Status Report

For the Period Ending March 31, 2018 and 2017

	Period Ending March 31, 2018								Period Ending March 31, 2017			
	Final Budget	Q1 Actuals	Q2 Actuals	Q3 Actuals	Q4 Actuals	YTD Actuals	Balance	% Received	Final Budget	YTD Actuals	Balance	% Received
Beginning Balances	\$ 20,147,800	\$ 20,498,355	\$ 21,784,841	\$ 26,995,159	\$ 28,221,044	\$ 20,498,355	\$ (350,555)		\$ 17,159,000	\$ 18,211,404	\$ (1,052,404)	
Resources												
Revenues												
NFL Ticket Surcharge	8,258,000	-	2,544,721	5,261,469	-	7,806,190	451,810	95%	8,452,000	8,175,462	276,538	97%
SBL Proceeds	31,756,000	-	7,822,277	-	23,916,173	31,738,451	17,549	100%	33,804,000	39,068,783	(5,264,783)	116%
Interest	280,000	88,107	79,167	107,579	248,142	522,996	(242,996)	187%	-	125,593	(125,593)	N/A
Net Revenues from Non-NFL Events	10,768,135	5,316,894	-	-	5,163,329	10,480,223	287,912	97%	5,710,000	6,079,016	(369,016)	106%
Naming Rights	6,366,000	-	3,136,127	-	3,230,211	6,366,337	(337)	100%	6,181,000	6,180,910	91	100%
Sponsorship Revenue (STR)	406,000	95,040	81,250	81,250	198,839	456,379	(50,379)	112%	717,000	567,517	149,483	79%
Rent	24,500,000	3,375,000	6,750,000	6,750,000	6,500,000	23,375,000	1,125,000	95%	24,500,000	24,500,000	-	100%
Senior & Youth Program Fees	231,000	-	87,293	137,823	-	225,116	5,884	97%	242,000	229,562	12,438	95%
Fanwalk Revenue	-	-	-	-	-	-	-	N/A	-	7,811	(7,811)	N/A
Non-NFL Event Ticket Surcharge	2,000,000	361,824	464,088	194,656	516,560	1,537,128	462,872	77%	2,000,000	2,350,664	(350,664)	118%
Revenues Subtotal	84,565,135	9,236,865	20,964,923	12,532,777	39,773,254	82,507,818	2,057,317	98%	81,606,000	87,285,318	(5,679,318)	107%
Net Transfers	(58,517,000)	-	(11,080,387)	(8,314,720)	(38,400,711)	(57,795,817)	(721,183)	99%	(60,728,000)	(65,561,078)	4,833,078	108%
Total Resources	46,195,935	29,735,220	31,669,377	31,213,216	29,593,587	45,210,356	985,579	98%	38,037,000	39,935,644	(1,898,644)	105%
	Final Budget	Q1 Actuals	Q2 Actuals	Q3 Actuals	Q4 Actuals	YTD Actuals	Balance	% Used	Final Budget	YTD Actuals	Balance	% Used
Expenses												
Shared Stadium Manager Expenses												
Stadium Operations	3,613,000	903,198	733,881	761,802	673,479	3,072,360	540,640	85%	3,370,000	3,278,125	91,875	97%
Engineering	1,636,000	408,914	507,570	551,259	596,004	2,063,747	(427,747)	126%	1,524,000	1,468,625	55,375	96%
Guest Services	848,000	211,891	64,771	156,036	14,549	447,248	400,752	53%	895,000	771,246	123,754	86%
Groundskeeping	246,000	61,545	56,768	(28,636)	76,031	165,709	80,291	67%	155,000	144,553	10,447	93%
Security	1,498,000	374,541	268,130	296,376	353,407	1,292,455	205,545	86%	1,545,000	1,686,925	(141,925)	109%
Insurance	2,787,000	451,545	2,103,240	116,248	115,717	2,786,749	251	100%	2,705,000	2,705,000	-	100%
Stadium Management Fee	219,000	620	-	-	218,546	219,165	(165)	100%	212,000	258,631	(46,631)	122%
Shared Stadium Mngr Exps Subtotal	10,847,000	2,412,255	3,734,361	1,853,084	2,047,732	10,047,432	799,568	93%	10,406,000	10,313,105	92,895	99%
Other Operating Expenses												
SBL Sales and Service	2,095,000	535,875	(260,507)	419,675	754,170	1,449,213	645,787	69%	1,945,000	1,659,654	285,346	85%
Senior & Youth Fees (paid to City)	231,000	-	64,708	137,937	22,471	225,116	5,884	97%	242,000	229,562	12,438	95%
Ground Rent (paid to City)	285,000	-	285,000	-	-	285,000	-	100%	250,000	250,000	-	100%
Performance Rent (paid to City)	5,116,568	2,533,447	-	-	2,439,164	4,972,611	143,956	97%	2,932,000	2,937,197	(5,197)	100%
Measure J Compliance Audit	-	-	-	-	-	-	-	0%	200,000	151,406	48,594	76%
Discretionary Fund Expense	2,230,000	1,173,342	-	-	36,000	1,209,342	1,020,658	54%	1,000,000	699,129	300,871	70%
Utilities	1,434,000	747,000	143,012	-	47,966	937,978	496,022	65%	1,473,000	1,646,124	(173,124)	112%
Use of StadCo Tenant Improvements	245,000	-	(3,940)	-	241,060	237,120	7,880	97%	250,000	245,820	4,180	98%
Stadium Authority G&A	3,395,000	548,461	715,733	581,475	1,180,112	3,025,782	369,218	89%	1,448,840	1,171,704	277,136	81%
Other Expenses	76,000	-	(4,149)	-	100,751	96,602	(20,602)	127%	123,000	133,588	(10,588)	109%
Other Operating Expenses Subtotal	15,107,568	5,538,124	939,857	1,139,087	4,821,695	12,438,764	2,668,804	82%	9,863,840	9,124,184	739,656	93%
Total Expenses	25,954,568	7,950,379	4,674,218	2,992,172	6,869,427	22,486,195	3,468,372	87%	20,269,840	19,437,289	832,551	96%
Ending Balances	\$ 20,241,368	\$ 21,784,841	\$ 26,995,159	\$ 28,221,044	\$ 22,724,161	\$ 22,724,161	\$ (2,482,793)		\$ 17,767,160	\$ 20,498,355	\$ (2,731,195)	

Debt Service Budget

The Stadium Authority's 2017/18 debt service revenue budget of \$4.5 million represents anticipated contributions from the Community Facilities District (CFD). During the course of the fiscal year \$4.4 million was contributed by the CFD. This is \$826,000 more than the prior fiscal year due to the change from a cash basis to an accrual basis budget. This change resulted in accruing an additional three months of revenue in the amount of \$902,000.

Total Stadium Authority debt service expenses for the current reporting period were \$75.5 million, 99% of the budgeted amount. The debt service expense for the CFD Advance, the Term A Loan, and the StadCo Subordinated Loan was \$3.7 million, \$21.2 million and \$50.6 million, respectively.

The Stadium Authority debt service fund ended the current quarter with a fund balance of \$29.7 million which includes \$11.5 million in the debt service reserve account. The remaining \$18.2 million is reserved for debt payments in the 2018/19 fiscal year.

As of March 31, 2018, the total outstanding amount of Stadium Authority debt had declined to \$382.7 million. This is a reduction in principal of \$47.1 million from the March 31, 2017 outstanding debt amount of \$429.8 million

Santa Clara Stadium Authority

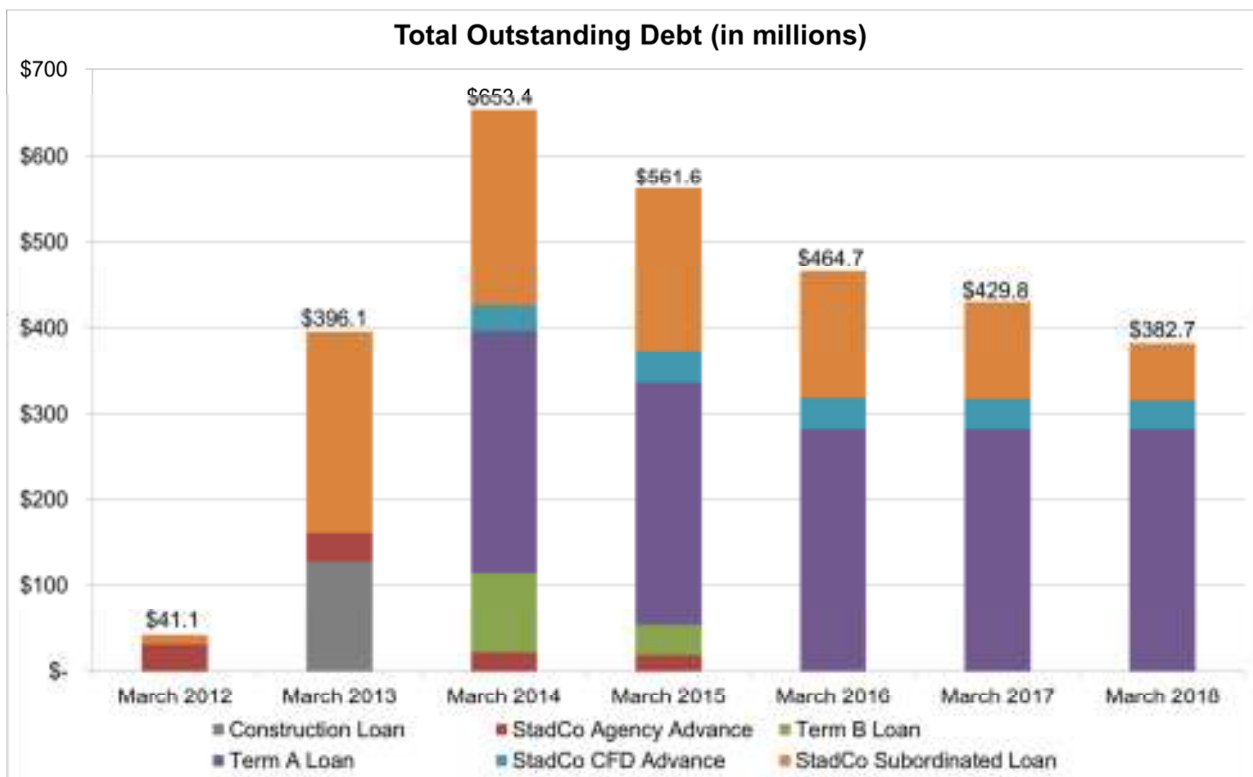
Debt Service Budget Status Report

For the Period Ending March 31, 2018 and 2017

	Period Ending March 31, 2018								Period Ending March 31, 2017			
	Final Budget	Q1 Actuals	Q2 Actuals	Q3 Actuals	Q4 Actuals	YTD Actuals	Balance	% Received	Final Budget	YTD Actuals	Balance	% Received
Beginning Balances	\$ 42,887,813	\$ 46,297,286	\$ 11,536,235	\$ 22,616,622	\$ 23,861,489	\$ 46,297,286	\$ (3,409,473)		\$ 28,063,000	\$ 36,891,573	\$ (8,828,573)	
Resources												
Revenues												
Contribution from CFD	4,500,000	854,660	909,445	897,022	1,738,097	4,399,224	100,776	98%	3,400,000	3,573,523	(173,523)	105%
Revenues Subtotal	4,500,000	854,660	909,445	897,022	1,738,097	4,399,224	100,776	98%	3,400,000	3,573,523	(173,523)	105%
Net Transfers	55,239,000	-	11,080,387	8,314,720	35,122,530	54,517,636	721,364	99%	57,545,000	66,223,783	(8,678,783)	115%
Total Resources	102,626,813	47,151,945	23,526,067	31,828,364	60,722,116	105,214,146	(2,587,333)	103%	89,008,000	106,688,880	(17,680,880)	120%
Expenses												
CFD Advance	3,860,000	854,660	909,445	897,022	1,061,409	3,722,535	137,465	96%	3,400,000	3,573,523	(173,523)	105%
Term A Loan	21,210,000	7,069,853		7,069,853	7,069,853	21,209,558	442	100%	14,140,000	14,139,705	295	100%
StadCo Subordinated Loan	51,500,000	27,691,198			22,881,961	50,573,159	926,841	98%	52,288,000	42,678,366	9,609,634	82%
Total Expenses	76,570,000	35,615,710	909,445	7,966,875	31,013,223	75,505,252	1,064,748	99%	69,828,000	60,391,594	9,436,406	86%
Ending Balances	\$ 26,056,813	\$ 11,536,235	\$ 22,616,622	\$ 23,861,489	\$ 29,708,894	\$ 29,708,894	\$ (3,652,081)		\$ 19,180,000	\$ 46,297,286	\$ (27,117,286)	

Santa Clara Stadium Authority Debt Summary Report For the Period Ending March 31, 2018

Type of Indebtedness	Interest Rates	Outstanding as of March 31, 2017	Net Change	Outstanding as of March 31, 2018
Stadium Funding Trust Loan:				
Term A Loan	5.00%	\$ 282,794,108	\$ -	\$ 282,794,108
StadCo CFD Advance	5.73%	34,414,899	(1,580,014)	32,834,885
StadCo Subordinated Loan	5.50%	112,564,310	(45,531,683)	67,032,627
Total		\$ 429,773,317	\$ (47,111,697)	\$ 382,661,620



Capital Improvement Project Budget

As part of the CapEx plan the following projects were completed during the fiscal year:

- Water treatment/softener system
- Fire alarm system upgrade
- LED service tunnel lighting
- Aesthetic and miscellaneous improvements
- Field event emergency exit and other signage
- Restroom stall vacancy signage
- Accessible seating reference line project
- Landscaping
- Slip and fall protection

Additionally, a few 2017/18 projects are still in progress and will be rolled forward into Fiscal Year 2018/19. These include the permanent changeable street signage for public safety and traffic control and public safety equipment. A total of \$1 million has been spent through the current fiscal year in relation to the CapEx plan.

In addition, of the \$1.9 million carried forward as a warranty reserve, \$250,000 was spent. This includes work related to the following items:

- Expansion joint waterproofing
- Shattered glass panels
- Accordion door issues

A total of \$1.3 million, which includes capital expense projects and warranty related work, has been spent on stadium capital expenses or 27% of the \$4.8 million budget.

Santa Clara Stadium Authority

CIP Budget Status Report

For the Period Ending March 31, 2018 and 2017

	Period Ending March 31, 2018								Period Ending March 31, 2017			
	Final Budget	Q1 Actuals	Q2 Actuals	Q3 Actuals	Q4 Actuals	YTD Actuals	Balance	% Received	Final Budget	YTD Actuals	Balance	% Received
Beginning Balances	\$ 8,528,701	\$ 8,887,218	\$ 8,700,667	\$ 10,052,357	\$ 9,844,648	\$ 8,887,218	\$ (358,517)		\$ 6,090,000	\$ 6,090,000	\$ -	
Resources												
Net Transfers from Operating Budget	3,278,000	-	-	-	3,278,181	3,278,181	(181)	100%	3,183,000	3,182,700	300	100%
Net Transfers from Stadium Development	1,851,000	-	1,851,000	-	-	1,851,000	-	100%	-	-	-	0%
Total Resources	13,657,701	8,887,218	10,551,667	10,052,357	13,122,829	14,016,399	(358,698)	103%	9,273,000	9,272,700	300	100%
Expenses												
Construction	1,766,517	186,551	301,581	207,709	340,444	1,036,285	730,232	59%	3,025,000	137,722	2,887,278	5%
Stadium Warranty Related Construction	1,851,000	-	197,729	-	52,300	250,029	1,600,971	14%	-	-	-	0%
Equipment	1,022,000	-	-	-	11,385	11,385	1,010,615	1%	275,000	247,760	27,240	90%
Contingency	122,000	-	-	-	-	-	122,000	0%	-	-	-	0%
Total Expenses	4,761,517	186,551	499,310	207,709	404,129	1,297,699	3,463,818	27%	3,300,000	385,482	2,914,518	12%
Ending Balances	\$ 8,896,184	\$ 8,700,667	\$ 10,052,357	\$ 9,844,648	\$ 12,718,700	\$ 12,718,700	\$ (3,822,516)		\$ 5,973,000	\$ 8,887,218	\$ (2,914,218)	

City of Santa Clara Net General Fund Impact

Levi's Stadium has had a positive impact on the City's finances; however, contributions to the General Fund amounted to approximately \$3.0 million in the Stadium Authority's 2017/18 Fiscal Year, less than 1.4% of the total 2017/18 General Fund Operating Budget of \$221.7 million. This section of the report provides information on General Fund revenue and expenditure impacts resulting from the stadium.

City of Santa Clara Net General Fund Impact

For Stadium Authority Fiscal Year Ending March 31, 2018

Ground Rent	\$ 285,000
Performance Rent	2,439,164
Senior and Youth Fee	225,116
Tasman Lots Parking Fee	27,650

Total Net General Fund Impact	\$2,976,931
--------------------------------------	--------------------

Public Safety and Administrative Cost Reimbursement

As described in earlier sections of this report, costs incurred by the City on NFL and non-NFL events are tracked and billed to the Stadium Manager. Reimbursement is monitored and included in this report. A total of \$4.7 million in public safety costs were incurred in support of non-NFL events and NFL games that were held at Levi's Stadium in the current fiscal year, all of which have been reimbursed to the City. These reimbursements came from a combination of payments from the Stadium Manager, the Stadium Authority, and the offsite parking fees that were collected.

In addition to public safety costs, overall administrative costs are also tracked and billed to the Stadium Authority. These include the cost of providing overall stadium management, financial, human resource, legal, and other services to the Stadium Authority. In the 2017/18 fiscal year a total of \$549,000 of administrative costs were incurred by the General Fund, which have been reimbursed to the City.

Rents and Senior and Youth Fee

The City's General Fund collected performance rent of \$2.4 million. It is calculated as 50% of the net income from non-NFL events less performance-based rent credits. The performance-based rent credits include 50% of the fixed ground rent for the current lease year. The performance rent calculations for the two most recent fiscal years is noted in the chart below.

City of Santa Clara Stadium Authority Performance Rent Calculation

	2017/18 ⁽¹⁾	2016/17 ⁽¹⁾
Ground Rent	\$ 285,000	\$ 250,000
Non-NFL Event Revenue	55,206,675	52,238,762
Non-NFL Event Expense	(50,043,346)	(46,921,868)
Net Non-NFL Event Revenue	\$ 5,163,329	\$ 5,316,894
50% of Net Non-NFL Event Revenue	\$ 2,581,664	\$ 2,658,447
Performance Based Rent Credits		
50% of Fixed Ground Rent	(142,500)	(125,000)
Public Safety Costs Over Threshold	-	-
Received PIT	-	-
Disproportionate Taxes	-	-
Total Performance Based Rent	\$ 2,439,164	\$ 2,533,447

⁽¹⁾ This data is related to events occurring in the fiscal years noted above, however the cash payment of the performance rent is received by the City in the following fiscal years.

The City's General Fund also collected ground rent (\$285,000) from the Stadium Authority. Additionally, the Senior and Youth Fee generated \$225,000 which was forwarded to the City in support of senior and youth programs. Lastly, the Tasman Lot Parking Fee generated \$28,000 for the City. See the Glossary for more information on these revenues and how they are calculated.

Other Revenue Impacts

General Fund sales tax, property tax, and transient occupancy tax (TOT) collections have benefited from the direct and indirect economic activity related to stadium events.

Food and beverage concession sales and merchandise sales at Levi's Stadium are taxable resulting in sales tax revenue for the City. The last four quarters of sales tax collections from Levi's Stadium transactions generated \$561,000 for the City's General Fund. In addition to the direct sellers at the stadium, other businesses in Santa Clara are benefiting from the influx of people coming into town to attend one or more events at Levi's Stadium, resulting in potentially more sales tax collections for the General Fund.

In accordance with State Law, StadCo must pay possessory interest property tax based on their lease of Levi's Stadium from the Stadium Authority. This revenue is collected by the county and placed into the Redevelopment Property Tax Trust Fund (RPTTF). Amounts remaining in the RPTTF after paying any enforceable obligations of the Successor Agency are distributed to taxing entities in the same proportion as secured property taxes.

Many stadium events bring travelers into the region resulting in hotel stays which generate TOT collections for the City's General Fund. Although it is impossible to say exactly what portion of our TOT collections is due to the stadium, it is clear that hotels both inside and outside the City have benefited, resulting in increases in TOT tax collections in Santa Clara and in our neighboring cities.

Neither the Lease nor the Management Agreement requires a reporting on economic impact of Stadium bookings, so it is not clear what events generate this type of impact.

Glossary

This section of the report provides details behind key terms that are used in the body of this report.

Discretionary Fund – The Amended and Restated Stadium Lease Agreement describes the non-NFL event ticket surcharge which is imposed by the Stadium Authority. All promoters or sponsors of ticketed non-NFL events are required to collect a non-NFL ticket surcharge of \$4 per ticket on behalf of the Stadium Authority. One-half of these proceeds are used to cover Stadium Authority operating and maintenance costs. The other one-half of the proceeds are deposited in the Stadium Authority's discretionary fund. If at any time the discretionary fund balance exceeds \$1 million, then in consultation with the Stadium Manager, the Stadium Authority will determine if provision has been made for replacement and improvement of capital improvements contemplated under the public safety plan. If not, then funds will be reserved in the discretionary fund for such purposes. If adequate provision has been made for these items and the balance of the discretionary fund still exceeds \$1 million, then up to half of the amount over \$1 million can be transferred to the General Fund, in which event an equal amount will also be transferred from the discretionary fund to the Stadium Authority operating fund and will be included as revenue available to pay Stadium Authority expenses.

Ground Lease – The Ground Lease Agreement has an initial term of 40 years commencing on the date of substantial completion which was July 31, 2014. The amount of annual base ground rent that is payable by the Stadium Authority to the City is noted in the chart below.

Lease Year(s)	Annual Fixed Ground Rent
1	\$180,000
2	\$215,000
3	\$250,000
4	\$285,000
5	\$320,000
6	\$355,000
7	\$390,000
8	\$425,000
9	\$460,000
10	\$495,000
11-15	\$1,000,000
16-20	\$1,100,000
21-25	\$1,200,000
26-30	\$1,300,000
31-35	\$1,400,000
36-40	\$1,500,000

Net non-NFL Event Revenue – Net non-NFL event revenue is remitted by the Stadium Manager to the Stadium Authority on a yearly basis. This is done annually because the final reconciliation of the non-NFL event revenues and expenses does not occur until after the conclusion of each fiscal year.

NFL Event Public Safety Costs Threshold – The Amended and Restated Stadium Lease Agreement (Lease Agreement) describes the public safety costs threshold for the first three years of the Lease term. The public safety costs threshold was set at \$170,000 per NFL game in the first year of stadium operations (fiscal year 2014/15). The threshold increased by 4% each year. The Stadium Authority has requested meetings with StadCo to “meet and confer” over the public safety costs, as required by the Lease Agreement, to address these expenditures for FY 2018/19 and going forward. At the time of drafting this report, those meetings are still being scheduled with the final outcome pending.

NFL Ticket Surcharge – The Amended and Restated Non-Relocation Agreement states that the Team will collect a 10% NFL ticket surcharge on the price of admission to all NFL games on behalf of Stadium Authority.

Non-NFL Event Ticket Surcharge – The Stadium Lease Agreement requires that the promoter or sponsor of any non-NFL event collect a non-NFL event ticket surcharge of \$4 per ticket. The Lease Agreement sets aside one-half of the non-NFL ticket surcharge for stadium operating and maintenance costs and one-half for discretionary expenses of the Stadium Authority.

Offsite Parking Fees – Parking lot operators who wish to operate a parking lot for sports or entertainment venues are required to go 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 for sports or entertainment events. This fee is 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 said event partly offsets the total public safety costs owed for that event. In the City’s 2016/17 fiscal year (July 1, 2016 through June 30, 2017) the offsite parking fee was \$5.24 and it increased to \$5.42 in the City’s 2017/18 fiscal year.

Performance-Based Rent - The Amended and Restated Stadium Lease Agreement and the Ground Lease Agreement both describe the performance-based rent that is due to the City. (It is calculated as 50% of the net income from non-NFL events less performance-based rent credits. The performance-based rent credits include 50% of the fixed ground rent for the current lease year. (See the table on page 19 for performance rent calculations for the two most recent fiscal years.)

Public Safety Costs – For each NFL and non-NFL event held at Levi’s Stadium, a public safety plan is developed and implemented. Costs associated with public safety include staffing, materials, and supplies in the Police, Fire, and Public Works Departments. The services are provided through a combination of City General Fund staff and outside contracts that the Police Department has with other agencies including the California Highway Patrol, County Sheriff’s Office, and City of Sunnyvale.

The Amended and Restated Stadium Lease Agreement states that the tenant is responsible for reimbursing the City for the public safety costs attributed to events at Levi’s Stadium. Therefore the cost of providing these services are tracked through the City’s financial system and invoices are sent to the Stadium Manager and/or the Stadium Authority. All of these costs are reimbursed to the City of Santa Clara.

Senior and Youth Program Fees – The Amended and Restated Stadium Lease Agreement between the Stadium Authority and the Forty Niners SC Stadium Company LLC (StadCo) requires that StadCo collect a Senior and Youth Program Fee of \$0.35 per NFL ticket sold on behalf of the Stadium Authority. The Stadium Authority then remits this fee to the City as additional rent to support senior and youth programs in the City.

Stadium Management Fee – The Stadium Manager 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 as detailed in the table below. This annual base management fee is split 50/50 between StadCo and the Stadium Authority since the Stadium Manager manages the stadium year-round for both entities. In addition to the base management fee, the Stadium Manager also 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 marketing and booking fee benchmark was \$5 million in the first lease year and also increases by 3% annually as detailed in the table below. The annual stadium management fee for each of the first ten lease years are noted in the chart below.

Fiscal Year	Lease Year	Annual Base Stadium Management Fee (SCSA Share)	Stadium Marketing and Booking Fee Benchmark	Actual Net Income from Non-NFL Events	Actual Stadium Marketing and Booking Fee	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	-	218,545
2018-19	5	225,102	5,627,544	To be determined		
2019-20	6	231,855	5,796,370			
2020-21	7	238,810	5,970,261			
2021-22	8	245,975	6,149,369			
2022-23	9	253,354	6,333,850			
2023-24	10	260,955	6,523,866			

Tasman Lots Parking Fees – The City collects a fee of \$5 per space for all cars that are parked on the Tasman surface lots during NFL events.