



Date: June 28, 2016

To: City Manager for Council Action
Executive Director for Stadium Authority Action

From: Director of Finance/Assistant City Manager
Finance Director/Treasurer/Auditor for Stadium Authority

Subject: Note and File the Santa Clara Stadium Authority Financial Status Report for the Quarter and Fiscal Year Ending March 31, 2016

EXECUTIVE SUMMARY

Submitted for Council and Stadium Authority Board information is the attached Santa Clara Stadium Authority (Stadium Authority) Financial Status Report for the Quarter and Fiscal year Ending March 31, 2016. This report on the Stadium Authority's finances provides information covering the Stadium Authority's fiscal year 2015-16 which ran from April 1, 2015 to March 31, 2016. As requested by Council, this report also includes comparative data from fiscal year 2014-15.

In addition to this report, the Stadium Authority produces an annual budget prior to the beginning of each fiscal year and annual financial statements within six months of fiscal year-end. This Financial Status Report, along with the annual budgets and audited financial statements, are published on the Finance Department's website.

ADVANTAGES AND DISADVANTAGES OF ISSUE

The Santa Clara Stadium Authority Financial Status Report for the Quarter and Fiscal Year Ending March 31, 2016 provides information on the fiscal operation of the Stadium Authority including information on the Stadium's impact on the City's General Fund.

ECONOMIC/FISCAL IMPACT

This report has no fiscal impact to the City other than administrative staff time and expense.

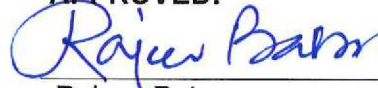
RECOMMENDATION

That the Council and Authority Board note and file the Santa Clara Stadium Authority Financial Status Report for the Quarter and Fiscal Year Ending March 31, 2016.



Gary Ameling
Director of Finance/Assistant City Manager
Finance Director/Treasurer/Auditor for
Stadium Authority

APPROVED:



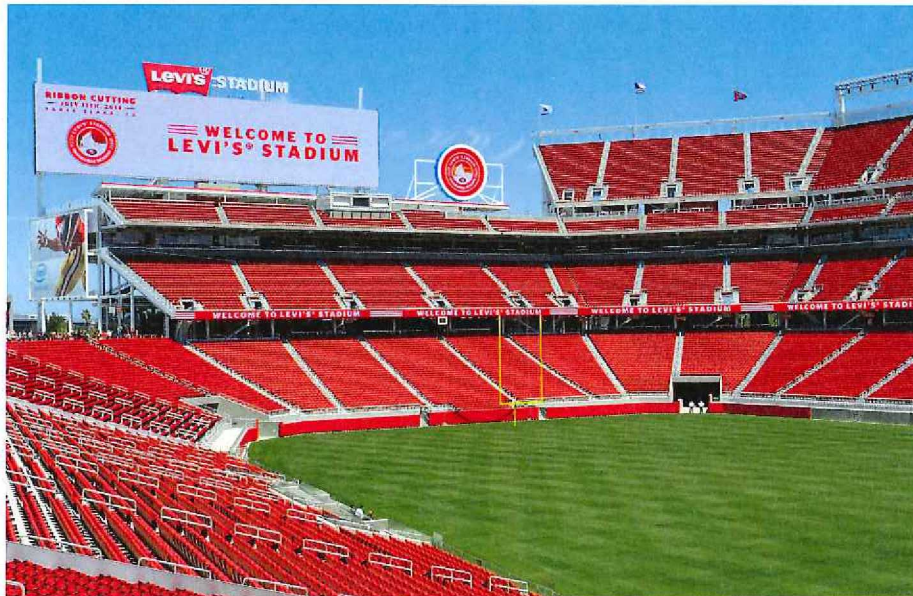
Rajeev Batra
Acting City Manager
Acting Executive Director for Stadium
Authority

Documents Related to this Report:

- 1) *Santa Clara Stadium Authority Financial Status Report for the Quarter and Fiscal Year Ending March 31, 2016*

SANTA CLARA STADIUM AUTHORITY FINANCIAL STATUS REPORT

**Quarter and Fiscal Year Ending
March 31, 2016**



June 28, 2016

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Introduction

This Santa Clara Stadium Authority (Stadium Authority) Financial Status Report provides information covering the Stadium Authority's fiscal year 2015-16 which ran from April 1, 2015 to March 31, 2016 as well as comparative data from the prior fiscal year. Revenue and expenditure information included in the report is unaudited and therefore subject to change as a result of the annual audit conducted by an external auditing firm (currently KPMG).

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 auditing firm and presented to the Stadium Authority's Audit Committee and Stadium Authority Board. Once presented to the Stadium Authority Board, the financial statements are published on the Finance Department's website.

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 the Forty Niners Stadium Management Company, LLC (Stadium Manager) or the Stadium Authority are fully reimbursed. All administrative General Fund costs that are spent during operations are separately tracked using special account codes in the City's financial system and any such costs are billed out for reimbursement. Additionally, General Fund public safety costs for NFL and non-NFL events are separately tracked and all such costs are also billed out for full reimbursement.

NFL Events

The San Francisco Forty Niners (49ers) have been playing their home games at Levi's Stadium since the Stadium Authority's 2014-15 fiscal year. The following tables include game by game statistics for the NFL events that were held in the Stadium Authority's 2015-16 fiscal year as well as comparative totals from the prior fiscal year.

Levi's Stadium 2015-16 NFL Event Statistics

	Game 1 vs Cowboys 08/23/15	Game 2 vs Chargers 09/03/15	Game 3 vs Vikings 09/14/15	Game 4 vs Packers 10/04/15	Game 5 vs Ravens 10/18/15	Game 6 vs Seahawks 10/22/15
No. of Tickets Sold	67,230	64,841	66,563	68,864	66,698	68,361
NFL Ticket Surcharge	\$ 416,404	\$ 402,363	\$ 1,029,040	\$ 1,068,878	\$ 822,275	\$ 1,054,119
Senior/Youth Program Fees	\$ 23,531	\$ 22,694	\$ 23,297	\$ 24,102	\$ 23,344	\$ 23,926
Cars Parked at Offsite Lots	7,955	3,833	5,198	6,141	5,014	5,127
City Offsite Parking Fee	\$ 40,411	\$ 19,472	\$ 26,406	\$ 31,196	\$ 25,471	\$ 26,045
Cars Parked on Golf Course	1,772	2,334	3,247	2,248	2,349	3,127
Cars Parked on Tasman Lots	707	566	694	715	585	783
City Golf Course/Tasman Lot Parking Fee	\$ 12,395	\$ 14,500	\$ 19,705	\$ 14,815	\$ 14,670	\$ 19,550
Stadium Public Safety Costs	\$ 227,156	\$ 215,759	\$ 244,461	\$ 244,978	\$ 242,280	\$ 243,758
Golf Course Public Safety Costs	\$ 6,658	\$ 10,474	\$ 8,109	\$ 9,182	\$ 9,663	\$ 8,139
Subtotal Event Public Safety Costs	\$ 233,814	\$ 226,233	\$ 252,570	\$ 254,159	\$ 251,924	\$ 251,896
Less: Offsite Parking Fee Credit	\$ (40,411)	\$ (19,472)	\$ (26,406)	\$ (31,196)	\$ (25,471)	\$ (26,045)
Reimbursable Stadium Public Safety Costs	\$ 193,403	\$ 206,762	\$ 226,164	\$ 222,963	\$ 226,452	\$ 225,851
Amount Reimbursed through 06/22/16	\$ 193,403	\$ 206,762	\$ 226,164	\$ 222,963	\$ 226,452	\$ 225,851
Amount Outstanding as of 06/22/16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

	Game 7 vs Falcons 11/08/15	Game 8 vs Cardinals 11/29/15	Game 9 vs Bengals 12/20/15	Game 10 vs Rams 01/03/16	FY1516 Total
No. of Tickets Sold	66,863	66,556	66,292	67,558	669,826
NFL Ticket Surcharge	\$ 822,111	\$ 817,387	\$ 1,015,693	\$ 825,108	\$ 8,273,377
Senior/Youth Program Fees	\$ 23,402	\$ 23,295	\$ 23,202	\$ 23,645	\$ 234,439
Cars Parked at Offsite Lots	6,254	6,278	5,575	5,791	57,166
City Offsite Parking Fee	\$ 31,770	\$ 31,892	\$ 28,321	\$ 29,418	\$ 290,403
Cars Parked on Golf Course	1,284	1,262	1,200	1,267	20,090
Cars Parked on Tasman Lots	719	716	699	692	6,876
City Golf Course/Tasman Lot Parking Fee	\$ 10,015	\$ 9,890	\$ 9,495	\$ 9,795	\$ 134,830
Stadium Public Safety Costs	\$ 251,568	\$ 269,726	\$ 262,492	\$ 231,304	\$ 2,433,462
Golf Course Public Safety Costs	\$ 6,764	\$ 7,932	\$ 6,972	\$ 7,317	\$ 81,210
Subtotal Event Public Safety Costs	\$ 258,332	\$ 277,657	\$ 269,464	\$ 238,621	\$ 2,514,672
Less: Offsite Parking Fee Credit	\$ (31,770)	\$ (31,892)	\$ (28,321)	\$ (29,418)	\$ (290,403)
Reimbursable Stadium Public Safety Costs	\$ 226,562	\$ 245,765	\$ 241,143	\$ 209,203	\$ 2,224,268
Amount Reimbursed through 06/22/16	\$ 226,562	\$ 245,765	\$ 241,143	\$ 209,203	\$ 2,224,268
Amount Outstanding as of 06/22/16	\$ -	\$ -	\$ -	\$ -	\$ -

Levi's Stadium
Annual Comparison of NFL Event Statistics

	2015-16	2014-15	Change	
	Total	Total	Amount	%
No. of Tickets Sold	669,826	682,095	(12,269)	-1.80%
NFL Ticket Surcharge	\$ 8,273,377	\$ 8,366,290	\$ (92,913)	-1.11%
Senior/Youth Program Fees	\$ 234,439	\$ 238,733	\$ (4,294)	-1.80%
Cars Parked at Offsite Lots	57,166	90,024	(32,858)	-36.50%
City Offsite Parking Fee	\$ 290,403	\$ 442,918	\$ (152,515)	-34.43%
Cars Parked on Golf Course	20,090	23,306	(3,216)	-13.80%
Cars Parked on Tasman Lots	6,876	4,983	1,893	37.99%
City Golf Course/Tasman Lot Parking Fee	\$ 134,830	\$ 141,445	\$ (6,615)	-4.68%
Stadium Public Safety Costs	\$ 2,433,462	\$ 2,455,404	\$ (21,942)	-0.89%
Golf Course Public Safety Costs	\$ 81,210	\$ 180,766	\$ (99,557)	-55.07%
Subtotal Event Public Safety Costs	\$ 2,514,672	\$ 2,636,170	\$ (121,498)	-4.61%
Less: Offsite Parking Fee Credit	\$ (290,403)	\$ (442,918)	\$ 152,515	-34.43%
Reimbursable Stadium Public Safety Costs	\$ 2,224,268	\$ 2,193,252	\$ 31,017	1.41%
Amount Reimbursed through 06/22/16	\$ 2,224,268	\$ 2,193,252		
Amount Outstanding as of 06/22/16	\$ -	\$ -		

In the 2015-16 fiscal year, the total number of tickets sold were 669,826 (down 12,269 or 1.8% from 2014-15). This resulted in \$8.27 million of NFL ticket surcharge revenue to the Stadium Authority (down \$92,913 or 1.1% from 2014-15) which was used to pay stadium operating and maintenance costs. Additionally, \$234,439 of Senior & Youth Program Fees were collected and forwarded to the City (down \$4,292 or 1.8% -- the same percentage reduction as tickets sold as the surcharge is a flat \$0.35 per ticket).

The permitted offsite parking lots and the golf course had significant declines in the number of cars parked for each NFL game in fiscal year 2015-16 as compared to fiscal year 2014-15. Offsite parking lots parked 57,166 cars over the 10 NFL games, a decline of 32,858 or 36.5% from the prior year. The golf course parked 20,090 cars, a decline of 3,216 or 13.8%. The City's Tasman lots parked 6,876 cars, an increase of 1,893 or 38.0%. The overall decline in cars parked is attributed to attendees finding alternate means of travel to Levi's Stadium (e.g., walking to the stadium from San Jose, Uber/taxis, etc.) and fewer attendees per game.

For the 2015-16 fiscal year, there were \$2.51 million of total NFL event public safety costs (down \$121,498 or 4.6% from the prior year). Of this amount, \$290,403 were covered by the offsite parking fees that were collected and the remaining \$2.22 million were invoiced to the Stadium Manager and the Stadium Authority. All amounts invoiced for 2015-16 NFL games have been paid.

The total NFL stadium public safety costs (not including golf course public safety costs) for 2015-16 were \$2.43 million (down \$21,942 or 0.9% from the prior year). This amount was \$665,462 over the public safety costs threshold of \$1.77 million. The Stadium Authority paid for this overage from its discretionary fund so that the performance rent to the City would not be affected.

Non-NFL Events

During its second operating fiscal year ending March 31, 2016, the Stadium Authority held 17 ticketed events at Levi's Stadium. Statistics for these events are shown in the following tables.

Levi's Stadium 2015-16 Non-NFL Ticketed Event Statistics

	Monster Jam 04/11/15	Supercross 04/18/15	Kenny Chesney Concert 05/02/15	Earthquakes Soccer Match 05/24/15	Grateful Dead Concert #1 06/27/15
No. of Tickets Sold	37,217	30,871	42,382	20,692	77,738
Non-NFL Ticket Surcharge	\$ 148,868	\$ 123,484	\$ 169,528	\$ 82,768	\$ 310,952
Cars Parked at Offsite Lots	3,811	4,963	4,160	3,089	5,492
City Offsite Parking Fee	\$ 18,750	\$ 24,418	\$ 20,467	\$ 15,198	\$ 27,021
Cars Parked on Golf Course	1,592	1,870	1,931	1,562	1,189
City Golf Course Parking Fee	\$ 7,960	\$ 9,350	\$ 9,655	\$ 7,810	\$ 5,945
Stadium Public Safety Costs	\$ 196,712	\$ 209,599	\$ 233,204	\$ 170,150	\$ 305,592
Golf Course Public Safety Costs	\$ 10,539	\$ 9,271	\$ 13,013	\$ 7,300	\$ 16,891
Subtotal Event Public Safety Costs	\$ 207,252	\$ 218,870	\$ 246,216	\$ 177,450	\$ 322,483
Less: Offsite Parking Fee Credit	\$ (18,750)	\$ (24,418)	\$ (20,467)	\$ (15,198)	\$ (27,021)
Reimbursable Public Safety Costs	\$ 188,501	\$ 194,452	\$ 225,749	\$ 162,252	\$ 295,463
Amount Reimbursed through 06/22/16	\$ 186,367	\$ 192,659	\$ 224,475	\$ 160,451	\$ 293,774
Amount Outstanding as of 06/22/16	\$ 2,134	\$ 1,794	\$ 1,274	\$ 1,801	\$ 1,689

	Grateful Dead Concert #2 06/28/15	One Direction Concert 07/11/15	Manchester United Soccer 07/25/15	Charlie Wedemeyer 08/01/15	Taylor Swift Concert #1 08/14/15
No. of Tickets Sold	75,452	46,228	63,236	4,347	48,063
Non-NFL Ticket Surcharge	\$ 301,808	\$ 184,912	\$ 252,944	\$ 17,388	\$ 192,252
Cars Parked at Offsite Lots	5,700	2,893	7,491	315	4,513
City Offsite Parking Fee	\$ 28,044	\$ 14,696	\$ 38,054	\$ 1,600	\$ 22,926
Cars Parked on Golf Course	1,321	3,467	2,972	-	1,418
City Golf Course Parking Fee	\$ 6,605	\$ 17,335	\$ 14,860	\$ -	\$ 7,090
Stadium Public Safety Costs	\$ 305,215	\$ 202,126	\$ 246,061	\$ 11,353	\$ 210,483
Golf Course Public Safety Costs	\$ 16,936	\$ 6,053	\$ 7,358	\$ -	\$ 7,910
Subtotal Event Public Safety Costs	\$ 322,152	\$ 208,179	\$ 253,419	\$ 11,353	\$ 218,393
Less: Offsite Parking Fee Credit	\$ (28,044)	\$ (14,696)	\$ (38,054)	\$ (1,600)	\$ (22,926)
Reimbursable Public Safety Costs	\$ 294,108	\$ 193,482	\$ 215,365	\$ 9,753	\$ 195,467
Amount Reimbursed through 06/22/16	\$ 293,257	\$ 190,799	\$ 213,462	\$ 9,753	\$ 194,145
Amount Outstanding as of 06/22/16	\$ 851	\$ 2,683	\$ 1,903	\$ -	\$ 1,322

Levi's Stadium
2015-16 Non-NFL Ticketed Event Statistics (cont.)

	Taylor Swift Concert #2 08/15/15	Luke Bryan Concert 08/29/15	Friday Night Lights 09/18/15	PAC 12 Championship 12/20/15	Foster Farms Bowl 12/26/15
No. of Tickets Sold	49,940	36,491	9,733	52,171	29,126
Non-NFL Ticket Surcharge	\$ 199,760	\$ 145,964	\$ -	\$ 208,684	\$ 116,504
Cars Parked at Offsite Lots	5,985	4,407	-	2,341	560
City Offsite Parking Fee	\$ 30,404	\$ 22,388	\$ -	\$ 11,892	\$ 2,844.80
Cars Parked on Golf Course	1,304	1,117	-	918	-
City Golf Course Parking Fee	\$ 6,520	\$ 5,585	\$ -	\$ 4,590	\$ -
Stadium Public Safety Costs	\$ 211,221	\$ 254,367	\$ 11,569	\$ 223,342	\$ 166,509
Golf Course Public Safety Costs	\$ 8,191	\$ 9,978	\$ -	\$ 6,401	\$ -
Subtotal Event Public Safety Costs	\$ 219,412	\$ 264,345	\$ 11,569	\$ 229,743	\$ 166,509
Less: Offsite Parking Fee Credit	\$ (30,404)	\$ (22,388)	\$ -	\$ (11,892)	\$ (2,845)
Reimbursable Public Safety Costs	\$ 189,008	\$ 241,957	\$ 11,569	\$ 217,851	\$ 163,665
Amount Reimbursed through 06/22/16	\$ 188,278	\$ 239,181	\$ 11,569	\$ 216,128	\$ 163,665
Amount Outstanding as of 06/22/16	\$ 730	\$ 2,776	\$ -	\$ 1,724	\$ -

	Bacon & Beer Classic 02/27/16	Bay Area Wedding Fair 03/20/16	Non-NFL Ticketed Event Totals
No. of Tickets Sold	4,320	997	629,004
Non-NFL Ticket Surcharge	\$ 17,280	\$ 3,988	\$ 2,477,084
Cars Parked at Offsite Lots	-	-	55,720
City Offsite Parking Fee	\$ -	\$ -	\$ 278,703
Cars Parked on Golf Course	-	-	20,661
City Golf Course Parking Fee	\$ -	\$ -	\$ 103,305
Stadium Public Safety Costs	\$ 18,051	\$ 4,381	\$ 2,979,936
Golf Course Public Safety Costs	\$ -	\$ -	\$ 119,841
Subtotal Event Public Safety Costs	\$ 18,051	\$ 4,381	\$ 3,099,777
Less: Offsite Parking Fee Credit	\$ -	\$ -	\$ (278,703)
Reimbursable Public Safety Costs	\$ 18,051	\$ 4,381	\$ 2,821,074
Amount Reimbursed through 06/22/16	\$ 18,051	\$ 4,381	\$ 2,800,394
Amount Outstanding as of 06/22/16	\$ -	\$ -	\$ 20,680

Levi's Stadium
2015-16 Non-NFL Special Event Statistics

	Non-NFL Special Event Totals
No. of Events	207
No. of Attendees	105,997
Reimbursable Stadium Public Safety Costs	\$ 100,999
Amount Reimbursed through 06/22/16	\$ 97,872
Amount Outstanding as of 06/22/16	\$ 3,128

Levi's Stadium
Annual Comparison of Non-NFL Event Statistics

	2015-16	2014-15	Change	
	Total	Total	Amount	%
No. of Tickets Sold	629,004	377,312	251,692	66.71%
Non-NFL Ticket Surcharge	\$ 2,477,084	\$ 1,431,540	\$ 1,045,544	73.04%
Non-NFL Special Events	207	186	21	11.29%
Non-NFL Special Event Attendees	105,997	62,357	43,640	69.98%
Cars Parked at Offsite Lots	55,720	26,156	29,564	113.03%
City Offsite Parking Fee	\$ 278,703	\$ 128,688	\$ 150,015	116.57%
Cars Parked on Golf Course	20,661	12,004	8,657	72.12%
City Golf Course Parking Fee	\$ 103,305	\$ 60,020	\$ 43,285	72.12%
Stadium Public Safety Costs	\$ 3,080,935	\$ 1,782,821	\$ 1,298,114	72.81%
Golf Course Public Safety Costs	\$ 119,841	\$ 76,462	\$ 43,380	56.73%
Subtotal Event Public Safety Costs	\$ 3,200,776	\$ 1,859,283	\$ 1,341,493	72.15%
Less: Offsite Parking Fee Credit	\$ (278,703)	\$ (128,688)	\$ (150,015)	116.57%
Reimbursable Public Safety Costs	\$ 2,922,073	\$ 1,730,595	\$ 1,191,478	68.85%
Amount Reimbursed through 06/22/16	\$ 2,898,265	\$ 1,710,777		
Amount Outstanding as of 06/22/16	\$ 23,808	\$ 19,818		

*Includes non-NFL special events

There were a total of 629,004 tickets sold for non-NFL events that were held during the year resulting in \$2.48 million in non-NFL ticket surcharge revenue (from the \$4 per ticket non-NFL event surcharge). This is an increase in ticket surcharge revenue of \$1.0 million or 73.0% over the prior year due to the large increase in ticketed non-NFL events (it should be noted that the first fiscal year was a partial year as the Stadium's grand opening event took place on August 2, 2014 meaning that this comparison is an eight month initial year vs. a 12 month second year). There were also 207 smaller special events with 105,997 total attendees. Examples of these special events include corporate events of various sizes, weddings, holiday parties, etc. The number of non-NFL special events went up by 21 or 11.3% while the attendance at these events increased by 43,640 or 70.0%. This is primarily due to a couple of very large private events held at Levi's Stadium in 2015-16.

Parking at the permitted offsite parking lots and the golf course both saw significant increases (again, this was primarily due to the second year being a full 12 month year which yielded an increase in the number of non-NFL events). Cars parked in offsite parking lots were up 29,564 or 113.0% and cars parked on the golf course were up 8,657 or 72.1%. This resulted in the City collecting \$278,703 in offsite parking fees as well as golf course parking fees of \$103,305.

Total non-NFL event public safety costs were \$3.20 million, an increase of \$1.34 million over the prior year. Again the increase in the overall number of events and attendees was the reason for this 72.1% increase. \$278,703 of these costs were covered by the offsite parking fee and the remaining \$2.92 million were invoiced to the Stadium Manager. As of June 22, 2016, \$23,808 was outstanding. This amount, as well as the \$19,818 amount shown as outstanding for 2014-15 non-NFL public safety costs, is due to a recent billing for additional Fire Department time going back to the first stadium events.

Between the ticketed events and the smaller special events, the Stadium Authority generated \$6.08 million in net non-NFL event revenue during the 2015-16 fiscal year. The \$6.08 million in net non-NFL event revenue results in a performance rent payment from the Stadium Authority to the City of Santa Clara of \$2.93 million which will be paid in June 2016 (during the Stadium Authority's 2016-17 fiscal year). This amount is above budget by more than \$400,000.

Santa Clara Stadium Authority Budget Status Reports

Operating Budget

The total operating revenues for the 2015-16 fiscal year were \$71.04 million, \$7.01 million or 9.0% lower than the estimate of \$78.05 million. Stadium rent came in \$1.13 million higher due to an early 2016-17 rent payment from Forty Niners SC Stadium Company, LLC (StadCo) which applies to the following year's rent obligations. Non-NFL event ticket surcharge also came in above budget because of the large number of ticketed non-NFL events that were held during the fiscal year. The Stadium Authority received \$3.05 million in non-NFL ticket surcharge revenue, \$859,324 over the budget. Additionally, activity on the STR Stadium Builders Licenses (SBL) resale website was higher than expected resulting in STR revenue \$281,159 higher than budgeted. Due to timing, SBL proceeds received during 2015-16 came in \$9.33 million under budget. SBL payments totaling \$11.39 million that were collected by the Stadium Manager in March 2016 were submitted to the Stadium Authority on April 7, 2016, too late to be included in the 2015-16 Stadium Authority fiscal year.

In the 2014-15 fiscal year, the Stadium Authority collected \$31.45 million more SBL proceeds than budgeted. This resulted in a 2015-16 operating beginning balance of \$49.93 million, far beyond operating reserve requirements. Ultimately, this allowed the Stadium Authority to transfer additional funds to debt service to make required debt service payments as well as additional debt prepayments.

Total operating expenses of \$18.18 million were \$979,548 over the adopted budget and \$120,452 or 0.7% lower than the final amended budget which included the \$1.1 million

increase in appropriation that was approved by the Stadium Authority Board on March 22, 2016. The largest variance was in Operating Expenses-Stadium Manager where overages in security, guest services, Stadium Manager operations, and maintenance budgets were partially offset by savings in groundskeeping expenses (adjustments to this budget category were made in the 2016-17 budget based on two years of experience). In the Other Expenses category, savings in utility costs partially offset the overage in Stadium Manager expenses. Performance rent paid to the City was \$98,588 higher than originally projected due to net revenues from non-NFL events coming in higher than budgeted. Discretionary fund expenses were also higher than originally projected. These were used to cover NFL event public safety costs that were above the public safety cost threshold.

Overall, the Stadium Authority operating fund ended the 2015-16 fiscal year with \$18.21 million in ending fund balance which will roll forward to the 2016-17 fiscal year.

Santa Clara Stadium Authority

Operating Budget Status Report

For the Years Ended March 31, 2016 and 2015

	Year ended March 31, 2016					Prior year ended March 31, 2015				
	Adopted Budget	Final Budget	Actual	Remaining Balance	% Used	Adopted Budget	Final Budget	Actual	Remaining Balance	% Used
Beginning Balances	13,654,000	46,556,000	49,929,433	(3,373,433)		4,955,116	4,955,116	2,871,388	2,083,728	
Resources										
Revenues										
NFL Ticket Surcharge	8,366,000	8,366,000	8,273,378	92,622	99%	7,937,625	7,937,625	8,366,290	(428,665)	105%
SBL Proceeds	31,096,000	31,096,000	21,767,743	9,328,257	70%	45,064,242	45,064,242	76,518,482	(31,454,240)	170%
Interest	-	-	18,359	(18,359)	0%	-	-	1,879	(1,879)	0%
Net Revenues from Non-NFL Events	5,000,000	5,000,000	5,197,175	(197,175)	104%	5,000,000	5,000,000	-	5,000,000	0%
Intangible License Fee	-	-	-	-	0%	-	-	2,000,000	(2,000,000)	0%
Naming Rights	6,000,883	6,000,883	6,000,883	-	100%	5,826,100	5,826,100	5,826,100	-	100%
Sponsorship Revenue (STR)	541,414	541,414	822,573	(281,159)	152%	325,000	325,000	216,667	108,333	67%
Rent	24,500,000	24,500,000	25,625,002	(1,125,002)	105%	24,500,000	24,500,000	24,500,000	-	100%
Additional Rent - Early Completion	-	-	-	-	0%	5,000,000	5,000,000	5,000,000	-	0%
Senior & Youth Program Fees	239,000	239,000	234,439	4,561	98%	230,000	230,000	238,733	(8,733)	104%
Fanwalk Revenue	112,600	112,600	43,625	68,975	39%	914,884	914,884	197,208	717,676	22%
Non-NFL Event Ticket Surcharge	2,194,000	2,194,000	3,053,324	(859,324)	139%	771,000	771,000	834,032	(63,032)	108%
Revenues Subtotal	78,049,897	78,049,897	71,036,501	7,013,396	91%	95,568,851	95,568,851	123,699,390	(28,130,539)	129%
Net Transfers	(54,563,000)	(86,365,000)	(84,573,900)	(1,791,100)	98%	(76,586,105)	(76,586,105)	(66,635,095)	(9,951,010)	87%
Total Resources	37,140,897	38,240,897	36,392,034	1,848,863	95%	23,937,862	23,937,862	59,935,684	(35,997,822)	250%
	Adopted Budget	Final Budget	Actual	Remaining Balance	% Used	Adopted Budget	Final Budget	Actual	Remaining Balance	% Used
Expenses										
Operating Expenses - Stadium Manager	6,446,000	7,561,000	7,560,537	463	100%	4,336,295	4,336,295	5,806,843	(1,470,548)	134%
SBL Sales and Service	1,574,000	1,574,000	1,573,765	235	100%	-	-	-	-	0%
Insurance	2,626,996	2,626,996	2,626,500	496	100%	2,550,000	2,550,000	2,550,022	(22)	100%
Senior & Youth Program Fees	239,000	239,000	234,439	4,561	98%	230,000	230,000	238,733	(8,733)	104%
Other Expenses	3,020,089	2,861,089	2,747,776	113,313	96%	1,224,067	1,224,067	1,230,652	(6,585)	101%
Ground Rent	215,000	215,000	215,000	-	100%	180,000	180,000	180,000	-	100%
Performance Rent	2,410,000	2,509,000	2,508,588	412	100%	2,410,000	2,410,000	-	2,410,000	0%
Discretionary Fund Expense	670,000	715,000	714,028	972	100%	385,500	385,500	-	385,500	0%
Total Expenses	17,201,085	18,301,085	18,180,633	120,452	99%	11,315,862	11,315,862	10,006,250	1,309,612	88%
Ending Balances	19,939,812	19,939,812	18,211,401	1,728,411		12,622,000	12,622,000	49,929,433	(37,307,433)	

Debt Service Budget

The Stadium Authority's total 2015-16 fiscal year debt service estimated revenues were \$21.88 million. Net transfers of \$90.88 million were received by the debt service fund, \$19.95 million higher than the budget of \$70.94 million. \$81.48 million of these transfers came from operations and \$9.40 million came from excess SBL funds in the original capital project fund that were no longer needed for construction.

Total Stadium Authority debt service expenses are \$2.71 million higher than budgeted. The primary reason for this overage is that payments of \$24.06 million were made on the StadCo Subordinated Loan which was \$2.71 million higher than budgeted. Since the inception of the project, SBL proceeds have been coming in much quicker than originally anticipated. As discussed above, some of the proceeds that were originally received in the CIP fund were not needed for construction. When these funds were transferred to debt service, they more than filled the annual debt service reserve requirements. Therefore, operating revenue that was earmarked for the debt service fund at that time was required to be applied to the StadCo Subordinated Loan. Making additional payments on the StadCo Subordinated Loan is also beneficial since it bears the highest interest rate (5.5%) of the outstanding loans.

The Stadium Authority debt service fund ended the 2015-16 fiscal year with \$36.89 million of ending fund balance which will be carried forward to the 2016-17 fiscal year. Of this carryforward amount, \$18.29 million was offered to the Term A bond holders as prepayment without penalty per the requirements of the loan documents. This offer was rejected and therefore this amount will also be applied to the StadCo Subordinated Loan in fiscal year 2016-17.

As of March 31, 2016, the amount of Stadium Authority debt had declined to \$494.0 million. This is a reduction of \$67.6 million from the March 31, 2015 debt outstanding amount of \$561.6 million.

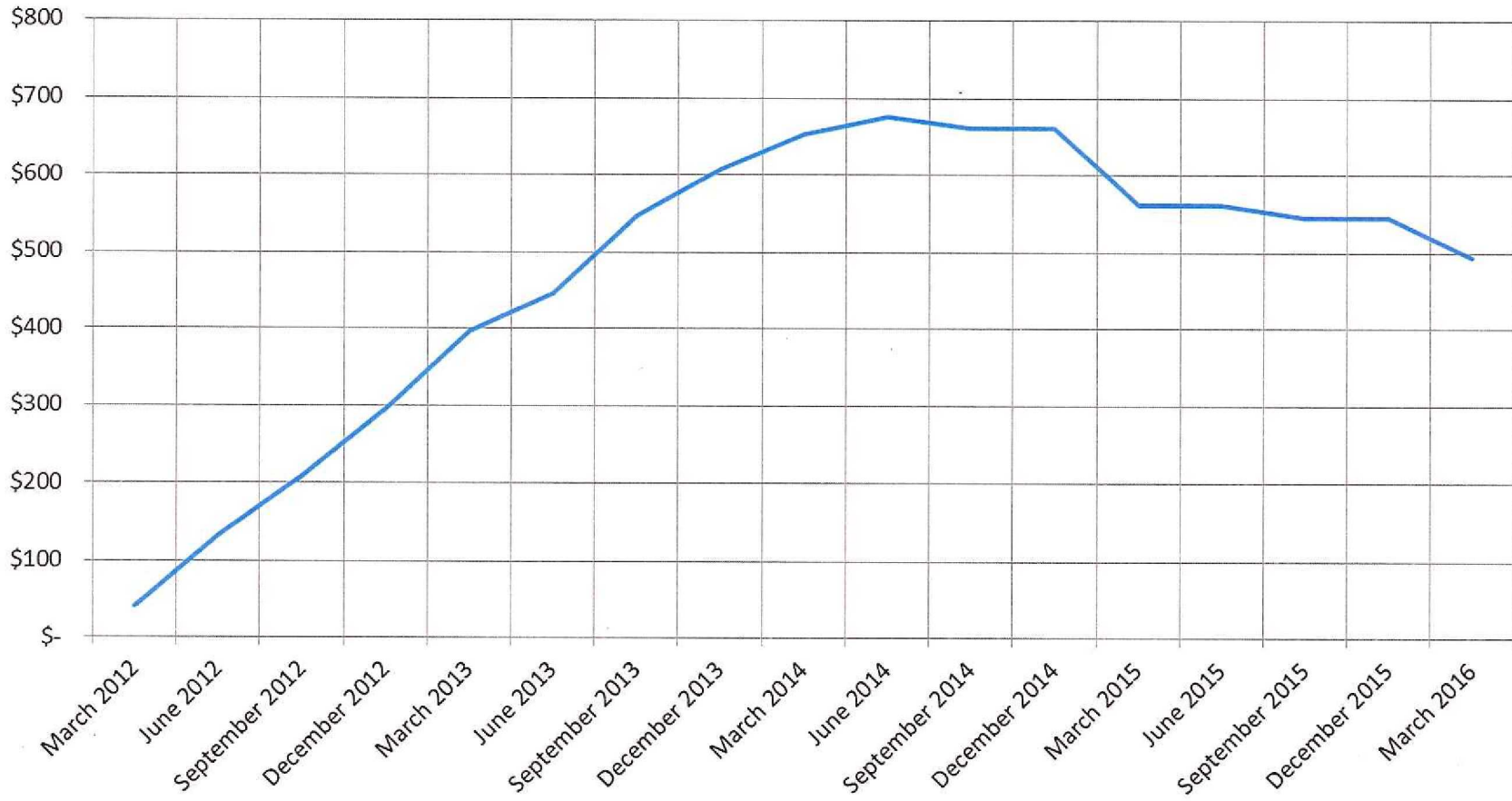
Santa Clara Stadium Authority

Debt Service Budget Status Report

For the Years Ended March 31, 2016 and 2015

	Year ended March 31, 2016					Prior year ended March 31, 2015				
	Adopted Budget	Final Budget	Actual	Remaining Balance	% Used	Adopted Budget	Final Budget	Actual	Remaining Balance	% Used
Beginning Balances	8,115,000	8,115,000	19,651,943	(11,536,943)		-	-	-	-	
Revenues										
Contribution from Successor Agency	6,209,333	18,547,333	18,546,637	696	100%	4,198,333	4,198,333	4,198,333	-	100%
Contribution from CFD	2,709,160	3,330,160	3,329,821	339	100%	615,000	685,000	676,066	8,934	99%
Revenues Subtotal	8,918,493	21,877,493	21,876,458	1,035	100%	4,813,333	4,883,333	4,874,399	8,934	100%
Net Transfers	51,473,000	70,937,000	90,882,795	(19,945,795)	128%	68,586,105	148,516,105	164,374,294	(15,858,189)	0%
Total Resources	68,506,493	100,929,493	132,411,196	(31,481,703)	131%	73,399,438	153,399,438	169,248,693	(15,849,255)	110%
Expenses										
Agency Advance Debt Service	6,209,333	18,547,333	18,546,637	696	100%	4,198,333	4,198,333	4,198,333	-	100%
CFD Advance Debt Service	2,709,160	3,330,160	3,329,821	339	100%	615,000	685,000	676,066	8,934	99%
Term A & B Debt Service	45,046,000	49,582,000	49,581,705	295	100%	44,153,842	101,653,842	100,782,902	870,940	99%
StadCo Subordinated Loan Debt Service	6,427,000	21,355,000	24,061,459	(2,706,459)	113%	23,521,863	45,951,863	43,939,450	2,012,413	96%
Total Debt Service Expenses	60,391,493	92,814,493	95,519,622	(2,705,129)	103%	72,489,038	152,489,038	149,596,750	2,892,288	98%
Ending Balances	8,115,000	8,115,000	36,891,573	(28,776,573)		910,400	910,400	19,651,943	(18,741,543)	

Santa Clara Stadium Authority Outstanding Debt (in millions)



Capital Improvement Project Budget

The Stadium Authority's ongoing capital improvement project did not have any actual expenditures during 2015-16 as any necessary capital expenditures were charged to the stadium construction budget. During 2015-16, \$3.09 million in net transfers from Stadium Authority operations occurred as budgeted. Because capital project appropriations are project length, they do not lapse and therefore roll forward to the 2016-17 fiscal year.

Santa Clara Stadium Authority CIP Budget Status Report (Project 4900 & 4913)

For the Years Ended March 31, 2016 and 2015

	Year ended March 31, 2016					Prior year ended March 31, 2015				
	Adopted Budget	Final Budget	Actual	Remaining Balance	% Used	Adopted Budget	Final Budget	Actual	Remaining Balance	% Used
Beginning Balances	2,700,000	2,700,000	3,000,000	(300,000)		-	-	-	-	
Resources										
Net Transfers	3,090,000	3,090,000	3,090,000	-	100%	3,000,000	3,000,000	3,000,000	-	0%
Total Resources	5,790,000	5,790,000	6,090,000	(300,000)	105%	3,000,000	3,000,000	3,000,000	-	100%
CIP Expenses										
Construction	2,725,000	3,025,000	-	3,025,000	0%	300,000	300,000	-	300,000	0%
Equipment	275,000	275,000	-	275,000	0%	-	-	-	-	0%
Total CIP Expenses	3,000,000	3,300,000	-	3,300,000	0%	300,000	300,000	-	300,000	100%
Ending Balances	2,790,000	2,490,000	6,090,000	(3,600,000)		2,700,000	2,700,000	3,000,000	(300,000)	

City of Santa Clara Net General Fund Benefit

The stadium has had a positive impact on the City's finances. 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 Benefit ⁽¹⁾

For Year Ending March 31, 2016

General Fund Revenues ⁽²⁾

Public Safety Cost Reimbursement	
NFL Public Safety Cost Reimbursement	1,976,897
Non-NFL Event Public Safety Cost Reimbursement	3,901,902
City Offsite Parking Fees	613,916
Subtotal Public Safety Cost Reimbursement	6,492,716
Administrative Cost Reimbursement	403,363
Ground Rent	215,000
Performance Rent	2,508,588
Senior and Youth Fee	234,439
Tasman Lots Parking Fee	34,380
Total General Fund Revenues	9,888,486

General Fund Expenditures

Public Safety Costs	
NFL Event Public Safety Costs	2,514,672
Non-NFL Event Public Safety Costs	3,200,776
Subtotal Reimbursable Public Safety Costs	5,715,448
Administrative Costs	376,456
Total General Fund Expenditures	6,091,904

General Fund Benefit

Net General Fund Benefit	3,796,582
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(1) This table shows General Fund revenue received and expenditures made during the current Stadium Authority reporting period (i.e., April 1, 2015 through March 31, 2016). For example, since the 2014-15 performance rent was received by the City in 2015-16, it is included in this report even though it relates to the prior fiscal year.

(2) General Fund revenues do not include additional sales tax and transient occupancy tax flowing to the General Fund due to the impacts of Levi's Stadium.

Public Safety and Administrative Cost Reimbursement

As described in earlier sections of this report, costs incurred by the City on individual NFL and non-NFL events are tracked and reimbursed. As described in the NFL and non-NFL events sections of this report, a total of \$5.72 million in public safety costs were incurred in support of the Stadium Authority's 2015-16 fiscal year. The City received reimbursements during the current reporting period totaling \$6.49 million. Due to timing, some of the reimbursements that were received by the City were related to events that occurred in the prior fiscal year. These reimbursements came from a combination of payments from the Stadium Manager, the Stadium Authority, and the parking fees that were collected.

In addition to public safety costs, overall administrative costs are also tracked and reimbursed. These include the cost of providing overall stadium management, financial services, human resource services, legal services, and other services to the Stadium Authority. In the 2015-16 fiscal year, a total of \$376,456 of administrative costs were incurred by the General Fund. Administrative reimbursements of \$403,363 were paid to the City. Similar to the public safety costs, due to timing of the payments, some of the reimbursements that were paid in the current fiscal year were related to costs in a prior fiscal year.

Other Revenue Impacts

Although not included in the table in this section, General Fund sales tax and transient occupancy tax (TOT) collections have benefited from the direct and indirect economic activity related to stadium events.

Sales tax collections were up during construction as a result of staff efforts to work with the design build contractor and their larger sub-contractors to register the job site as a temporary location on their State Board of Equalization seller's permit. This effort generated about \$0.8 million of sales tax that flowed directly to the City's General Fund.

Food and beverage concession sales and merchandise sales at Levi's Stadium are taxable resulting in a significant amount of sales tax collections for the City. The new Michael Mina Bourbon Steak and Pub restaurant has also been very successful, both during stadium events and throughout the year (note that in accordance with State law, individual taxpayer information is confidential and cannot be publicly disclosed). 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 more sales tax collections for the General Fund.

In 2014-15, General Fund TOT collections were up \$2.8 million or 18.6% as compared to 2013-14. In 2015-16, TOT collections are up significantly once again (final quarter numbers for the City's fiscal year are not yet available). Although it is impossible to say

exactly what portion of this increase 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.

Property tax collections have also increased due to the possessory interest and personal property tax that is being paid by the 49ers and others with personal property inside the stadium.

Glossary

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

Golf Course Parking Fees – The Additional Parking Rights Agreement allows for parking on the golf course during NFL and non-NFL events held at Levi's Stadium. The fee that the City collects is \$5.00 for each car that is parked. At the end of each lease period, the City is made whole by comparing golf course net income for the period with net income received in the same period in fiscal year 2012-13.

Net non-NFL Event Revenue – Net non-NFL event revenue is remitted by the Stadium Manager to the Stadium Authority on a yearly basis after the conclusion of each fiscal year. While City staff have access to and reviews detailed information on each non-NFL event with the Stadium Manager, most individual event information (e.g., the terms of the agreement between the Stadium Manager and the event promoter, and the financial results from any individual event) is considered proprietary information. For this reason, non-NFL event net income is reported annually for the prior fiscal year.

NFL Event Public Safety Costs Threshold – The Amended and Restated Stadium Lease Agreement describes the public safety costs threshold. If the public safety costs associated with NFL games held at Levi's Stadium exceed this threshold, the performance rent payable to the City shall be reduced by the amount of public safety costs above the threshold. The public safety costs threshold was set at \$170 thousand per NFL game in the first year of Stadium operations (fiscal year 2014-15), and increased to \$177 thousand for the 2015-16 fiscal year. This threshold goes up by 4% each year. To avoid a reduction in performance rent, the Stadium Authority can pay for the public safety costs over the threshold with its discretionary fund.

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 half of the non-NFL ticket surcharge for stadium operating and maintenance costs and 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 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 said event partly offsets the total public safety costs owed for that event. During the City's 2014-15 fiscal year this fee was \$4.92. In the City's 2015-16 fiscal year the offsite parking fee went up to \$5.08.

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. Among other things, the performance-based rent credits include (1) 50% of the fixed ground rent for the current lease year and (2) the amount by which the public safety costs for NFL events exceed the public safety costs threshold.

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.

Tasman Lots Parking Fees – The City collects a fee of \$5.00 per space for all cars that are parked on the Tasman surface lots during NFL events.