

SCSA

Santa Clara Stadium Authority

***PROPOSED
FISCAL YEAR
2018-19
OPERATING,
DEBT
SERVICE
AND
CAPITAL
BUDGET***



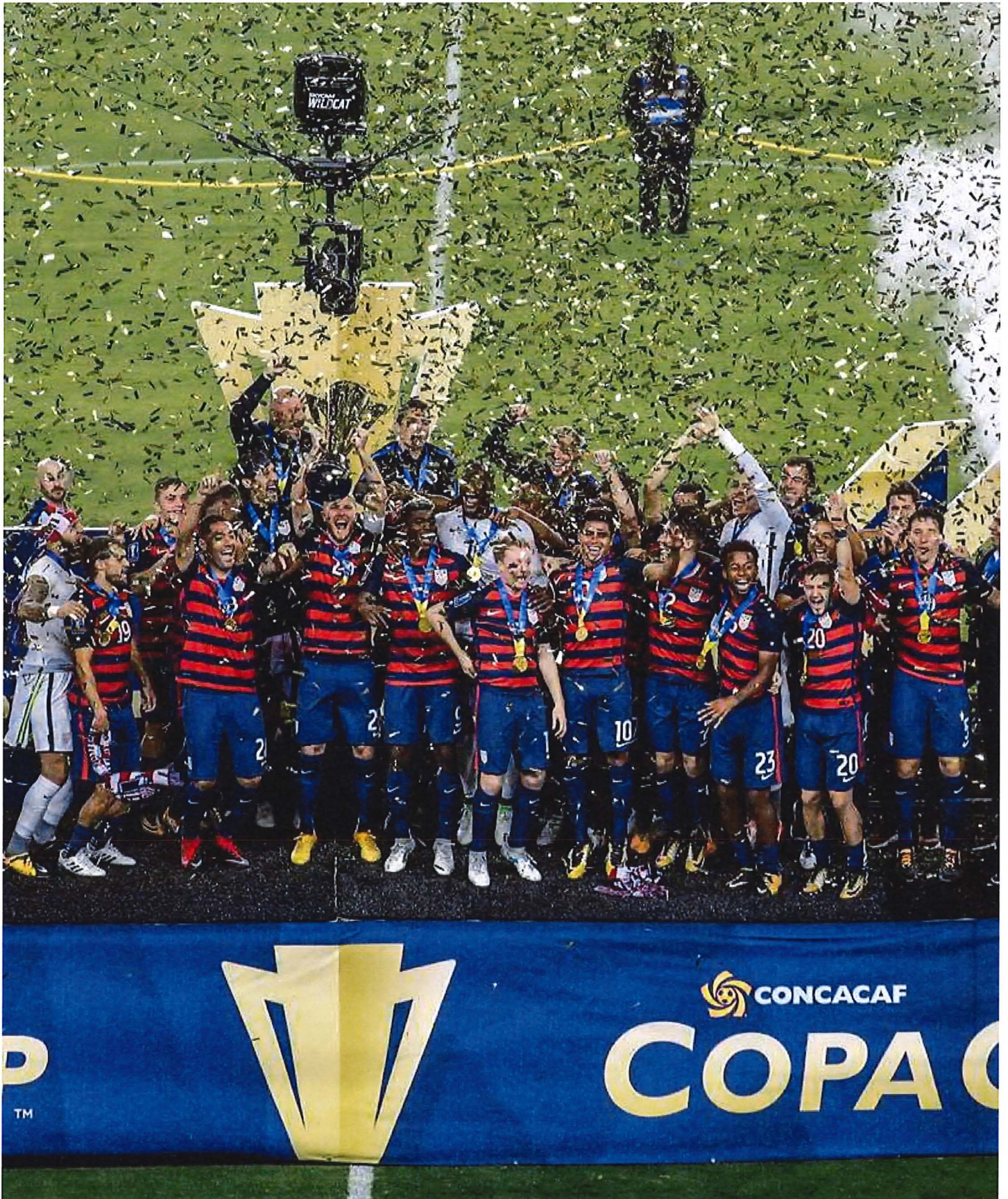
On June 8, 2010 the residents of Santa Clara voted to adopt Measure J, the Santa Clara Stadium Taxpayer Protection and Economic Progress Act, resulting in the approval to construct a new stadium to be leased by the San Francisco 49ers. Measure J called for the creation of the Santa Clara Stadium Authority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

This budget and additional financial information on the Stadium Authority can be found at "<http://santaclaraca.gov/government/stadium-authority>".

1500 Warburton Avenue
Santa Clara, CA 95050

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website: [santaclaraca.gov/
government/stadium-authority](http://santaclaraca.gov/government/stadium-authority)

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CONCACAF Gold Cup Final
July 2017

SCSA

Santa Clara Stadium Authority

Table of Contents

Executive Director's Transmittal Letter	4
Organizational Chart	7
General Information.....	8
NFL Event Highlights – Year in Review.....	9
Non-NFL Event Highlights – Year in Review.....	10
Santa Clara Stadium Authority Budget	
Operating Budget.....	11
Stadium Authority General and Administrative Budget.....	15
Operating Budget Glossary	16
Stadium Manager Shared Expenses	20
Stadium Manager Shared Expenses Glossary	22
Shared Expenses – 5 Year Forecast.....	23
Debt Service Budget.....	24
Debt Service Glossary.....	26
Capital Budget.....	28
Capital Expense Detail.....	30
Capital Expense Plan-5 Year Forecast	31
Public Safety Capital Expense Request.....	31

SCSA

Santa Clara Stadium Authority

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Dominic J. Caserta

Debi Davis

Patrick Kolstad

Patricia M. Mahan

Teresa O'Neill

Kathy Watanabe

Executive Director

Deanna J. Santana

Stadium Authority Counsel

Brian Doyle

Acting Secretary

Jennifer Yamaguma

Treasurer

Angela Kraetsch

March 13, 2018

Subject: Fiscal Year 2018-19 Proposed Budget

Members of the Board,

I am pleased to present the Santa Clara Stadium Authority's (SCSA) Proposed Fiscal Year 2018-19 Operating, Debt Service, and Capital Budget. This budget provides the necessary funding to administer the duties of the Stadium Authority, operate the Stadium for Non-NFL events through the 49ers Stadium Management Company (ManCo), pay for debt service obligations, and maintain a five-year financial and capital plan.

While meeting the SCSA's requirements, this budget also advances strategic initiatives necessary to ensure that the Board is responsive to various stakeholders and constituencies, e.g., residents, businesses, national and regional clients, and various other interested parties participating in advancing Levi's Stadium's purpose. The Stadium Authority owns Levi's Stadium, but has contracted with ManCo for facility operations and maintenance (using a variety of ManCo staff, vendors, and public service employees through reimbursement procedures). The SCSA Board provides overall governance of this relationship. Amongst other due diligence requirements to support these duties, the Board is also responsible for: setting policy; debt and fiscal management; ensuring implementation required to uphold core duties related to operations and capital projects; and oversight or due diligence efforts as necessary.

SCSA staff recommends an administrative budget for the 2018-19 Fiscal Year totaling \$1.7 million or 1.3% of the Fiscal Year 2018-19 Proposed Stadium Authority Expense Budget of \$130.8 million. In a departure from past practice, and in order to provide greater transparency, this budget document has been expanded to include additional information such as the SCSA's proposed expenses to implement the Board's direction and oversight of Levi's Stadium, Performance Rent calculation, Discretionary Fund financial history, and flow of excess revenues at year-end. In addition, SCSA staff has included glossaries of commonly used financial terms in this proposed budget to facilitate understanding the types of revenues, expenses, debt, and capital expenses.

Other important changes to the budget format respond to Board direction and Measure J audit recommendations. As discussed in the Fiscal Year 2017-18 third quarter financial status report this budget is presented on an accrual versus cash basis. This budgeting change results in increased transparency for projected revenues and expenses, with added detail about financial transfers. For example, the proposed budget reflects total expenses of \$130.8 million which is an increase of \$50 million when compared to the prior year budget. This increase results from inclusion of Non-NFL event gross expenses of \$56.5 million for the first time. In the past, these expenses were

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only shown as a net number in the revenue section. Additionally, staff has also included a budget for the gross Non-NFL event revenue in order to provide more transparency for Non-NFL events. Another change to the proposed budget is the clear identification of transfers as transfers-in (a revenue source) and transfers-out (an expense) versus showing Net Transfers in the revenue section.

As part of strengthening the SCSA's policies to improve governance, transparency, and responsiveness to the Santa Clara community and Levi's Stadium obligations, this budget is accompanied with a recommended Governance Policy and a Budget Policy for the Board to consider as separate actions. These policies, if approved, will be incorporated in a new Stadium Authority Board Policy Manual and published on the Stadium Authority's website. The SCSA Board has initiated several oversight and due diligence efforts over the past years, for example:

- Community Engagement -- Robust Community Outreach and Engagement work plan to obtain public opinion research on community impacts resulting from Levi's Stadium and for future policy development. Specifically, the purpose of this work plan is to identify the community's perspectives on issues related to Levi's Stadium such as noise, public safety, nuisances, parking, flyovers, crowd control, cleanliness, loitering, lighting, pyrotechnics/fireworks, performance curfew, and other items.
- Noise Monitoring -- Consultant will continue to provide noise monitoring services surrounding the Stadium and training facility. This information will be available in real-time on the City's website and available publicly.
- Community Room -- Staff identified a preferred location for establishing a Community Room at Levi's Stadium, as originally contemplated, and for the community to assess for its meeting needs. Funding for this Community Room is included based on preliminary estimates in the CapEx Plan. This preferred location is tenant exclusive space and use of this space by the Stadium Authority is subject to tenant's approval which at this time has not been given.
- Member of the US Conference of Mayors, Mayors Professional Sports Alliance -- The mission of this organization is to share among the mayors information, resources, and support on issues related to professional sports and to work effectively with leagues, players and owners. The group is composed of mayors from cities with major league sports teams -- NFL, NBA, MLB, NHL, MLS.

Levi's Stadium continues to be a desirable venue for Non-NFL events such as concerts, soccer events, small and large corporate events and other gatherings (e.g., weddings, private parties, etc.). As we look forward, 2018-19 promises to be another exciting year for the Stadium Authority with the following major Non-NFL events scheduled:

- Monster Jam -- Saturday, April 28, 2018
- Taylor Swift - Friday, May 11, 2018 & Saturday, May 12, 2018

In early 2018-19 Fiscal Year, the SCSA Board will consider several actions relative to the fifth annual College Football National Championship game. This Championship game is one of the biggest sporting events in the country. As with the Community Room, ManCo and SCSA staff are diligently working to bring necessary agreements for the Board's consideration in the first months of the Stadium Authority's 2018-19 fiscal year which will require significant focus of staff capacity and Board review. As such, this event has not been included in staff's budget projections and any budget amendments, as applicable, related to this event will be brought forward with the necessary agreements for the Board's approval.

Members of the Board
March 9, 2018

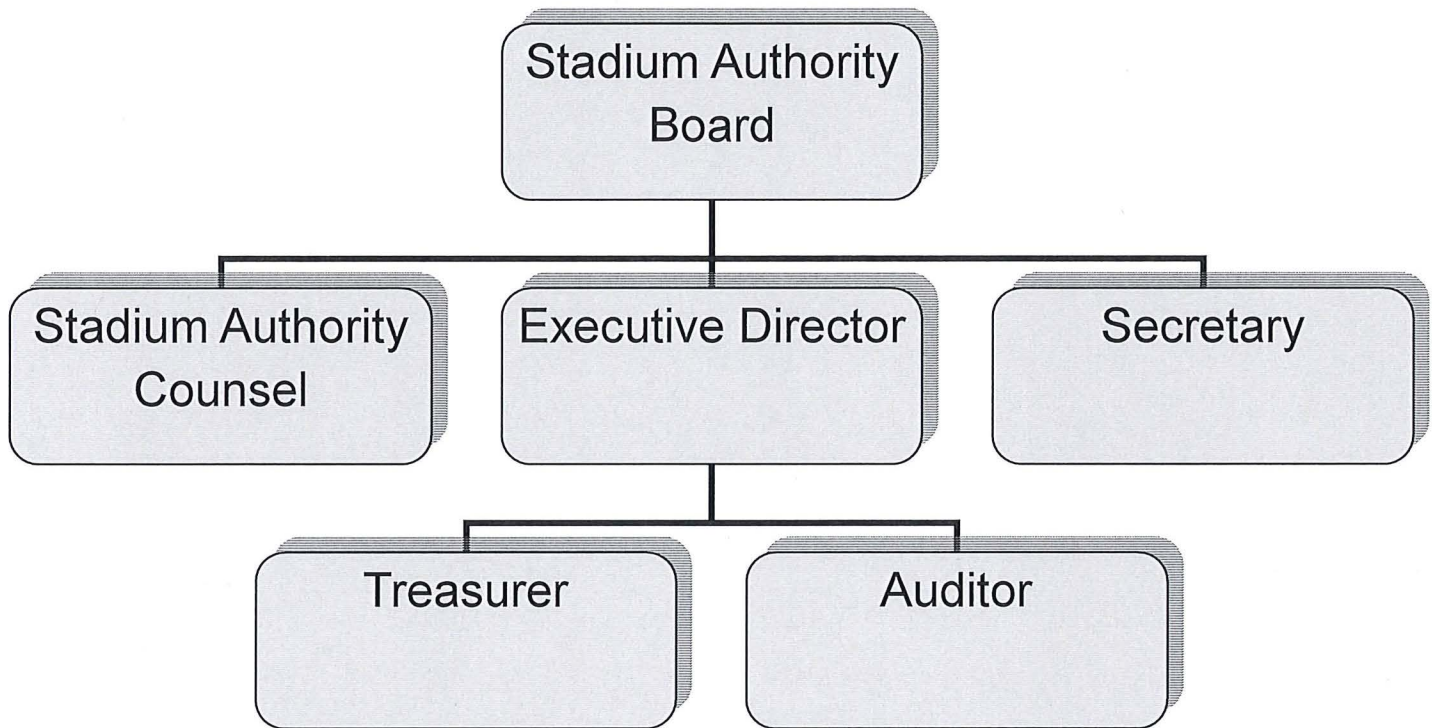
This budget outlines a work program and financial strategy to assist in meeting the guiding principles of the Stadium Authority, namely that no City of Santa Clara General Fund monies are to be used to fund Stadium costs. Our commitment is to continue to look for improvements within the organization and to deliver the kind of results that the public expects. As part of this effort, the Stadium Board approved a new food & beverage concessionaire contract on February 27, 2018 which resulted in the transfer of concession services from Centerplate to Levy Premium Foodservice Limited Partnership. Similarly, during development of this proposed budget, there are open litigation items that could have an adverse impact to this proposed budget and, if that is the case, SCSA and ManCo would need to re-open the budget to ensure it is balanced. If re-opening the budget is necessary, staff will evaluate all expenses, including ManCo's management expenses and SCSA general and administrative costs, to determine if adjustments need to be made. In addition, staff will consider various types of debt financing that are available to the Stadium Authority to draw upon if needed. I look forward to presenting this proposed budget at our upcoming sessions.

Best regards,



Deanna J. Santana
Executive Director

ORGANIZATIONAL CHART



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

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

GENERAL INFORMATION

This Santa Clara Stadium Authority (SCSA) Budget Report provides information covering the Proposed 2018-19 Operating, Debt Service, and Capital Budget as well as comparative data from prior fiscal years. Estimated revenue and expense information (three quarters of actuals and one projected quarter) included in this report for the 2017-18 fiscal year is unaudited and therefore subject to change as a result of the annual audit conducted by an external auditing firm.

In addition to this report, the SCSA produces annual financial statements within six months of the fiscal year-end (March 31st). These financial statements are audited by an external auditing firm and presented to the SCSA's Audit Committee and Stadium Authority Board. Once presented to the Stadium Authority Board, the financial statements are published on the SCSA's web page. The 2017-18 audited financial statements will be presented to the Stadium Authority Board in August 2018.

The SCSA 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 of Santa Clara to the Forty-Niners Stadium Management Company, LLC (ManCo) or the SCSA are fully reimbursed. Types of services include the following:

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



2017 Foster Farms Bowl Champions—Purdue University

NFL EVENT HIGHLIGHTS - YEAR IN REVIEW

The San Francisco 49ers played ten (10) NFL games (two pre-season games and eight regular season games) in the 2017-18 fiscal year. The total number of tickets sold for these games was 643,189, an average of 64,319 tickets sold for each game. The ticket sales resulted in \$7.8 million of NFL ticket surcharge revenue to the Stadium Authority (based on the 10% NFL ticket surcharge on each ticket sold). A total of \$225,116 of Senior and Youth Program Fees were collected and forwarded to the City in fiscal year 2017-18.

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. 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.

Cars parked at the permitted offsite parking lots equaled 54,107. The associated offsite parking fee generated \$293,260. There were also 5,530 cars that were parked on the City's Tasman lots. The Tasman lot parking fee generated \$27,650 for the City's General Fund.



NON-NFL EVENT HIGHLIGHTS - YEAR IN REVIEW

As of this report, there were a total of 319,580 tickets sold in fiscal year 2017-18 for the eleven (11) ticketed Non-NFL events, resulting in \$1.3 million in Non-NFL event ticket surcharge revenue (from the \$4 per ticket Non-NFL event surcharge).

As stated in the NFL Event Highlights, 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. Approved operators remit an offsite parking fee, per the City's Municipal Fee Schedule, 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 Non-NFL public safety costs for a particular event held at Levi's Stadium, the offsite parking fee that is collected for said event should partly offset the public safety costs incurred with respect to the operations, parking, and traffic management. The City's offsite parking fee was \$5.42 in 2017-18. Cars parked at the permitted offsite parking lots equaled 25,741. In 2017-18, the City collected \$138,087 in offsite parking fees from Non-NFL events. The revenue and expenditure information included in this report for the 2017-18 fiscal year is unaudited.

There were also 84 smaller special events with 51,928 total attendees. Examples of these special events include corporate events of various sizes, weddings, holiday parties, etc.

Note: Two additional Non-NFL events are scheduled before the end of the fiscal year which will result in a change in the numbers listed above. These numbers will be updated for the final budget.

2017-18 Non-NFL Events

Event	Date	Tickets Sold
Monster Jam	April 22, 2017	38,805
U2 Concert	May 17, 2017	49,489
Wedding Fair	May 21, 2017	401
Wedemeyer High School Football	June 24, 2017	1,761
Champions Cup Soccer	July 23, 2017	58,294
Gold Cup Soccer	July 26, 2017	57,728
High School Football	September 23, 2017	3,679
Coldplay Concert	October 4, 2017	44,547
Wedding Fair	October 15, 2017	438
Pac 12 Championship	December 1, 2017	38,282
Foster Farms Bowl	December 27, 2017	26,156
Bacon and Beer Classic	February 24, 2018	TBD
Mexico vs Iceland Soccer	March 23, 2018	TBD
Total to date		319,580

STADIUM AUTHORITY OPERATING BUDGET

The proposed 2018-19 Santa Clara Stadium Authority Budget covers the Stadium Authority's twelve month fiscal year which runs April 1, 2018 through March 31, 2019.

Key highlights for the Stadium Authority's 2018-19 Operating Budget are as follows:

Revenues

- ♦ 2018-19 total projected revenues of \$130.8 million includes \$26.2 million in Stadium Builder License (SBL) revenue, \$62.1 million in gross receipts from Non-NFL events, \$8 million in NFL ticket surcharge, \$6.6 million in naming rights revenue, \$1.8 million in Non-NFL ticket surcharge, \$24.5 million in facility rent, and \$1.6 million in miscellaneous other revenues.
- ♦ This is the first year that the budget has shown the estimated gross receipts from Non-NFL events of \$62.1 million. In the past only the net Non-NFL revenue number was reflected in the Stadium Authority's budget. The estimated net Non-NFL revenue equals \$5.6 million.
- ♦ The revenue amount of \$24.5 million in facility rent from the Forty Niners SC Stadium Company (StadCo) is contingent on the outcome of the rent adjustment process as outlined in the Amended and Restated Stadium Lease.

Expenses

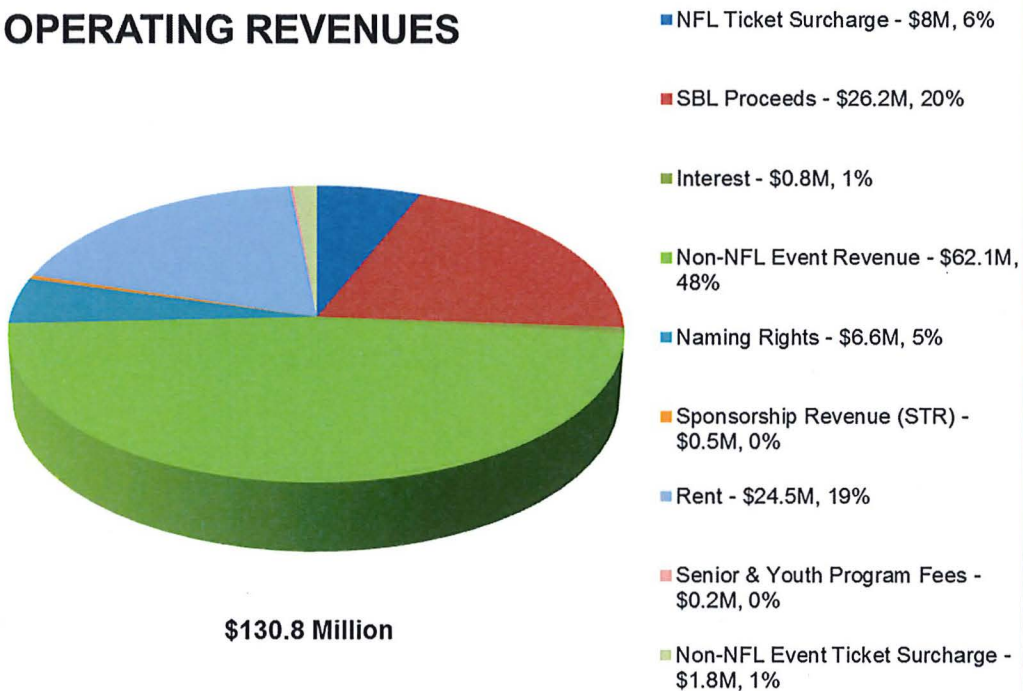
- ♦ As shown in the table below the Operating budget includes transfers totaling \$53 million. Of this amount, \$3.4 million will be transferred out of the Operating budget to the capital reserve for future Stadium capital improvements. The remaining \$49.6 million will be transferred out of the Operating budget to the Debt Service Fund.

Fund	Transfers Out	Transfers In
Operating	\$53,019,000	
Debt Service		\$49,642,000
CIP		3,377,000
Total	\$53,019,000	\$53,019,000

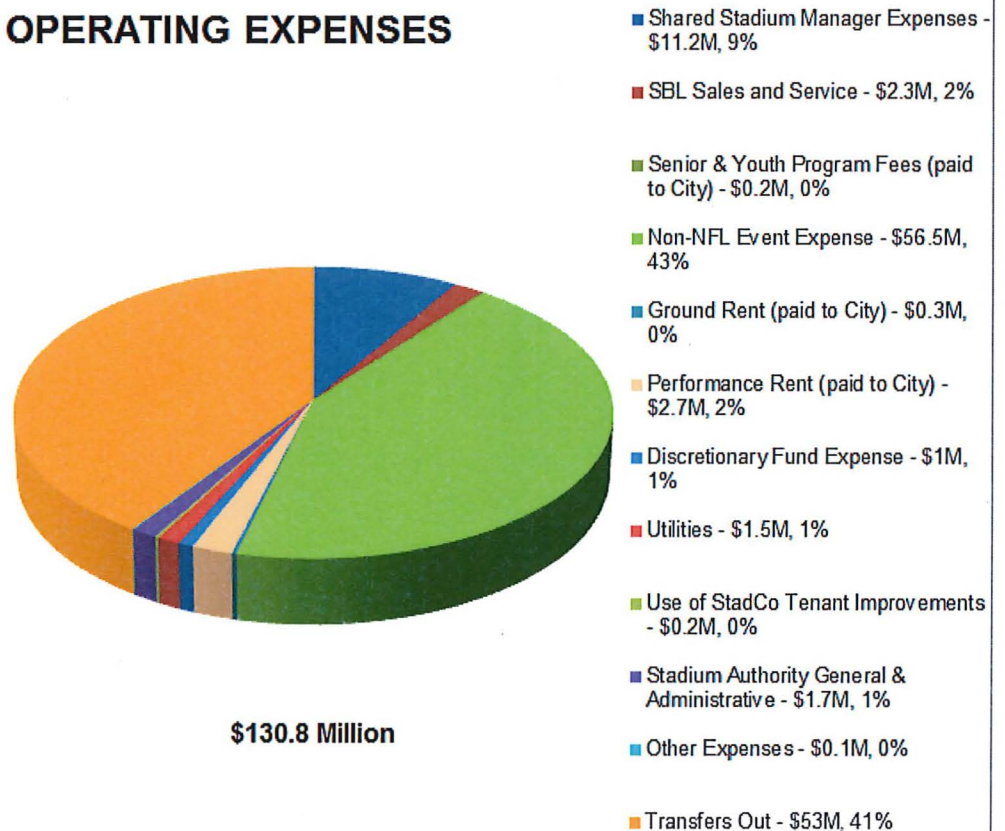
- ♦ The proposed Operating budget of \$130.8 million includes the Stadium Authority's share of expenses covered under the Management Agreement along with monies sufficient to reimburse the City for its staff support and payments for ground rent, Senior/Youth fees, and performance rent. It also includes the gross Non-NFL expenses of \$56.5 million and transfers out of \$53 million (as shown above).
- ♦ Stadium Manager expenses increased by \$326,000 or 3% from the prior year budget. This increase is due to annual increases in approved contracts (such as security and guest services) and cost of living increases for Stadium management staff.
- ♦ This is the first year that the budget reflects the gross Non-NFL event expenses of \$56.5 million. In the past this expense was shown as part of the net Non-NFL revenue.

STADIUM AUTHORITY OPERATING BUDGET (CONT.)

OPERATING REVENUES



OPERATING EXPENSES



Santa Clara Stadium Authority

Operating Budget Summary

	2016-17 Final Budget	2016-17 Year-end Actuals	2017-18 Final Budget ⁽¹⁾	2017-18 as of March 31, 2018	2018-19 Proposed Budget
Revenues					
NFL Ticket Surcharge	\$ 8,452,000	\$ 8,175,462	\$ 8,258,000	\$ 7,806,190	\$ 8,031,000
SBL Proceeds	33,804,000	39,068,783	28,056,000	29,598,268	26,156,000
Interest	-	125,593	280,000	400,853	794,000
Non-NFL Event Revenue	-	-	-	-	62,147,000
Net Revenues from Non-NFL Events	5,710,000	6,079,016	10,768,135	10,780,529	-
Naming Rights	6,181,000	6,180,910	6,366,000	6,366,337	6,558,000
Sponsorship Revenue (STR)	717,000	567,517	406,000	338,790	545,000
Rent	24,500,000	24,500,000	24,500,000	23,375,000	24,500,000
Senior & Youth Program Fees	242,000	229,562	231,000	225,116	230,000
Fanwalk Revenue	-	7,811	-	-	-
Non-NFL Event Ticket Surcharge	2,000,000	2,350,664	2,000,000	1,474,320	1,800,000
Total Revenues	\$ 81,606,000	\$ 87,285,318	\$ 80,865,135	\$ 80,365,403	\$ 130,761,000
Expenses					
Shared Stadium Manager Expenses⁽²⁾					
Security	\$ 1,545,000	\$ 1,686,925	\$ 1,498,000	\$ 1,313,589	\$ 1,543,000
Stadium Operations	3,370,000	3,278,125	3,613,000	3,260,683	3,721,000
Engineering	1,524,000	1,468,625	1,636,000	2,026,656	1,835,000
Guest Services	895,000	771,246	848,000	532,880	813,000
Groundskeeping	155,000	144,553	246,000	151,223	164,000
Insurance	2,705,000	2,705,000	2,787,000	2,786,749	2,871,000
Stadium Management Fee	212,000	258,631	219,000	219,165	226,000
Shared Stadium Manager Expenses Subtotal	\$ 10,406,000	\$ 10,313,105	\$ 10,847,000	\$ 10,290,945	\$ 11,173,000
Other Operating Expenses					
SBL Sales and Service ⁽²⁾	\$ 1,945,000	\$ 1,659,654	\$ 2,095,000	\$ 1,338,218	\$ 2,324,000
Senior & Youth Program Fees (paid to City) ⁽²⁾	242,000	229,562	231,000	225,116	230,000
Non-NFL Event Expense ⁽⁴⁾	-	-	-	-	56,519,000
Ground Rent (paid to City) ⁽³⁾	250,000	250,000	285,000	285,000	320,000
Performance Rent (paid to City) ⁽³⁾	2,932,000	2,937,197	5,116,568	5,122,764	2,654,000
Measure J Compliance Audit	200,000	151,406	-	-	-
Discretionary Fund Expense ⁽⁴⁾	1,000,000	699,129	2,230,000	1,273,342	990,000
Utilities ⁽²⁾	1,473,000	1,646,124	1,434,000	1,327,012	1,506,000
Use of StadCo Tenant Improvements ⁽²⁾	250,000	245,820	245,000	165,000	236,000
Stadium Authority General & Administrative ⁽⁴⁾	1,448,840	1,171,704	3,395,000	2,671,085	1,685,000
Other Expenses ⁽²⁾	123,000	133,588	76,000	101,000	105,000
Transfers Out ⁽³⁾	60,728,000	65,561,078	54,817,000	55,560,181	53,019,000
Other Operating Expenses Subtotal	\$ 70,591,840	\$ 74,685,262	\$ 69,924,568	\$ 68,068,719	\$ 119,588,000
Total Expenses	\$ 80,997,840	\$ 84,998,367	\$ 80,771,568	\$ 78,359,664	\$ 130,761,000
Operating Reserve	\$ 10,609,000	\$ 10,609,000	\$ 10,927,270	\$ 10,927,270	\$ 11,255,088
Discretionary Fund	\$ 799,016	\$ 1,705,853	\$ 1,555,853	\$ 1,169,671	\$ 1,079,671

⁽¹⁾ 2017-18 Budget includes entries to move the budget from cash to accrual basis as approved at the February 13th Stadium Authority meeting

⁽²⁾ Expense information is provided by ManCo

⁽³⁾ Expense is based on payment schedule or calculated as instructed per relevant agreements

⁽⁴⁾ Recommended by Stadium Authority staff

STADIUM AUTHORITY OPERATING BUDGET (CONT.)

Stadium Authority Board Duties and Proposed General and Administrative Budget

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

To accomplish Board direction, staff recommends the following administrative budget for the 2018-19 Fiscal Year totaling \$1.7 million or 1.3% of the total Fiscal Year 2018-19 Proposed Stadium Authority Expense Budget of \$130.8 million. In addition to the proposed administrative budget, included in the 2018-19 Fiscal Year Capital portion of this budget is an appropriation for the build-out of the Community Room that is under discussion with ManCo. With this recommended budget, staff will support the Board with its oversight of Levi's Stadium per the various agreements with the ManCo and 49ers SC Stadium Company LLC (Tenant) of the stadium, such as:

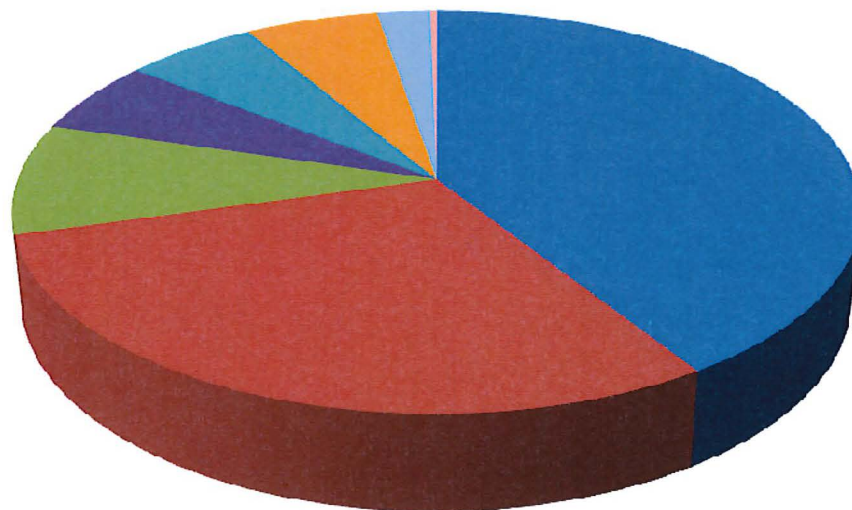
1. Uphold fiduciary responsibilities and debt obligations;
2. Maintain a productive and functional business relationship with the Tenant;
3. Develop Board policies as required for proper governance and transparency efforts concerning the SCSA oversight efforts;
4. Continue the current community engagement process to obtain public opinion research of the community impacts of Levi's Stadium;
5. Continue the current noise monitoring program;
6. Participate and engage with the US Conference of Mayors, Mayors' Professional Sports Alliance; and,
7. Develop and implement oversight initiatives consistent with public entity organizations.

Stadium Authority staff are responsible for the programmatic oversight and audit of Stadium activities. As part of this budget, the oversight of stadium activities is allocated primarily to the Executive Director, the Chief Operating Officer, the Treasurer and supporting staff. Further, the approved Chief Stadium Officer position has not been filled and as part of the City's budget process staff will be recommending that the position be downgraded to a high-level analyst in the Executive Director's Office that can provide the necessary support in the administration of these duties. This position reclassification will provide cost savings to the Stadium Authority. Please note that current staffing levels are still under review and the Executive Director may bring forward staffing adjustments for the Board's consideration to further support these efforts. The Stadium Authority General and Administrative expense budget of \$1.7 million provides the financial means in which to fulfill the Board policy direction and strategic initiatives. A breakdown of the Stadium Authority's portion of the overall expense budget of \$130.8 million is shown on the following page.

STADIUM AUTHORITY OPERATING BUDGET (CONT.)

Stadium Authority General and Administrative Budget		
Expense Type	Amount	Comments
Staff support	\$690,000	To support the Stadium Authority with its oversight duties of stadium activities
Board stipends	\$5,000	Monthly Stadium Authority meetings
Annual Audit Contract	\$100,000	Performed by an external financial auditor
Legal	\$500,000	As needed for outside legal services
Other Consulting	\$100,000	Targeted compliance audits
Community Outreach	\$150,000	Ongoing community engagement efforts
Other expenses	\$40,000	Routine office expenses such as office supplies, copier lease, IT support, etc..
Unanticipated expenses	\$100,000	Funding for unanticipated needs
Total	\$1,685,000	1.3% of total Expense budget of \$130,761,000

Stadium Authority General and Administrative Budget



■ Staff support - \$690k, 41%	■ Legal - \$500k, 30%
■ Community outreach - \$150k, 9%	■ Annual audit contract - \$100k, 6%
■ Other consulting - \$100k, 6%	■ Unanticipated expenses - \$100k, 6%
■ Other expenses - \$40k, 2%	■ Board stipends - \$5k, 0%

STADIUM AUTHORITY OPERATING BUDGET GLOSSARY

Discretionary Fund: This is funded by half of the Non-NFL surcharge (see Non-NFL Event Ticket Surcharge on the following page) and has been used to cover NFL public safety costs above the public safety cost threshold, public safety capital expenses, and other items at the Stadium Authority's discretion.

Projected Beginning Balance	50% of 2018-19 Non-NFL Event Ticket Surcharge	2018-19 Discretionary Fund Expense	Projected Ending Balance
\$ 1,169,671	\$ 900,000	\$ 990,000	\$ 1,079,671

Excess Revenue: If SCSA revenue exceeds expenses for any lease year, such excess revenues shall be distributed as described in the table below. This table reflects how the excess revenues were distributed in the 2016-17 fiscal year (2017-18 information will not be available until after the year has closed). (Source: *The Amended and Restated Stadium Lease Agreement*)

2016-17 Use of Excess Revenues

#	Description	Amount Funded	Balance	Notes
	Excess Revenues at Year-end		\$ 16,505,557	
1	Payment of ManCo Revolving Loan	\$ -	16,505,557	N/A (this loan has not been utilized)
2	Funding Operating Reserve up to \$2 Million +3% annually	-	16,505,557	Funding requirement met
3	Funding CapEx Reserve an Additional \$1 Million +3% annually	(1,060,900)	15,444,657	Funding annual CapEx Reserve
4	Funding Operating Reserve up to \$10 Million +3% annually	(309,000)	15,135,657	Funding annual 3% requirement
5	Prepayment of StadCo Subordinated Loan	(15,135,657)	-	Prepayment requirement met
6	Funding Operating Reserve up to \$20 Million +3% annually	-	-	N/A
7	Funding Renovation/Demolition Reserve up to \$70 Million	-	-	N/A
8	Available for Additional Disbursements as described in the Stadium Lease	-	-	N/A

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

Lease Year(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

STADIUM AUTHORITY OPERATING BUDGET GLOSSARY

Insurance: ManCo procures insurance for Levi's Stadium for the entire year and the cost is split between SCSA and Forty-Niners SC Stadium Company, LLC (StadCo) (see Shared Stadium Manager Expenses on the following page). The stadium lease sets SCSA's share of insurance expense at \$2,550,000 for the first lease year with each succeeding lease year's insurance expense increasing by 3%. (Source: *Stadium Management Agreement & The Amended and Restated Lease Agreement*)

Interest: This is interest earned from cash on hand.

Naming Rights: Levi Strauss & Co (Levi's) pays an annual naming rights fee to SCSA. The annual fee increases by 3% each contract year through the 20 year term. This annual fee is paid in two equal semi-annual installments that are paid on or before March 1st and October 1st. (Source: *Naming Rights Agreement*)

Net Revenues from Non-NFL Events: The Forty-Niners Stadium Management Company, LLC (ManCo) provides management services for Levi's Stadium year-round. As such ManCo is responsible for booking and scheduling all Non-NFL events on behalf of SCSA. ManCo is required by the agreement to maintain complete and accurate books and records relating to the net income from the Non-NFL events. Those records are reviewed by SCSA staff and audited by an independent auditor. After the completion of the fiscal year, the net revenues are paid to SCSA by ManCo. Beginning in the 2018-19 Budget this will be reflected as the gross revenue and gross expense. (Source: *Stadium Management Agreement*)

NFL Ticket Surcharge: The Forty Niners Football Company, LLC (the Team) collects a 10% NFL ticket surcharge on the price of admission to all NFL games occurring in Levi's Stadium on behalf of SCSA. (Source: *Amended and Restated Non-Relocation Agreement*)

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

Performance Rent: The SCSA pays the City performance rent on top of the fixed ground rent. The basic calculation for the performance based rent is 50% of the net income from Non-NFL events for any given lease year less the sum of performance based rent credits. The performance based rent credits include 50% of the current year's base ground rent, any NFL public safety costs that exceed the public safety costs threshold and are paid by ManCo, and other credits. (Source: *Ground Lease Agreement & Amended and Restated Stadium Lease Agreement*)

Performance Rent Calculation	Fiscal Year 2016-17
Ground Rent	\$250,000
Net Non-NFL Event Revenue	5,316,894
50% of Net Non-NFL Revenue	\$2,658,447
Performance Rent Credit (50% of Ground Rent)	(125,000)
Total Performance Rent paid to the City of Santa Clara	\$2,533,447

STADIUM AUTHORITY OPERATING BUDGET GLOSSARY (CONT.)

Rent: The facility rent is currently set at \$24.5 million for StadCo to lease the stadium for their half of the year. Note that this amount is contingent on the current outcome of the rent adjustment process as outlined in the Amended and Restated Stadium Lease. (Source: *Amended and Restated Stadium Lease Agreement*)

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

Senior and Youth Program Fees: During the lease terms, StadCo collects a City of Santa Clara Senior and Youth program Fee on behalf of SCSA. The fee is based on \$0.35 per NFL game ticket up to a maximum of \$250,000 per lease year. (Source: *Amended and Restated Stadium Lease Agreement*)

Shared Stadium Manager Expenses: ManCo oversees the day to day operations of Levi's Stadium year-round. Since StadCo leases the stadium from SCSA for half of each fiscal year, the ManCo stadium manager expenses are shared between StadCo and SCSA. Most shared stadium manager expenses are split 50/50 between StadCo and SCSA; grounds-keeping is the exception with a 70/30 split, StadCo being responsible for the larger share. In addition, ManCo procures insurance for Levi's stadium that is shared between SCSA and StadCo (see Insurance on page 17). (Source: *Stadium Management Agreement & The Amended and Restated Stadium Lease Agreement*)

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

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

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

STADIUM AUTHORITY OPERATING BUDGET GLOSSARY (CONT.)

Stadium Management Fee: ManCo receives an annual base management fee to manage Levi's Stadium. The fee was \$400,000 in the first lease year and increases by 3% annually. This annual base management fee is split 50/50 between StadCo and SCSA since ManCo manages the stadium year-round for both entities. In addition to the base management fee, ManCo 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 table below shows the first 10 years of the base management fee and the stadium marketing and booking fee benchmark. It also shows the first three years of net income from Non-NFL events as well as the applicable marketing and booking fee which was 5% of the net Non-NFL income over the benchmark. (Source: *The Stadium Management Agreement*)

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	To be determined		
2018-19	5	\$225,101	\$5,627,544			
2019-20	6	\$231,854	\$5,796,370			
2020-21	7	\$238,810	\$5,970,261			
2021-22	8	\$245,974	\$6,149,369			
2022-23	9	\$253,353	\$6,333,850			
2023-24	10	\$260,954	\$6,523,866			

Transfers In and Out: Transfers from the SCSA Operating Fund to fund Debt Service and Capital Expenses.

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

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

STADIUM MANAGER SHARED EXPENSES

The Stadium Management Agreement between Santa Clara Stadium Authority (SCSA) and Forty Niners Stadium Management Company, LLC (ManCo) and Forty Niners SC Stadium Company, LLC (StadCo) was made and entered into as of March 28, 2012. This agreement provides SCSA with the expertise of an outside manager to oversee the day-to-day operations of Levi's Stadium. Additionally, the Amended and Restated Stadium Lease Agreement between SCSA and StadCo was made and entered into as of June 19, 2013.

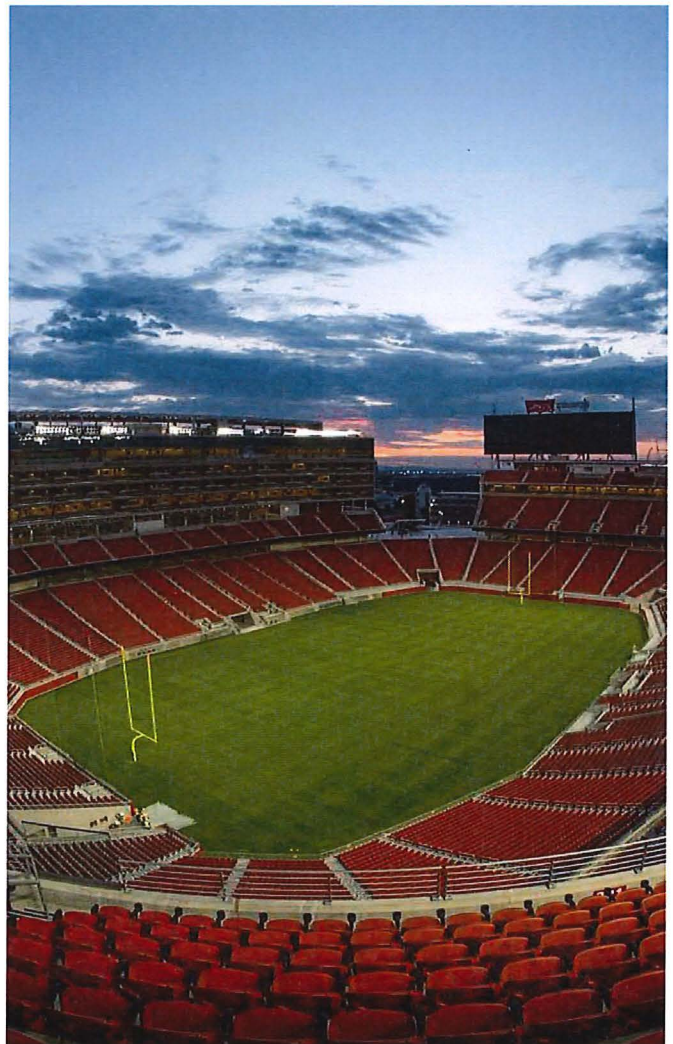
This agreement amends the original stadium lease to set the initial rent, to allow StadCo to enter into agreements with alternative energy providers, to cap SCSA's share of the insurance costs at a fixed amount each year, and to require SCSA to fund various reserves.

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

In addition, ManCo procures insurance for Levi's Stadium for the entire year and the cost is shared between SCSA and StadCo.

Section 4.7 of the management agreement notes that ManCo will provide an Annual Shared Stadium Expense Budget to be adopted annually by SCSA and StadCo.

Once the budget is adopted, ManCo invoices SCSA monthly for its budgeted portion of shared expenses which include stadium manager operating expenses. As part of the year-end work, the budgeted amounts that were paid are trued up with actuals for which ManCo provides details.



Stadium Manager

2018-19 Shared Stadium Expenses

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

	Security	Stadium Operations	Engineering	Guest Services	Groundskeeping	Total
Total Compensation	\$ 924,002	\$ 3,786,166	\$ 2,531,650	\$ 952,592	\$ 286,757	\$ 8,481,167
Travel, Hotel & Staff/Partner F&B	2,122	389,802	12,000	47,218	7,107	458,249
Outside Services	1,899,000	1,761,740	1,035,408	51,958	46,783	4,794,889
General Supplies	76,120	202,678	-	167,056	186,960	632,814
Telephone	15,450	482,708	40,000	5,792	1,167	545,117
Equipment	152,976	670,208	40,314	65,198	13,260	941,956
Uniforms	10,184	3,714	4,244	200,612	3,183	221,937
Other	6,366	145,338	5,834	135,562	-	293,100
Subtotal	\$3,086,220	\$ 7,442,354	\$ 3,669,450	\$ 1,625,988	\$ 545,217	\$16,369,229

Santa Clara Stadium Authority Proportionate Share of Stadium Expenses ⁽¹⁾

	Security (50%)	Stadium Operations (50%)	Engineering (50%)	Guest Services (50%)	Groundskeeping (30%)	Total
Total Compensation ⁽²⁾	\$ 462,001	\$ 1,893,083	\$ 1,265,825	\$ 476,296	\$ 86,027	\$ 4,183,232
Travel, Hotel & Staff/Partner F&B	1,061	194,901	6,000	23,609	2,132	227,703
Outside Services	949,500	880,870	517,704	25,979	14,035	2,388,088
General Supplies	38,060	101,339	-	83,528	56,088	279,015
Telephone	7,725	241,354	20,000	2,896	350	272,325
Equipment	76,488	335,104	20,157	32,599	3,978	468,326
Uniforms	5,092	1,857	2,122	100,306	955	110,332
Other	3,183	72,669	2,917	67,781	-	146,550
Subtotal	\$1,543,110	\$ 3,721,177	\$ 1,834,725	\$ 812,994	\$ 163,565	\$ 8,075,571
Insurance ⁽³⁾						2,870,048
Management Fee ⁽⁴⁾						225,101
Total						\$11,170,720

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

⁽²⁾ Total compensation is based on a total of 59 full time equivalent positions.

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

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

STADIUM MANAGER SHARED EXPENSES GLOSSARY

Total Compensation: This cost includes full-time staff (59 employees), part-time staff, and benefits. The SCSA pays for 50% of these costs except for groundskeeping which is set at 30%.

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

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

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

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

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

Telephone: These are costs for land lines and internet/data service for the stadium, (net of the costs for the Team's business offices), and cell service for stadium operations' and security personnel.

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

STADIUM MANAGER SHARED EXPENSES GLOSSARY

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

Uniforms: Guest Services replacement and replenishment of uniforms.

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

Stadium Manager

Santa Clara Stadium Authority Proportionate Share of Stadium Expenses - 5 Year Forecast

	2019-20	2020-21	2021-22	2022-23	2023-24
Total Compensation ⁽¹⁾	\$ 4,308,730	\$ 4,437,992	\$ 4,571,131	\$ 4,708,265	\$ 4,849,513
Travel, Hotel & Staff/Partner F&B	234,534	241,570	248,817	256,282	263,970
Outside Services	2,459,730	2,593,522	2,609,527	2,687,813	2,768,448
General Supplies	287,386	296,007	304,887	314,034	323,455
Telephone	280,495	288,909	297,577	306,504	315,699
Equipment	482,376	496,847	511,753	527,105	542,919
Uniforms	113,641	117,050	120,562	124,179	127,904
Other	150,947	155,475	160,139	164,944	169,892
Total	\$ 8,317,839	\$ 8,627,372	\$ 8,824,393	\$ 9,089,126	\$ 9,361,800
Insurance ⁽²⁾	2,956,149	3,044,833	3,136,178	3,230,263	3,327,171
Management Fee ⁽³⁾	231,854	238,810	245,974	253,353	260,954
Total	\$ 11,505,842	\$ 11,911,015	\$ 12,206,545	\$ 12,572,742	\$ 12,949,925

⁽¹⁾ Total compensation is based on a total of 59 full-time equivalent positions.

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

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

Santa Clara Stadium Authority

Debt Service Budget Summary

	<u>2016-17</u> <u>Final</u> <u>Budget</u>	<u>2016-17</u> <u>Year-end</u> <u>Actuals</u>	<u>2017-18</u> <u>Final</u> <u>Budget</u>	<u>2017-18</u> <u>as of</u> <u>March 31, 2018</u>	<u>2018-19</u> <u>Proposed</u> <u>Budget</u>
Resources					
Revenues					
Contribution from CFD	\$ 3,400,000	\$ 3,573,523	\$ 4,500,000	\$ 4,357,288	\$ 3,600,000
Revenues Subtotal	3,400,000	3,573,523	4,500,000	4,357,288	3,600,000
Transfers In from Operating	57,545,000	62,378,378	51,539,000	52,282,000	49,642,000
Use of Fund Balance	-	-	-	18,808,959	2,839,000
Total Resources	\$ 60,945,000	\$ 65,951,901	\$ 56,039,000	\$ 75,448,247	\$ 56,081,000
Expenses					
CFD Advance	\$ 3,400,000	\$ 3,573,523	\$ 3,860,000	\$ 3,757,288	\$ 3,600,000
Term A Loan	14,140,000	14,139,705	21,210,000	21,209,558	25,644,000
StadCo Subordinated Loan	52,288,000	42,678,366	38,000,000	50,481,401	26,837,000
Total Expenses	\$ 69,828,000	\$ 60,391,594	\$ 63,070,000	\$ 75,448,247	\$ 56,081,000
Debt Service Reserve	\$ 11,536,235	\$ 11,536,235	\$ 11,536,235	\$ 11,536,235	\$ 11,536,235

Total outstanding debt is projected to decrease by \$37.4 million from \$382.8 million to \$345.4 million. The proposed 2018-19 Debt Service Budget of \$56 million is based on the required and additional principal and interest debt service payments. Of this total, \$3.6 million represents anticipated contributions from the Community Facilities District (CFD).

Total Debt Service Reserves are projected to be \$11.5 million. A glossary has been provided, beginning on page 26, that describes the type of debt and the applicable source documents for each loan.

The schedule shown on the following page reflects the outstanding debt projection of \$382.8 million as of March 31, 2018 and the projected principal payments for 2018-19.

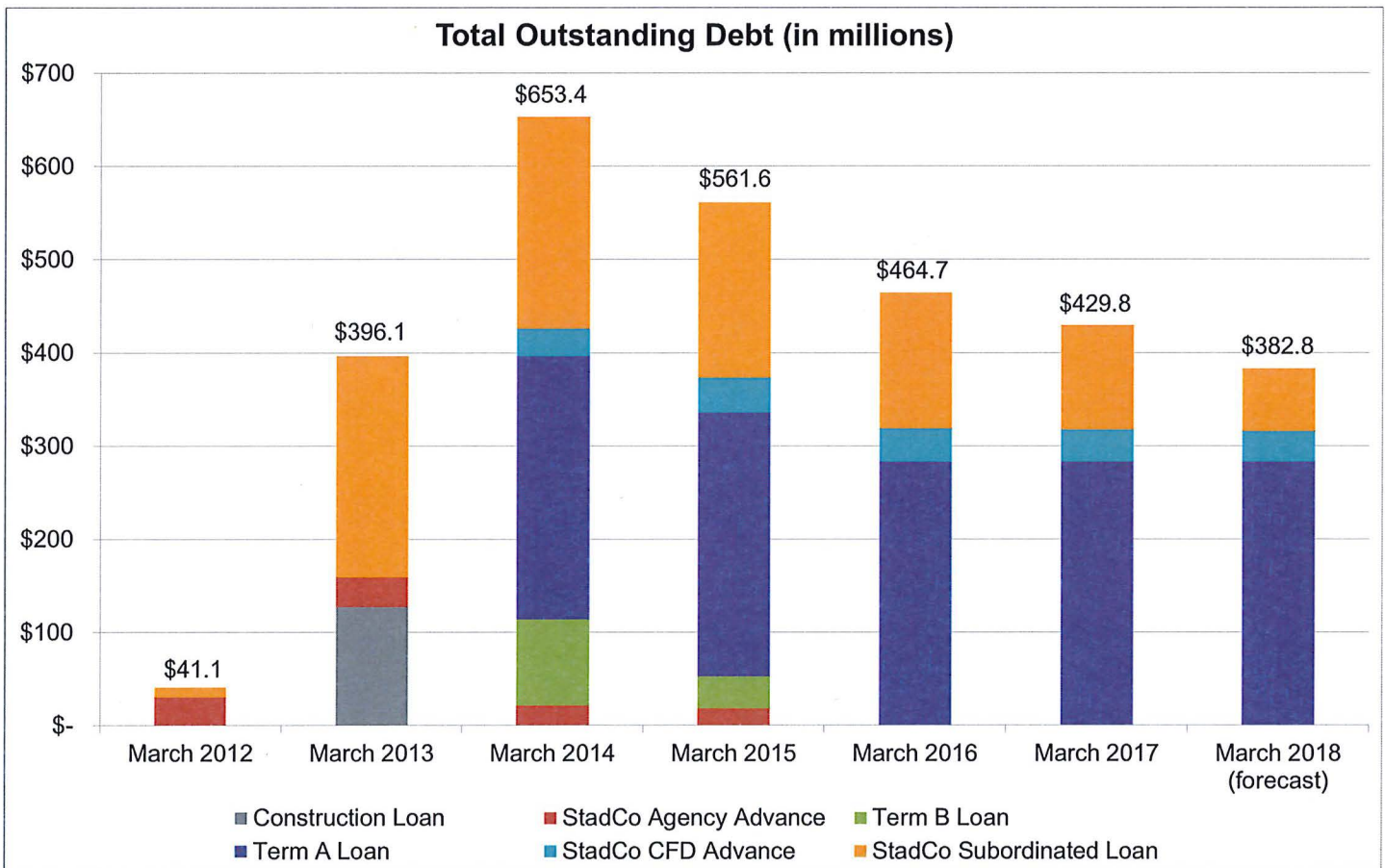
Santa Clara Stadium Authority

Debt Service Payment Schedule

Debt Obligations	Interest rates	2018-19 Beginning Balance	2018-19 Principal Payments	2018-19 Additional Payments ⁽¹⁾	2018-19 Ending Balance
Stadium Funding Trust Term A Loan	5.00%	\$282,794,108	\$ 12,110,000	\$ -	\$270,684,108
StadCo CFD Advance ⁽²⁾	5.73%	32,834,885	1,990,000	-	30,844,885
StadCo Subordinated Loan	5.50%	67,123,588	3,964,502	19,336,498	43,822,588
Total		\$382,752,581	\$ 18,064,502	\$ 19,336,498	\$345,351,581

⁽¹⁾ Additional payment is based on anticipated revenue that is in excess of all expenses and reserve requirements.

⁽²⁾ CFD principal payment is an estimate based on anticipated contributions from the Community Facilities District



STADIUM AUTHORITY DEBT SERVICE BUDGET GLOSSARY

Agency Advance: StadCo agreed to loan SCSA a not to exceed amount of \$30.3 million to fund certain stadium project costs. This Agency Advance would be payable solely from amounts actually received by SCSA from the Successor Agency. On September 23, 2013 StadCo, SCSA, the Successor Agency, and the State of California reached a settlement agreement regarding the repayment of the Agency Advance. In accordance with the settlement \$30.3 million would be paid to SCSA plus interest at an amended rate of 4.5%. This amount was being paid in installments beginning January 2, 2014 and continuing until July 1, 2017. As of March 31, 2016 the loan was fully repaid, in advance of the payment schedule. (Source: Authority Promissory Note In Respect of StadCo Agency Advance & First Amendment to Cooperation Agreement to Assist Public-Owned Stadium and First Amendment to Predevelopment Funding Agreement)

CFD Advance: StadCo agreed to loan SCSA a not to exceed amount of \$35 million in respect to CFD infrastructure with a maximum principal amount of \$38 million including capitalized interest. This loan bears interest at a fixed rate of 5.73% and the loan is payable solely from amounts actually received by SCSA from the CFD. (Source: The Authority Promissory Note in Respect of StadCo CFD Advance)

Contribution from the Community Facilities District (CFD): The CFD was established for the purpose of financing and constructing publicly owned facilities. To support that, the CFD levies and collects a special hotel tax of 2% on hotel rooms within the CFD. During the construction of Levi's Stadium, SCSA spent \$35 million on CFD infrastructure. All collections from the special CFD hotel taxes are contributed to SCSA to pay down the CFD Advance which was used to fund the construction of the CFD publicly owned facilities. (Source: The Reimbursement Agreement Relating to the CFD)

Contribution from Successor Agency: The Successor Agency committed to contribute a total of \$41.6 million toward stadium project costs. It funded \$11.4 million up front and committed the remaining \$30.3 million plus interest to SCSA in future years. As of March 31, 2016, the Successor Agency had fulfilled its commitment. (Source: RDA Funding Agreements)

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

STADIUM AUTHORITY DEBT SERVICE BUDGET GLOSSARY (CONT.)

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

Term A Loan Amortization	
Date	Annual Principal Payment
April 1, 2018	\$12,110,000.00
April 1, 2019	\$12,718,000.00
April 1, 2020	\$13,354,000.00
April 1, 2021	\$14,022,000.00
April 1, 2022	\$14,723,000.00
April 1, 2023	\$15,459,000.00
April 1, 2024	\$7,299,896.00
April 1, 2025	\$7,838,094.00
April 1, 2026	\$8,404,934.00
April 1, 2027	\$9,001,865.00
April 1, 2028	\$9,630,410.00
April 1, 2029	\$10,292,166.00
April 1, 2030	\$10,988,812.00
April 1, 2031	\$11,722,111.00
April 1, 2032	\$12,493,914.00
April 1, 2033	\$13,306,164.00
April 1, 2034	\$14,160,901.00
April 1, 2035	\$15,060,270.00
April 1, 2036	\$16,006,521.00
April 1, 2037	\$17,002,017.00
April 1, 2038	\$18,049,239.00
April 1, 2039	\$19,150,794.00

Term B Loan: FinanceCo agreed to loan SCSA an amount not to exceed \$167.2 million to fund construction of Levi's Stadium. The Term B Loan had a variable interest rate of LIBOR plus 2% and a maturity date in 2018. This loan was fully repaid as of March 31, 2016. (Source: The Restated Credit Agreement)

STADIUM AUTHORITY CAPITAL BUDGET

The Capital Budget is used to fund the purchase or upgrade of fixed assets for the Stadium. While the funding for appropriations occur on an annual basis, the Capital Expenditure Plan extends for a five (5) year period (shown on page 31 of this report). Changes to existing projects, as well as the addition of new projects, may occur during the five (5) year planning period as new needs are identified. The appropriations for capital projects do not lapse at year-end but carryforward into future years until the project is complete.

The fiscal year 2018-19 Capital Budget totals \$7.9 million. Of this total, \$3.1 million of prior year appropriations are carried forward into 2018-19. New capital improvement appropriations equal \$4.8 million.

A detailed listing of proposed 2018-19 projects is provided on page 30 of this report.



Field Safety Barrier for Security

Santa Clara Stadium Authority

Capital Expense Budget Summary

	2016-17 Final Budget	2016-17 Year-end Actuals	2017-18 Final Budget	2017-18 as of March 31, 2018	2018-19 Projected Carryforward	2018-19 New Budget	2018-19 Proposed Budget
Beginning Balances	\$ 6,090,000	\$6,090,000	\$ 8,528,701	\$ 8,887,218	\$ 12,358,833	\$ -	\$ 12,358,833
Resources							
Transfers In from Operating	3,183,000	3,182,700	3,278,000	3,278,181	-	3,377,000	3,377,000
Transfers In from Stadium Development ⁽¹⁾	-	-	1,851,000	1,851,000	-	-	-
Total Resources	9,273,000	9,272,700	13,657,701	14,016,399	12,358,833	3,377,000	15,735,833
	2016-17 Final Budget	2016-17 Year-end Actuals	2017-18 Final Budget	2017-18 as of March 31, 2018	2018-19 Projected Carryforward	2018-19 New Budget	2018-19 Proposed Budget
Expenses							
Construction	3,025,000	137,722	1,766,517	1,437,836	328,681	4,392,242	4,720,923
Equipment	275,000	247,760	1,022,000	22,000	1,000,000	210,000	1,210,000
Contingency	-	-	122,000	-	122,000	174,546	296,546
Stadium Warranty Related Construction	-	-	1,851,000	197,730	1,653,270	-	1,653,270
Total Expenses	3,300,000	385,482	4,761,517	1,657,566	3,103,951	4,776,788	7,880,739
Capital Expense Reserve	\$ 5,973,000	\$8,887,218	\$ 8,896,184	\$ 12,358,833	\$ 9,254,882	\$(1,399,788)	\$ 7,855,094

⁽¹⁾ Carryforward from the original Stadium Construction Budget for Warranty related work



Restroom Vacancy signs

Water Treatment/Softener System

2018 STADIUM AUTHORITY CAPEX Request Items

Item Requested	Description	Cost	Contingency	Total Project Cost
Food and Beverage	Concession Area Maintenance repair & programming of the beverage distribution system, concession stand equipment, repair walk-in coolers and main kitchen equipment.	485,000	24,250	\$509,250
FF&E	Guest Services Booths Two additional guest services booths on the main concourse for better enhanced customer service touchpoints.	70,000	3,500	\$73,500
FF&E	Flag Poles Add two additional flag poles on the north side of the stadium to accommodate state, city, civic and local flags.	65,000	3,250	\$68,250
FF&E	Water Stations Install elkay- type water stations on-site for public consumption. These are essentially water refill stations for guests and staff at the facility.	60,000	3,000	\$63,000
FF&E	200 Level Mesh Under Stairs Install mesh covering on fencing under the 200 level stairs for security.	15,000	750	\$15,750
General Building	Premium Areas/Special Event Assets Lyntal coating throughout the concourse. Floor restoration/terrazzo. Hardwood floor restoration in clubs. Coat service tunnel with epoxy coating and fill any cracks to protect against slips, trips and falls.	1,385,000	69,250	\$1,454,250
General Building	Santa Clara Public Safety Equipment Major Equipment Replacement for Santa Clara Public Safety, Police & Fire. See attached schedule.	617,004	30,850	\$647,855
General Building	Stadium Field Conduits Adding permanent solution for power and data on field/floor of stadium making electrical connections safer and efficient for concert and events.	250,000	12,500	\$262,500
General Building	Loading Dock Security and Safety Improvements Install security and safety equipment in the loading dock area to safely move workers and attendees around heavy equipment workflow.	147,910	7,396	\$155,306
General Building	Miscellaneous Flooring, carpeting, millwork, tiles, masonry, granite counters, Stainless steel panels and counters, cladding, wall acoustic panels etc.	100,000	5,000	\$105,000
General Building	CMU Wall Build Build a safety enclosure for the main stadium natural gas pipeline @ Gate F per safety surveyor.	75,000	3,750	\$78,750
General Building	Fire Sprinkler System Fire Marshal request to have a sprinkler system installed at loading dock and additional work in high bay storage to accommodate combustible storage and safety for activations.	95,000	4,750	\$99,750
Plumbing	Hot Water Additions for Sump Pump Install 4 sump pumps and 4 substation water source heat pumps to hose down the sump wells in the sewage system.	350,009	17,500	\$367,509
Security	Access Control System Install card readers on doors currently keyed for controlled security, install gate actuators at Gate A and Gate C. Update access control throughout to provide tighter and more efficient security measures.	197,000	9,850	\$206,850
Security	Security Cameras Repair and update security cameras in the stadium to consistently view access areas & security perimeter.	59,000	2,950	\$61,950
Site	Community Room Build Out Consideration to build out an unfinished storage space in the stadium to potentially accommodate a new Community Space per City Manager's request. This is Tenant's Exclusive Space - use of space by SCSA is subject to Tenant's approval which has not been given.	600,000	30,000	\$630,000
Site	Asphalt Slurry coat - visitor parking on Tasman, Gold 4 & 5 parking lots and South Access Road.	190,000	9,500	\$199,500
Site	Bridge - Pedestrian Seal walkways and paint bridges to enhance public safety access areas.	30,000	1,500	\$31,500
Total FY18 Project Budget		4,790,923	239,546	\$5,030,469

Roll forward from prior years
Approved in 2017

FF&E	Permanent Changeable Street Signage for Public Safety & Traffic Control This item was brought before the SCSA Board and approved in the 2017 - 18 budget. Working with the Dept of Public Works, the City Manager's office and the Chief of Police's office to identify appropriate locations on surrounding city streets (GAP, Tasman, etc.) to place signage to better protect, inform and serve patrons visiting Levi's Stadium, non-event day traffic, community event advisories and emergency public safety and traffic advisories.	1,000,000	50,000	\$1,050,000
General Building	Santa Clara Public Safety Equipment CAD Replacement & Kimtech MTD-103 Advanced. See attached schedule.	140,000	7,000	\$147,000
Total FY18 project budget including projects rolled forward from prior years		5,930,923	296,546	\$6,227,469

Santa Clara Stadium Authority

Capital Expense Plan Summary - 5 Year Forecast

	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget	2022-23 Budget
Audio/Visual	\$ -	\$ -	\$ -	\$ -	\$ -
Electrical	-	-	-	-	750,000
FF&E	1,210,000	30,000	-	30,000	-
Food & Beverage	485,000	-	200,000	-	-
General Building	2,809,914	252,000	410,000	1,272,000	600,000
HVAC/Mechanical	-	263,355	225,000	-	-
Life Safety/Fire	-	-	100,000	-	-
Plumbing	350,009	-	100,000	-	-
Security	256,000	-	175,000	-	-
Site	820,000	325,000	200,000	-	-
Vertical Transport	-	-	-	-	-
Subtotal CapEx Project Costs	\$5,930,923	\$ 870,355	\$ 1,410,000	\$ 1,302,000	\$ 1,350,000
Contingency (5%)	296,546	43,518	70,500	65,100	67,500
Total CapEx Project Costs	\$6,227,469	\$ 913,873	\$ 1,480,500	\$ 1,367,100	\$ 1,417,500

Santa Clara Stadium Authority

Public Safety Capital Expense Request

Equipment	Dept	Quantity	2018-19 Proposed Budget
Permanent Changeable Street Signage	Public Works	-	1,000,000
CAD Replacement	Police, IT	-	130,000
Portable License Plate Reader/PTZ Cameras	Police	4	160,000
Kawasaki Pro-FXT LE Black Mule	Police	3	52,000
Motor Vehicle Barriers	Police	4	100,000
Kimtech MTD-103 Advanced (med cart upgrade)	Fire	1	10,000
Portable Radios	Fire	13	54,000
EMS Equipment (2 Auto Pulse Automated Compressors)	Fire	2	32,000
EMS Equipment (ALS Lifepack Monitor)	Fire	1	30,000
Public Safety Command Post Dispatch System	Public Safety	1	189,000
Total			\$1,757,000

