



## Agenda Report

20-170

Agenda Date: 2/11/2020

### REPORT TO STADIUM AUTHORITY BOARD

#### **SUBJECT**

Action on a Consent to Assignment Agreement with Hagen, Streiff, Newton, & Oshiro Accountants, P.C. and J.S. Held LLC to provide consulting services for the Santa Clara Stadium Authority [Council Pillar: Ensure Compliance with Measure J and Manage Levi's Stadium]

#### **BACKGROUND**

On September 20 2018, the Santa Clara Stadium Authority (Authority) and Hagen, Streiff, Newton, & Oshiro Accountants, P.C. (HSNO) entered into an agreement entitled, "Agreement for Services Between the Santa Clara Stadium Authority and Hagen, Streiff, Newton, & Oshiro Accountants, P.C.", (the "Original Agreement") in which HSNO agreed to provide services as a litigation consultant and perform a review of the financial statements and supporting documents provided by the San Francisco Forty-Niners. HSNO was also asked to provide the Authority with an identification of, and opinion on, the financial statement issues the Authority has. The Original Agreement was amended on April 12, 2019 to extend the contract expiration date to December 31, 2020 due to longer wait time for the supporting documents. The amendment also increased the contract amount by \$100,000 to \$200,000. The Authority approved to increase the contract amount due to the additional services needed to be performed by the consultant in obtaining the supporting documents. The increase was also necessary for HSNO to perform a review of the Construction Fund expense and cost allocation, and to perform other Stadium related business transactions or contracts identified by the Authority.

#### **DISCUSSION**

On November 14, 2019, the Authority received a request from HSNO to formally assign the professional services agreement with HSNO to J.S. Held LLC because the firm was acquired by J.S. Held LLC and will be operating under J.S. Held LLC. HSNO desires to have the Authority consent to the assignment of all rights, obligations and interest in the Original Agreement from HSNO to J.S. Held LLC. J.S. Held LLC will continue to perform all the duties and obligations in the Original Agreement and Amendment as agreed with the Authority. The consulting team and the Senior Vice President assigned to the Authority's projects will remain the same and will continue to work with staff in completing the review of documents and financial statements for the Non-NFL Events.

Staff have been working with the same team on a couple of projects over the years and are pleased with the team's work and deliverables. The team is very knowledgeable with the Stadium's transactions. Given the current ongoing document review of the Non-NFL Events' supporting documents and financial statements, staff recommends that the Authority Board approves the Consent to Assignment Agreement with HSNO and J.S. Held LLC for the consulting services.

#### **ENVIRONMENTAL REVIEW**

This Agreement is for professional services and the action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") Guidelines section

15378 as the action being considered does not commit the Authority to undertake the project and future discretionary approvals are required by the Authority to approve the project for construction.

**FISCAL IMPACT**

There is no fiscal impact other than administrative staff time expense.

**COORDINATION**

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

**PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

**RECOMMENDATION**

Approve and authorize the Executive Director to execute a Consent to Assignment Agreement between the Santa Clara Stadium Authority, HSNO, and J.S. Held LLC to perform the consulting services for the Santa Clara Stadium Authority.

Reviewed by: Linh Lam, Auditor

Approved by: Deanna J. Santana, Executive Director

**ATTACHMENTS**

1. Original Signed Agreement and Amendment with HSNO
2. Consent to Assignment Agreement for Professional Services