



# San Jose Arena Authority

**Regular Meeting of the Board of Directors  
SAP Center at San Jose  
525 W. Santa Clara Street  
San Jose, CA  
March 28, 2018  
4:00 pm**

## **Agenda**

### **Expected Board Attendees**

Matthew Bright	John Kennett
Scott Bruner	Colleen Reilly
David Buchholz	Donald Rocha
Jonathan Clough	Dylan Simon
Eileen Consiglio	Kathy Sutherland
Devora Davis	Eva Terrazas
Loren Haley	Vinni Walia
Leslee Hamilton	Rusty Weekes
Carl Honaker	

### **Staff**

Chris Morrissey (Executive Director)  
Shelly Wang (Administrative Assistant)  
Elizabeth Klotz (Deputy City Attorney)

### **Guests**

Rich Sotelo (Sharks Sports & Entertainment)

### **1. Call to Order/Roll Call/Introductions**

### **2. General Business**

- a. Review and Approve the February 2018 Regular Board Meeting Minutes
- b. Accept Verbal Report on Downtown Transit and Development Projects (Haley)

### **3. Executive Director and Staff Reports**

#### **3.1. Executive Director (Morrissey)**

- a. Accept Verbal Reports on Arena Authority Oversight
  - SAP Center at San Jose
  - Solar4America Ice at San Jose
  - San Jose Municipal Stadium
- b. Accept Report on Arena Authority Administrative Issues
  - South Campus Operations Team

#### **3.2. Administrative Assistant (Wang)**

- a. Accept Report on Recent and Upcoming Events at SAP Center at San Jose
- b. Accept Verbal Report on Activities at Solar4America Ice at San Jose

**4. Committee Reports**

- 4.1. *Standing Executive Committee (Chair: Hamilton)*
- a. Accept Verbal Report on the Planning of the Arena Authority Operating Budget for FY 2018-19
  - b. Accept Verbal Report on the Station Area Advisory Group
- 4.2. *Standing Finance Committee (Chair: Bright)*
- a. Review and Approve December 2017 Financial Statements
- 4.3. *Standing San Jose Sports Hall of Fame Committee (Chair: Reilly)*
- a. Accept Verbal Report on the 2018 San Jose Sports Hall of Fame Program
- 4.4. *Standing Facilities Committee (Co-Chairs: Buchholz, Clough)*
- a. Review and Approve the FY 2018-19 Capital Budget Submittals for SAP Center at San Jose and Solar4America Ice at San Jose
  - b. Accept Report on the Submittal of the Annual Summary of Activities at Solar4America Ice at San Jose to the City of San Jose
- 4.5. *Standing San Jose Municipal Stadium Committee (Co-Chairs: Honaker, Kennett)*
- a. Review and Approve the FY 2018-19 Capital Budget Submittal for San Jose Municipal Stadium
- 4.6. *Ad Hoc Board Recruitment Committee (Chair: Sutherland)*
- a. Accept Report on Current Board Vacancy
- 4.7. *Standing Community Programs Committee (Co-Chairs: Bright, Terrazas)*
- a. Accept Report on Recent City and Community Events Program Activity
  - b. Review and Approve City and Community Events Program Applicant
    - San Jose Unified School District

**5. Open Forum**

**6. Adjournment**

All public records relating to an open session on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the office of the San Jose Arena Authority, SAP Center at San Jose, 525 W. Santa Clara Street, San Jose CA 95113 at the same time that the public records are distributed or made available to the legislative body.

To request an accommodation or alternative format for City-sponsored meetings, events or printed materials, please contact the San Jose Arena Authority at 408-977-4780 or 408-977-4779 (TTY) or contact [wang@sjaa.com](mailto:wang@sjaa.com) as soon as possible but at least three business days before the meeting/event.

# San Jose Arena Authority

**Regular Meeting of the Board of Directors  
Solar4America Ice at San Jose  
1500 South Tenth Street  
San Jose, CA  
February 28, 2018  
4:00 pm**

## Meeting Minutes

### Board Members in Attendance

David Buchholz	John Kennett
Jonathan Clough	Madison Nguyen
Eileen Consiglio	Colleen Reilly
Leslee Hamilton	Kathy Sutherland
Carl Honaker	Vinni Walia

### Board Members Not in Attendance

Matthew Bright	Donald Rocha
Scott Bruner	Eva Terrazas
Devora Davis	Rusty Weekes
Loren Haley	

### Staff in Attendance

Chris Morrissey (Executive Director)  
Shelly Wang (Administrative Assistant)  
Elizabeth Klotz (Deputy City Attorney)

### Guests in Attendance

Philip Fernandez (Council District 6)  
Jon Gustafson (Solar4America Ice at San Jose)  
Scott Hughes (Council District 9)

1. **Call to Order/Roll Call/Introductions.** The Arena Authority convened the Regular Meeting of the Board of Directors at 4:01pm.
2. **General Business**
  - a. Presentation on the Annual Summary of Activities at Solar4America Ice at San Jose. Jon Gustafson, General Manager for Solar4America Ice at San Jose, presented an annual summary of activities at the public ice facility.
  - b. Presentation on City Form 700 and Family Gift Report Filings (Klotz). Elizabeth Klotz, Deputy City Attorney, presented general guidelines for the Form 700 and the City of San Jose's Family Gift Report filings. Board members are required to file both forms by April 1, 2018.
  - c. Review and Approve the January 2018 Regular Board Meeting Minutes. Approved. 6 approvals, 3 abstentions (Consiglio, Kennett, Sutherland). 1<sup>st</sup>: Honaker 2<sup>nd</sup>: Nguyen.
  - d. Accept Verbal Report on Downtown Transit and Development Projects (Haley). The Station Area Advisory Group (SAAG) will be holding its initial community meeting later today.

### **3. Executive Director and Staff Reports**

#### **3.1. Executive Director (Morrissey)**

- a. Accept Verbal Reports on Arena Authority Oversight
  - SAP Center at San Jose. The BART Community Working Group met earlier in the month. The Valley Transportation Authority has been conducting technical meetings with BART to address the issues relating to the single bore or twin bore options through the downtown area. A decision on one of the boring options will be announced in the spring 2018. The BART Phase II Final Subsequent Environmental Impact Report was release and included comments submitted by the Arena Authority. Exterior cleaning of the stainless steel siding on the north side of the arena was recently completed.
  - Solar4America Ice at San Jose. The Arena Authority will submit a condensed version of the annual summary of activities at Solar4America Ice at San Jose to the City.
  - San Jose Municipal Stadium. Current work at the stadium includes replacing the exit gate push bars and repairing an asphalt depression behind the main stadium seating area.
- b. Accept Verbal Report on Arena Authority Administrative Issues
  - South Campus Operations Team. The annual summary of south campus activities will be included in the March Board meeting materials.

#### **3.2. Administrative Assistant (Wang)**

- a. Accept Report on Recent and Upcoming Events at SAP Center at San Jose. SAP Center at San Jose has 59 events scheduled in a two-month period from 02/08 to 04/08.
- b. Accept Verbal Report on Activities at Solar4America Ice at San Jose. Solar4America Ice at San Jose will soon by hosting the USA Hockey Pacific Division Tournament with 40 co-ed teams.

### **4. Committee Reports**

#### **4.1. Standing Executive Committee (Chair: Hamilton)**

- a. Accept Verbal Report on the Planning of the Arena Authority Operating Budget for FY 2018-19. Preparation on the submittal of the Arena Authority's annual operating budget is underway.

#### **4.2. Standing Finance Committee (Chair: Bright)**

- a. Review and Approve July – November, 2017 Financial Statements. Approved. 10 approvals. 1<sup>st</sup>: Nguyen 2<sup>nd</sup>: Consiglio.

#### **4.3. Standing San Jose Sports Hall of Fame Committee (Chair: Reilly)**


- a. Accept Verbal Report on 2018 San Jose Sports Hall of Fame Program. The San Jose Sports Hall of Fame Committee will have their first meeting at the beginning of March.

#### **4.4. Standing Facilities Committee (Co-Chairs: Buchholz, Clough)**

- a. Accept Verbal Report on the Preparation of the FY 2018-19 Capital Budget Submittals for SAP Center at San Jose and Solar4America Ice at San Jose. The Facilities Committee has met with representatives from Sharks Sports & Entertainment and the City of San Jose to discuss the SAP Center at San Jose and Solar4America Ice at San Jose capital budgets. The capital budget submittals will be presented for review and approval at the March Board meeting.
- b. Accept Verbal Report on the Submittal of the Annual Summary of Activities at Solar4America Ice at San Jose to the City of San Jose. This summary will be submitted to the City Manager's Office for distribution to the City Council in March.

- 4.5. Standing San Jose Municipal Stadium Committee (Co-Chairs: Honaker, Kennett)  
a. Accept Verbal Report on the Preparation of the FY 2018-19 Capital Budget Submittal for San Jose Municipal Stadium. The Municipal Stadium Committee has met with representatives from the San Jose Giants and the City of San Jose to discuss the Municipal Stadium capital budget. The capital budget submittal will be presented at the March Board meeting for review and approval.
- 4.6. Ad Hoc Board Recruitment Committee (Chair: Sutherland)  
a. Accept Report on Current Board Vacancy. The current Board vacancy notice expiration will be extended. The Arena Authority is searching for a Board candidate with experience in transit and/or urban planning.
- 4.7. Standing Community Programs Committee (Co-Chairs: Bright, Terrazas)  
a. Review and Approve City and Community Events Program Applicant
  - San Jose Sharks Foundation. The Arena Authority Board approved up to \$25,000 in program funding to the Sharks Foundation for their event, *Sampling with the Sharks*. A condition was added that the equivalent amount is directed to a San Jose-based organization. 10 approvals, 1<sup>st</sup>: Sutherland 2<sup>nd</sup>: Kennett.
5. **Open Forum.** Due to the upcoming 408K Race, which starts on Autumn Street by SAP Center at San Jose and finishes at Santana Row, there will be various street closures throughout the San Jose area.
6. **Adjournment.** The meeting adjourned at 5:07pm.

Submitted by:



Shelly Wang

# San Jose Arena Authority

## Informational Memorandum

**To:** Loren Haley, City Manager's Office / Office of Economic Development  
**From:** Chris Morrissey, Executive Director *CM*  
**Subject:** 2017 Annual Summary of Activities in the South Campus Area  
**Date:** March 14, 2018

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### Background

In 2010, the Arena Authority created the South Campus Operations Team (SCOT). Today the team includes representatives from Solar4America Ice at San Jose, San Jose Municipal Stadium, Kelley Park (including Happy Hollow Park and Zoo and History Park), San Jose State University Athletics, the City's Department of Public Works, the Office of Cultural Affairs, and the Arena Authority. In creating the South Campus Operations Team, the Arena Authority established two central missions for the organization: (1) Allow for the open and regular interaction of facility and park operators in the areas of park and facility event administration; coordination of vehicular traffic and parking operations; patron ingress and egress management; simultaneous event planning and administration; identification of neighborhood integrity issues; and special event coordination. (2) Expand substantive discussions for the long-term planning and development of the south campus area. Through the leadership provided by the Arena Authority, both goals for the south campus area have been attained. The SCOT has been working collaboratively since 2010 to address the issues listed above and long-term area development discussions with the appropriate stakeholders have recently commenced.

Provided below is more specific information on the many attractions in the developing south campus area of San Jose:

### Kelley Park

Kelley Park is comprised of lands from the former Kelley Estate that included 600 acres of prune, apricot, cherry, and walnut orchards. The City of San Jose purchased portions of the land in 1952 for development of the park area today. Kelley Park has been a popular regional destination for over 60 years and offers one of the City's most diverse recreational settings. Covering 172 acres, the park includes Happy Hollow Park and Zoo, the Japanese Friendship Garden and History Park, and features picnic areas, a disc golf course, an amphitheater, walking trails, rolling lawns, and shade trees. The Kelley Park picnic areas can accommodate either small or large gatherings while the Greek-styled amphitheater can seat 200 people. Kelley Park is also home to the Leininger Community Center where the Park Reservations, Citywide Sports, and Special Park Use offices are located.

The Japanese Friendship Garden is modeled after the Korakuen Gardens located in San Jose's Sister City of Okayama, Japan. The garden features streams, bridges, wedding areas, a Japanese Tea House, and koi-filled ponds. The Tea House inside the Japanese Friendship Garden was damaged in the 2017 flood but is scheduled to reopen in early 2019. During the year, Kelley Park welcomed over 450,000 visitors.

### Happy Hollow Park and Zoo

Founded in 1961, Happy Hollow Park and Zoo features seven rides, a puppet theater, unique play areas, a restaurant, education center, gift shop, and a veterinary clinic for over 150 of the park's endangered, exotic, and domestic animals. Summer camps, after-hours dance parties, family sleepovers, concerts, large-scale special events, and barbecues are some of the park's signature events. Happy Hollow's Zoo Education program features educational outreach and scholarship programs for local youth and children's classes. On a broader scale, the park and zoo have been engaged in global conservation efforts through a national cell phone-recycling program and supports the Democratic Republic of Congo Mountain Gorilla/Ranger Program and the Belize Audubon Society. Happy Hollow is the first Gold LEED certified amusement park and zoo in the United States and is accredited with the Association of Zoos and Aquariums. In 2017, over 475,000 patrons visited the park and zoo.

Through the park's partnership with the Happy Hollow Foundation (the park's nonprofit partner organization), the park and zoo have been recipients of grants, donations, and other alternative funding. Patrons that visited the park and zoo in recent years have benefited from the opening of two new animal exhibits and a brand new amusement ride. Special events were offered throughout the year to expand HHPZ's reach into the Bay Area community as well as their global efforts to support conservation of endangered species. Over 10,000 school children were inspired and awed by Happy Hollow's animal ambassadors at off-site locations and even more on-site through class camps and visitor programs.

### History Park

History San José is a private, non-profit organization that manages the City of San Jose's historic assets including a Collection Center/Research Library & Archive; Downtown's Peralta Adobe-Fallon House Historic Site; and History Park in Kelley Park. History Park features 32 historic and replica buildings, including the Chinese American Historical Museum, the Pacific Hotel, Stevens Fruit Barn, a working print shop and running trolleys. The park is home to more than 200 volunteers and 19 other nonprofit cultural and service organizations.

History Park is a destination for experiencing and celebrating the valley's cultural heritage. Events focus on active inner-generational engagement, enjoyment, and learning through a combination of hands-on crafts, storytelling, cultural performances and family-friendly experiences. Each year the park welcomes more than 120,000 visitors to events like the *Dia de Portugal Festival*, *Silicon Valley Bikes Festival & Bike Show*, *Spirit of '45 WWII Event*, and the *San Jose Mini Maker Faire*.

In addition, History Park serves more than 24,000 school children from Santa Clara Valley, Fremont, Santa Cruz and the Peninsula. The park offers theme-based programs focused on local history designed to teach students core competencies required for 21st century life, including empathizing critical thinking, self-directed learning, and collaboration.

### *San Jose Municipal Stadium*

San Jose Municipal Stadium was completed in 1942 as a Work Projects Administration (WPA) project during the presidency of Franklin D. Roosevelt. Over the years, the stadium has served as the residence for a number of professional baseball teams; and for the past three decades Municipal Stadium has been the home of the California League San Jose Giants, a Class A Advanced Affiliate of the San Francisco Giants. During this time, well over seven million fans have attended Giants games at the stadium. The City-owned stadium is used for over 140 events annually, including a variety of baseball activities such as youth clinics, high school regular season games, Central Coast Section playoff and championship games, San Jose State University baseball games, and San Jose Giants regular and post-season games. Other events at the stadium include scout camp-outs, weddings, the San Jose Giants Race, the Bacon and Beer Classic, corporate events, and fireworks shows. For the year, 225,000 patrons enjoyed events at the stadium.

In 2018, the rich history of baseball in San Jose continues as the San Jose Giants embark on what will be the 76th season of baseball at San Jose Municipal Stadium. San Jose has won six California League Championships as a Giants affiliate and eleven overall, including back-to-back titles in 2009 and 2010. In 2013, the San Jose Giants hosted its first-ever California-Carolina Leagues All-Star Game while a crowd of 5,000 took in the game and festivities. Additionally in 2013, the San Jose City Council approved a five-year lease extension to keep the Giants playing at Municipal Stadium through the 2018 season. 2017 saw the Giants, the City, and the Arena Authority work cooperatively to unveil new luxury box seating behind home plate. Further stadium additions included clubhouse upgrades, a gleaming new concourse floor, digital menu boards, new HDTV's throughout the ballpark and new food stands. Finally, the Giants also wowed fans with a brand new 26' by 36' high lumen and high definition video board to capture all the action on the field. Highlight features new in 2018 include a state-of-the-art, field-level party deck along the first base line, refurbished stadium light poles, and additional box seating.

### *Solar4America Ice at San Jose*

Solar4America Ice at San Jose continues to be the most active, publicly used ice facility in the Western United States. Since opening in 1994, the facility has been expanded twice and now features four ice rinks, a pro shop for figure skating and ice hockey merchandise and equipment, a full service restaurant/sports bar, locker rooms, ice skating rental area, food concession area, a mezzanine area, and public training area. Solar4America Ice at San Jose serves as the San Jose Sharks training facility and includes skating, training, and conditioning amenities to support the National Hockey League team. Additionally, the facility serves as the training site for the San Jose Barracuda, the Sharks American Hockey League affiliate currently playing its home games at SAP Center at San Jose.

Over 1.5 million patrons visited the facility in 2017, which features recreational and competitive ice opportunities for people of all ages. Included in the public programs are adult and youth hockey leagues, figure skating, high school and college hockey programs, speed skating, ice dancing, curling, a free use program, programs for people with disabilities, and free use lessons. Also during the year, Solar4America Ice at San Jose hosted 13 large events highlighted by hosting the USA Hockey Disabled Festival in which 60 teams with 780 competitors participated. In fact, tournaments, competitions, and events held at Solar4America Ice at San Jose were directly responsible for over 7,000 hotel room nights in San Jose in 2017.



*San Jose State University Athletic Facilities*

The cornerstone facility of San Jose State University athletics is CEFCU Stadium. Since opening in 1933, the stadium has been expanded to accommodate 30,000 spectators. The stadium is home of the Spartan football team and the men's and women's soccer teams, which compete in the Mountain West Conference. The multi-use facility has featured American professional soccer games, international soccer matches, professional football games, concerts, regional high school football all-star and championship games, band competitions, and university commencement exercises. In 1999, CEFCU Stadium hosted the Women's World Cup and the NCAA Women's College Cup. Events at CEFCU Stadium annually attract more than 150,000 spectators.

The Spartan Golf Complex, which opened in the summer of 2017, is a state-of-the-art facility that offers an expansive grass driving range, challenging short game practice areas, and cutting-edge training technology. The new Spartan Soccer Complex, which opened prior to the start of the 2017 season, is an all-grass soccer field. The Spartan Soccer Complex is home to both the men and women's Spartan soccer teams. The fields have been used for World Cup team practices and Major League Soccer training sessions, among other organizations. The fields provide high quality training facilities for SJSU soccer teams. In December of 2017, SJSU opened a new Spartan Tennis Complex with six United States Tennis Association (USTA) Regulation Outdoor Courts. With the new tennis facilities, SJSU will be the new home for the Women's Tennis Association Mubadala Silicon Valley Classic starting in the summer of 2018.

*Conclusion*

As illustrated in this summary, the south campus area continues to be an exceptionally vibrant, active, and developing area of San Jose. In recent years, the area has attracted an impressive number of people, with close to three million visitors enjoying the many sports and recreational facilities in 2017. Dedicated in perpetuating this encouraging trend by offering a diverse selection of events and activities in the south campus area, the South Campus Operations Team continues to devote its energies in keeping this area as one of the leading regional destinations in the Bay Area.

# COMING EVENTS

Event Information: 408-287-9200  
Ticketmaster: 800-745-3000



MARCH

SUN	MON	TUE	WED	THU	FRI	SAT
* Visit <a href="https://www.tonyrobbins.com">https://www.tonyrobbins.com</a> for ticket information				1 Sharks vs. Chicago 7:00pm	2 Barracuda vs. Bakersfield 11:00am	3
4 Barracuda vs. Ontario 12:00pm Sharks vs. Columbus 6:00pm	5 Match for Africa 7:00pm \$33.00-\$504.00	6	7 Jeff Dunham 7:30pm \$53.50	8 Sharks vs. St. Louis 7:30pm	9 Barracuda vs. Cleveland 7:00pm	10 Sharks vs. Washington 1:00pm Barracuda vs. Cleveland 5:30pm
11 Ricardo Arjona 7:00pm \$63.50 - \$163.50	12 Sharks vs. Detroit 7:30pm	13	14	15 Tony Robbins** Upon Request 12:00pm \$795.00 - \$2995.00	16 Tony Robbins** Upon Request 8:30am \$795.00 - \$2995.00	17 Tony Robbins** Upon Request 8:30am \$795.00 - \$2995.00
18 Tony Robbins** Upon Request 9:00am \$795.00 - \$2995.00	19	20 Sharks vs. New Jersey 7:30pm	21	22 Sharks vs. Las Vegas	23	24 Sharks vs. Calgary 1:00pm Barracuda vs. Ontario 5:30pm
25 Barracuda vs. Tuscon 3:00pm	26	27	28	29	30	31 Cirque du Soleil: Crystal 12:30p/4p/7:30p \$44.00 - \$144.00

APRIL

SUN	MON	TUE	WED	THU	FRI	SAT
1 Cirque du Soleil: Crystal 1:30p/5:00pm \$44.00 - \$144.00	2	3 Sharks vs. Dallas 7:30pm	4 Barracuda vs. San Diego 7:00pm	5 Sharks vs. Colorado 7:30pm	6 Maluma 8:00pm \$54.50 - \$144.50	7 Barracuda vs. Stockton 1:15pm Sharks vs. Minnesota 7:30pm
8 Gloria Trevi & Alejandra Guzman 8:00pm \$39.95 - \$500.00	9	10	11	12	13	14
15	16	17	18	19	20 Bad Bunny 8:00pm \$64.50 - \$144.50	21
22	23	24 Justin Timberlake 7:30pm \$53.50 - \$254.00	25 Justin Timberlake 7:30pm \$53.50 - \$254.00	26	27	28
29	30					

MAY

SUN	MON	TUE	WED	THU	FRI	SAT
		1	2	3	4 Hall & Oates 7:00pm \$49.50 - \$125.50	5
6	7 U2 8:00pm \$45.00 - \$329.00	8 U2 8:00pm \$45.00 - \$329.00	9	10 Luis Miguel 8:30pm \$39.95 - \$500.00	11	12
13 Stars on Ice 4:00pm \$28.00 - \$164.00	14	15	16	17	18	19
20	21	22	23	24 Timbiriche 8:00pm \$64.50 - \$154.50	25	26
27	28	29	30	31		

Group Tickets are available for groups of 15 or more to many events.

For more information, please contact our Group Sales Department at 408-977-4715 or email [grouponctickets@sharkssports.net](mailto:grouponctickets@sharkssports.net).

# San Jose Arena Authority

## STATEMENT OF ACTIVITY

December 2017

SJAA Board Meeting  
March 28, 2018  
Agenda Item 4.2.a.

	TOTAL
Revenue	
<b>Total Revenue</b>	
<b>GROSS PROFIT</b>	<b>\$0.00</b>
Expenditures	
General Operations	
Bank Charges & Fees	22.00
Office Expense	14.00
Office Supplies	71.88
Subscriptions/Dues	41.00
Telephone/FAX	99.30
<b>Total General Operations</b>	<b>248.18</b>
Personnel and related expenses	
Payroll Expenses	
Payroll Fees	36.00
Payroll Taxes	6,110.44
Salaries	10,981.76
<b>Total Payroll Expenses</b>	<b>17,128.20</b>
<b>Total Personnel and related expenses</b>	<b>17,128.20</b>
Professional Services	
Bookkeeping Services	550.00
<b>Total Professional Services</b>	<b>550.00</b>
Program Expenses	
Business Meetings.Meals	162.01
<b>Total Program Expenses</b>	<b>162.01</b>
Uncategorized Expense	1,476.37
<b>Total Expenditures</b>	<b>\$19,564.76</b>
<b>NET OPERATING REVENUE</b>	<b>\$ -19,564.76</b>
Other Revenue	
Interest Earned	3.65
<b>Total Other Revenue</b>	<b>\$3.65</b>
<b>NET OTHER REVENUE</b>	<b>\$3.65</b>
<b>NET REVENUE</b>	<b>\$ -19,561.11</b>

# San Jose Arena Authority

## Memorandum

**To:** Members of the Arena Authority Board of Directors

**From:** David Buchholz and Jonathan Clough, Cochairs, Facilities Committee *CM / FOR*

**Subject:** Review and Approve the FY 2018-19 Capital Repairs and Replacements Budget Submittals for SAP Center at San Jose and Solar4America Ice at San Jose

**Date:** March 7, 2018

On February 7, the Arena Authority's Facilities Committee met with representatives from Sharks Sports & Entertainment and the City of San Jose to review the capital repair and replacement budgets for SAP Center at San Jose and Solar4America Ice at San Jose. From this meeting, the following capital budget recommendations are being made for Board review and approval:

### SAP Center at San Jose

For SAP Center at San Jose, Sharks Sports & Entertainment has submitted a FY 2018-19 capital budget of \$3,997,750. This capital budget submittal is consistent with the accepted conditions of the term sheet between the City and Sharks Sports & Entertainment. If approved, this would leave the remaining balance in the arena capital reserve fund at approximately \$1,140,390. Please note that each year moving forward the City and Sharks Sports & Entertainment will contribute a combined total of \$4,000,000 annually to the arena capital reserve fund. Additionally, any funds not expended in FY 2018-19 or in previous years are carried over to future years.

### Solar4America Ice at San Jose

For Solar4America Ice at San Jose, Sharks Sports & Entertainment has submitted a FY 2018-19 capital budget in the amount of \$1,612,970. Please note that this recommended budget can be supported by the current balance in the City's Ice Centre Revenue Fund (approximately \$4,100,000). This fund is supplemented by quarterly base rent payments made to the City by Sharks Sports & Entertainment. Also, please be advised that staff at Solar4America Ice at San Jose will begin the ice chiller plant replacement project this spring on two of the four rinks, with work concluding in the summer. This significant capital undertaking will result in the simultaneous closures of both rinks. Staff at Solar4America Ice at San Jose has taken steps to advise patrons of the upcoming rink closures while adjusting schedules to best address patron needs and the uninterrupted operation of the facility.

For your reference, the details of the capital budgets for SAP Center at San Jose and Solar4America Ice at San Jose have been attached to this memorandum.

c: Ken Caveney, Sharks Sports & Entertainment  
Enrique De Anda, City Manager's Budget Office  
Jon Gustafson, Solar4America Ice at San Jose  
Rodney Rapson, Department of Public Works  
Jim Shannon, City Manager's Budget Office  
Rich Sotelo, Sharks Sports & Entertainment

5 YEAR CAPITAL BUDGET SAP CENTER

	2018/19
Water Softener	25,750
Millwork	
Netting	10,000
Office Equipment	
Copiers	
Fax Machines	
Outdoor Sign	
Painting	
Portable Radios	
Restrooms	
Roof	
Seating Fixed	150,000
Seating Retractable	
Security	
Physical Enhancements	
ID Systems	
Shop Tools	
Stage & Attachments	
Suites	
Telecommunications Systems	
Tempered Glass	
Plexiglass	95,000
Trash Compactor	
Trash Containers	
Wi-Fi System	
Van	
Zamboni	
Unanticipated Repairs	150,000
Parking Repairs & Replacements	0
<b>TOTAL</b>	<b>3,997,750</b>
<b>BUDGET</b>	<b>4,000,000</b>

SJAA Board Meeting  
March 28, 2018  
Agenda Item 4.4.a.

5 YEAR CAPITAL BUDGET SAP CENTER

	2018/19
Grease Traps	
Hall of Fame	45,000
Handrails	
Hoist Systems	
Homasote Insulation Floor	
Ice Edger	
Ice Machine	
Interior Flags	
Laundry Equipment	
Landscape	
LEED-Green Initiatives	
Lighting System	250,000
Controls	132,000
Loading Dock Bumpers	
Loading Dock Gate	
Material Handling	
Carts	
Motorized Carts	
Forklifts	
Mechanical, Plumbing & Electrical	
Air Compressor	
Air Conditioning Chillers	27,000
Brine Chillers	36,000
Boilers	
Chilled Water Pumps	
Chilled Water Valves	
Cooling Tower	
Building Automation System	1,100,000
Exhaust Fan Motors	
Faucet Replacements	
Drinking Fountains	
HVAC	112,000
Piping Replacement	50,000
Pumps	
Transformers	125,000

5 YEAR CAPITAL BUDGET SAP CENTER

	2018/19
<b>NORMAL CAPITAL REPAIRS AND REPLACEMENTS</b>	
ADA Upgrades	100,000
Audio Visual Systems	1,250,000
LED Displays	
Network Storage	
Spotlights	
Scoreboard	
Sound System	
Television	
Replay System	
Basketball	
Blackout Curtains	
Blockader Barricades	
Carpeting	
Cleaning Equipment	
Rider Scrubbers	
Rider Sweeper	
Concrete	250,000
Dasherboards	
Doors and Frames	
Door Hardware	
Entrance Walk off Mat	
Elevators	
Escalators	
Emergency Generator	
Exterior Trash/Ash Receptacles	
Fall Protection	
Fire Systems	
Floors	
Food Service Equipment	
Furniture	
Folding Chairs	
Tables	
Glazing	90,000
Graphics	

5 Year Capital Budget Sharks Ice at San Jose

	2018/19
<b>NORMAL CAPITAL REPAIRS AND REPLACEMENTS</b>	
Audio Visual Systems	15,000
Amplifiers	
Head End Equipment	
Speakers	
Artwork	
Bleachers	
Carpeting	
Cleaning Equipment	
Dasherboards	25,000
Doors and Frames	70,000
Doors Roll Up	
Door Hardware	17,609
Elevators	
Exterior Cleaning	10,000
Exterior Trash/Ash Receptacles	
Fire Systems	25,000
Floors	
Food Service Equipment	30,000
Chairs	
Tables	
Glazing	
Nets/Edger /Graphics	20,000
Low E- Ceiling	
Handrails	15,000
Ice Machine	
Interior Flags	
Landscape	
Lighting System	200,000
Lockers	
Locker rooms	
Material Handling	
Carts	
Mechanical, Plumbing & Electrical	

\*City fiscal year July 1 through June 30

\*\*Amount taken from MCE Long Range Capital spreadsheet

5 Year Capital Budget Sharks Ice at San Jose

	2018/19
Faucet Replacement	
Boiler	
Chilled Water Pumps	
Chilled Water Valves	
Cooling Tower	
Building Automation System	
Exhaust Fan Motors	
Dehumidifiers	
Ice Chiller Plant	480,000
Water Treatment Center	
Hot Water Pumps	
Drinking Fountains	
HVAC	
South - Zamboni Room - Concrete Re-Work	
Transformers	
Netting	
Office Equipment	
Outdoor Sign	
Painting	32,000
Seal Exterior Block	
Parking	
Restrooms - Tile, Partitions	
Shower Floors	
Roof	
Rubber Floor	
Scoreboard	
Security	
Skates/Racks	
Telecommunications Systems	
Tempered Glass	
Plexiglass	53,360
Trash Containers	
Zamboni	160,000
Proshop/front desk/Food Service remodel	385,000
Unanticipated Repairs	75,000
<b>TOTAL</b>	<b>1,612,969</b>

\*City fiscal year July 1 through June 30

\*\*Amount taken from MCE Long Range Capital spreadsheet

# San Jose Arena Authority

## Informational Memorandum

**To:** Loren Haley, City Manager's Office / Office of Economic Development  
**From:** Chris Morrisey, Executive Director *CM*  
**Subject:** Summary of Activities at Solar4America Ice at San Jose for Fiscal Year 2016-17  
**Date:** March 14, 2018

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### Background

In 1999, the City of San Jose and Sharks Sports & Entertainment (SAP Center Management) executed a lease and management agreement for the management and operation of the Ice Centre of San Jose, now known as Solar4America Ice at San Jose. In 2004, the agreement was amended to allow for the expansion of the public ice facility. In the lease and management agreement, the City delegated to the San Jose Arena Authority general management oversight responsibilities. Included in the Arena Authority's oversight role was the execution of an annual review of the facility manager's performance in the management and operation of the facility. For this and other facility oversight responsibilities, the City annually allocates approximately \$45,000 to the Arena Authority that the City receives from Sharks Sports & Entertainment through payments specified in the lease and management agreement.

### Narrative on Pertinent Lease and Management Agreement Sections

#### Section 3.10. Maintenance Standard.

During FY 2016-17, Sharks Sports & Entertainment invested over \$1,565,000 in facility maintenance at Solar4America Ice at San Jose. The major costs were for the labor and materials for the operation and maintenance of the ice plant, and the facility's plumbing, water treatment, electrical, HVAC, building grounds, and the Zamboni ice machines.

#### Section 6.01. A-B. Use of the Premises. Public Areas. Private Areas.

Solar4America Ice at San Jose includes four ice rinks; a pro shop for figure skating and ice hockey merchandise and equipment; a full service restaurant; locker rooms; a rental area for ice skates; video arcade; a small food concession area; a mezzanine area; a public training area; conference room; and the private San Jose Sharks and Barracuda hockey teams equipment, training, and physical conditioning areas. With these many patron amenities, Solar4America Ice at San Jose is the nation's largest public ice facility in the western and central United States.

All four rinks are available to the public, including the Sharks and Barracuda training rink, which is available for public use at 90% of the total available use time. With four ice rinks in operation, the public has significant ice time for hockey lessons and leagues, figure skating lessons and practice, and recreational ice-skating opportunities. During FY 2016-17, Solar4America Ice at San Jose welcomed over 1.5 million visitors and participants.

## **Summary of Activities at Solar4America Ice at San Jose for Fiscal Year 2016-17**

**March 14, 2018**

**Page 2**

### **Section 6.02. A-G. Community Access.**

As one of the most active public ice facilities in the United States, Solar4America Ice at San Jose offered the following programs this last fiscal year:

#### **Ice Hockey**

Solar4America Ice at San Jose provides a large number of ice hockey programs, including adult in-house hockey and youth in-house hockey. USA Hockey has recognized the adult in-house hockey program for being the largest adult hockey program in the country for the past seven years. The youth in-house hockey program has 520 players competing on 37 teams. Other hockey opportunities include the Jr. Sharks Hockey Club (the largest of its kind in California and includes 30 teams with 470 players); the high school hockey program, which has grown to 32 teams; and drop-in hockey. Another popular program is the Girls/Women's Hockey Program, which offers hockey to a wide range of age groups. In 2016, Solar4America Ice at San Jose hosted the USA Hockey's 16U and 18U National Championships, the first time in the history of USA Hockey that the event was held west of the Rocky Mountains. In 2017, the facility featured the USA Hockey Disabled Festival, which attracted over 700 participants.

#### **Figure Skating**

Figure skating programs include lessons for youth (over 4,300 youth participants); freestyle/figure skating; dance programs (Solar4America Ice at San Jose is only one of four facilities in the United States that offers high-end dance programs and has attracted dance couples from all over the world for instruction.); and public skating sessions (over 110,000 participants). Two of the world's top figure skaters, Karen Chen and Polina Edmunds, have trained at Solar4America Ice at San Jose.

#### **Community Programs**

Community programs include a free use program where 5,150 area youths were provided with ice time and skating instruction. Since this program was introduced, Solar4America Ice at San Jose has delivered over \$1,640,000 in donated services. The ice facility also reaches out to people with disabilities and offers skating opportunities. Other programs included free use lessons (During each quarter, 12 scholarships are presented to children in the community for free use lessons.) and Home School Fridays.

#### **Other Programs and Events**

Solar4America Ice at San Jose offers programs in curling, speed skating, and ice dancing. In fact, tournaments, competitions, and events held at Solar4America Ice at San Jose were directly responsible for the booking of over 7,000 hotel rooms in San Jose during FY 2016-17.

### **Section 6.03 Management Oversight**

Per the terms of the lease and management agreement, Sharks Sports & Entertainment is to make available to the City or the Arena Authority information on operating revenues and expenditures. For FY 2016-17 Solar4America Ice at San Jose generated \$14,300,400 in operating revenue while operating expenses totaled \$13,008,000. Regarding program fee rates, while Solar4America Ice at San Jose offers more amenities and programs than other Bay Area public ice facilities, prices for admission and programming continue to be consistent with other regional ice facilities.



Section 7.02. Capital Repairs and Replacements.

The Arena Authority convenes a Facilities Committee to annually review and propose capital repair and replacement budget programs for Solar4America Ice at San Jose. Prior to the beginning of the fiscal year, representatives from the Arena Authority, the City Manager's Budget Office, the Department of Public Works, and Sharks Sports & Entertainment address the current and anticipated capital repair and replacement needs for the facility. Through this process, a comprehensive capital repairs and replacements budgetary program is established and monitored. This capital improvements oversight program is modeled after the successful SAP Center at San Jose capital repairs and replacements program. For FY 2016-17, the City Council approved a capital budget for Solar4America Ice at San Jose of \$366,495. The approved capital budget for the current fiscal year is \$2,339,000 while the proposed capital budget for FY 2018-19 is \$1,612,970. The two most recent capital budgets reflect a major capital undertaking of simultaneously shutting down two ice rinks, replacing their components, and adding new ice chiller plants.

Conclusion

As this report illustrates, Solar4America Ice at San Jose is an outstanding regional public ice facility. With access to four ice rinks, the ice facility continues to serve as a popular destination for local, regional, national, and international hockey, figure, and other ice-skating activities. Sharks Sports & Entertainment has managed and maintained Solar4America Ice at San Jose in a fashion that has kept the center as one of the premier public ice facilities in the United States. The partnership between the City, the Arena Authority, and Sharks Sports & Entertainment continues to serve as an exceptional model in maintaining and operating highly successful public facilities.

# San Jose Arena Authority

## Memorandum

**To:** Members of the Arena Authority Board of Directors *CM/FOR*

**From:** Carl Honaker and John Kennett, Cochairs, San Jose Municipal Stadium Committee

**Subject:** Recommendations for and Updates on Capital Repairs at San Jose Municipal Stadium

**Date:** March 9, 2018

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Since 2008, the San Jose Arena Authority has served as custodian to the management agreement between the City of San Jose and the Baseball Acquisition Company (BAC/San Jose Giants) for San Jose Municipal Stadium. One of the oldest professional baseball parks in the United States, the 76-year old stadium is the home of the San Jose Giants, a Class A Advanced team that plays in the historic California League.

Although much is required to improve the current condition of the stadium, the stadium capital reserve fund, which is funded by the Giants annual payment to the City, is very limited. From a percentage of revenues from the 2017 season, the San Jose Giants will make a payment of \$36,000 to the City, with the payment being deposited into the City's stadium capital reserve fund.

On February 13, members from the Arena Authority's San Jose Municipal Stadium Committee met with City staff and the San Jose Giants to review and discuss stadium capital budget issues. From that meeting, the following capital items are being recommended for funding from the City's stadium capital reserve fund:

**FY 2018-19 Municipal Stadium Capital Repairs from Stadium Reserve Fund (\$36,000)**

- Replace the aging right field foul line fence that separates the bleachers from the field
- Install exterior stadium security cameras

In addition, the San Jose Giants have already taken steps to improve areas around the stadium that will be covered by the stadium capital fund. These items include upgrading the perimeter fencing along the player's parking lot and restriping the stadium parking lot.

There are a number of structural improvements that will need attention in the near term and are included below. Please note that per the terms of the Municipal Stadium Management Agreement, the City is responsible for addressing structural improvements at the stadium.

**FY 2018-19 Municipal Stadium Structural Components Submitted for City Consideration**

- Install anchored bollards at the stadium entrance
- Repair and resurface the asphalt in the stadium public areas
- Replace the original, poorly functioning press box windows

## Recommendations for and Updates on Capital Repairs at San Jose Municipal Stadium

March 9, 2018

Page 2

Please note that there has been recent activity on the FY 2017-18 stadium capital improvements. The painting of the stadium light standards was recently completed. Also, an asphalt depression behind the main seating area has been filled and the exit push bars on the perimeter gates are in the process of being replaced. And the replacement of the fiberglass bench seats is an ongoing project that is less than 50% complete and presents potential safety concerns as they continue to age. Recognizing this concern, the Giants continue to be resourceful in finding replacement seats in new or good condition that are being unused or discarded by other professional baseball teams.

Following any action taken by the Arena Authority Board of Directors, Authority staff will forward the capital budget recommendations to the City. If you have any comments or questions about the stadium or the capital program, please feel free to contact Chris Morrisey.

- c. Enrique De Anda, City Manager's Budget Office
- Joe Garcia, Department of Public Works
- Dan Keller, Department of Public Works
- Lance Motch, San Jose Giants
- Daniel Orum, San Jose Giants
- Ryan Rucker, Department of Public Works

# San Jose Arena Authority

## Board of Directors Application Notice

**From:** Chris Morrisey, Executive Director *CM*  
**Subject:** San Jose Arena Authority Board of Directors Vacancy  
**Date:** March 14, 2018

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The San Jose Arena Authority is seeking volunteer candidates to submit their resumes for one current vacancy on the Arena Authority Board of Directors. The 19-member San Jose Arena Authority Board of Directors convenes monthly to identify and address issues relating to the management and operation of SAP Center at San Jose (home of the San Jose Sharks and San Jose Barracuda); Solar4America Ice at San Jose (San Jose Sharks and Barracuda training facilities and public ice rinks); and San Jose Municipal Stadium (home of the San Jose Giants). The Arena Authority Board is seeking interested candidates with experience in transit/urban planning and advocacy work with nonprofit organizations. The Arena Authority invites candidates who are willing to attend and actively participate at the Authority's monthly Board meeting (typically the fourth Wednesday of the month at 4:00 pm) and a select number of committee meetings. This is an engaged, hands-on organization looking to fill one volunteer Board position due to a resignation related to a professional relocation opportunity.

The vacancy is an At Large representative position appointed by the Mayor. The Board position has voting powers and is eligible to serve two full four-year terms. Please be advised that all individuals appointed to the Arena Authority Board of Directors are required to complete a Statement of Economic Interests (Form 700). Form 700 can be found on the following web site: [www.fppc.ca.gov/form700.html](http://www.fppc.ca.gov/form700.html)

If you know of any individuals who are interested in serving on the Arena Authority Board of Directors, please have them submit a resume along with two professional references (contact information only) to the following:

[board@sjaa.com](mailto:board@sjaa.com)

Or mail information to:

Chris Morrisey  
Executive Director  
San Jose Arena Authority  
P. O. Box 90207  
San Jose, CA 95109-3207

**The submittal deadline is April 30, 2018.** If you have any questions, please feel free to contact me directly at 408-977-4783 or at [morrisey@sjaa.com](mailto:morrisey@sjaa.com).

**SAN JOSE ARENA AUTHORITY**  
**CITY AND COMMUNITY EVENTS PROGRAM**

SJAA Board Meeting  
March 28, 2018  
Agenda Item 4.7.a.

**Inventory of Funded Events**

**Fiscal Year 2017-18 (July 1, 2017 - June 30, 2018)**

<u>Revenue Fund Activity</u>	<u>Revenue</u>
City and Community Events Fund Carryover:	\$67,277
August 1, 2017 City and Community Events Fund Allocation:	<u>\$100,000</u>
Beginning Fund Balance, City and Community Events Program Fund:	<b>167,277</b>

**Program Expense Activity**

<u>Event</u>	<u>Date</u>	<u>Expense</u>
1. Youth Connections Foundation of San Jose Comedy Show for Kids Contact: Tanya Freudenberger	August 4, 2017	\$25,000
2. Kristi Yamaguchi's Always Dreams Foundation Kristi Yamaguchi's Classic on Ice Contact: Dean Osaki	September 3, 2017	\$35,000
3. San Jose Sports Authority San Jose Sports Hall of Fame Contact: Carrie Benjamin	November 9, 2017	\$50,000
4. Sharks Foundation Sampling with the Sharks Contact: Heather Hooper	March 6, 2018	<u>\$25,000</u>
<b>Total of Event Funds Expended for FY 2017-18</b>		<b>\$135,000</b>
<b>Remaining Fund Balance, City and Community Events Fund</b>		<b>\$32,277</b>

Revised 3/5/18



**San Jose Arena Authority**

**Memorandum**

**To:** Loren Haley, City Manager's Office

**From:** Chris Morrissey, Executive Director

**Subject:** Recommendation for a City and Community Events Program Applicant

**Date:** February 28, 2018

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Please be advised that at the February 28 San Jose Arena Authority Board of Directors meeting, the Board took action to approve one application submitted through the City and Community Events program at SAP Center at San Jose. Information pertaining to the applicant is included below:

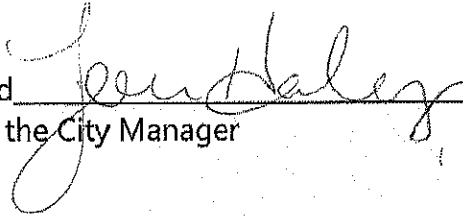
The applicant considered and approved by the Arena Authority Board was the Sharks Foundation. The Foundation is dedicated to enhancing the lives of underserved youth and families in the community, with an emphasis in the areas of education, health and safety, and character development. The Foundation supplies emergency aid when appropriate, executes unique and relevant programming, supports the advancement of youth hockey, and provides financial support and resources to organizations that enrich the lives of those in need.

The event is known as 'Sampling with the Sharks', a wine-tasting event where patrons can share wine, food, and entertainment with Sharks players, coaches, broadcasters, and alumni. Proceeds from past events have been dedicated to the local community and more recently, directed to those impacted by natural disasters. The Arena Authority Board approved a level of funding not to exceed \$25,000, with a condition from the Sharks Foundation that the equivalent amount in event proceeds be applied directly to San Jose-based organizations.

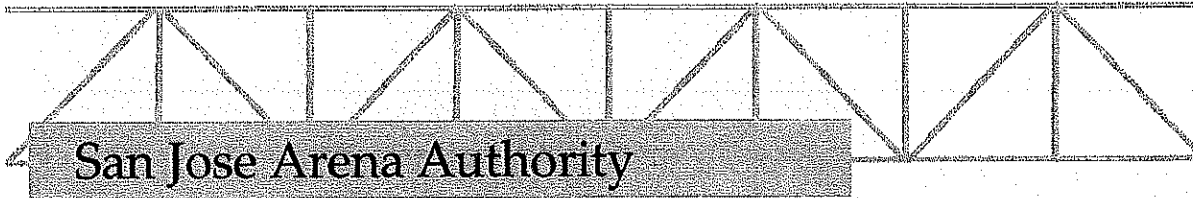
Please note that the balance in the City and Community Events program fund can support the recommended funding level. For your reference, I have attached pertinent applicant organizational and event information. If you have any comments or questions relating to the Arena Authority Board action, the program applicant, or the event, please contact me.

Thank you in advance for your consideration.

Approved \_\_\_\_\_  
Office of the City Manager



Date: 3/2/18



## City and Community Events Program

### Applicant and Event Information

**Event:** Sampling with the Sharks

**Program Fund Amount:** Not to Exceed \$25,000

**Organization Name:** San Jose Sharks Foundation

**Contact:** Heather Hooper

**Phone:** 408-999-5715

**Event Date:** March 6, 2018

**Time of Event:** 5:30 pm to 9:00 pm

**Estimated Attendance:** 400

**Background:** The Sharks Foundation is dedicated to enhancing the lives of underserved youth and families in the community, with an emphasis in the areas of education, health and safety, and character development. The Foundation supplies emergency aid when appropriate, executes unique and relevant programming, supports the advancement of youth hockey, and provides financial support and resources to organizations that enrich the lives of those in need.

**Event Profile:**

The event is known as 'Sampling with the Sharks', a wine-tasting event where patrons can share wine, food, and entertainment with Sharks players, coaches, broadcasters, and alumni. Proceeds from the event are dedicated to the local community, and more recently, directed to those impacted by natural disasters.





# San Jose Arena Authority

## City and Community Events Program

### Applicant and Event Information

- Event:** Middle School Graduation Ceremonies
- Program Fund Amount:** Not to Exceed \$16,000
- Organization Name:** San Jose Unified School District
- Contact:** Raylene Ogden  
**Phone:** 408-535-6000
- Event Date:** June 7, 2018
- Time of Event:** 10:00 am to 8:00 pm
- Attendance:** 1,500 per event (up to 7,500 people for all graduations)
- Background:** The San Jose Unified School District is returning to conduct June commencement exercises. The San Jose Unified School District has been active in San Jose since 1940 and serves a very diverse student population.
- Event Description:** The event includes eighth grade graduation ceremonies. Schools planning on conducting commencement exercises include Peter Burnett Middle School, Castillero Middle School, Herbert Hoover Middle School, River Glen Middle School, and Willow Glen Middle School.
- Note:** Date availability pending NHL Stanley Cup Playoffs schedule. If date conflicts, schools will conduct commencement exercises on school grounds.