



San Jose Arena Authority

Regular Meeting of the Board of Directors
SAP Center at San Jose
President's Room
525 W. Santa Clara Street
San Jose, CA
April 26, 2017
4:00 pm

Agenda

Expected Board Attendees

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

Staff

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

Guests

Rich Sotelo (Sharks Sports & Entertainment)
Zahir Gulzadah (City of San Jose)

1. Call to Order/Roll Call/Introductions

2. General Business

- a. Presentation on the Autumn Parkway (Gulzadah)
- b. Review and Approve March 2017 Board Meeting Minutes
- c. Accept Verbal Report on Downtown Transit and Development Projects (Haley)

3. Executive Director and Staff Reports

3.1. Executive Director (Morrissey)

- a. Accept Reports on Arena Authority Oversight
 - SAP Center at San Jose (Verbal)
 - Solar4America Ice at San Jose
 - San Jose Municipal Stadium (Verbal)
- b. Accept Verbal 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 Upcoming Arena Authority Board Meetings
- 4.2. *Standing Finance Committee (Chair: Bright)*
 - a. Accept Verbal Report on Financial Statements
 - b. Accept Verbal Report on the Drafting of the FY 2017-18 Arena Authority Operating Budget
- 4.3. *Standing San Jose Sports Hall of Fame Committee (Chair: Reilly)*
 - a. Accept Verbal Report on 2017 San Jose Sports Hall of Fame Program
- 4.4. *Standing Facilities Committee (Co-Chairs: Buchholz, Clough)*
 - a. Accept Report on the FY 2017-18 Capital Budgets for SAP Center at San Jose and Solar4America Ice at San Jose
- 4.5. *Standing San Jose Municipal Stadium Committee (Co-Chairs: Honaker, Kennett)*
 - a. Accept Report on the FY 2017-18 Capital Budget for San Jose Municipal Stadium
- 4.6. *Ad Hoc Board Recruitment Committee (Chair: Sutherland)*
 - a. Accept Verbal Report on Current Board Vacancy
- 4.7. *Standing Community Programs Committee (Co-Chairs: Bright, Terrazas)*
 - a. Accept Verbal Report on Current City and Community Events Program Activity

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 as soon as possible but at least three business days before the meeting/event.

April 17, 2017



San Jose Arena Authority

**Regular Meeting of the Board of Directors
Solar4America Ice at San Jose
1500 South Tenth Street
San Jose, CA
March 22, 2017
4:00 pm**

Meeting Minutes

Board Members in Attendance

Matthew Bright	Colleen Reilly
David Buchholz	Donald Rocha
Eileen Consiglio	Kathy Sutherland
Devora Davis	Vinni Walia
Leslee Hamilton	Rusty Weekes
John Kennett	

Board Members Not in Attendance

Scott Bruner	Carl Honaker
Jonathan Clough	Eva Terrazas
Sarah Finn	Leland Wilcox
Loren Haley	

Staff in Attendance

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

Guests in Attendance

Jon Gustafson (Solar4America Ice at San Jose)
Christina Mauro (Council District 7)
Lance Motch (SJ Giants)
Brienne Urban (Council District 9)

1. **Call to Order/Roll Call/Introductions.** The Arena Authority convened the Regular Meeting of the Board of Directors at Solar4America Ice at San Jose at 4:02 pm.
2. **General Business**
 - a. Welcome New City Council Representative Donald Rocha. The Arena Authority welcomed City Council member Rocha to the Arena Authority Board as an Ex-Officio Board member.
 - b. Presentation on the Annual Summary of Activities at Solar4America Ice at San Jose. Jon Gustafson of Sharks Sports & Entertainment presented the Solar4America Ice at San Jose annual summary of activities to the Board.
 - c. Review and Approve January 2017 Board Meeting Minutes. Approved. 1st: Bright, 2nd: Buchholz. 7 Approvals, 2 Abstentions (Kennett, Sutherland).
 - d. Accept Verbal Report on Downtown Transit and Development Projects (Haley). No report.
3. **Executive Director and Staff Reports**
 - 3.1. **Executive Director (Morrissey)**
 - a. Accept Reports on Arena Authority Oversight
 - SAP Center at San Jose. Included in the Board packet was a letter from Executive Director Morrissey to the Valley Transportation Authority concerning the Draft EIR for the BART project in San Jose. The NCAA Division I Men's Western Regional Tournament will be held at SAP Center at San Jose with games on 3/23 and 3/25. Vicinity construction

projects include the Autumn Street realignment, which has reached Julian Street; sewer line work in San Pedro Square; the St. John's Street multimodal project at Route 87; repaving of Market Street north of W. Santa Clara Street; and the realignment of St. James/Julian Streets. An application for haul routes for the Trammell Crow project has been submitted to the City with public access to the parking lots continuing into spring.

- Solar4America Ice at San Jose (Verbal). The Arena Authority will send a synopsis of the annual summary of activities to the City.

- San Jose Municipal Stadium (Verbal). The new floor coating for the stadium concourse has recently been finished to complete the concourse sewer line project.

b. Accept Report on Arena Authority Administrative Issues

- South Campus Operations Team. A number of south campus facility operators assisted residents impacted by the recent flooding of Coyote Creek. Both the Sharks and the Giants offered flood relief with monetary donations. The Giants also sent staff into the adjacent neighborhoods to assist with cleanup. The 2016 Annual Summary of Activities in the South Campus Area is 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. The Barracuda clinched a playoff spot. Their regular season concludes on April 13. The Sharks last regular season game is on April 8.

b. Accept Verbal Report on Activities at Solar4America Ice at San Jose. Solar4America Ice at San Jose will be hosting the USA Hockey Disabled Festival April 6-9.

4. Committee Reports

4.1. Standing Executive Committee (Chair: Hamilton)

a. Accept Verbal Report on Upcoming Arena Authority Board Meetings. The April 2017 Board meeting will include a presentation on the Autumn Street extension project. Future 2017 Board meetings will include presentations on BART and High-Speed Rail.

4.2. Standing Finance Committee (Chair: Bright)

a. Review and Approve October, November, and December 2016 Financial Statements. Approved. 1st: Kennett, 2nd: Consiglio, 9 approvals.

b. Accept Verbal Report on the Drafting of the FY 2017-18 Arena Authority Operating Budget. Arena Authority staff are currently drafting the Arena Authority operating budget for FY 2017-18, which will be presented for Board approval in June.

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

a. Accept Verbal Report on 2017 San Jose Sports Hall of Fame Program. No report.

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

a. Review and Approve FY 2017-18 Capital Budgets for SAP Center at San Jose and Solar4America Ice at San Jose. Approved. 1st: Bright, 2nd: Walia, 9 approvals.

b. Accept Verbal Report on Annual Summary of Activities at Solar4America Ice at San Jose. See agenda item 3.1.a.

4.5. Standing San Jose Municipal Stadium Committee (Co-Chairs: Honaker, Kennett)

a. Review and Approve FY 2017-18 Capital Budget for San Jose Municipal Stadium. Approved. 1st: Buchholz, 2nd: Consiglio, 9 approvals.

San Jose Arena Authority
Regular Meeting of the Board of Directors
March 22, 2017
Page 3

- 4.6. Ad Hoc Board Recruitment Committee (Chair: Sutherland).
 - a. Accept Verbal Report on Current Board Vacancy. No report.
- 4.7. Standing Community Programs Committee (Co-Chairs: Bright, Terrazas)
 - a. Accept Verbal Report on Current City and Community Events Program Activity. The Community Programs Committee will soon be meeting with CCE program applicants, including Kristi Yamaguchi's Always Dream Foundation and the Youth Connections Foundation.
5. **Open Forum.** Council member Davis invited members of the Board to attend the City Council study session of the Diridon Station Project on March 30, 2017, 1:30-4:30 pm. Board members were also reminded to file their Form 700 prior to the April 1 deadline.
6. **Adjournment.** The meeting adjourned at 4:58 pm.

Submitted by:

Shelly Wang

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 2015-16
Date: March 30, 2017

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 2015-16, Sharks Sports & Entertainment invested over \$1,470,000 in facility maintenance at Solar4America Ice at San Jose. The major costs were for labor and materials for the ice plant, plumbing, water treatment, electrical, HVAC, building grounds, general systems maintenance, and Zamboni operations.

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 2015-16, Solar4America Ice at San Jose welcomed over 1.5 million visitors and participants.

Loren Haley

Summary of Activities at Solar4America Ice at San Jose for Fiscal Year 2015-16

March 30, 2017

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 six years. The youth in-house hockey program has 645 players competing on 38 teams. Other hockey opportunities include the Jr. Sharks Hockey Club (the largest of its kind in California and includes over 475 players); the high school hockey program (which includes 29 teams – an eight team increase from the previous year - with over 575 participants); and drop-in hockey, which is available midday during the week. 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 Boys U16 and U18 Tier 1 Championships. The event marked the first time in the history of USA Hockey that the annual championships were held west of Denver, Colorado and was widely regarded as a great success.

Figure Skating

Figure skating programs include lessons for youth (over 4,400 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 120,000 participants – the most ever at the facility). Two of the world's top figure skaters, Karen Chen and Polina Edmunds, train at Solar4America Ice at San Jose.

Community Programs

Community programs include a free use program where 5,275 at-risk youths were provided with ice time and skating instruction. Since this program was introduced, Solar4America Ice at San Jose has delivered over \$1,575,000 in donated services. Solar4America Ice at San Jose also offers a special needs program; 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 at Solar4America Ice at San Jose

Solar4America Ice at San Jose features 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 2015-16.

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 2015-16 Solar4America Ice at San Jose generated \$12,957,455 in operating revenue while operating expenses totaled \$11,595,700. 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 oversee the analysis and implementation of a capital repairs and replacements program for Solar4America Ice at San Jose. Prior to the beginning of the fiscal year, representatives from the Arena Authority, the City's Budget Office, 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 2015-16, the City Council approved a capital budget for Solar4America Ice at San Jose of \$885,500. The approved capital budget for the current fiscal year is \$366,495 while the proposed capital budget for FY 2017-18 is \$2,339,000, with most of the proposed budget directed towards the replacement of two aging 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 ice-skating activities. Sharks Sports & Entertainment has managed and maintained Solar4America Ice at San Jose in a fashion that has kept the facility as one of the premier public ice facilities in the United States.

COMING EVENTS

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



APRIL

SUN	MON	TUE	WED	THU	FRI	SAT
*Visit http://sharks.nhl.com for information on single-game ticket prices.						1 Barracuda vs. Manitoba 7:00pm
2	3	4 Sharks vs. Vancouver	5 Barracuda vs. Ontario	6 Sharks vs. Edmonton	7	8 Sharks vs. Calgary
9 Barracuda vs. Stockton 3:00pm	10	11 Barracuda vs. Tucson 7:30pm	12	13 Barracuda vs. Tucson 7:30pm	14	15 Arijit Singh 7:00pm
16	17	18 7:00pm	19	20 7:00pm	21	22 7:30pm \$62.00 - \$252.00
23	24	25	26	27	28 The Weeknd 7:30pm \$39.50 - \$150.00	29
30 WWE Payback 4:30pm \$27.00 - \$353.00						

MAY

SUN	MON	TUE	WED	THU	FRI	SAT
	1	2	3	4	5	6
7	8	9	10	11	12 Stars on Ice 7:30pm \$25.00 - \$155.50	13 Gabriel Iglesias 7:30pm \$37.00- \$73.00
14	15	16	17	18 Chris Brown 7:30pm \$39.50 - \$129.95	19	20
21	22	23	24	25	26	27
28	29	30	31			

JUNE

SUN	MON	TUE	WED	THU	FRI	SAT
				1	2	3
4 New Kids on the Block 7:30pm \$29.95 - \$199.95	5	6	7 Roger Waters 8:00pm \$55.00 - \$250.00	8	9 Enrique Iglesias & Pitbull 7:30pm \$39.95 - \$149.95	10 Gloria Trevi vs. Alejandra Guzman 8:00pm \$59.50 - \$149.50
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29 Queen & Adam Lambert 8:00pm \$49.50 - \$175.00	30	

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 grouptickets@sharkssports.net.

San Jose Arena Authority

Memorandum

To: Jim Shannon, City Budget Office
Enrique De Anda, City Manager's Budget Office
Rodney Rapson, Department of Public Works

From: Chris Morrisey, Executive Director *CM*

Subject: Recommendations on the FY 2017-18 Capital Repair and Replacement Budget Submittals for SAP Center at San Jose and Solar4America Ice at San Jose

Date: March 23, 2017

Please be advised that on March 22 the Arena Authority Board of Directors approved the recommended capital repair and replacement budget submittals for SAP Center at San Jose and Solar4America Ice at San Jose for Fiscal Year 2017-18. These approvals followed a detailed capital budget review by the Arena Authority's Facilities Committee and representatives from the City and Sharks Sports & Entertainment. From those deliberations, the Arena Authority Board of Directors is recommending that the following capital budgets be approved by the City for FY 2017-18:

SAP Center at San Jose

The Arena Authority Board of Directors approved a capital budget of \$1,501,000 for FY 2017-18. Please note that this recommended capital budget is consistent with the accepted conditions of the term sheet agreed upon between the City and Sharks Sports & Entertainment and can be supported by the current balance in the City's Arena Capital Reserve Fund.

Solar4America Ice at San Jose

The Arena Authority Board approved a FY 2017-18 capital budget in the amount of \$2,339,000, with the majority of funding (\$1,900,000) going towards replacing the ice chiller plants at rinks 1 and 2. The figure for the chiller plants is in addition to a previously approved capital budget of \$2,000,000 to replace the two ice chiller plants, with all funding supported by the City's Ice Centre Revenue Fund. Please note that in the development of this annual capital budget for Solar4America Ice at San Jose an evaluation of the capital budget was undertaken in relation to items not included in Exhibit G of the Ice Centre Lease and Management Agreement (the list of capital items that can be considered for funding by the City). From this review, the Arena Authority concurs with the City that all items listed in the FY 2017-18 Solar4America Ice at San Jose capital budget can be included for funding.

Thank you for your support of the capital budget programs for SAP Center at San Jose and Solar4America Ice at San Jose. Please feel free to contact me if you have any comments or questions.

c: Members of the Arena Authority Board of Directors
Rich Sotelo, Sharks Sports & Entertainment
Jon Gustafson, Solar4America Ice at San Jose

San Jose Arena Authority

Memorandum

To: Bonny Duong, City Manager's Budget Office
Dan Keller, Department of Public Works

From: Chris Morrissey, Executive Director *CM*

Subject: Recommendations for Capital Repairs at San Jose Municipal Stadium for Fiscal Year 2017-18

Date: March 27, 2017

Please be advised that on March 22, 2017 the San Jose Arena Authority Board of Directors approved a number of Fiscal Year 2017-18 capital improvement items for San Jose Municipal Stadium as submitted by the Arena Authority's Municipal Stadium Committee. Please note that section (1) listed below relates to funding provided through the City's Municipal Stadium capital reserve fund while section (2) includes items being recommended for consideration of additional City funding.

(1) FY 2017-18 Municipal Stadium Capital Repairs from Stadium Reserve Fund (\$39,300)

- Upgrade the stadium concourse restrooms
- Replace aging bench seats with individual fixed seats

Along with the capital items designated for funding through the stadium capital reserve fund, two other items have been identified for consideration of additional City funding. These two items were originally discussed during the February 6, 2017 Municipal Stadium capital budget meeting with the City, the Giants, and members of the Authority's Municipal Stadium Committee.

(2) FY 2017-18 Municipal Stadium Funding Submittals for City Consideration

- Prepare and repaint the stadium light standards (cost to be determined)
- Upgrade the grease traps in the food service area along the third-base line (cost to be determined)

As you know, the San Jose Giants are fully funding and replacing the stadium's aging outfield scoreboard. As of the date of this memorandum, work continues on the new scoreboard installation with the City's Department of Public Works and the Giants. The cost associated with the scoreboard replacement by the Giants is \$500,000.

In closing, thank you for your efforts to support the continued operation of this treasured community asset. If you have any comments or questions about the stadium or the capital budget recommendations, please contact me.

- c. Member of the Arena Authority Board of Directors
Daniel Orum, San Jose Giants
Lance Motch, San Jose Giants