

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

May 24, 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 Morrisey (Executive Director)
Shelly Wang (Administrative Assistant)
Elizabeth Klotz (Deputy City Attorney)

Guests

Rich Sotelo (Sharks Sports & Entertainment)
John Tortora (Sharks Sports & Entertainment)

1. Call to Order/Roll Call/Introductions

2. General Business

- a. Presentation of Activities with Sharks Sports & Entertainment (Tortora)
- b. Review and Approve April 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 (Morrisey)

- a. Accept Verbal Reports on Arena Authority Oversight
 - SAP Center at San Jose
 - Solar4America Ice at San Jose
 - San Jose Municipal Stadium
- 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 the March 2017 Financial Statements
 - b. Accept Verbal Report on Drafting the FY 2017-18 Arena Authority Operating Budget
 - c. Accept Report on Arena Authority Funding Request
- 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 Verbal 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 Verbal Report on the FY 2017-18 Capital Budget for San Jose Municipal Stadium
- 4.6. *Ad Hoc Board Recruitment Committee (Chair: Sutherland)*
- a. Accept Report on Board Member Reappointments
 - b. Accept Report on Fiscal Year 2017-18 Board Officer Elections
 - c. Accept Verbal Report on Current Board Vacancy
- 4.7. *Standing Community Programs Committee (Co-Chairs: Bright, Terrazas)*
- a. Review and Approve City and Community Events Program Applicants:
 - Youth Connections Foundation of San Jose
 - Kristi Yamaguchi's Always Dream Foundation
 - San Jose Sports Hall of Fame

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.

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
Meeting Minutes

Board Members in Attendance

Matthew Bright	Leslee Hamilton
Scott Bruner	Carl Honaker
David Buchholz	John Kennett
Eileen Consiglio	Donald Rocha
Devora Davis	Kathy Sutherland
Loren Haley	Eva Terrazas

Board Members Not in Attendance

Jonathan Clough	Vinni Walia
Sarah Finn	Rusty Weekes
Colleen Reilly	Leland Wilcox

Staff in Attendance

Chris Morrisey (Executive Director)
Shelly Wang (Administrative Assistant)

Guests in Attendance

Lam Cruz (City of San Jose)
Zahir Gulzadah (City of San Jose)
Christina Mauro (Council District 6)
Rich Sotelo (Sharks Sports & Entertainment)

1. **Call to Order/Roll Call/Introductions.** The Arena Authority convened the Regular Meeting of the Board of Directors at SAP Center at San Jose at 4:06 pm.
2. **General Business**
 - a. Presentation on the Autumn Parkway (Gulzadah). Zahir Gulzadah and Lam Cruz provided updates on the Autumn Parkway extension project.
 - b. Review and Approve March 2017 Board Meeting Minutes. Approved. 1st: Bright, 2nd: Kennett. 8 approvals, 1 abstention (Terrazas).
 - c. Accept Verbal Report on Downtown Transit and Development Projects (Haley). Loren Haley provided the City of San Jose *Downtown Construction Brief*.
3. **Executive Director and Staff Reports**
 - 3.1. Executive Director (Morrisey)
 - a. Accept Reports on Arena Authority Oversight
 - SAP Center at San Jose (Verbal). The NCAA Division I Men's Basketball Tournament was held in March. The NCAA will be returning to SAP Center at San Jose with the Men's Division I first and second rounds in 2021. The Lord Mayor of Dublin, Ireland was hosted in the City suite on March 28. On March 30, the San Jose City Council held a study session on the Diridon Station/Regional Rail Project. On April 4, the VTA held its bimonthly Downtown/Diridon Community Working Group meeting, where both the boring options and the station operations were discussed. Work on the Autumn Street extension at Julian Street includes new disabled access ramps and

street lighting for vehicles and pedestrians. The new extension north of Julian is scheduled to open in late May. Work continues on the Julian/St. James Streets realignment east of the Center. The Sharks concluded their Stanley Cup Playoff run. The Barracuda are currently in the playoffs.

- Solar4America Ice at San Jose. See agenda item 3.1.a.
 - San Jose Municipal Stadium (Verbal). The San Jose Giants opened their 2017 season on April 13. Also, the Giants new scoreboard was installed prior to the start of the season. This is Municipal Stadium's 75th year in operation.
- b. Accept Verbal Report on Arena Authority Administrative Issues
- South Campus Operations Team. The team is engaged with the City's Department of Transportation to get no parking signs installed along Alma Street between 10th and Senter Streets.

3.2. Administrative Assistant (Wang)

- a. Accept Report on Recent and Upcoming Events at SAP Center at San Jose. Calder Cup Playoffs are underway. If needed, there will be a Barracuda game 5 at SAP Center at San Jose on May 2.
- b. Accept Verbal Report on Activities at Solar4America Ice at San Jose. Solar4America Ice at San Jose will host the 2017 CAHA Adult State Championships April 28-30 and the Pacific District Youth Player Development Camp May 4-7.

4. Committee Reports

4.1. Standing Executive Committee (Chair: Hamilton)

- a. Accept Verbal Report on Upcoming Arena Authority Board Meetings. Future 2017 Board meetings will include presentations on BART and High-Speed Rail.

4.2. Standing Finance Committee (Chair: Bright)

- a. Accept Verbal Report on Financial Statements. Arena Authority 2017 first quarter financial statements will be presented to the Board in May.
- 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. The San Jose Sports Hall of Fame Committee will meet in May.

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. See agenda item 4.4.a.

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. See agenda item 4.5.a.

4.6. Ad Hoc Board Recruitment Committee (Chair: Sutherland)

- a. Accept Verbal Report on Current Board Vacancy. The Arena Authority will soon begin recruiting for the existing Board vacancy.

- 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 recently met with City and Community Events program applicants. Applicants included the San Jose Sports Hall of Fame, Youth Connections Foundation of San Jose, and Kristi Yamaguchi's Always Dream Foundation.
5. **Open Forum.** Council member Rocha reported that Patricia Ernstrom with the San Jose Sports Authority has resigned and will be joining the San Francisco 49ers.
6. **Adjournment.** The meeting adjourned at 5:02 pm.

Submitted by:



Shelly Wang

COMING EVENTS

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



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 Tool 8:00pm \$85.50 - \$131.50	22	23	24
25	26	27	28	29 Queen & Adam Lambert 8:00pm \$49.50 - \$175.00	30	

JULY

SUN	MON	TUE	WED	THU	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11	12	13	14 G-Dragon 8:00pm \$65.50 - \$219.00	15 Freestyle Explosion 7:30pm \$35.50 - \$61.50
16	17	18	19	20 Bruno Mars 8:00pm \$49.50 - \$150.00	21 Bruno Mars 8:00pm \$49.50 - \$150.00	22
23	24	25 Hall & Oates	26	27	28	29 Tim McGraw & Faith Hill
30 Neil Diamond 8:00pm \$39.50 - \$149.50		7:00pm \$35.00 - \$149.50				7:30pm \$69.50 - \$129.50

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

Informational Memorandum

To: Louansee Moua, Chief of Staff, San Jose City Council District 7
From: Chris Morrissey, Executive Director *CM*
Subject: Arena Authority Funding Issues
Date: April 25, 2017

Background

Since being created through a resolution of the San Jose City Council, the San Jose Arena Authority has served an essential role on behalf of the City. Originally, the organization was charged with the administrative oversight and contract administration of one facility: San Jose Arena (now SAP Center at San Jose). Since then, the Arena Authority has expanded its oversight responsibilities to include Solar4America Ice at San Jose, San Jose Municipal Stadium, and the South Campus Operations Team, a group created by the Authority that includes park and facility operators in the area in and around the south campus of San Jose State University. More recently, the Arena Authority has been deeply involved in the transit development discussions in the Diridon Station area, including BART, High Speed Rail, Caltrain electrification, vehicular parking inventories, and the function of the multimodal Diridon Transit Center. This expansion of oversight and involvement has come about during a period when the Arena Authority's base funding from the City has been greatly reduced and as a result the organization has taken severe measures to maintain basic operations.

Past and Current Arena Authority Staff Make Up

When the Arena Authority began operations, the organization employed three full-time staff (Executive Director, Assistant to the Executive Director, and Administrative Assistant) to oversee the operation of San Jose Arena and provided full employee benefits. Today, the Arena Authority employs one full-time staff (Executive Director; minimal employee benefits) and a part-time Administrative Assistant (no employee benefits) to administer to a growing number of City assets.

List of Major Arena Authority Staff Responsibilities

For your reference, listed below are some of the key services provided by the Arena Authority:

- Support and administer to the Arena Authority Board of Directors, a 19-member, Mayor-appointed board charged with the ongoing oversight and administration of SAP Center at San Jose, Solar4America Ice at San Jose, San Jose Municipal Stadium, and the South Campus Operations Team. In support of the Arena Authority Board of Directors and an active subcommittee structure, staff typically prepares and submits all pertinent documents and presentation content to all Board and subcommittee meetings, including Executive, Finance, Facilities (SAP Center at San Jose and Solar4America Ice at San Jose), Board Recruitment, Community Programs, and San Jose Municipal Stadium. All related Board and committee documents are issued and posted in accordance with the Brown Act and the City's Sunshine Reform requirements.

- Serve as contract administrator of the management agreements for the three sports facilities and serve an essential role during the renegotiations of the three facility contracts.
- Continue to participate and aid in shaping strategies for the major transit and development projects in the area of SAP Center at San Jose, including the BART project to Downtown San Jose, Caltrain electrification, the development of the Trammell Crow property, High Speed Rail, the multimodal Diridon Station, and the regular discussions relating to on-site and off-site parking inventories in and around the Center.
- Partner with the City and Sharks Sports & Entertainment in the administration of a comprehensive SAP Center at San Jose traffic, transit, and parking management plan including the integration of public transit, vehicular and pedestrian movements, area road and transit construction projects, monitoring of vicinity parking facilities, and strategies to protect the integrity of the adjacent residential and commercial neighborhoods.
- Created and administer to the comprehensive SAP Center at San Jose, Solar4America Ice at San Jose, and San Jose Municipal Stadium capital repairs and replacements budget programs including the forecasting, planning, establishing, and implementing of annual capital budgets.
- Serve as the community liaison for the ongoing operation of SAP Center at San Jose, including neighborhood outreach; community meetings engagement; arena ticket distribution (approximately 4,000 tickets issued annually and over 100,000 issued over time by the Arena Authority, including all San Jose Sharks and Barracuda home games); City and Community Events program management (over 1M dollars in credit issued by the Arena Authority for public use since 2001); and support of the annual San Jose Sports Hall of Fame event.
- Serve a critical leadership role during the planning and implementation of national and international events. For example, provided essential leadership in the administration of the Prime Minister of India's visit to SAP Center at San Jose in September 2015.
- Created and chair the South Campus Operations Team, a group that meets monthly to primarily address event management issues in the south campus area.
- Issue detailed annual organizational reports to the City on the operations and management of the three sports facilities and the south campus area sports facilities and parks.

Despite the many responsibilities undertaken by the Arena Authority, the simple reality is that the Authority is significantly underfunded and understaffed to adequately support all of these programs and contractual obligations in the fashion described in the management agreements between the City, the Arena Authority, and San Jose's professional sports organizations. Recognizing the City's current fiscal position, the Arena Authority is requesting that the City consider providing funding for employee benefits (health and retirement) for both Arena Authority staff positions.

Current Arena Authority Funding

Below is the detail of City funding to the Arena Authority for the current fiscal year, which has not seen a significant funding change in an extended period of time:

<u>FY 2016-17 City Funding</u>	<u>Amount</u>
City Base Funding	\$194,200
Oversight of Solar4America Ice at San Jose	\$45,700
Total:	\$239,900

Please note that this funding does not include enough funding for employee health care, retirement accounts, and other employee benefits relating to job enrichment, business travel to other arenas and stadiums, or the ability to look at making the Administrative Manager position into a full-time position.

Supplemental Arena Authority Budget Proposal for FY 2017-18

Below is a supplemental budget proposal that the Arena Authority believes should receive serious consideration for funding for FY 2017-18. While the Arena Authority strongly encourages funding these basic employee benefits to support the continued operation of the organization, the Authority also believes that a discussion for further funding to support additional staffing should receive serious attention. As illustrated above, Arena Authority staff responsibilities have greatly expanded and as a result, increasing staffing levels will require thoughtful evaluation at a future time.

<u>Supplemental Items</u>	<u>Amount</u>
Employee Health Plans (1.5 Positions)	\$23,000
Simple IRA (Retirement; 3% Employer Contribution)	\$6,000
Dental, Vision, LTD, and Life Insurance for Admin. Assistant	\$2,500
Total:	\$31,500

Conclusion

As this memo illustrates, with limited annual funding, the Arena Authority continues to expand areas of responsibility while providing a high level of service to the City in an efficient, professional, and dedicated manner - in as much as 1.5 positions can accomplish. As an organization, the Arena Authority believes that it has taken the necessary annual steps as initiated by the City to address the year-to-year budget reductions through the elimination of staff positions, wage freezes, downgrading staff positions, and eliminating the most basic employee benefits. Despite the considerable funding and staff reductions, the Arena Authority continues to be highly dedicated to provide services to the City and the citizens of San Jose in the most professional and cost-efficient manner. We look forward to substantive discussions to identify and address long-term funding solutions in keeping the Arena Authority a functioning, integral component of the City's administrative structure.



San Jose Arena Authority

Board of Directors Staggered Term Document September 2016

<u>Board Member</u>	<u>2017 End of Term</u>	<u>End of Term</u>
1. Matthew Bright, At Large	6/30/17	6/30/21*
2. Carl Honaker, At Large	6/30/17	6/30/21*
3. Kathy Sutherland, Neighborhood Rep	6/30/17	6/30/21*
<u>Board Member</u>	<u>2018 End of Term</u>	<u>End of Term</u>
4. Vacant (Vergara), At Large	6/30/18	6/30/22
5. Colleen Reilly, Neighborhood Rep	6/30/18	6/30/22*
6. Jonathan Clough, At Large	6/30/18	6/30/22*
7. Rusty Weekes, At Large	6/30/18	6/30/22
<u>Board Member</u>	<u>2019 End of Term</u>	<u>End of Term</u>
8. Leslee Hamilton, At Large	6/30/19	6/30/23*
9. David Buchholz, SJDA Representative	6/30/19	6/30/23*
10. Eva Terrazas, At Large	6/30/19	6/30/23*
11. Eileen Consiglio, At Large	6/30/19	6/30/23*
<u>Board Member</u>	<u>2020 End of Term</u>	<u>End of Term</u>
12. Scott Bruner, At Large	6/30/20	6/20/24*
13. Sarah Finn, At Large	6/30/20	6/20/24*
14. John Kennett, At Large	6/30/20	6/30/24*
15. Vinni Wallia, At Large	6/30/20	6/30/24*

* End of Last Term



San Jose Arena Authority

Memorandum

To: Members of the San Jose Arena Authority Board of Directors
From: Chris Morrisey, Executive Director *cm*
Subject: Arena Authority Board of Directors Election of Officers
Date: May 15, 2017

Please be advised that at the June 28th Regular Meeting of the Arena Authority Board of Directors, the Authority Board will be determining the slate of officers for the upcoming fiscal year, July 1, 2017 to June 30, 2018. Generally, there are four officer positions elected annually by the Authority Board of Directors. The four elected positions include the following: Chairperson, Vice-Chairperson, Secretary, and Treasurer.

For your reference, listed below is the current roster of Board officers:

**San Jose Arena Authority
Board Officers
FY 2016-2017**

Chairperson: Leslee Hamilton
Vice-Chairperson: John Kennett
Secretary: Eva Terrazas
Treasurer: Matthew Bright

If you are interested in submitting your name for consideration for one of the four officer positions, please contact me by Friday, June 2nd. I can be reached directly at 408-977-4783 or at morrisey@sjaa.com.



San Jose Arena Authority

City and Community Events Program


Applicant and Event Information

Event:	12 th Annual Comedy Show for Kids
Program Fund Amount:	Not to Exceed \$20,000
Organization Name:	Youth Connections Foundation of San Jose
Contact:	Tanya Freudenberger
Phone:	408-509-0316
Event Date:	August 11, 2017
Time of Event:	7:00 – 10:00 pm
Estimated Attendance:	500 people
Background:	The vision of the Youth Connections Foundation of San Jose is to provide opportunities for young people in San Jose to engage in recreational, artistic, cultural, and educational programs in a safe and well-supervised environment. The goal is to provide funds (scholarships) not otherwise available for after-school programs and other activities and events that promote the moral, social, physical, and academic development of young people in San Jose.
Event Profile:	The event is a comedy show and silent auction in which event proceeds benefit two Digital Art Studios at local community centers and the San Jose Family Camp scholarship fund.

San Jose Arena Authority

City and Community Events Program Applicant and Event Information

Event Type:	City Event
Fund Amount:	Not to Exceed \$30,000
Organization Name:	Kristi Yamaguchi's Always Dream Foundation
Contact:	Dean Osaki
Phone:	415-699-3371
Event:	Golden Moment
Date:	September 3, 2017
Time:	7:00 pm to 10:00 pm
Attendance:	5,000
Background:	Kristi Yamaguchi's Always Dream Foundation inspires underserved children to reach their dreams through innovative reading programs and by advancing the cause of early childhood literacy. The foundation partners with and funds breakthrough reading programs that combine technology with books to raise literacy skills, and increase overall academic and life potential.
Event Profile:	This is a family show that combines figure skating by well-known South Bay figure skaters with live music.



San Jose Arena Authority

City and Community Events Program

Applicant and Event Information

- Event:** San Jose Sports Hall of Fame Induction Ceremony
- Program Fund Amount:** Not to Exceed \$50,000
- Organization Name:** San Jose Sports Authority
- Contact:** Carrie Benjamin
Phone: 408-288-2936
- Event Date:** November 2017
- Time of Event:** 5:30 pm to 10:30 pm
- Estimated Attendance:** 600
- Background:** Since 1995, the San Jose Sports Hall of Fame has honored some of the greatest athletes and coaches from the South Bay. In doing so, beautiful bronze plaques of each inductee are placed on permanent display along the public concourse at SAP Center at San Jose. Past athletes honored at the annual fall induction ceremony have included Peggy Fleming, Bill Walsh, Tommie Smith, Brandi Chastain, and Willy T. Ribbs. Administered by the San Jose Sports Authority in concert with the San Jose Arena Authority, Sharks Sports & Entertainment, and the City of San Jose, the San Jose Sports Hall of Fame has become one of the Bay Area's most prestigious recognition events.
- Event Profile:** The San Jose Sports Hall of Fame induction ceremony and dinner annually recognizes and honors athletes and coaches who have contributed in an extraordinary way to the rich sports heritage of the South Bay. Additionally, the top male and female prep athletes, top amateur athletes, and the outstanding Special Olympian from Santa Clara County will be recognized at the induction ceremony and dinner.