



Memorandum

TO: MAYOR LICCARDO
SUBJECT: BUDGET DOCUMENT

FROM: Councilmember Rocha
DATE: May 20, 2015

Approved

Don Rocha

Date

5-20-15

PH

RECOMMENDATION

That the following recommendation be enacted.

Proposal

Program/Project Title: **San José Sports Authority Funding**

Amount of City Funding Required: \$ 200,000

Fund Type (i.e. General Fund, C&C funds, etc.): **General Fund**

This change is:

One-time Ongoing

Proposal Description, including anticipated outcomes (describe how change would affect services for San José residents, businesses, community groups, etc.):

The San Jose Sports Authority (SJSA) is a non-profit organization whose mission is to increase the City of San Jose's economic development, visibility and civic pride through sports. The Sports Authority has provided leadership and support to attract or host hundreds of sporting events in San Jose and the South Bay. The SJSA has assisted in attracting events such as, but not limited to: WrestleMania 31, the AMGEN Tour of California, Rugby Sevens, and upcoming events Superbowl 50, the 2016 MLS All-Star Game, Rugby Sevens and the 2016 U.S. Women's Olympic Gymnastics Team Trials. These events have and will continue to infuse millions of dollars into San José's local economy. With the addition of two new stadiums, Avaya and Levi, in addition to the SAP Center, the San José region has quickly become a favorite for all types of sports and activities. This funding will assist the SJSA with their increased workload, as they provide support for these events.

Over the years San José has provide the SJSA with an annual grant, and during the economic downturn the amount of the grant money had been reduced by almost 50% of initial funding levels, and has forced the SJSA to operate using their reserves. However, even with the reduced funding the SJSA has continued to remain committed to San José bringing hundreds of millions of dollars to

our local economy. Our recommendation would increase the Proposed 2015-2015 Budget by \$200,000.

In addition to the requested one-time funding grant of \$435,000, the City of San José had promised the SJSA \$300,000 to go directly towards the 2016 U.S. Women's Olympic Gymnastics Trials. The City paid \$100,000 during the previous fiscal year, and we should fulfill our commitment to the SJSA. This can be paid out in a single payment or two, one-time payments to be made over the next two years.

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13. Sports Authority \$100,000

As directed in the Mayor's June Budget Message for Fiscal Year 2014-2015, as approved by the City Council, this action establishes funding of \$100,000 to provide an initial partial payment of the \$300,000 that will be needed over the next several fiscal years to ensure adequate funding for the City to pursue the 2016 Olympic Trials in gymnastics. (Ongoing costs: \$0)

Funding Source

Essential Services Reserve (\$2 million)

Other (Program/Project/Fund):

Department or Organization: **San José Sports Authority**

Department or Organization Contact (list contact information for the individual that certified cost estimates contained within your recommendation):

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