

SUMMARY OF PROPOSAL

More than 80 percent of the cost of building the \$850 million stadium would be financed by investments from the team, the NFL and from revenues generated by the stadium itself, such as naming rights and stadium sponsorships.



San Francisco 49ers

Investment

- Team and the NFL make a **\$363 million** investment in the city of Santa Clara in upfront cash for stadium construction.
- Team agrees to take **100% of the risk of all construction cost overruns.**
- Team commits to a long-term lease with annual rent payments of **\$5 million.**
- Team makes operating expense reimbursements estimated to be in excess of **\$100 million** over 30 years.



Project Financing

Investment

- Project revenue, such as the sale of naming rights, founding corporate sponsorships and concession rights would total more than **\$330 million.**
- Part of this funding would come from bonds issued by the Stadium Authority that would be repaid by a ticket tax included in the price of tickets to stadium events. Backed by stadium revenue and issued by the Stadium Authority, the bonds would have **no impact on Santa Clara's general fund.**
- Another component of this funding source would be the sale of Stadium Builders Licenses. These transferable licenses would give fans the right to buy 49ers season tickets every year over the **entire life of the new stadium,** along with rights to tickets for other stadium special events. Revenue from the licenses would be used **exclusively to fund and maintain the stadium with no proceeds going to the team.**



City of Santa Clara

Investment

- Santa Clara would form a city-owned Stadium Authority to protect its general fund.
- City would invest **\$160 million** for stadium construction and relocate a substation located near the stadium site.
- City's investment would be capped with **no risk for construction cost overruns.**
- Investment would be made directly to Stadium Authority with **no portion going to the team.**

Return on Investment

- An economic impact report shows the stadium would create **920 jobs** and **\$98 million** in annual economic activity in the city, while generating **\$12.3 million** in combined annual tax revenue for the city, county and state.
- City's general fund would receive up to **\$1 million** a year in priority cash distributions from Stadium Authority.
- City's general fund would receive **33%** of gross cash flow from Stadium Authority above **\$4 million.**
- City's general fund would receive **50%** of net revenue from all other stadium special events.
- City would own the **\$850 million** stadium, giving it another important marketing asset to pair with its convention center to showcase the city.
- City would receive significant national television exposure as home of the 49ers.

Misc

- No risk to city's general fund from stadium construction or operation.
- Bonds backed by dedicated project revenue source and insured to make sure there is no risk to city's general fund.
- City ownership would ensure public control of the building and event scheduling.
- City would continue to own the land on which the stadium is built.
- Ongoing operations (including police and fire service) and maintenance would be entirely paid by revenues generated by the stadium and would require no additional investment by the city.