



MEMORANDUM

TO: Mayor Lee
FROM: Kate Howard, Budget Director *KH*
CC: Chief Joanne Hayes-White Anne Kronenberg
Emily Murase Mohammed Nuru
Ed Reiskin Controller Ben Rosenfield
Todd Rufo Chief Greg Suhr

RE: Super Bowl 50 - Financial Impacts Update DATE: January 7, 2016

This memo provides a high level summary of the financial impacts of Super Bowl 50 and its related events on the City and County of San Francisco.

Background: As you know, Super Bowl 50 will be hosted on February 7, 2016 in the City of Santa Clara at Levi's Stadium. Leading up to Super Bowl 50, it is anticipated that more than a million people will take part in a weeklong series of public events held in San Francisco, including the Super Bowl City fan village, the NFL Experience and the Media Center.

Super Bowl City is the free-to-the-public fan village designed to celebrate the milestone Super Bowl 50 and promote San Francisco. Open January 30 – February 7, 2016 in San Francisco, Super Bowl City will offer activities for families and fans of all ages. The NFL Experience, pro football's interactive theme park, will be located at the Moscone Center in San Francisco.

Projected Costs Related to the Super Bowl: The range of total projected General Fund costs for the event is between \$3.5 and \$4.0 million (including MTA). These expenditures are all within departmental budgets and will not require any supplemental resources.

As you know, the actual departmental expenditures will not be known until after the event has concluded, and the numbers in the table below reflect our preliminary cost estimates. The following table summarizes all currently projected costs related to the event:

Department Name	Preliminary Cost Estimate (\$ in millions)
Municipal Transportation Agency	\$1.7
Police Department	\$1.0 - \$1.5
Fire Department	\$0.55 - \$0.6
Emergency Management	\$0.06
Economic and Workforce Development	\$0.05
Public Works	\$0.04
Status of Women	\$0.10
Subtotal:	\$3.5 - \$4.0

All of these funds are budgeted within the departments' operating budgets. In two cases, the City's budget added additional one-time resources to address potential additional costs:

- \$250,000 in additional overtime funds at the Fire Department for a dedicated post at the site during events, specifically EMS staffing; and
- \$58,000 at the Department of Emergency Management for a planner for special events (including Fleet Week and the Super Bowl 50 event).

As you know, San Francisco has a number of special events, celebrations and parades each year that are open to the public, such as the World Series Parades, Fleet Week, LGBTQ Pride Celebration, and New Year's Eve. The City manages and budgets for these activities in much the same way as it is managing and budgeting for Super Bowl 50: the costs of these events are accommodated within existing budgets and typically do not require additional appropriations. For comparison, the table below provides several examples of other special events, parades and celebrations which were managed within departmental annual budgets.

Department	Event	Expenditures
Police	2014 World Series and Playoffs	\$ 1.11
Police	2015 Fleet Week	\$ 0.25
Police	2015 Pride	\$ 0.57
MTA	2014 World Series Parade	\$ 1.20

Additionally, there will be costs and offsetting revenues for both the Port and Moscone Convention Center that are considered self-supporting and not related to the General Fund.

Projected Revenues Related to the Super Bowl: The City anticipates a significant economic impact, including to local tax revenues, related to the Super Bowl 50 events that otherwise would not have occurred. Economic impact reports indicate that in prior Super Bowls, both the local economy benefitted and local tax revenues grew. The overall economic impact of several recent Super Bowls vary, and are noted below:

- Phoenix (2015) - \$719.4 million
- New Orleans (2013) – \$480.0 million
- Indianapolis (2012) – \$277.9 million.

Recent examples of direct local tax revenue growth include:

- New Orleans (2013) – \$10.1 million (sales and hotel taxes)
- Indianapolis (2012) – \$6.7 million (hotel, food and beverage, and car rental).

If San Francisco's direct local tax revenues are similar to those noted above, they are expected to more than offset any local expenditures on the events.

Next Steps: I have asked, on your behalf, that the Controller conduct an independent analysis after the event to measure actual City expenditures and revenues that were attributable to the additional economic activity due to the event.