



Memorandum

TO: COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE

FROM: Blage Zelalich
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SUBJECT: 2019 College Football Playoff National Championship and National Hockey League All-Star Weekend Summary

DATE: March 15, 2019

Approved	/s/	Date
	Kim Walesh	3/15/19

RECOMMENDATION

Accept staff's summary report on events and activities in San Jose for the 2019 College Football Playoff National Championship January 3-7, 2019 (Championship Weekend) and the 2019 National Hockey League (NHL) All-Star Weekend January 24 – 27, 2019 (All-Star Weekend).

OUTCOME

Committee members will receive a summary report of festivities surrounding Championship Weekend, including an overview of Championship Campus, the City's investment of financial and staff resources, the opportunity to leverage resources remaining in place after Championship Weekend, partial economic impact of the event, lessons learned and policy recommendations for future events of a similar scale. Committee members will also receive a similar summary report of festivities surrounding All-Star Weekend.

BACKGROUND

3/15/19

On Monday, January 7, 2019, Levi's Stadium hosted the 5th Annual College Football Playoff National Championship (CFP), which brought thousands of visitors to San Jose from January 3-7. San Jose had a unique opportunity to highlight its positive attributes on the national stage. Downtown, more specifically, had the tremendous opportunity to host CFP's "Championship Campus" which was the epicenter of all fan activities and live national TV programming during Championship Weekend. An estimated 50,000 people attended the Championship Weekend events with over 74,000 attending the game at Levi's Stadium.

Two years earlier in February 2018, staff from the Office of Economic Development and San Jose Sports Authority presented an initial overview of CFP activation in downtown San Jose and identified certain elements associated with these activations that would need further

coordination. Some of these elements included coordination with Downtown for the Holidays event producers on the integration of existing holiday events with CFP's Championship Campus, interdepartmental city coordination on the various large-scale events proposed for Championship Weekend, overall public safety operations and revisiting the City's policies around temporary special event zones and supergraphics. Since that presentation, City staff worked closely with the San Jose Sports Authority and the Bay Area Host Committee to address those and other issues to ensure that Championship Weekend festivities occurred as smoothly as possible and that San Jose put its best face forward to the public experiencing all National Championship activities.

In January 2018, the San Jose Sharks were awarded the 2019 NHL All-Star Game, the 64th in the history of the National Hockey League. This marked the second time that San Jose was awarded the league's top talent showcase, featuring the superstars of the National Hockey League. The previous event in San Jose, the 47th NHL All-Star Game, was held on January 18, 1997. City coordination efforts for All-Star Weekend did not begin in earnest until November 2018, as the league's intentions were unknown to staff until that time.

ANALYSIS

Championship Weekend

Downtown San Jose hosted CFP's "Championship Campus" which was the epicenter of all fan activities during Championship Weekend. Several key elements comprised the CFP Championship Campus. The following are brief descriptions of each element of Championship Weekend:

Playoff Fan Central – San Jose Convention Center, January 4 - 6

A 300,000 square foot, low-cost, family-friendly, interactive experience that includes games, clinics, pep rallies, band performances, special guest appearances, autograph signings and exhibits celebrating college football and its history. Playoff Fan Central was free to the public on Friday, January 4.

AT&T Playoff Playlist Live – Discovery Meadow, January 4 - 6

A free outdoor concert with nightly pyrotechnics show featuring Alessia Cara, Bryn Elliott, Jay Rock, Leon Bridges, and Logic. Sunday evening's concert featuring Ellie Goulding and headliner One Republic was cancelled due to heavy winds and substantial rain.

Media Day – SAP Center, January 5

Fans were invited for free to watch as both teams participated in media interviews prior to the national championship game. Hundreds of local and national journalists interviewed and interacted with players and coaches.

CFP Foundation Teachers Summit – San Jose Convention Center, January 4 - 5

Bay Area teachers were treated to a weekend of professional development, private concerts, motivational speakers, gifts, and food and beverage and were recognized for all their hard work as teachers.

Extra Yard for Teachers 5K – Downtown course, January 6

The Extra Yard 5K was the official road race of the CFP, with proceeds benefitting Extra Yard for Teachers, the College Football Playoff Foundation's primary platform that elevates the teaching profession. Approximately 500 runners braved Sunday morning's rainy weather to participate in the benefit run.

Taste of the Championship – Tech Museum of Innovation, January 6

Recognizing "Teachers of the Year" from all 50 states, the Taste of the Championship brought together the region's world-class restaurants to highlight the Northern California experience. Attendees enjoyed gourmet food and drink samples from a variety of renowned Chef's including Ryan Clark, Jeremy McMillan, Michael Mina & Mario Beaubraut and local restaurants such as Scott's Seafood, Ike's and Sushi Confidential.

The Quad – Plaza de Cesar Chavez Park, January 4-6

The park was transformed into the "The Quad" a central gathering place for fans and locals to meet up, play lawn games, get autographs, experience the College Football Historic Walk and be a part of the audience during live, ESPN programming.

ESPN's Living Billboard – Park Ave & Almaden Boulevard, December 27 – January 8

ESPN's "Who's In" campaign was comprised of four fans representing each of the teams participating in the National Championship semi-finals "living" on a billboard, until their team was eliminated from contention. The participants were streamed live, nationally on the Watch ESPN website and app, and participated in activities and challenges to earn cash and prizes, many of which were based upon fan engagement on social media.

Championship Ice – Circle of Palms, January 2-7

San Jose's seasonal outdoor ice rink was rebranded with new signage and dasher boards featuring branding from the participating teams – Alabama and Clemson.

The Fairmont San Jose served as CFP's headquarters hotel and the Marriott hosted the event's credentialed media. San Jose State University served as the practice site for the Clemson Tigers.

All-Star Weekend

The National Hockey League's mid-season showcase featured a variety of free and paid public events and private parties. Downtown San Jose was the epicenter for all All-Star Weekend public activities.

NHL Downtown Ice – Circle of Palms, Extended through January 27

San Jose's seasonal outdoor ice rink was rebranded with new signage and dasher boards in All-Star Weekend colors with caricatures of all participating players lining the perimeter of the rink. 2,600 skaters experienced Downtown Ice during All-Star Weekend.

Stanley Cup Presentation – City Hall Rotunda, January 22

Presentation of the Stanley Cup to the City of San Jose followed by photo opportunities for the public with the championship trophy. 1,200 people took advantage of this special event.

NHL Legacy Project – Roosevelt Park, January 24

Unveiling of the NHL legacy project at Roosevelt Park to commemorate the 2019 NHL All-Star Game in San Jose.

NHL Media Day – City National Civic, January 24

Local and national media interviewed All-Star Game participants. The event was carried live on NHL Network, Rogers (Canada) and Sirius XM.

NHL Fan Fair - San Jose McEnery Convention Center, January 24 – January 27

Hockey-themed experience for fans of all ages interactive games and attractions, special appearances, trophy and memorabilia displays, autograph sessions, Q&A with current and former players and the Mascot Showdown. Attendance at the Fan Fair was approximately 29,000 throughout the weekend.

NHL Skills Competitions – SAP Center, January 25

This ticketed event showcased players participating in a variety of on-ice skills challenges, highlighting the skills necessary to excel at hockey. The skills challenge included competition for the fastest skater, premier passer, puck control, shooting accuracy, and executing the hardest shot.

NHL All-Star Game – SAP Center, January 26

NHL all-star players were divided into 4 divisional teams, with Sharks players representing the Pacific Division. The game was televised live on NBC Sports Network and Rogers, and in approximately 170 countries. Both the Skills Competition and the All-Star Game were sold-out with an attendance of 17,365 for each event.

In addition, numerous private events were held in association with All-Star Weekend:

- Sip of California – 3,000 attendees enjoyed tasting California's best food and wine.
- All-Star Saturday Night VIP Party – 3,000 attendees in the Convention Center Grand Ballroom
- PK Subban's nationally telecast variety show - live taping at the San Jose Improv
- Media Day Party - Uproar Brewing Company
- NHL Innovation Summit - Forager
- NHL Wives & Family Brunch - Winchester Mystery House

City of San Jose Investment

Championship Weekend

Over 150 city staff from fifteen different departments touched Championship Weekend festivities in some way. Staff, along with representatives from Team San Jose, District 3, District 6, and the Mayor's Office held an internal, monthly "all-hands" meeting from September to December 2019 to discuss Championship Campus preparations. Between the monthly "all-hands" meetings, hundreds of on-going meetings were conducted on specific event-related issues. The Office of Cultural Affairs staff led discussions with Christmas in the Park, Winter Wonderland, Downtown Ice, and the San Jose Sports Authority to overlay simultaneously occurring event operations - the most complicated of which was the move out of Christmas in the Park from Plaza de Cesar Chavez Park in five days when the typical load-out is 2-3 weeks.

The San Jose City Council approved the appropriation of funding to support CFP-related activities in the 2018-2019 budget process. Specifically, the Council approved \$1M in overtime funding for police services during Championship Weekend and All-Star Weekend. The Council also appropriated \$100,000 in a City-Wide appropriation to the Office of Economic Development to support Championship Weekend activities and approved \$225,000 to the Sports Authority (out of the \$500,000 one-time allocation in 2018-2019) to assist with CFP-related activities. Sports Authority staff spent approximately 600 hours planning and implementing elements of Championship Weekend.

Of the \$100,000 City-Wide appropriation, the following was allocated:

- Palm tree pruning along the Almaden Blvd. median - \$15,000
- Special Event Zone notification and enforcement - \$10,000
- Facilitation of Christmas in the Park move-out from Plaza de Cesar Chavez - \$25,000
- Corporation Yard staffing for staging of Christmas in the Park displays - \$2,500
- Painting of light poles in Plaza de Cesar Chavez - \$8,000
- Event-related communications and public information - \$7,000

During the bid process for the event, the City of San Jose, Team San Jose and the San Jose Sports Authority committed to providing the following financial support:

- Complimentary rental of 367,000 square feet of space at the San Jose McEnery Convention Center at a \$557,000 value.
- \$300,000 toward the final invoice for event activities held at the Convention Center and other related Team San Jose-managed facilities.
- Team San Jose services billed at cost, without any mark-up.
- \$60,000 from Team San Jose to assist with San Jose and event branding.
- San Jose Sports Authority commitment of \$100,000.

The total estimated financial value of direct support from San Jose for Championship weekend (City, Team San Jose, Hotel Business Improvement District, San Jose Sports Authority) was approximately \$1.9M. The cost for overtime police services associated with Championship

Weekend was \$682K. Additionally, the San Jose Fire Department expended approximately \$142K in staff resources during the planning and implementation of Championship Weekend activities.

All-Star Weekend

The City provided financial support for All-Star Weekend activities through one-time funding in the 2018-2019 budget for the San Jose Sports Authority. The Sports Authority spent \$101,000 to cover All-Star Weekend expenses associated with event marketing and operations such as street pole banners, signage, volunteer management, transportation, event permits and hospitality. Sports Authority staff spent approximately 300 hours planning and implementing All-Star Weekend activities. As mentioned previously, City Council approved \$1M in overtime funding for necessary police services during Championship Weekend and All-Star Weekend in the 2018-2019 budget. \$178K was spent on police services for All-Star Weekend with an additional \$18K in Fire Department staffing expenses.

Leveraging Resources

Championship Weekend

Connectivity & Wi-Fi fiber: Staff from the Department of Information Technology, Office of Civic Innovation & Digital Strategy and San Jose Police Department's Bureau of Technical Services led the effort to provide connectivity for event production support, attendee communication, and overall attendee safety. This effort included installing and provisioning city fiber outlays around Plaza de Cesar Chavez Park for vendor use within the park and for required placement of COWs (cellular-site on wheels) for two different carriers building commercial as well as public safety cellular network capacity. The cost to install the fiber box in Plaza de Cesar Chavez was \$43,000 and split between the Department of Transportation and Parks, Recreation, and Neighborhood Services.

Some tangible benefits of the permanent installation of a fiber box in Plaza de Cesar Chavez include the ability to have access to connectivity requiring high capacity fiber throughput, allowing vendors the ability to provide a host of tech services such as high speed wired internet services, high speed back haul to internet service providers' fiber distribution points nationwide including the SJ Convention Center, centralized card processing, video streaming or broadcasts, and multi-location communications whether audio, video or data. Fiber redundancy is also available on the opposite side of the park, which allows the City to provide a higher level of service availability in the event of fiber cuts or inadvertent street construction. Because the City-owned fiber terminates at a downtown fiber colocation facility, these services can be provisioned in the park for civic benefit along with the services provided at the convention center and WickedlyFast WiFi (Downtown's free community Wi-Fi service).

An additional effort was made to provide enhanced coverage and good customer Wi-Fi experience through the City's public Wi-Fi system specifically at Plaza de Cesar Chavez Park, the McEnery Convention Center, and San Pedro Square. This was made possible through a

partnership and donated equipment by Smartwave Technologies and Ruckus Networks. The value of the donated equipment and labor for this effort was approximately \$100,000. All equipment installed on city light poles will remain in place for future events. However, to maximize the effectiveness of this equipment, two locations had to host temporary installations, the roof of the Tech Museum of Innovation and the roof of the Market/San Pedro Parking Garage. Efforts are under way to make the installation of equipment at these locations permanent as this is necessary to ensure the best possible coverage.

Plaza de Cesar Chavez and Discovery Meadow turf: At their own expense of approximately \$100,000, the Bay Area Host Committee installed new high-quality turf on the north end of Plaza de Cesar Chavez Park so that the park could be utilized by the public immediately following the load-out of Christmas in the Park. Plaza de Cesar Chavez Park was transformed into “The Quad” where ESPN broadcast live from their outdoor studio, a CFP Historical Walk was created, the public could enjoy outdoor picnic games such as corn hole, Jenga, and life-sized billiards, “Puppies on the Plaza” animal adoptions occurred and the sounds of the CFP Marching Band could be heard throughout the weekend.

Although not initially anticipated, the Bay Area Host Committee will install new turf in Discovery Meadow. Discovery Meadow hosted two of three scheduled concerts as part of AT&T Playoff Playlist Live. Inclement weather dictated the cancellation of the final concert on Sunday evening. On-going winter rain storms have delayed the restoration of the park which will ensue as soon as weather permits.

Donation to Bay Area teachers: To further the College Football Playoff Foundation’s cause of inspiring, supporting, and recognizing teachers, the Bay Area Host Committee donated \$1M that directly benefited San Jose and Bay Area teachers through a number of strategic partnerships, including with Donors choose to help fund projects in teacher classrooms, Landed to help local teachers with down payment assistance for housing, and the San Francisco 49ers EDU Academy for on-going professional development.

All-Star Weekend

Roosevelt Park roller hockey rink: NHL Commissioner Gary Bettman and Sharks all-stars Joe Pavelski, Erik Karlsson and Brent Burns and Sharkie, along with students from Piedmont Middle School and Noble Elementary School, were on hand for the unveiling of a refurbished outdoor roller hockey rink at Roosevelt Park. The San Jose Sharks Foundation donated \$500,000 for the refurbishment of the park’s rink. The refurbishment work includes new flooring for street and roller hockey use, fencing, bleachers, and equipment, along with funding to support hockey programming at the rink.

Visitor impact on hotels and the Airport

Championship Weekend

Eighteen San Jose hotels were contracted to serve CFP attendees, participants, and media, equating to approximately 16,000 hotel room nights. Approximately 10,000 hotel room nights were picked up from the anticipated room block.

Generally, San Jose hotels experienced a similar pattern with the 2019 National Championship as other large sporting events before it: exceptional performance of the hotels over the event weekend with depressed occupancy on the shoulder weekdays on either side. This weekend occupancy was offset somewhat by higher average daily rates, but revenues for both weekdays were down year over year. Like other large sporting events before it, the weekend boost of revenue outweighed the shoulder's depression. The entire event saw Transient Occupancy Tax gross 13.8% or approximately \$155,000 more than the same time in 2018. Given the average year-over-year growth in Transient Occupancy Tax over the previous six months (9.5%), the incremental growth attributed to the event is 4.3% or approximately \$50,000. Team San Jose reports that Championship Weekend activities resulted in \$21.5 million in estimated direct visitor spending, \$31.9 million in total economic impact, and \$1.1 million in estimated local taxes. This economic impact calculation is a summary of gross receipts attributable to Championship Weekend. It is inclusive of hotel taxes (Transient Occupancy Tax and Convention and Cultural Facilities District Tax), Hotel Business Improvement District collections and Sales Tax. These numbers do not account for revenue derived from the vacation rental industry, local spending by event production vendors or spending from production team visits to San Jose every month for the past year.

Mineta San Jose International Airport reported 15 extra flights affiliated with Championship Weekend, with approximately 1,200 extra passengers into and out of the Airport related to game activities on these extra flights. With respect to General Aviation, the Airport reported 25 charter flights and 608 general aviation arrivals and departures over the weekend, a substantial boost over normal operations.

All-Star Weekend

A block of 6,800 room nights was secured at local hotels for All-Star Weekend. 5,639 of those room nights were picked-up by event attendees. Based on analysis conducted by Team San Jose, All-Star Weekend activities produced \$9.3 million in estimated direct visitor spending, \$13.9 million in total economic impact and \$436,520 in estimated local taxes. These numbers also do not account for revenue derived from the vacation rental industry.

There were no noticeable airside impacts because of All-Star Weekend.

Lessons Learned & Recommendations

Championship Weekend

Planning for Championship Weekend activities provided numerous opportunities to review city policies and practices and to receive constructive feedback from a national event organizer as to how San Jose can become a more attractive venue for events of similar stature and size. The key

lessons learned from this experience and staff recommendations for improvement are outlined below.

Communication is extremely important. Engaging an interdepartmental team of city staff early in the process and fostering cross department communication was essential to successful event implementation. Throughout the year, numerous meetings were held with event producers, staff, and stakeholders, each meeting contributing in a meaningful way to event preparation. Specifically, the implementation of a monthly “all-hands” internal meeting four months prior to the event and the way in which this meeting was structured enabled adequate staff preparation and addressed essential coordination needs which included sharing areas of responsibility, expertise, and preparation with city colleagues and coordinating overlapping arrangements between city departments.

- Recommendation: Retain a similar meeting format and schedule, documenting standard operating procedures (e.g. emergency planning, event oversight, Wi-Fi portals, etc.) to maximize staff efficiency and provide necessary clarity and direction to event producers.

Documentation of infrastructure and amenities in public venues is lacking. Events with high production standards such as the College Football Playoff utilize a substantial amount of production equipment (e.g. stages, sound equipment, trussing, etc.) requiring accurate and detailed information on the layout of the event. The College Football production team’s need for scaled diagrams identifying above and below ground infrastructure (utility connections, irrigation lines, fiber demarcation, trees, telephone poles, benches, weight capacities, etc.) at outdoor event venues was identified as one of the most impactful ways the City could improve its service delivery. Having detailed, computer-generated drawings will benefit both staff and event producers.

- Recommendation: Complete an infrastructure survey of Plaza de Cesar Chavez, Discovery Meadow, Arena Green and the Paseo de San Antonio, documenting information in a universally recognized electronic format such as AutoCAD, that can be provided to event producers requiring certain venue load capacities and infrastructure details.

A supplemental City marketing strategy could be beneficial to engage the public and inform event producers about amenities. If the City commits a substantial investment of staff time and financial resources to support events of the same magnitude as Championship Weekend, a funded turn-key marketing strategy should be established to inform residents about the various components of the event that might be of interest to them. Although the focal point of Championship Weekend was a football game, there were many ancillary events throughout the weekend that provided non-football-focused entertainment and activities. The City could better leverage national events to drive local attendance to cultural venues and increase local engagement. Additionally, there seems to be an opportunity to better educate event producers about local amenities that could enhance their event.

- Recommendation: Create a strategic, turn-key City marketing strategy and budget for events that allows paid advertising, video production, promoted posts and professional graphics and production to more broadly reach the public about the numerous ancillary activities that maybe of interest to them. Establish a marketing team with strategic partners including but not limited to the San Jose Sports Authority, Team San Jose, the San Jose Downtown Association, and the Silicon Valley Organization to create and implement a marketing and promotion plan for residents and visitors, with funding for ad buys and a consultant contract.

Ongoing infrastructure monitoring, maintenance and repair is vital. Preparation for Championship Weekend highlighted the need for on-going attention to infrastructure maintenance and repair in the Downtown core (e.g. removal of blighted newsracks, graffiti abatement, tree trimming, clean-up of illegal dumping, sidewalk /median cleanliness, etc.) and the Guadalupe River Trail. This is reminiscent of the sentiment expressed in response to staff's 2016 post-Super Bowl 50 summary report noting that to improve visitor experience and increase positive business impact the City should condition Super Bowl 50's city maintenance levels as an expected standard rather than an episodic occurrence. This type of effort has not been supported with the necessary staff or financial resources and so the clean-up effort undertaken around Championship Weekend was once again an episodic occurrence requiring City staff to leverage existing budgets, expedite one-time clean-up activities and acquire partnership support to put the City's best face forward.

- Recommendation: Establish a Downtown Walkabout Team comprised of representatives from pertinent City departments such as public works, transportation, parks, economic development, and police to walk Downtown on a monthly basis to inspect and identify key areas for improvement in existing infrastructure or with respect to quality of life issues. The formation of this team, supported with some financial resources, will allow San Jose to have its best face forward every day. Develop a plan for regular basic maintenance of the Guadalupe River Trail adjacent to the Downtown Core in collaboration with the Santa Clara Valley Water District, including sweeping, trimming, garbage clean-up, and graffiti removal.

The existing supergraphic sign process is cumbersome and cost-prohibitive for temporary events. Planning staff approved two supergraphic sign installations to enhance the festive atmosphere of Championship Campus. These graphics were located on the Marriott Hotel at the corner of Market and San Carlos Streets and on the Oracle building on the southeast corner of West San Carlos Street and Almaden Boulevard and created the campus environment and iconic television backdrop. The Bay Area Host Committee originally anticipated having up to five supergraphic signs installed during Championship Weekend but pulled back on the number of installations because of the difficulty of the process and the associated permit cost.

- Recommendation: Direct staff to review the current policy and create a more streamlined process to reduce cost for similar installations for nationally-televised events providing

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enhanced exposure to downtown San Jose. Policy considerations should include duration of the event, pre-approved materials and installation standards based on staff's prior analysis and an inventory of buildings where supergraphics have previously been installed.

EVALUATION AND FOLLOW-UP

Staff will further evaluate the recommendations for improved event production and promotion in this memorandum and determine the appropriate next steps around each recommendation, reporting back to the Community and Economic Development committee or City Council, as necessary, for additional resources or direction to implement these recommendations.

Staff will provide additional information that pertains to the economic impact of Championship Weekend as it becomes available from the Bay Area Host Committee.

PUBLIC OUTREACH

This memorandum will be posted on the City's website for the March 25, 2019 Community and Economic Development Committee meeting.

COORDINATION

This memorandum has been coordinated with Mineta San Jose International Airport, the Department of Planning, Building and Code Enforcement, the Department of Parks, Recreation and Neighborhood Services, the Police Department, the Fire Department, the Information Technology Department, the City Manager's Budget Office, the City Attorney's Office, the Bay Area Host Committee, the San Jose Sports Authority, and Team San Jose.

/s/

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