COUNCIL AGENDA: 11/19/2024

FILE: 24-2211 ITEM: 8.1



# Memorandum

**FROM:** Toni J. Taber, CMC

City Clerk

**TO:** HONORABLE MAYOR AND

CITY COUNCIL

SUBJECT: SEE BELOW DATE: November 19, 2024

**SUBJECT: 2026 Major Events Status Report** 

### **Recommendation**

As recommended by the Community and Economic Development Committee on October 28, 2024, accept the status report on planning to facilitate marketing, sponsorships, local special events, and other activities for the 2026 destination sports events.

CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (Planning, Building and Code Enforcement/Economic Development and Cultural Affairs)

[Community and Economic Development Committee referral 10/28/2024 - Item (d)2]

COMMITTEE AGENDA: 10/28/24 ITEM: (d)2



# Memorandum

TO: COMMUNITY AND

**ECONOMIC DEVELOPMENT** 

COMMITTEE

**SUBJECT: 2026 Destination Sports** 

**Events Update** 

FROM: Nanci Klein

**DATE:** October 18, 2024

Approved Date:

10/21/24

**COUNCIL DISTRICT: Citywide** 

## **RECOMMENDATION**

Accept the status report on planning to facilitate marketing, sponsorships, local special events, and other activities for the 2026 destination sports events and cross-reference the item for the City Council regular meeting on November 19, 2024.

# SUMMARY AND OUTCOME

This status report on the planning for 2026 destination sports events will inform the Community and Economic Development (CED) Committee and City Council of specific events, dates, hotels, venues, activations, and estimated economic impact. The status report will include the collaborating City departments and partners. The "Road to 2026" Strategic Initiatives Work Plan will be described, along with the status of ongoing work and key next steps.

# <u>BACKGROUND</u>

In 2026, three major destination sports events will be hosted at Levi's Stadium, the SAP Center, and PayPal Park, with sports teams practicing in local venues and staying in San José hotels. The purpose of this status report is to provide the CED Committee and full City Council information related to the City's activities regarding the planning and preparation for these 2026 destination sports events, which offer a significant opportunity for residents to celebrate community and culture and optimize San José as an inclusive, vibrant destination for visitors.

The 2026 destination sports events include:

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 National Football League (NFL) Super Bowl LX on February 8, 2026, at Levi's Stadium with an estimated economic impact to the County of Santa Clara of \$100 million to \$160 million<sup>1</sup>;

- 2. National Collegiate Athletic Association (NCAA) Men's Basketball West Regional Games to be held March 26 through 28, 2026, at the SAP Center with San José State University (SJSU) as a host with a conservative estimated impact of \$7.1 million based on a comparable 2019 event; and
- 3. Federation Internationale de Football Association (FIFA) World Cup 26 to be held from June 11 through July 19, 2026, with an estimated economic impact to the County of Santa Clara of \$270 million to \$360 million.

In addition to the events described above, there are additional events happening in 2025, such as the Gold Cup soccer event at Levi's Stadium and Pay Pal Park. The San José Sports Authority is leading the work to secure these events.

# **ANALYSIS**

# **Building Upon Proven Success**

The City will build upon past destination sports event success through a multi-faceted role in supporting these efforts as a funder, a legislative organization with influence, and a partner with essential assets. The City will contract with key partners/stakeholders, fiscal/human resources, event producers and facilitators, and through interagency coordination. The City will leverage the assets and the resources of its partners to play a role that "only the City can do" and invest resources in key strategic initiatives.

The strategic initiatives build upon the success and lessons learned from previous major sports events, including Super Bowl L, 2019 College Football Championships, and the 2024 World Cup. In summer 2025, the Concacaf Gold Cup will feature three soccer tournament matches at Levi's Stadium and PayPal Park on June 15<sup>th</sup>, June 20<sup>th</sup>, and June 24<sup>th</sup>. Each major sports event enables the City to further hone and optimize its success leading to 2026 and gain momentum in attracting major destination sports events well into the future. The City will bring forth the authentic art, music, food and spirit of San Jose's diverse community to celebrate the athletes and sports taking place in our community.

#### Collaborating Departments and Partners

The "Road to 2026" will require collaboration among City partners, stakeholders, and

<sup>&</sup>lt;sup>1</sup> The Superbowl and FIFA World Cup economic impact data is courtesy of the Bay Area Host Committee. To learn more, visit <a href="www.bayareahostcommittee.com">www.bayareahostcommittee.com</a>. The link to Super Bowl LX and FIFA World Cup estimated economic impact data can be found <a href="here">here</a>.

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departments. Critical to these efforts is the City's long-time partnership with the San José Sports Authority, the City of San José's official sports commission, with the mission of bringing world-class sporting events to Silicon Valley. Coordinating partners include: the San José Sports Authority (SJSA), San José Sharks, San José Earthquakes, Team San José, Bay Area Host Committee, SAP Center, San José State University (SJSU), San José Chamber of Commerce, and San José Downtown Association. **Figure 1** outlines the City staff team and key collaborating partners. As the planning process evolves, other partners may be identified.

A core partner, the Bay Area Host Committee has expressed three community benefit focus areas: 1) championing workforce equity and advancement, 2) amplifying sports for all and sports for change, 3) and cultivating green communities. Amongst its multiple partnerships, the Bay Area Host Committee has joined forces with Electronic Arts Sports for the 2025 National Basketball Association All-Star Game, Super Bowl LX, and the 2026 FIFA World Cup.

Figure 1: City Staff Team and Collaborating Partners

# **City Staff Team**

- Office of Economic Development & Cultural Affairs, lead
- Office of Emergency Management
- Police Department
- Fire Department
- Airport Department
- Planning, Building, and Code Enforcement
- Public Works
- Transportation
- City Attorney's Office

# **Collaborating Partners**

- San José Sports Authority
- San José Sharks\*
- San José Earthquakes\*
- Team San José
- Bay Area Host Committee
- SAP Center
- San José State University\*
- San José Chamber of Commerce
- San José Downtown Association
- \*Represented on the Bay Area Host Committee Board and Advisory Committee

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# 2026 Destination Sports Events and the Impact in San José

Each of the 2026 major sports events offers an opportunity for the City to partner with local sports, tourism, hospitality, and creative industries to drive economic and cultural impact. San José will be a destination market for visiting fans; each event will include group hotel nights for visiting teams and host organizations. Furthermore, San José's athletic venues will be utilized as practice sites or for tournaments. With each major event, there will be planned community activations and curated official and unofficial events for fans and visitors that will showcase San José's unique public life and culture.

### Super Bowl LX: February 8, 2026

The NFL Super Bowl is the 10<sup>th</sup> largest internationally viewed sporting event. Beginning with its opening Media Day, Superbowl LX starts on February 2, 2026, and culminates with the championship game at Levi's Stadium on February 8, 2026. Regarding the American Football Conference team and the National Football Conference team, one team will stay in Santa Clara and practice at Stanford University; the other team will stay at the downtown San José Marriott and practice at SJSU. NFL staff will stay at the Signia by Hilton and downtown Hilton Hotel. To date, participating San José hotels include the Signia by Hilton, San José Marriott, Hilton, Hotel De Anza<sup>2</sup>, and Residence Inn. To date, over 3,700 group room nights have been secured, with 400 tentative room nights.

The City and its partners will pursue related public activation opportunities like a potential team/fan arrival "welcome" and other events. The SAP Center is strongly pursuing with the Bay Area Host Committee to be the location for Media Day. If selected, the economic impact of hosting Media Day in San José is estimated at \$760,000 in additional spending and \$34,000 in incremental taxes. OEDCA is pursuing the activation of City-owned and other destination sites leading up to the Sunday game in partnership with site operators and art/cultural program producers. Potential sites include:

- Plaza de Cesar Chavez
- SAP Center
- Convention Center
- Civic Auditorium
- California Theatre
- Hammer Theatre
- Arena Green
- San Pedro Square

National Collegiate Athletic Association (NCAA) Men's Basketball West Regional Games: March 26 - 28, 2026

<sup>&</sup>lt;sup>2</sup> According to Team San José, the De Anza Hotel will reopen by the end of 2024.

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With SJSU as the local host, the NCAA Basketball West Regional Games will be held at the SAP Center from March 26<sup>th</sup> to March 28<sup>th</sup>, 2026. SAP Center will serve as the practice and tournament site. Group room blocks for the competing teams have been reserved at the following hotels: Signia by Hilton, Marriott, Hilton, Doubletree, Hyatt Place, AC Marriott, De Anza, and the Hayes Mansion. To date, 1,080 hotel group room nights have been booked, with 300 more tentative room nights.

Activations will be planned for San Pedro Square and another downtown site for a "Hoop It Up" participatory community engagement event.

### FIFA World Cup 26: June 11 – July 19, 2026

FIFA is the international self-regulatory governing body of association soccer (globally known as "football"). The FIFA World Cup is the most highly watched international sporting event. The 2026 FIFA World Cup will be the first to feature 48 teams competing in 104 games in three host countries: Canada, Mexico, and the United States. Sixteen cities will host matches, eleven of which are in the United States. Six games will be held at Levi's Stadium on June 13<sup>th</sup>, 16<sup>th</sup>, 19<sup>th</sup>, 22<sup>nd</sup>, 25<sup>th</sup>, and July 1<sup>st</sup>. PayPal Park and SJSU will be practice venues three days prior to each match. Teams competing in the matches at Levi's Stadium will be announced by December 2025.

In a major win for downtown San José, FIFA has requested group room blocks and short-term property lease opportunities. Signia by Hilton will serve as FIFA headquarters. Teams will stay in the downtown Marriott and Hilton hotels. Hotel Valencia will serve as the "VIP" hotel. To date, for all the events, there are 44,560 group nights booked for FIFA events, with 12,500 considered tentative. In addition to room blocks, FIFA is working with the City and key partners to identify a 10-month office space in the downtown beginning October 2025 through July 1, 2026. FIFA also seeks to open a downtown box office from April through July 2026.

A set of events and activations are in the preliminary stages of planning to promote San José's vibrant public life and unique culture. They include potential official and unofficial community watch parties in potential locations like San Pedro Square and interested restaurants and venues in Council districts citywide. Other envisioned events include CityDance, with genres curated according to the competing teams' cultures, a downtown concert series, culinary art, and public and visual art exhibitions. OEDCA will pursue opportunities to partner with cultural producers to coordinate and optimize opportunities for San José artists, art organizations, and creative entrepreneurs.

## Road to 2026 Strategic Initiatives Work Plan

City staff have developed a "Road to 2026" work plan that includes seven strategic initiatives. This work plan—a project management tool—is a dynamic document and will be updated throughout the planning process. The current seven strategic initiatives are detailed below:

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#### 1. Resources Needs

Consistent with City Council's direction, the Administration is undertaking a multi-departmental and multi-stakeholder effort to maximize the economic impact of the 2026 sports events. Given the limited timeline and broad potential scope of work—including City policy amendments, marketing and communications, fundraising and sponsorships, programming and event calendar development, and public space/infrastructure improvements—a short-term position will be required to drive these strategic initiatives. The Administration expects to onboard an experienced executive who can immediately engage across City departments and coordinate with external partners. As the Bay Area Host Committee is expected to be regionally focused, active City engagement will be critical to drive events and programming into San José. The Administration is committed to remaining nimble on this topic and will bring forward recommendations to shift strategies or recommend additional targeted funding allocations as necessary.

Additionally, staff will pursue funding for a variety of needs including public safety, marketing, programming, and public infrastructure. Staff will work with external partners for sponsorship opportunities.

### 2. Policy Work

Previous major sports events—Super Bowl L, 2019 College Football Championships, and 2024 World Cup games—taught staff that certain policy work, done in advance of the events, will support events with greater impact. There are new policies and proposed policy amendments to pursue that will set the stage for San José to be a hospitable, vibrant, and safe environment. Staff has considered which policy amendments can be consolidated to increase efficiencies when criteria are met.

The current policy work plan includes the following ordinances and policies, some of which may be subject to state guidelines and require further investigation:

- Amend Supergraphics (Sign) Ordinance PBCE lead, Q1 2025 completion.
  - Proposed amendments to Section 23.04.038 and Section 23.04.124 of Chapter 23.04 of Title 23 of the San José Municipal Code will change permit provisions for Supergraphic Signs to (a) eliminate existing sunset clause, (b) increase display duration, and (c) alter height allowances, and to make other technical, non-substantive, or formatting changes within those sections.
- Amend 2015 Special Event Zone Policy OEDCA lead, Q1 2025 completion.
  - The proposed amendment establishes a standing Special Event Zone policy within designated areas, allowing temporary ordinance modifications to meet the unique operational needs of qualifying destination events. City staff is developing the policy to address event elements, including but not limited to venue use, street closures,

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temporary structures, signage, peddling, the use of unmanned aircrafts (drones), and other logistical needs. This amendment would streamline the permitting process for event producers and support interdepartmental coordination while upholding public health and safety standards, fostering efficient coordination, and ensuring a well-managed, positive event experience.

- Amend Private Property Special Event Policy (Zoning Ordinance) OEDCA lead, Q1 2025 completion.
  - ➤ The proposed amendment will increase the number of times a private property, such as a parking lot, can be used for outdoor special events through an Office of Cultural Affairs' Temporary Special Event Permit without requiring a PBCE Special Use Permit. This will reduce the permit costs and time involved while facilitating increased vibrancy. OEDCA and PBCE are actively collaborating on the policy revision.
- Create City Entertainment Zone Policy (Alcohol-related) pursuant to recent State enactment of Senate Bill 969 OEDCA, Q2 2025 completion.
  - Under this new state legislation, local jurisdictions can create Entertainment Zones that allow for the sale of "to go" containers of alcohol that can be consumed outdoors within the geographic area through local management plans and operating requirements. The goal of the legislation is to help activate streets with entertainment and community-driven events to accelerate economic recovery. Staff is researching frameworks and obtaining advice from other cities as potential models.

# 3. Cultural Programming and Event Calendar

The 2026 major sports events offer an important opportunity to showcase San José and all that it has to offer to overnight and regional/local travelers and residents. There are a number of programming and subsequent marketing needs to capture and optimize the visitors' experiences. The following are the key next steps:

- Ensure compliance with National Football League, FIFA, and Bay Area Host Committee trademark requirements for events and make the distinction between "unofficial" local programming and events.
- Foster and promote Citywide programming content to market multicultural, intergenerational, family-friendly, and authentically San José programs related to food, music, dance, museums, public art, sports, and other popular attractions like Happy Hollow Park and Zoo.
- Curate content according to participating teams playing locally.
- Facilitate programming in City-owned facilities through operators and program presenters by holding conversations with art partners about opportunities and dates.
- Develop a model for a "Stay and Play in San José" event calendar or landing page in partnership with Visit San José, the Airport, and the San José Downtown Association, including offerings from participating Citywide public/private venues.

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#### 4. "Best Face Forward"

The City strives to ensure that its public realm is welcoming, engaging, clean and has a sense of wonder and inspiration. These 2026 destination events offer an opportunity for the City and its partners to build on its success and offer an aspirational civic commons, or public life, in the public realm. Specifically, this involves public infrastructure improvements and wayfinding. Building on the City's success with recent large events in San José, like the NVIDIA conference, public realm opportunities and wayfinding are ongoing needs that will seek to be addressed and maintained leading to 2026 and beyond.

## 5. Destination Marketing and Communications

Team San José, doing business as Visit San José, is leading San José's destination marketing efforts and a new multi-partner collaborative group to market San José to both destination and regional visitors. A sub-group of partners has been developed to specifically focus on marketing for the 2026 sports events. The following activities are underway:

- Visit San José will develop a "Stay and Play in San José" marketing and communications strategy (campaign) in coordination with the Airport's marketing strategy and other partners. The first phase of the campaign is growing the awareness of sporting event goers that San Jose/SJC is the fastest and most convenient location for sporting events in the South Bay.
- Visit San José will with coordinating partners, lead marketing events and programming to promote destination (overnight) and regional visitor markets. This will may include a virtual San José "landing page" or app.
- Commissioned through OEDCA, it is envisioned that a Citywide year-long street banner campaign, designed by a local artist(s), will promote the "landing page" or app.

### 6. Emergency Operations

As with all major public gatherings, emergency operations are central to event planning. The City's Emergency Operation Center (EOC) team and public safety departments are coordinating critical internal and interagency emergency operations coordination and staff training to ensure a safe experience in San José. EOC efforts include:

- Sports and Special Events Training Courses beginning September 2024 through August 2025, already underway;
- Interagency coordination, already underway;
- EOC Planning and Activation, already underway;
- Preparation with SJPD, already underway;
- Fiscal Year 2025-2026 budget proposal for enhanced public safety measures specifically related to 2026 destination sporting events; and the
- City, County of Santa Clara, and City of Santa Clara secured funding through the Bay Area Urban Areas Security Initiative to conduct training which is underway.

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## 7. Status Reports

Staff anticipates providing regular updates to the CED Committee, City Council, and the public throughout the "Road to 2026" planning process. Staff will provide status reports to the CED Committee in the spring and fall of 2025 and 2026. These status reports can be cross-referenced to the full City Council. Additionally, informational updates will be provided to the City Council as needed via informational memoranda and/or during the City Manager's Report at regular meetings of the City Council. Staff will work will the Mayor and Council offices to provide updates for their regular community newsletters.

#### **EVALUATION AND FOLLOW-UP**

The Administration will provide semi-annual updates to the CED Committee. As policy amendments and frameworks are developed, the Administration will bring recommended policy proposals to the City Council for consideration.

# **COORDINATION**

This item has been coordinated with the City Attorney's Office, the City Manager's Budget Office, the City Manager's Office of Administration, Policy, and Intergovernmental Relations, the City Manager's Office of Emergency Management, and the Department of Planning, Building, and Code Enforcement.

### **PUBLIC OUTREACH**

This memorandum will be posted on the City's website for the October 28, 2024, CED Committee meeting and the November 19, 2024, City Council meeting.

## **COMMISSION RECOMMENDATION AND INPUT**

No commission recommendation or input is associated with this action.

# **CEQA**

Not a Project; File No. PP17-009; Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of City action.

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/s/ Nanci Klein Director of Economic Development and Cultural Affairs

For questions, please contact Kerry Adams Hapner, Assistant Director, Office of Economic Development and Cultural Affairs, at <a href="mailto:kerry.adams-hapner@sanJoséca.gov">kerry.adams-hapner@sanJoséca.gov</a>.