

SDSU LEASE DETAILS

LoMedico, Stacey

From: McSweeney, Mike
Sent: Monday, December 22, 2014 4:59 PM
To: Thompson, Cybele; LoMedico, Stacey; Geitz, Kristin; Phillips, Patti
Cc: Villa, Ron
Subject: RE: SDSU Qualcomm lease

APPROX.
\$ 100,000
a year.

Sure,

The SDSU lease is a 100% Cost recovery lease. Because of the Aztecs inability to pay both rent and expenses to stay at Qualcomm, we negotiated this deal in 2008, when the program was at a low. Ticket sales were very low. Term is a 10 year lease agreement.

SDSU pays all expenses. The City receives a \$1 Facility Fee payment per ticket sold. A Facility Fee is a payment added to the face value of the ticket. This way, the City receives payment on all game expenses, but the Facility Fee is paid by the ticket buyer, not SDSU. The City receives the payment at the end of each season when the season is finally reconciled.

Rent/Facility Fee payments to the City have ranged from a low of \$65,951 in 2008 to a high of \$145,000 in 2011. It's all driven by how successful the team is each year in ticket sales. If SDSU prospers, then the City does too. It was designed to let SDSU "get healthy" as the Football program improved. The City can also re-open the deal if SDSU attendance were to significantly improve as well.

Hope this helps.

Mike

From: Thompson, Cybele
Sent: Monday, December 22, 2014 4:32 PM
To: LoMedico, Stacey; Geitz, Kristin; Phillips, Patti; McSweeney, Mike
Cc: Villa, Ron
Subject: RE: SDSU Qualcomm lease

Hi, Mike -

Can you please answer Stacey question below?

Thanks!

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----- Original message -----

From: "LoMedico, Stacey" <SLomedico@sandiego.gov>