



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Ed Shikada

SUBJECT: HP Pavilion at San Jose
Advertising Plan

DATE: May 7, 2010

Approved

Date

5/12/10

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Approve the biennial advertising plan for HP Pavilion at San Jose as submitted by HP Pavilion Management and reviewed by the San Jose Arena Authority.

OUTCOME

The outcome of City Council approval of this biennial advertising plan will support the City's obligation to review and approve HP Pavilion Management's advertising plan as required in the Amended and Restated San Jose Arena Management Agreement.

BACKGROUND

Per the terms of the Arena Management Agreement, HP Pavilion Management is obligated to submit an advertising plan to the City for approval at least every two years. *Attachment 8 Arena Advertising* of the Arena Management Agreement specifies the areas and types of advertising allowed in and around the Pavilion.

For exterior advertising, there are provisions for the naming of the Pavilion. For interior advertising, there are specific conditions for the Pavilion concourse area and selected areas in the Pavilion seating and hockey playing areas including the scoreboard, hockey dasher boards, balcony fascia and penalty box. For the Pavilion public concourse, advertising is permitted from 32 suspended pendant signs, concession stand fascias and back walls, frames around television monitors, signs on portable stands and proprietary signs used to identify the owner or operator of devices such as automated teller machines and telephones.

Using the advertising framework established in *Attachment 8 Arena Advertising*, HP Pavilion Management has formally submitted an advertising plan for the display of advertising signs at HP Pavilion at San Jose consistent with the provisions of the management agreement. Additionally, the advertising plan presented by HP Pavilion Management is comparable to the last advertising plan submitted to and approved by the City approximately two years ago.

The advertising plan submitted by HP Pavilion Management continues to support the City and HP Pavilion Management's strong public interest in the visual appearance and design aesthetics of the Pavilion. As such, the advertising plan is consistent with the "Applicable Standard" used for the Pavilion. The "Applicable Standard" is defined as "a standard of performance, operation and maintenance equal to or exceeding those generally applicable to contemporary major arenas in the United States at which NBA or NHL games are played".

ANALYSIS

On February 10, 2010 Mr. Rich Sotelo, HP Pavilion Management's Vice President of Building Operations, presented components to the proposed advertising plan to the Arena Authority. During his presentation, Mr. Sotelo indicated that there were no substantive changes to the Pavilion advertising plan as submitted and that the plan was similar to the plan approved by the City two years ago.

On February 24, 2010 the chair of the Arena Authority Facilities Committee made a recommendation to the Arena Authority Board of Directors to approve the advertising plan as submitted by HP Pavilion Management (Attachment A). Please note that the Arena Authority Board of Directors unanimously approved the plan and advised Authority staff to forward the recommendation to the City Manager's Office for review and consideration.

EVALUATION AND FOLLOW-UP

Per the terms of the Arena Management Agreement, HP Pavilion Management is required to provide details of an advertising plan every two years to the City for consideration. As previously referenced, HP Pavilion Management is obligated to follow advertising guidelines as specified in *Attachment 8 Arena Advertising* of the San Jose Arena Management Agreement. Every two years, the Arena Authority's Facilities Committee, and subsequently the Arena Authority Board of Directors, reviews components to the advertising plan as well as any potential modifications submitted for consideration by HP Pavilion Management.

PUBLIC OUTREACH/INTEREST

No public outreach was required in the submittal of this biennial advertising plan.

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater.
(Required: Website Posting)

- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

COORDINATION

At the February 24th Arena Authority Board of Directors meeting, the Board reviewed and approved the advertising plan as submitted by HP Pavilion Management. The Authority Board advised staff to submit the plan to the City Manager's Office for consideration and subsequently forward the recommendation to the Mayor and City Council for legislative approval.

COST SUMMARY/IMPLICATIONS

There are no costs to the City of San Jose associated with the submittal of the Pavilion advertising plan.

CEQA

This is not a project.



Ed Shikada
Chief Deputy City Manager

For questions please contact Chris Morrisey, Executive Director of the San Jose Arena Authority, at 977-4783 or at morrisey@sjaa.com.

Advertising, Trade Marks and Trade Names

Paid Advertising

Concourse Level

- 16 –two sided back list pendant mounted ad signs in the concourse –each panel 4’X12’
- 8 single faced exterior illuminated ad panels above exits –each panel 16’X16’
- 8 single faced exterior illuminated ad panels above concessions stands – each panel approximately 16’X16’
- 32 back lit signs, each measuring 4’X8’ affixed to gray brick areas adjacent to food and beverage service carts per November 26, 2003 Arena Authority memo. (Future)

Seating Area

- Four sided center hung large screen video scoreboard
 - Video screen 212.16” X 287.04”
 - Upper ring 6’ X 145’
 - Middle ring 4’ X 134’
 - Lower ring 3’ X 82’
 - HP Signs 53.4” X 290.54”
- Hockey dashers –36 ad panels 2’ 6”X12’ each
- Balcony fascia Fascia 3’ X 928’
- Scorers table and penalty box
- Team benches
- Ice resurfacing machines
- Ads in the ice according to NHL rules
- 1 lit ad panel 2’X5’ above Sharks vomitory Sharks Locker Room 56” X 33”
- 1 rotating ad panel 2½’X12’ above Zamboni vomitory
- 4 back lit ad panels 2’X4’6” above arena level vomitories
- VOM 103 48” X 28”

Attachment A

Advertising, Trade Marks and Trade Names

Trade Marks and Trade Names

City approval is sought only for the locations (and not the design or graphics) of the following trade marks and trade names.

Arena Level

- Sharks logo at Sharks dressing room entrance in the arena level corridor and vomitory
- SVSE and related trademarks behind the reception desk in the administrative office

Club Level

- Store front at Sharks Store inside southeast entry
- Club entrances at southeast and northwest entries
- Above Club bars and Club vomitories in Club

Concourse Level

- One (1) automated teller machine inside each entrance
- One (1) automated teller machine outside next to Tickets South
- Merchandise associated with events at the Arena
 - Four (4) permanent merchandise locations –concourse level
 - Four (4) semi-permanent merchandise locations –concourse level
 - Two (2) auxiliary merchandise locations –(penthouse level)
 - Portable auxiliary merchandise locations –(concerts and some other events)
- Brand name/trade name above concession locations per Agreement to Enter and including concession area enhancements as outlined in November 26, 2003 Arena Authority memo.

Exterior

- Restaurant entry at Santa Clara St.
- Store front at Sharks Store on Santa Clara St.
- LED marquee – 18' X 19'

Penthouse Level

- Suite holder identification per November 26, 2003 Arena Authority memo.

Advertising, Trade Marks and Trade Names

Seating Area

- Championship banners
- Retired uniform numbers of players
- Broadcast company/station identification
- Event related banners
 - -Banners
 - -Banners suspended from structure
 - -Other locations

Various Areas

- “ARA Serves You Right” at all alcoholic beverage points of sales (all levels)
- Product identification on beverage dispensers, menu boards, warming cabinets, glasses, etc.
- Sharks logo banner at entrance
- Advertising on admission and parking tickets/passes
- Handout items i.e., pocket schedules, posters, etc.
- Manufacturer identification on food service equipment, restroom dispensers, etc.

Advertising, Trade Marks and Trade Names

City/Arena Name Locations:

- Prominently displayed under the ice per Agreement to Enter requirements.
- Prominently displayed on the basketball floor per agreement to Enter requirements.
- Prominently displayed on the scoreboard per Agreement to Enter requirements.
- Southeast entrance facing Santa Clara.
- Northwest entrance facing Julian.
- Roof