

1 [Amending the Administrative Code to add a new section regarding determination of fees at
2 Harding Park and Fleming Golf Courses.]

3
4 **Ordinance amending Article XII of the San Francisco Park Code by adding Section**
5 **12.12 thereto setting forth a fee structure for Harding Park and Fleming Golf Courses.**

6 Note: This section is entirely new.

7 Be it ordained by the People of the City and County of San Francisco:

8 Section 1: Findings. The Board of Supervisors of the City and County of San
9 Francisco (the "Board") hereby finds and declares as follows:

10 A. The City owns the Lake Merced Tract, which property is under the jurisdiction of
11 City's Public Utilities Commission ("PUC") and a portion of which contains Harding Park and
12 Fleming Golf Courses (together, the "Golf Courses"). In PUC Resolution No. 10435, dated
13 January 30, 1950, the PUC conferred upon the Recreation and Park Commission (the
14 "Commission") the right to occupy, use and improve the Lake Merced Tract for park and
15 recreational purposes and the right to grant concessions and leases for the use and
16 patronage of the public; and,

17 B. In July 1999, the Commission and the Recreation and Park Department (the
18 "Department") began exploring methods to renovate the Golf Courses (the "Project"), which
19 consists of upgrading the greens and fairways and improving and constructing new facilities
20 related to the use and enjoyment by the public of the Golf Courses; and

21 C. After extensive public comment and numerous public hearings, the Department
22 determined that the Project is best implemented as a City project and publicly financed; and

23 D. Accordingly, the Department determined that it could use grant funds available
24 from the State of California to carry out the Project, with a portion of revenues generated from
25 the renovated Golf Courses and other golf courses under the Department's jurisdiction used,

1 through the Park, Recreation and Open Space Fund, City Charter Section 16.107, to fund
2 future park projects for which the grant funds would otherwise have been available to fund;
3 and

4 E. Once the Project is completed and the Golf Courses reopen, greens fees and
5 other rates will need to be in place to support the economic model on which the Project is
6 based. That rate structure shall preserve affordable access to golf for residents at historic
7 levels of resident play as set forth more particularly below; and

8 F. The Commission requested in its Resolution No. _____ that the Board
9 authorize the Commission to set the rate structure as set forth herein upon conclusion of the
10 Project and reopening of the Golf Courses.

11 Section 2. The San Francisco Park Code is hereby amended by adding Section 12.12,
12 to read as follows:

13 SEC. 12.12. FEES AT HARDING PARK AND FLEMING GOLF COURSES.

14 (a) Greens Fees. The Recreation and Park Commission (the "Commission") is
15 hereby authorized to charge greens fees at Harding Park and Fleming Golf Courses
16 (collectively, the "Golf Courses") in the manner and in conformance with the standards set
17 forth herein.

18 1. Target Revenues. Greens fees shall be set at such levels to cumulatively
19 generate an average minimum of \$4,278,000.00 annual revenues in 2002 dollars ("Target
20 Revenues") at the Golf Courses in the first five fiscal years of operation following
21 reopening of the Golf Courses after renovation ("Years 1-5"), which amount shall be
22 prorated if the Golf Courses reopen with less than a full fiscal year remaining in Year 1. In
23 setting greens fees to achieve the Target Revenues, it shall be assumed that legal
24 residents of the City and County of San Francisco who hold current and valid cards issued
25 for a fee by the Recreation and Park Department (the "Department") identifying them as

1 residents of the City ("Residents") shall play 65% of rounds at Harding Park Golf Course,
2 which represents historic levels of Resident play, and that an average of 76,560 rounds
3 shall be played each full year at Harding Park Golf Course during Years 1-5 and an
4 average of 64,600 rounds each full year at Fleming Golf Course during Years 1-5.

5 2. Optional Discounts. Greens fees at Harding Park Golf Course may be
6 discounted for weekday rounds played by either Residents or non-residents, for weekday
7 or weekend rounds played by Resident junior or senior golfers, and for twilight rounds
8 played by either Residents or non-residents. The Commission also may establish
9 discounted greens fees for playing only the back nine holes at Harding Park Golf Course
10 on Saturdays, Sundays and Tuesdays. Greens fees may be discounted for certain non-
11 residents who live within close geographic proximity to the Golf Courses or who play with
12 Residents ("Bay Area Residents"). If the Commission approves a discounted rate for Bay
13 Area Residents, the Commission shall set standards defining who shall qualify for such
14 discounted rate and shall limit the number of rounds at that discounted rate for Bay Area
15 Residents to no more than 5,000 annually.

16 3. Optional Premium Rates. In exchange for advance reserved tee times, non-
17 residents may be charged premium rates at Harding Park Golf Course.

18 4. Caps. Regardless of any discounts for certain subcategories of play, the
19 average cost per round of Resident greens fees at Harding Park Golf Course across any
20 and all subcategories of Resident play (weekday, weekend, senior and junior) fees shall
21 not exceed \$28 in Year 1. The average cost per round of non-resident greens fees at
22 Harding Park Golf Course across any and all subcategories of non-resident play
23 (weekday, weekend, preferred and Bay Area Resident) shall not exceed \$88 in Year 1.
24 The average cost per round of Resident greens fees at Fleming Golf Course across any
25 and all subcategories of Resident play (weekday, weekend, senior and junior) shall not

1 exceed \$13 in Year 1. The average cost per round of non-resident greens fees at Fleming
2 Golf Course across any and all subcategories of non-resident play (weekday and
3 weekend) shall not exceed \$20 in Year 1.

4 5. Miscellaneous. Applicable weekend greens fee rates shall be charged on
5 Fridays, Saturdays and Sundays and legal holidays. Applicable weekday rates apply on
6 all other days. Greens fees per tournament player for playing in tournaments, which are
7 defined as a block of tee time(s) set aside for any group of 16 or more golfers, shall
8 exceed the highest greens fee that would be charged to Residents playing on the same
9 day of any tournament and may be set as high as the greens fees charged to
10 non-residents with advance reservations, if such a rate is set. Discount Resident greens
11 fees shall not apply to tournament play by Residents. Weekend tournament greens fees
12 shall be greater than greens fees charged for weekday tournaments.

13 (b) Commission to Select Final Rate Structure; Citizens Advisory Committee. The
14 Commission shall select a final greens fees structure which meets the parameters set forth in
15 this Section. The Commission shall appoint a citizens advisory committee consisting of five
16 (5) members to recommend to the Commission a greens fees structure for the Golf Courses
17 chosen from one of the models described below or that otherwise meets the criteria set forth
18 herein. The Commission shall take the committee's recommendation into consideration in
19 reaching a final decision regarding a fee structure for the Golf Courses.

20 (c) Model Greens Fees Structures. The following greens fees structures are
21 examples of fee structures that meet the parameters set forth above.

22 Harding Park -- Alternative 1

	Weekday	Weekend/Holiday
23 Resident	\$25	\$35

1	Resident Senior/Junior	\$15	\$20
2			
3	Bay Area Resident	\$45	\$65
4			
5	Bay Area Resident Senior/Junior	\$35	\$55
6			
7	Non-resident	\$80	\$100
8	Advance Reservation Non-resident	\$100	\$125

Harding Park -- Alternative 2

11		Weekday	Weekend/Holiday
12	Resident	\$20	\$25
13			
14	Resident Senior/Junior	\$14	\$20
15			
16	Bay Area Resident	\$45	\$100
17			
18	Bay Area Resident Senior/Junior	\$35	\$100
19			
20	Non-resident	\$80	\$100
21	Advance Reservation Non-resident	\$125	\$130

Harding Park -- Alternative 3

24		Weekday	Weekend/Holiday
25			

1	Resident	\$25	\$40
2			
3	Resident Senior/Junior	\$15	\$40
4			
5	Bay Area Resident	\$45	\$65
6			
7	Bay Area Resident Senior/Junior	\$35	\$65
8			
9	Non-resident	\$65	\$95
10	Advance Reservation Non-resident	\$90	\$115

11

12

Harding Park -- Alternative 4

13		Weekday	Weekend/Holiday
14	Resident	\$25	\$40
15			
16	Resident Senior/Junior	\$15	\$40
17			
18	Bay Area Resident	\$45	\$65
19			
20	Bay Area Resident Senior/Junior	\$35	\$65
21	Non-resident	\$80	\$100
22	Advance Reservation Non-resident	\$100	\$125

23

24

Harding Park -- Alternative 5

25

1		Weekday	Weekend/Holiday
2	Resident	\$25	\$35
3			
4	Resident Senior/Junior	\$15	\$20
5			
6	Bay Area Resident	--	--
7			
8	Bay Area Resident Senior/Junior	--	--
9			
10	Non-resident	\$75	\$100
11	Advance Reservation Non-resident	--	--

12

13

Fleming -- Alternative 1

14		Weekday	Weekend/Holiday
15	Resident	\$16	\$18
16			
17	Resident Senior/Junior	\$8	\$12
18			
19	Non-resident	\$18	\$22
20			

21 (d) Other Fees and Charges. The Commission shall set all other fees charged at
 22 the Golf Courses, including, but not limited to, fees for motorized and pull cart usage,
 23 tournament fees, food and beverage charges, charges for driving range usage, reservation
 24

25

1 fees and cancellation fees, at levels comparable to those charged at golf courses of similar
2 quality in the greater San Francisco Bay Area.

3 (e) Annual Increases. Upon the first day following the end of Year 1, regardless of
4 whether Year 1 consisted of a full fiscal year or only a part thereof, and upon the first day of
5 each fiscal year thereafter, greens fees for Residents at the Golf Courses may, with the
6 approval of the Commission, be adjusted in the following manner: Each fee shall be
7 multiplied by a fraction, the numerator of which is the Consumer Price Index for All Urban
8 Consumers (base years 1982-1984 = 100) for the San Francisco-Oakland-San Jose area,
9 published monthly by the United States Department of Labor, Bureau of Labor Statistics (the
10 "Index"), for the June immediately preceding the start of the fiscal year during which the
11 increase will be effective (the "Adjustment Index) minus the Index for the June immediately
12 preceding the start of Year 1 (the "Base Index") and the denominator of which is the Base
13 Index. The product of this calculation shall be added to the current fee to obtain the increased
14 fee which shall thereafter be payable, except that in no instance shall the fee be less than that
15 in effect immediately prior to this calculation. The following illustrates the aforementioned
16 calculation:

$$17 \quad \text{New Resident Weekday Greens Fee} = \text{Current Resident Weekday Greens Fee} +$$
$$18 \quad \left(\frac{\text{Current Resident Weekday Greens Fee} \times \text{Adjustment Index} - \text{Base Index}}{\text{Base Index}} \right)$$

19

20 All fees and other charges at the Golf Courses may, but are not required to, be increased
21 upon approval by the Commission at the same time and in the same manner as greens fees
22 increases, except that greens fees for non-residents may be increased by up to two times the
23 fraction produced in the above illustrated calculation (i.e., up to twice the increase in the
24 applicable Consumer Price Index). All fee increases shall be rounded up or down to the
25 nearest dollar.

1 APPROVED AS TO FORM:
2 DENNIS J. HERRERA, City Attorney

3
4 By: _____
5 AMY L. BROWN
6 Deputy City Attorney

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25