

1 [Lease - Golden Gate Park Golf Foundation - \$225,000 Annual Base Rent]

2

3 **Resolution authorizing the General Manager of the Recreation and Park Department to**
4 **execute a five-year lease, with one two-year option to extend, with the Golden Gate**
5 **Park Golf Foundation for the management and operation of the clubhouse and golfing**
6 **operations at Golden Gate Park Golf Course with annual base rent of \$225,000.**

7

8 WHEREAS, The Golden Gate Park Golf Course is a nine-hole golf course, with a pro-
9 shop, driving range, and food service facilities, under the jurisdiction of the Recreation and
10 Park Department; and

11 WHEREAS, The clubhouse and golfing operations at Golden Gate Park Golf Course
12 have historically been administered under a lease; and

13 WHEREAS, On December 15, 2011, the Recreation and Park Commission by
14 Resolution No. 1112-004 approved the issuance of a Request for Proposals (“RFP”) for a new
15 concessionaire for the management and operation of the Golden Gate Park Golf Course; and

16 WHEREAS, On February 16, 2012, the Recreation and Park Commission, by
17 Resolution No. 1202-018, unanimously adopted the RFP Selection Committee’s
18 recommendation that the lease be awarded to The First Tee of San Francisco as the highest
19 scoring respondent to the RFP, and authorized Recreation and Park Department staff to
20 commence lease negotiations with The First Tee; and

21 WHEREAS, The First Tee of San Francisco established a new 501 (c)(3) non-profit
22 organization called the Golden Gate Park Golf Foundation, to serve as the official leaseholder
23 and operator for the Golden Gate Park Golf Course; and

24

25

1 WHEREAS, The Recreation and Park Department has negotiated a lease with the
2 Golden Gate Park Golf Foundation (“Lessee”), a copy of which is on file with the Clerk of the
3 Board of Supervisors under File No. 130776 (the “Lease”); and

4 WHEREAS, The Lease includes the following key terms and conditions:

- 5 (a) Term. The initial term will run five years from November 1, 2013 through October
6 31, 2018.
- 7 (b) Option Term. Lessee shall have the option to extend the term for an additional two
8 (2) years, provided that Lessee completes \$150,000 in capital improvements to the
9 golf course or its improvements.
- 10 (c) Rent. Lessee shall pay the Recreation and Park Department \$225,000 per year as
11 a base rent. Lessee shall also pay the Department 100% of any annual greens
12 fees collected from the golf course above \$350,000 to \$500,000, and 50% of any
13 such fees collected above \$500,000 in a lease year. Rates for green fees are set
14 by the Board of Supervisors.
- 15 (d) Use and Operations. Lessee shall operate the golf course as a fee-based public
16 nine-hole golf course and practice facility together with a related learning center,
17 golf pro-shop and food and beverage operation.
- 18 (e) Capital Improvements or Upgrades. Lessee shall perform at least \$150,000 of
19 capital improvements or capital upgrades to the golf course or its improvements or
20 facilities, which shall benefit the golf course and its facilities, not merely Lessee or
21 Lessee's programs, from a list to be developed by Lessee and the Department's
22 General Manager. If Lessee and the General Manager have not identified
23 appropriate improvements or upgrades within one year after the Lease
24 commencement date, the General Manager may establish the list of improvements.

1 (f) Instruction and Portable Classroom Trailer. Lessee has the sole right and authority
2 to provide golf instruction at the golf course and must offer programs and instruction
3 to the general public at reasonable rates and use efforts to include economically
4 disadvantaged youth in all junior golf programs and camps, either through reduced
5 rates or scholarship programs. Lessee shall offer classroom instruction in a mobile
6 classroom trailer unit described in the Lease that will be placed at the northernmost
7 end of the parking lot, which will not be affixed to the premises by any means
8 whatsoever and which will be removed at the end of the Lease term.

9 (g) Golf Course Maintenance. Golf course maintenance will continue to be performed
10 by City personnel and other routine maintenance will be performed by Lessee.

11 WHEREAS, On April 23, 2013, the Planning Department determined that the actions
12 contemplated in this resolution are consistent, on balance, with the City's General Plan and
13 eight priority policies of Planning Code Section 101.1. The Board adopts this determination
14 as its own. A copy of said determination, General Plan Referral, Case No. 2013.0139, is on
15 file with the Clerk of the Board of Supervisors in File No. _____, and is incorporated herein
16 by reference; and

17 WHEREAS, The Planning Department has determined that the actions contemplated in
18 this resolution comply with the California Environmental Quality Act (California Public
19 Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the
20 Board of Supervisors in File No. _____ and is incorporated herein by reference; and

21 WHEREAS, On July 18, 2013, the Recreation and Park Commission voted
22 unanimously by Resolution No. 1307-007 to recommend that the Board of Supervisors
23 approve the Lease; now, therefore, be it

24 RESOLVED, That the Board hereby approves the Lease and authorizes
25

1 the Recreation and Park Department General Manager to execute and deliver the Lease to
2 Lessee, and to perform all acts required of the City thereunder; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors authorizes the Recreation and
4 Park Department General Manager to enter into additions, amendments, or other
5 modifications to the Lease (including, without limitation, preparation and attachment of, or
6 charges to, any or all of the exhibits) that the General Manager, in consultation with the City
7 Attorney, determines are in the best interest of the City, do not materially decrease the
8 benefits of the Lease to the City, do not materially increase the obligations or liabilities of the
9 City, do not authorize the performance of any activities without pursuing all required regulatory
10 and environmental review and approvals, and are necessary or advisable to complete the
11 transactions which the Lease contemplates and effectuate the purpose and interest of this
12 resolution, such determination to be conclusively evidenced by the executions and delivery by
13 the General Manager of the Lease and any such additions, amendments, or other
14 modifications that that document; and, be it

15 FURTHER RESOLVED, That the Board of Supervisors approves, confirms, and ratifies
16 all prior actions taken by the officials, employees, and agents of the City with respect to the
17 Lease; and, be it

18 FURTHER RESOLVED, That within thirty (30) days of the lease being fully executed
19 by all parties, the Recreation and Park Department General Manager shall provide the final
20 lease to the Clerk of the Board for inclusion into the official file.

21
22
23
24
25