

1 [Agreement for PGA Tour Championship Tournament to be held at Harding Park Golf
2 Course.]

3 **Resolution Approving and Authorizing a Master Tournament Agreement with PGA**
4 **Tour, Inc., for the Use of Harding Park Golf Course for the PGA Tour Championship**
5 **Tournament; adopting findings pursuant to the California Environmental Quality Act;**
6 **and adopting findings that such action is consistent with the City's General Plan and**
7 **Eight Priority Policies of City Planning Code Section 101.1.**
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10 WHEREAS, The City and County of San Francisco (the "City") owns the Lake Merced
11 Tract, which property is under the jurisdiction of City's Public Utilities Commission ("PUC") and
12 a portion of which contains Harding Park and Fleming Golf Courses (together, the "Golf
13 Courses"). In PUC Resolution No. 10435, dated January 30, 1950, the PUC conferred upon
14 the Recreation and Park Commission (the "Commission") the right to occupy, use and
15 improve the Lake Merced Tract for park and recreational purposes and the right to grant
16 concessions and leases for the use and patronage of the public; and,

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

21 WHEREAS, The Commission and Department have determined after extensive public
22 comment and numerous public hearings that the Project is best financed by using public
23 financing available to the City; and,

24 WHEREAS, PGA Tour, Inc., (the "PGA Tour") has indicated that after the Project is
25 completed, the PGA Tour is willing to make Harding Park Golf Course the West Coast home

1 of the PGA Tour Championship (the "Championship"), which will result in payment of a facility
2 fee by the PGA Tour, in an infusion of revenues to the City generally from expenditures by
3 Championship attendees, and in the City's ability to charge a limited number of non-residents
4 premium rates, thereby subsidizing and lowering resident greens fees from what would
5 otherwise be required; and,

6 WHEREAS, A copy of the proposed Master Tournament Agreement (the "Agreement")
7 between the City and the PGA Tour regarding holding the Championship at Harding Park is
8 on file with the Clerk of the Board of Supervisors in File No. _____, which is hereby
9 declared to be a part of this resolution as if set forth fully herein; and,

10 WHEREAS, the Agreement provides that upon completion of the Project by the City,
11 the PGA Tour will hold the Championship at Harding Park three (3) times over the nine (9)
12 year period beginning January 1, 2006, unless the PGA Tour permanently cancels the
13 Championship, and provides for course closure for a short period of time before and during
14 each Championship held at Harding Park; and,

15 WHEREAS, the initial term of the Agreement is from January 1, 2006, through
16 January 1, 2015, with options to renew for three (3) additional nine (9) year terms, which the
17 parties may exercise by mutual written agreement; and,

18 WHEREAS, the Agreement provides that the City and PGA Tour will enter into a
19 mutually agreeable Tournament Facilities Agreement setting forth specific terms and
20 conditions of the PGA Tour's use of Harding Park for each Championship during the initial
21 term of the Agreement; and,

22 WHEREAS, the Agreement requires payment of fees to the City estimated to exceed
23 \$1 Million for each Championship at Harding Park, including fifty percent (50%) of all net
24 revenues from each Championship; and,

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1 WHEREAS, The Planning Commission issued a final Negative Declaration for the
2 Harding Park Golf Course Renovation Project (“Project”) on October 12, 2000, by Planning
3 Commission Motion No.16005 (“Negative Declaration”), a copy of which is on file with the
4 Clerk of the Board of Supervisors in File No. _____, which is hereby declared to be a part
5 of this resolution as if set forth fully herein; and,

6 WHEREAS, The Planning Department issued an addendum (“Addendum #1”) to the
7 final Negative Declaration for the Project on January 30, 2002, and issued another addendum
8 (“Addendum #2) to the final Negative Declaration for the Project on March 15, 2002, copies of
9 which are on file with the Clerk of the Board of Supervisors in File No. _____, which is
10 hereby declared to be a part of this resolution as if set forth fully herein; and,

11 WHEREAS, The Board has reviewed the Negative Declaration, Addenda and
12 associated attachments, records, public comments and references as the environmental
13 review documents for the Project; and,

14 WHEREAS, for purposes of compliance with CEQA, the PGA Tour Agreement is part
15 of the implementation of the Project examined in the Negative Declaration and Addenda for
16 which the Board of Supervisors by Resolution No. _____ has adopted CEQA
17 findings, which findings are on file with the Clerk of the Board in File No. _____;
18 and

19 WHEREAS, The Commission in its Resolution No. _____ approved the
20 Agreement; now, therefore, be it

21 RESOLVED, that the Board of Supervisors hereby adopts and incorporates the
22 findings under CEQA contained in Resolution No. _____ by reference as though
23 such findings were fully set forth in this Resolution; and, be it

24 FURTHER RESOLVED, That the Board of Supervisors hereby approves the
25 Agreement and the transactions contemplated thereby and authorizes the Commission,

1 through the General Manager, to execute the Agreement on behalf of the City, in substantially
2 the form presented to this Board; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors authorizes the General
4 Manager to enter into any additions, amendments or other modifications to the Agreement
5 (including, without limitation, the attached exhibits) that the General Manager determines are
6 in the best interests of the City, do not materially decrease the revenue to the City
7 contemplated in the Agreement or otherwise materially increase the obligations or liabilities of
8 the City, and are necessary or advisable to complete the transactions contemplated in the
9 Agreement and to effectuate the purpose and intent of this resolution; and, be it

10 FURTHER RESOLVED, That any prior actions taken by City employees or officials
11 with respect to the Agreement are hereby ratified and affirmed.

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