

File No. 100360

Committee Item No. 3

Board Item No. 25

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Sub - Committee: Budget and Finance

Date: June 9, 2010

Board of Supervisors Meeting

Date: 6/15/10

#### Cmte Board

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Legislative Digest                           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget Analyst Report                        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Analyst Report                   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form (for hearings)             |
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| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Budget                                 |
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#### OTHER

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Completed by: Andrea S. Ausberry

Date Friday, June 4, 2010

Completed by: AA

Date 6/10/10

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.



[Recreation and Park Department—Harding Park Fees.]

1  
2 **Ordinance amending the San Francisco Park Code, Article 12, by amending**  
3 **Section 12.12, to increase greens fees at Harding Park and Fleming Golf Courses, and**  
4 **making environmental findings.**

5  
6 NOTE: Additions are single-underline italics Times New Roman;  
7 deletions are ~~strike through italics Times New Roman~~.  
8 Board amendment additions are double-underlined;  
9 Board amendment deletions are ~~strikethrough-normal~~.

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

9 Section 1. Findings.

10 The Planning Department has determined that the actions contemplated in this  
11 Ordinance are in compliance with the California Environmental Quality Act (California Public  
12 Resources Code section 21000 et seq.). Said determination is on file with the Clerk of the  
13 Board of Supervisors in File No. 100360 and is incorporated herein by reference.

14  
15 Section 2. The San Francisco Park Code is hereby amended by amending Section  
16 12.12, to read as follows:

17 **SEC. 12.12. FEES AT HARDING PARK AND FLEMING GOLF COURSES.**

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

21 1. **Target Revenues.** Greens fees shall be set at such levels to cumulatively  
22 generate an average minimum of \$4,278,000.00 annual revenues in 2002 dollars ("Target  
23 Revenues") at the Golf Courses in the first five fiscal years of operation following reopening of  
24 the Golf Courses after renovation ("Years 1—5") (and subject thereafter to annual increases in  
25

1 the amount of increases in the applicable Consumer Price Index as described in Section  
2 12.12(e) below), which amount shall be prorated if the Golf Courses reopen with less than a  
3 full fiscal year remaining in Year 1. In setting greens fees to achieve the Target Revenues, it  
4 shall be assumed that legal residents of the City and County of San Francisco who hold  
5 current and valid cards issued for a fee by the Recreation and Park Department (the  
6 "Department") identifying them as residents of the City ("Residents") shall play at least 50% of  
7 funds at Harding Park Golf Course, and no more than an average of 76,560 rounds shall be  
8 played each full year at Harding Park Golf Course during Years 1—5 and no more than  
9 64,600 rounds each full year at Fleming Golf Course during Years 1—5.

10           **2. Optional Discounts.** Greens fees at Harding Park Golf Course may be  
11 discounted for weekday rounds played by either Residents or non-residents, for weekday or  
12 weekend rounds played by Resident junior or senior golfers, and for twilight rounds played by  
13 either Residents or non-residents. The Commission also may establish discounted greens  
14 fees for playing only the back nine holes at Harding Park Golf Course. Greens fees may be  
15 discounted for certain non-residents who live within close geographic proximity to the Golf  
16 Courses or who play with Residents ("Northern California Residents"). If the Commission  
17 approves a discounted rate for Northern California Residents, the Commission shall set  
18 standards defining who shall qualify for such discounted rate and shall limit the number of  
19 rounds at that discounted rate.

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

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

1 Park Golf Course across any and all subcategories of non-resident play (weekday, weekend,  
2 preferred and Bay Area Resident) shall not exceed \$88 in Year 1. The average cost per  
3 round of Resident greens fees at Fleming Golf Course across any and all subcategories of  
4 Resident play (weekday, weekend, senior and junior) shall not exceed \$13 in Year 1. The  
5 average cost per round of non-resident greens fees at Fleming Golf Course across any and all  
6 subcategories of non-resident play (weekday and weekend) shall not exceed \$20 in Year 1.

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

15           **(b) Commission to Select Final Rate Structure; Citizens Advisory Committee.**

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

22           **(c) Notwithstanding the foregoing subsections (a) and (b), effective September 1,**  
23 **2006, the following fees shall be charged at Harding Golf Course:**

1 **1. Weekday (Mon.—Thurs.)**

	Standard	No. Cal. Resident*	S.F. Resident
	<del>\$135.00+</del> <del>\$150.00+</del>	<del>\$89.00+</del> <del>\$89.00</del>	\$46.00
Off-season/Aerification**	<del>\$115.00+</del> <del>\$139.00+</del>	<del>\$79.00+</del> <del>\$79.00</del>	
Twilight	<del>\$105.00+</del> <del>\$120.00+</del>	<del>\$69.00+</del> <del>\$69.00</del>	\$35.00
Super Twilight (5 p.m.)		\$45.00	

7 **2. Weekend (Fri.—Sun.)**

	Standard	No. Cal. Resident*	S.F. Resident
	<del>\$155.00+</del> <del>\$170.00+</del>	<del>\$99.00+</del> <del>\$99.00</del>	\$59.00
Off-season/Aerification**	<del>\$135.00+</del> <del>\$150.00+</del>	<del>\$89.00+</del> <del>\$89.00</del>	
<i>Twilight</i>	<del>\$125.00+</del> <del>\$140.00+</del>	<del>\$79.00+</del> <del>\$79.00</del>	\$44.00
Super Twilight (5 p.m.)		\$55.00	

13 **3. Junior**

Weekday	Weekend
\$15.00	\$20.00

16 **4. S.F. Resident Senior**

Weekday	Weekend
\$31.00	\$59.00

19 **5. Tournament**

	Weekday	Weekend
	\$115.00+	\$135.00+
Off-season/Aerification**	\$100.00 +	\$115.00+

24 **6. Shotgun Tournament (120 players or more)—Tournament Rate plus per**

25 **player:**

1 \$10.00—Weekday/per player

2 \$15.00—Weekend/per player

3 + Includes cart

4 \* The Northern California is comprised of Alameda, Contra Costa, Marin, San Mateo, Santa  
5 Clara, Santa Cruz, Solano, Sonoma, Del Norte, Siskyou, Modoc, Humboldt, Trinity, Shasta,  
6 Lassen, Plumas, Tehama, Mendocino, Lake, Glenn, Butte, Sierra, Colusa, Sutter, Yuba,  
7 Nevada, Placer, Napa, Yolo, Sacramento, El Dorado, San Joaquin, Amador, Alpine, Calveras,  
8 Stanislaus, Toulumne, Mariposa, Monterey, San Benito, Merced, Fresno and Tulare Counties.

9 \*\* Off-season is from December 1 to the last day of February/Aerification is from the first day  
10 that major greens aerification starts until 7 days after completion.

11 \*\*\* Super Twilight tee times change seasonally as established by the Recreation and Park  
12 Commission.

13 (d) Notwithstanding the foregoing subsections (a) and (b), effective Fiscal Year 2005-  
14 2006, the following fees shall be charged at Fleming Golf Course:

15 1. Weekday (Mon.—Thurs.)

Standard	S.F. Resident
\$25.00	\$20.00

16 2. Weekend (Fri.—Sun.)

Standard	S.F. Resident
\$30.00	\$22.00

17 3. Junior

Weekday (Mon.—Thurs.)	Weekend (Fri.—Sun.)
\$10.00	\$13.00

18 4. S.F. Resident Senior

Weekday (Mon.—Thurs.)	Weekend (Fri.—Sun.)
\$14.00	\$19.00

1                    5. Tournament

2

Weekday (Mon.—Thurs.)	Weekend (Fri.—Sun.)
\$30.00	\$41.00

3

4                    6. Replay

5

Weekday (Mon.—Thurs.)	Weekend (Fri.—Sun.)
\$11.00	\$11.00

6

7                    (f) **Other Fees and Charges.** The Commission shall set the following fees charged at  
8 the Golf Courses: fees for motorized and pull cart usage, tournament fees, charges for driving  
9 range usage, reservation fees and cancellation fees, at levels comparable to those charged at  
10 Golf Courses of similar quality in the greater San Francisco Bay Area. The Commission may  
11 also approve special promotions not to exceed a 20 percent discount of the applicable rate.

12                    (g) **Annual Increases.** Upon the first day following the end of Year 1, regardless of  
13 whether Year 1 consisted of a full fiscal year or only a part thereof, and upon the first day of  
14 each fiscal year thereafter, greens fees for Residents at the Golf Courses may, with the  
15 approval of the Commission, be adjusted in the following manner: Each fee shall be multiplied  
16 by a fraction, the numerator of which is the Consumer Price Index for All Urban Consumers  
17 (base years 1982—1984 = 100) for the San Francisco-Oakland-San Jose area, published  
18 monthly by the United States Department of Labor, Bureau of Labor Statistics (the "Index"),  
19 for the quarter immediately preceding the start of the fiscal year during which the increase will  
20 be effective (the "Adjustment Index") minus the Index for the June of the preceding year (the  
21 "Base Index") and the denominator of which is the Base Index. The product of this calculation  
22 shall be added to the current fee to obtain the increased fee which shall thereafter be payable,  
23 except that in no instance shall the fee be less than that in effect immediately prior to this  
24 calculation. Or, fees may be increased up to \$1.00 upon approval of the Commission.  
25



1 All fees and other charges at the Golf Courses may, but are not required to, be  
2 increased upon approval by the Commission at the same time and in the same manner as  
3 greens fees increases, except that the non-S.F. resident and tournament greens fees may be  
4 increased by up to two times the fraction produced in the above illustrated calculation (i.e., up  
5 to twice the increase in the applicable Consumer Price Index), or up to \$1.00, whichever is  
6 greater.

7  
8 APPROVED AS TO FORM:  
9 DENNIS J. HERRERA, City Attorney

10 By:   
11 VIRGINIA DARIO ELIZONDO  
12 Deputy City Attorney

**LEGISLATIVE DIGEST**

[Recreation and Park Department—Harding Park Fees.]

**Ordinance amending the San Francisco Park Code, Article 12, by amending Section 12.12, to increase greens fees at Harding Park and Fleming Golf Courses, and making environmental findings.**

Existing Law

The current greens fees for both Harding Park and Fleming Golf Courses were set in 2006.

Amendments to Current Law

1. Increases the Standard rate by \$15.00.
2. Carts will no longer be included in the Northern California rate.

Item 3  
File 10-0360

Department(s):  
Recreation and Park Department

## EXECUTIVE SUMMARY

### Legislative Objective

- The proposed ordinance would amend Section 12.12 of Article 12 of the San Francisco Park Code to increase greens fees at Harding Park Golf Course and make environmental findings.

### Key Points

- The proposed ordinance would (a) increase greens fees at Harding Park Golf Course for non-San Francisco residents, depending on the season, day of the week, and time of day when golf is being played (see Table 1 for a list of current and proposed fees), and (b) impose a separate \$26 cart rental fee for Northern California residents. The proposed \$26 golf cart rental fee is consistent with cart rental fees charged at all 18-hole golf courses operated by RPD and currently paid by San Francisco residents. However, non-residents (excluding all persons that do not reside in San Francisco or Northern California) using Harding Park Golf Course would continue to pay higher greens fees, but would not pay a separate golf cart rental fee.

### Fiscal Impact

- RPD projects that, if the proposed ordinance is approved, non-San Francisco resident greens fees at Harding Park Golf Course will generate \$33,745 in additional revenue in FY 2010-2011. RPD also projects that charging Northern California residents for golf cart rentals at Harding Park Golf Course will generate \$58,979 in additional revenue for RPD in FY 2010-2011. However, due to reductions in the number of rounds of golf anticipated to be played, overall revenues are projected to decline in FY 2010-2011 by \$12,095. All revenues from the greens fees and cart rentals at Harding Park Golf Course are used to directly support golf operations at Harding Park Golf Course and Fleming Golf Course.

### Policy Considerations

- While the proposed ordinance may generate greater revenues from non-San Francisco residents who play golf at Harding Park Golf Course, imposing higher fees on non-San Francisco residents may discourage some non-San Francisco residents from playing golf at Harding Park Golf Course.
- The Budget and Legislative Analyst notes that under the proposed ordinance Harding Park Golf Course will be the only 18-hole golf course operated by RPD that does not charge both residents and non-residents separate golf cart rental fees. Non-residents (excluding all persons that do not reside in San Francisco or Northern California) using Harding Park Golf Course would continue to pay higher greens fees, but would not pay a separate golf cart rental fee.

### Recommendations

- Amend the title of the proposed ordinance to remove references to fee increases at Fleming Golf Course.
- Approval of the proposed ordinance, as amended, is a policy decision for the Board of Supervisors.



## MANDATE STATEMENT

Article 12 of the San Francisco Park Code specifies the fees that are charged for various Recreation and Park Department facilities. Section 12.12 specifies the greens fees charged at Harding Park Golf Course and Fleming Golf Course in San Francisco.

## BACKGROUND

The Recreation and Park Department (RPD) manages, operates and maintains the 18-Hole Harding Park Golf Course and the 9-Hole Fleming Golf Course, which are both located adjacent to Lake Merced in San Francisco. The greens fees charged to play golf at these two courses were last increased four years ago in FY 2006-07 (File No. 06-0771). At Harding Park Golf Course, RPD charges different greens fees depending on the season, day of the week, and time of day when golf is being played and whether the player is a legal resident of the City and County of San Francisco<sup>1</sup>, a resident of Northern California<sup>2</sup>, or a non-San Francisco resident living outside of Northern California. San Francisco and Northern California residents pay discounted greens fees. Currently, a golf cart rental is included in the greens fees paid by Northern California and non-San Francisco residents using the Harding Park Golf Course. San Francisco residents currently pay a separate \$26 fee to rent a golf cart.

## DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would amend Article 12, Section 12.12 of the San Francisco Park Code to increase greens fees and golf cart rental fees at Harding Park Golf Course, and make the required environmental findings, in accordance with the California Environmental Quality Act (CEQA).

The proposed ordinance would (a) increase golf fees for non-San Francisco residents at Harding Park Golf Course and, (b) impose a separate, new golf cart rental fee for Northern California residents at Harding Park Golf Course. All other greens fees and golf cart rental fees at Harding Park Golf Course and all fees at Fleming Golf Course will remain unchanged.

Table 1 below shows all of the current fees charged at Harding Park Golf Course and the proposed new greens fee for non-San Francisco residents, and new golf cart rental fees for Northern California residents, and the dollar amount and percentage increases for each under the subject ordinance. As shown in Table 1, all of the existing Harding Park Golf Course fees for San Francisco residents will remain at their current rates.

<sup>1</sup>Legal residents must have current and valid cards issued by the Recreation and Park Department identifying them as residents of San Francisco.

<sup>2</sup>Under the proposed ordinance, Northern California residents are comprised of Alameda, Contra Costa, Marin, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, Del Norte, Siskiyou, Modoc, Humboldt, Trinity, Shasta, Lassen, Plumas, Tehama, Mendocino, Lake, Glenn, Butte, Sierra, Colusa, Sutter, Yuba, Nevada, Placer, Napa, Yolo, Sacramento, El Dorado, San Joaquin, Amador, Alpine, Calaveras, Stanislaus, Toulumne, Mariposa, Monterey, San Benito, Merced, Fresno, and Tulare counties.

<b>Table 1: Harding 18-Hole Golf Course Current and Proposed Fee Increases</b>				
	<b>Current</b>	<b>Proposed</b>	<b>Difference</b>	<b>Percent</b>
<b>Non- Resident</b>				
<b>Weekdays (M-Th):</b>				
Standard	\$135.00+	\$150.00+	\$15.00	11.1%
Off season/Aerification*	\$115.00+	\$139.00+	\$24.00	13.0%
Twilight	\$105.00+	\$120.00+	\$15.00	14.3%
<b>Weekends (Fri - Sun):</b>				
Standard	\$155.00+	\$170.00+	\$15.00	9.7%
Off season/Aerification	\$135.00+	\$150.00+	\$15.00	11.1%
Twilight	\$125.00+	\$140.00+	\$15.00	12.0%
<b>Tournament:</b>				
Weekday	\$115.00+	\$115.00+	\$0	0%
Weekend	\$135.00+	\$135.00+	\$0	0%
<b>Northern California Resident</b>				
<b>Weekdays (M-Th):</b>				
Standard	\$89.00+	\$89.00	\$0**	0%
Off season/Aerification	\$79.00+	\$79.00	\$0	0%
Twilight	\$69.00+	\$69.00	\$0	0%
Super Twilight (5 pm)	\$45.00	\$45.00	\$0	0%
<b>Weekends (Fri - Sun):</b>				
Standard	\$99.00+	\$99.00	\$0	0%
Off season/Aerification	\$89.00+	\$89.00	\$0	0%
Twilight	\$79.00+	\$79.00	\$0	0%
Super Twilight (5 pm)	\$55.00	\$55.00	\$0	0%
<b>San Francisco Resident</b>				
<b>Weekdays (M-Th):</b>				
Standard	\$46.00	\$46.00	\$0	0%
Twilight	\$35.00	\$35.00	\$0	0%
<b>Weekends (Fri - Sun):</b>				
Standard	\$59.00	\$59.00	\$0	0%
Twilight	\$44.00	\$44.00	\$0	0%
<b>S.F. Resident (Junior):</b>				
Weekday	\$15.00	\$15.00	\$0	0%
Weekend	\$20.00	\$20.00	\$0	0%
<b>S.F. Resident (Senior):</b>				
Weekday	\$31.00	\$31.00	\$0	0%
Weekend	\$59.00	\$59.00	\$0	0%
+ Golf cart is included in greens fee				
*Off-season is from December 1 to the last day of February. Aerification is from the first day that major greens aerification starts until seven days after completion.				
**Although the greens fees for Northern California residents will not increase, under the proposed ordinance, Northern California residents will pay a new, separate rental charge of \$26 for a golf cart.				
Source: San Francisco Recreation and Park Department				

Currently, a cart rental fee of \$26 is included in the greens fee paid by Northern California residents and non-San Francisco residents using Harding Park Golf Course. San Francisco residents using Harding Park Golf Course currently pay a separate \$26 fee to rent golf carts. The proposed ordinance would add a new \$26 charge for golf cart rentals for Northern California residents using Harding Park Golf Course.

According to Ms. Katherine Petrucione, the Chief Financial Officer for RPD, the proposed rate of \$26 is consistent with the golf cart rental rate currently charged to both San Francisco residents and non-residents using all 18-hole courses operated by RPD, in accordance with Section 12.33 of the San Francisco Park Code, which specifies that golf cart rental fees of up to \$26 may be charged at all golf courses under the jurisdiction of RPD. Currently, Harding Park Golf Course is the only golf course operated by RPD that does not charge separate golf cart rental fees for players who use a golf cart.

If the proposed ordinance is approved by the Board of Supervisors, Ms. Petrucione anticipates that the greens fees and golf cart rental fees would be effective in July 2010.

## FISCAL ANALYSIS

According to Ms. Petrucione, because the Professional Golf Association (PGA) President's Cup golf tournament was held at Harding Park Golf Course in October of 2009 and received worldwide television coverage, RPD believes it is economically feasible to increase non-San Francisco resident greens fees, whereas RPD believes similar increases to greens fees for Northern California and San Francisco residents using the Harding Park Golf Course might result in a reduction of golf played, and thus a reduction in revenues. However, Ms. Petrucione advises that initiating a separate charge for golf cart rentals for Northern California residents is a method for RPD to increase revenues without raising greens fees for Northern California residents. Ms. Petrucione advised that because non-residents using Harding Park Golf Course pay significantly higher greens fees than San Francisco residents and Northern California residents, RPD decided not to charge non-residents separately for golf cart rentals.

Table 2 below shows the existing FY 2009-2010 and the projected FY 2010-2011 revenues for Harding Park Golf Course. The FY 2010-2011 projections include revenues anticipated to be generated from the proposed increased greens fees for non-San Francisco residents and the new golf cart rental charges for Northern California residents using the Harding Park Golf Course, assuming that the proposed ordinance is approved and effective July 1, 2010.

	<b>Projected Revenue FY 2009-2010</b>	<b>Projected Revenue FY 2010-2011</b>	<b>Increase/ Decrease over FY 2009-2010</b>	<b>% Increase/ Decrease over FY 2009-2010</b>
San Francisco Resident	\$1,264,907	\$1,274,235	\$9,328	0.74%
Northern CA Resident	1,209,332	1,200,150	-9,182	-0.76%
Non- Resident	577,155	610,900	33,745	5.85%
Tournament	1,119,365	1,014,400	-104,965	-9.38%
Cart Rental - Northern California Residents*	65,418	124,397	58,979	90.16%
<b>TOTAL</b>	<b>\$4,236,177</b>	<b>\$4,224,082</b>	<b>-\$12,095</b>	<b>-0.29%</b>

\*\*Under the proposed ordinance, Northern California residents will pay a new, separate rental charge of \$26 for a golf cart.

Source: San Francisco Recreation and Park Department

Table 2 above shows that in FY 2010-2011 Non-San Francisco Resident greens fees at Harding Park Golf Course are expected to generate \$33,745 in additional revenue from FY 2009-2010, and charging Northern California residents for golf cart rentals at Harding Park Golf Course is expected to generate \$58,979 in additional revenue for RPD in FY 2010-2011. However, primarily because of the current economic climate, RPD expects a decrease of \$104,965, or 9.38 percent in Tournament revenues between FY 2009-2010 and FY 2010-2011, which will affect the total revenues at Harding Park Golf Course, which are expected to decrease by \$12,095, or .29 percent between FY 2009-2010 and FY 2010-2011.

According to Ms. Petrucione, the overall projected reduction in revenues of \$12,095 (see Table 2 above) is due to a decrease of 2,136, or 3.67 percent, in the projected rounds of golf expected to be played, as shown in Table 3 below. Ms. Petrucione advised that these projections are based on the number of rounds of golf played in FY 2009-2010, which showed a similar decrease in rounds played from the previous year FY 2008-2009. Ms. Petrucione also advised that the decrease of 287, or 5.13 percent, in rounds projected to be played by non-San Francisco residents, takes into consideration the proposed increases in fees for non-San Francisco residents.

	<b>FY 2009- 2010</b>	<b>FY 2010- 2011</b>	<b>Decrease over FY 2009-2010</b>	<b>Decrease over FY 2009-2010</b>
San Francisco Resident	29,838	29,010	-828	-2.77%
Northern CA Resident	13,478	13,350	-128	-0.95%
Non- Resident	5,597	5,310	-287	-5.13%
Tournament	9,313	8,420	-893	-9.59%
<b>TOTAL</b>	<b>58,226</b>	<b>56,090</b>	<b>-2,136</b>	<b>-3.67%</b>

Source: San Francisco Recreation and Park Department

According to Ms. Petrucione, all revenues from the greens fees and cart rentals at Harding Park Golf Course are used to directly support golf operations at Harding Park Golf Course and Fleming Golf Course. Ms. Petrucione advised that the FY 2010-2011 annual operating budget for operating and maintaining Harding Park and Fleming Golf Courses is \$8,504,000. The total



annual revenue from Harding Park and Fleming Golf Courses is \$8,129,000, leaving an operating deficit of \$375,000 that will be paid for out of the General Fund.<sup>3</sup>

## **POLICY CONSIDERATION**

### **Fee Increases and Impacts of Rounds Played by Non-San Francisco Residents**

Ms. Petrucione notes that the projected additional revenues from non-San Francisco residents of \$33,745 annually, as shown in Table 2 above, reflect an anticipated reduction of 5.13 percent (see Table 3 above) of non-San Francisco residents using Harding Park Golf Course. While the proposed ordinance would impose higher fees and potentially generate greater revenues from non-San Francisco residents, imposing higher fees may discourage some non-residents from playing golf at Harding Park Golf Course.

### **Separate Golf Cart Rental Charge**

RPD decided not to charge non-San Francisco residents separately for golf cart rentals because, according to Ms. Petrucione, under the proposed ordinance non-residents using Harding Park Golf Course will pay significantly higher greens fees than San Francisco and Northern California residents. The Budget and Legislative Analyst however notes that under the proposed ordinance, Harding Park will be the only 18-hole golf course operated by RPD that does not charge both residents and non-residents separately to rent golf carts.

### **Recommended Amendment to Ordinance**

In order to clarify that the proposed ordinance (File No. 10-0360) only increases the greens fees and adds a new golf cart rental fees at Harding Park Golf Course and not at Fleming Golf Course, the Budget and Legislative Analyst recommends that the proposed title of the proposed ordinance be amended to remove all references to fee increases at Fleming Golf Course.

## **RECOMMENDATIONS**

1. Amend the title of the proposed ordinance (File No. 10-0360) to remove reference to fee increases at Fleming Golf Course.
2. Approval of the proposed ordinance, as amended, is a policy decision for the Board of Supervisors.

<sup>3</sup> Ms. Petrucione explained that the total annual cost of operating and maintaining Harding Park Golf Course is calculated together with the neighboring Fleming Golf Course, and that the Recreation and Park Department does not separately calculate the individual costs to operate and maintain each golf course.

