

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

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4 **Resolution approving and authorizing an amendment to the Master Tournament**
5 **Agreement with PGA Tour, Inc., for the use of Harding Park Golf Course for the PGA**
6 **Tour Championship Tournament.**

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8 WHEREAS, In connection with a number of matters related to the renovation of the
9 Harding Park and Fleming Golf Courses (the "Project"), on April 19, 2002, with the prior
10 approval the Recreation and Parks Commission and the Board of Supervisors, the City
11 entered into an agreement (the "Master Tournament Agreement") with the PGA Tour, Inc.,
12 (the "PGA Tour") to make Harding Park Golf Course the periodic home of the PGA Tour
13 Championship upon completion of the Project by the City; and,

14 WHEREAS, The City and the PGA Tour wish to amend the Master Tournament
15 Agreement pursuant to the terms and conditions of the First Amendment to Master
16 Tournament Agreement (the "Amendment") filed with the Clerk of the Board of Supervisors in
17 File No. _____, which is hereby declared to be a part of this resolution as if set
18 forth fully herein; and,

19 WHEREAS, The Amendment provides that the definition of "Championship" under the
20 Agreement shall be expanded beyond the Tour Championship to also include the NEC
21 Invitational and the American Express Championship, provided that the prize money, eligibility
22 requirements and television coverage for the American Express Championship and the NEC
23 Invitational remain comparable during the Term of the Agreement to the current status of such
24 measures for those events; and,

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1 WHEREAS, In consideration of the foregoing, the Amendment further provides that
2 (i) the initial term of the Agreement is expanded from three (3) events over nine (9) years to
3 five (5) events over fifteen (15) years, (ii) the guaranteed facility fee payments to the City and
4 the non-profit local chapter of the First Tee program are increased from \$250,000 per event to
5 \$500,000 per event, (iii) the City's participation in net profits of each event has been revised
6 from 50% of net revenues to 6.66% of gross revenues in excess of \$10,000,000, and (iv) the
7 PGA Tour is required to contribute to the City \$100,000 and certain design and construction
8 management services related to the construction of the clubhouse at Harding Park; and,

9 WHEREAS, The Board of Supervisors and the Recreation and Parks Commission, in
10 connection with their approvals of the Project Master Tournament Agreement, adopted certain
11 findings under CEQA and no material changes to the Project have occurred that would alter
12 the conclusions of those findings; now, therefore, be it

13 RESOLVED, That the Board of Supervisors hereby approves the Amendment and
14 authorizes the General Manager of the Recreation and Parks Department (the "General
15 Manager") to execute the Amendment on behalf of the City, in substantially the form
16 presented to this Board; and, be it

17 FURTHER RESOLVED, That the Board of Supervisors authorizes the General
18 Manager to enter into any additions, amendments or other modifications to the Amendment
19 (including, without limitation, the attached exhibits) that the General Manager determines are
20 in the best interests of the City, do not materially decrease the revenue to the City
21 contemplated in the Agreement or otherwise materially increase the obligations or liabilities of
22 the City, and are necessary or advisable to complete the transactions contemplated in the
23 Agreement and to effectuate the purpose and intent of this resolution.