

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

TO: Phil Ginsburg, General Manager, Recreation and Parks Department

FROM: Monique Crayton, Assistant Clerk, Government Audit and Oversight Committee

DATE: May 20, 2025

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Government Audit and Oversight Committee has received the following Resolution request, introduced on May 13, 2025:

File No. 250520

Resolution approving and authorizing a Permit between the Recreation and Park Department (RPD) and FIL Partners, LLC for the Golden City Football Club to use Kezar Stadium for their home games, plus use of other fields for practices, for an initial term of 15 years with three five-year extension options, for a permit fee equal to \$1,500 per game plus \$750 per hour, reimbursement of RPD expenses, a share of revenues and a specified number of tickets and the completion of certain stadium improvements, effective upon approval of this Resolution; determining that Permit fee is appropriate and that the Permit will serve a public purpose in accordance with Administrative Code, Sections 23.30 and 23.33; affirming the Planning Department's determination under the California Environmental Quality Act; and authorizing the RPD General Manager to enter into any amendments or modifications to the Permit that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the Permit or this Resolution.

If you have any comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: monique.crayton@sfgov.org.

CC:
Office of Chair Fielder
Office of Supervisor Mahmood
Sarah Madland, Recreation and Parks Department
Beverly Ng, Recreation and Parks Department
Ashley Summers, Recreation and Parks Department

1 [Permit Issuance - FIL Partners, LLC - Kezar Stadium - Golden City Football Club - Permit Fee
2 Equal to \$1,500 Per Game Plus \$750 Per Hour]

3 **Resolution approving and authorizing a Permit between the Recreation and Park**
4 **Department (RPD) and FIL Partners, LLC for the Golden City Football Club to use Kezar**
5 **Stadium for their home games, plus use of other fields for practices, for an initial term**
6 **of 15 years with three five-year extension options, for a permit fee equal to \$1,500 per**
7 **game plus \$750 per hour, reimbursement of RPD expenses, a share of revenues and a**
8 **specified number of tickets and the completion of certain stadium improvements,**
9 **effective upon approval of this Resolution; determining that Permit fee is appropriate**
10 **and that the Permit will serve a public purpose in accordance with Administrative**
11 **Code, Sections 23.30 and 23.33; affirming the Planning Department's determination**
12 **under the California Environmental Quality Act; and authorizing the RPD General**
13 **Manager to enter into any amendments or modifications to the Permit that do not**
14 **materially increase the obligations or liabilities to the City and are necessary to**
15 **effectuate the purposes of the Permit or this Resolution.**

16
17 WHEREAS, Kezar Stadium was the founding home field for the San Francisco 49ers
18 who played there from 1946 to 1970, and in 1989, the original Kezar Stadium was demolished
19 and replaced with the new Kezar Stadium; among other things the new Stadium reduced the
20 number of seats from 60,000 to a potential capacity of 15,000, the track was enlarged, and
21 the stadium was built into the ground; and

22 WHEREAS, Since 1991, Kezar Stadium has been used primarily for games for school
23 teams and school track meets; however, it has been used over the years by a variety of
24 colleges and semi-professional and professional teams, and in 2017 was used for one year by
25 a professional soccer team; and

1 WHEREAS, Since 2017, RPD has explored finding another professional soccer team
2 to use Kezar Stadium as its home base to provide San Francisco families with the opportunity
3 to watch high-level soccer in the City; and

4 WHEREAS, In late 2023, FIL Partners approached RPD about the possible use of
5 Kezar Stadium for a new franchise team, called Golden City Soccer Club (GCSC), based in
6 San Francisco to play in the MLS Next Pro league; MLS Next Pro is a professional men's
7 soccer league that is the second tier of Major League Soccer (MLS); and

8 WHEREAS, Since late 2023, RPD has met with FIL Partners to explore having GCSC
9 play its home games at Kezar Stadium, while ensuring that San Francisco's youth and school
10 programs would not be displaced and that Kezar Stadium's track would remain available to
11 the public; FIL Partners concurrently met with MLS Next Pro to learn league requirements
12 (one of which was to identify a venue for home games) and also met with experts to identify
13 needs to renovate Kezar Stadium to improve player and fan experiences; and

14 WHEREAS, FIL Partners has indicated the team's desire and commitment to make up-
15 front improvements of over \$10 million to Kezar Stadium to improve the fan and player
16 experience in exchange for rent credits, and school teams using Kezar Stadium support the
17 improvements and the proposal for how to balance football play with soccer play; and

18 WHEREAS, FIL Partners has received support for the approval from MLS Next Pro to
19 field a team in San Francisco provided that it has a suitable stadium; Kezar Stadium meets
20 those needs; and

21 WHEREAS, City policy is to do a competitive bid for agreements but it would have
22 been "impractical or impossible" given the requirement for a team to obtain approval from the
23 league; and

1 WHEREAS, The parties seek to enter into a Permit as generally described in the May
2 15, 2025 Term Sheet, a copy of which is on file with the Clerk of the Board of Supervisors in
3 File No. 250520 and is incorporated herein by reference; and

4 WHEREAS, As described in the Term Sheet, the Permit will include the following key
5 terms and conditions:

6 (a) Term: Fifteen years with three five-year options (First two options are at GCFC
7 discretion; third option requires agreement by both GCFC and RPD). When
8 exercising each of the first two options, GCFC must fund or place into a separate
9 maintenance fund account \$1 million to cover life-cycle replacements and repairs
10 to Kezar Stadium.

11 (b) Permit Areas: Use of Kezar Stadium, Kezar Triangle and certain practice fields.

12 (c) Permitted Uses: Home games and practices of GCFC on dates and times to be
13 approved by RPD.

14 (d) Stadium Improvements of at least \$10 million:

- 15 • Renovate and Redo Turf: \$5.75 million (to be completed prior to first games);
- 16 • Install Improved Scoreboard & Sound: \$0.5 million;
- 17 • Improve Concession Area: \$0.25 million;
- 18 • ADA Compliance Amount to be determined based on investment in
19 compliance with ADA requirements;
- 20 • Total Improvements Estimate: \$10 million.

21 (e) Rent: Rent will include the following

- 22 • Games at Kezar: Fees for Commercial Teams of \$1,500 per game plus \$750
23 per hour;

- Percentage of Ticket Sales: RPD will not receive any percentage of ticket sales for the first ten years. After year ten, RPD will receive 10% of ticket sales to the extent the amount is greater than all other costs paid to RPD;
- Practices: Standard Park Code Fees;
- Tickets: 38 tickets to RPD for each home game, for RPD to distribute to the City's underserved community and for Department-specific uses. At least 30 tickets will be distributed to the City's underserved community.

(f) Reimbursement of Out-of-Pocket Expenses: GCFC shall reimburse RPD for all out-of-pocket expenses relating to GCFC's permitted use including staff overtime.

(g) Rent Credit: GCFC shall be entitled to receive credit against Rent for games at Kezar Stadium for the value of all Stadium improvements provided that RPD's total permit fees received for any fiscal year for Kezar Stadium are at least \$55,000.

WHEREAS, The market rent, in light of the terms and conditions of the Permit, and available and relevant data is less than \$45 per square foot, and the Permit Fee furthers the public purpose of providing needed capital improvements to Kezar Stadium and providing San Francisco residents the opportunity to watch professional soccer games in San Francisco; and

WHEREAS, On May 15, 2025, RPD presented the Term Sheet along with the foregoing information to the Recreation and Park Commission, which adopted Resolution No. _____ finding that the Permit fees are appropriate, finding that reliance on competitive bidding procedures for the Permit would be impractical and/or impossible, and recommending that the Board of Supervisors authorize the RPD General Manager to issue a permit consistent with the Term Sheet; and

1 WHEREAS; The execution of the Permit requires approval of the Board of Supervisors
2 under Section 9.118(c) of the San Francisco Charter; and

3 WHEREAS, The Planning Department has determined that the actions contemplated in
4 this Resolution comply with the California Environmental Quality Act (California Public
5 Resources Code Sections 21000 et seq.); said determination is on file with the Clerk of the
6 Board of Supervisors in File No. ____ and is incorporated herein by reference; the Board
7 affirms this determination; now, therefore, be it

8 RESOLVED, That the Board of Supervisors hereby authorizes the RPD General
9 Manager, or their designee, to take all appropriate actions on behalf of the City to execute,
10 enter into, and perform its obligations under the Permit with terms substantially similar to the
11 Term Sheet on file with the Clerk of the Board of Supervisors, and any other documents that
12 are necessary or advisable to the purpose of this Resolution and the Permit; and, be it

13 FURTHER RESOLVED, That the Permit Fee, taking into account the terms and
14 conditions of the Permit, is sufficient to meet the requirements of Administrative Code, Section
15 23.30; and be it

16 FURTHER RESOLVED, That the Permit serves a proper public purpose sufficient to
17 meet the requirements of Administrative Code, Section 23.33; and, be it

18 FURTHER RESOLVED, That the Board of Supervisors authorizes the RPD General
19 Manager, or their designee, to enter into any further modifications, additions and amendments
20 to the Permit, including to any of its exhibits, that the RPD General Manager determines, in
21 consultation with the City Attorney, are in the best interests of the City, do not materially
22 increase the obligations or liabilities of the City, are necessary or advisable to effectuate the
23 purposes of the Permit, and are in compliance with all applicable laws including the City's
24 Charter; and, be it

1 FURTHER RESOLVED, That the Recreation and Park Department shall provide a
2 copy of the Permit to the Clerk of the Board for inclusion into the official file within 30 days of
3 the Permit being fully executed by all parties.