

1 [Permit Amendment - Outside Lands Music Festival - Eight Additional Years]

2
3 **Resolution approving and authorizing an amendment to the Permit with Another Planet**
4 **Entertainment for the production of the annual Outside Lands Music Festival to grant**
5 **Another Planet Entertainment, LLC, eight additional years and increasing the capacity**
6 **of the event to 75,000, providing for Another Planet Entertainment to pay the City**
7 **increased Rent Payments, endow a gardener within the festival premises, and pay for**
8 **materials and supplies to maintain the Polo Fields; making environmental findings; and**
9 **ratifying prior actions.**

10
11 WHEREAS, The City and County of San Francisco (the "City") owns the parcel of land
12 commonly referred to as Golden Gate Park (the "Park"), which is under the administrative
13 jurisdiction of the City's Recreation and Park Commission; and,

14 WHEREAS, Another Planet Entertainment LLC, a Delaware limited liability company
15 ("Another Planet"), is a concert production company; and,

16 WHEREAS, The Recreation and Park Commission on December 4, 2008, authorized
17 the Recreation and Park Department ("RecPark") to issue a Request for Qualifications to
18 select a concert promoter to produce an annual multi-day festival in Golden Gate Park, the
19 proceeds of which are intended to benefit RecPark; and,

20 WHEREAS, RecPark received proposals from three (3) concert promoters, which were
21 evaluated by a six-member selection committee and ranked on how well they met the project
22 objectives and selection criteria described in the solicitation; and,

23 WHEREAS, The selection panel unanimously recommended Another Planet to the
24 Recreation and Park Commission to produce the three-day festival, due in part to the
25 following:

1 (a) Another Planet's knowledge and experience with producing large scale events in
2 Golden Gate Park, including 2008 Outside Lands and 2004 Dave Matthews concert;

3 (b) Another Planet's proposed event highlighting the park, as well as local music, art,
4 culture and food;

5 (c) Another Planet's detailed outreach/mitigation plan that builds on their prior year's
6 efforts and includes a community hotline, coordination with 311, coordination with relevant
7 City agencies, outreach to neighbors, and outreach to attendees using mass advertising and
8 targeted emails; and

9 (d) Another Planet's proposed financial terms, which allowed for a base rent and
10 participation rent formula that maximizes revenue to RecPark; and,

11 WHEREAS, The City and Another Planet are parties to a Permit dated April 1, 2009,
12 (the "Permit"), under which Another Planet Entertainment has produced the annual Outside
13 Lands Music Festival (the "Festival") in Golden Gate Park since 2009; and,

14 WHEREAS, Including the 2008 Festival, Another Planet has produced five annual
15 Festivals in Golden Gate Park which have been attended by over 600,000 people; and,

16 WHEREAS, In producing these events, Another Planet has worked closely with the
17 surrounding communities, and, in tandem with RecPark, has developed significant expertise
18 in mitigating the impacts of the Festival; and,

19 WHEREAS, These impact mitigations, many of which RecPark has since required
20 other large events in the Park to implement, have included an arborist's review of the site
21 plans, a sound technicians review of the acoustic plans and monitoring of the sound impacts
22 in the community, deploying Parking Control Officers and tow trucks near the Festival to
23 quickly respond to blocked driveways and other parking violations; a robust annual outreach
24 plan including a mailer to all homes and businesses within four blocks of the Park; deploying
25 crews to clean-up litter in the surrounding neighborhoods and a comprehensive transportation

1 plan that encourages Festival attendees to arrive by Muni, private shuttles, bicycle or by
2 walking; and,

3 WHEREAS, Since the Festival's inception, Another Planet in collaboration with the
4 community, RecPark, Police Department, Fire Department, Municipal Transportation Agency
5 and the Mayor's Office of Special Events has continually refined their operational plans for the
6 Festival; and,

7 WHEREAS, Located in the City's largest park, the Festival highlights not only the
8 beauty of the Park but in booking dozens of local bands, hiring local artists to decorate the site
9 and utilizing over 50 local restaurants to operate the food concessions, the Festival celebrates
10 and promotes San Francisco's culture; and,

11 WHEREAS, With up to 50,000 San Franciscans attending each year and an even
12 larger number of visitors attending, the Festival has become part of the cultural fabric of the
13 City and a highlight of the City's summer event calendar; and,

14 WHEREAS, Over the past five years, the Festival has developed into one of the
15 preeminent concerts in North America and has received international acclaim; and,

16 WHEREAS, Rolling Stone Magazine said in 2011 "This was the year that Outside
17 Lands finally became the festival it always promised to be, which is to say, one of the greats"
18 and ABC has referred to the Festival as "one of the most prestigious festivals in America";
19 and,

20 WHEREAS, Rolling Stone Magazine has additionally said, "More than a cookie-cutter
21 American rock festival, Outside Lands takes advantage of its setting in Golden Gate Park by
22 pointedly celebrating all that is the Bay Area. Its a strategy that really makes this event, now
23 in its fifth year, stand apart from any other festival in its class; and,

1 WHEREAS, Consistent with the increased recognition as one of the premiere festivals
2 in the nation, attendance substantially in recent with years with both the 2011 and 2012
3 Festivals selling out; and,

4 WHEREAS, This increase in prominence and attendance has resulted in a significant
5 increase in rent payments made by the Festival to RecPark with the 2012 rent payment made
6 by the Festival surpassing the rent payment made in 2009 by nearly \$700,000; and,

7 WHEREAS, A 2011 Economic Impact Report placed the economic impact of the
8 Festival to San Francisco at over \$60,000,000 with the lodging and restaurant industries
9 receiving the largest benefits; and,

10 WHEREAS, The Economic Impact Report estimated that the Festival was responsible
11 for an additional \$7,000,000 of economic activity in other Bay Area counties; and,

12 WHEREAS, Due to its location in the western end of the Park, the benefits of the
13 concert extend to numerous locally operated small businesses in the Sunset and Richmond
14 that are not impacted by other events closer to downtown or the City's waterfront; and,

15 WHEREAS, The Festival hires over 4,000 employees for the event and according to
16 the Economic Impact Report is responsible for creating the equivalent of 683 full-time
17 positions in San Francisco; and,

18 WHEREAS, Under the Permit approved by the Board of Supervisors, the term of the
19 Permit currently expires after the 2013 Festival; and,

20 WHEREAS, The City and Another Planet have negotiated a proposed amendment of
21 the Permit (the "Permit Amendment") in substantially the form on file with the Clerk of the
22 Board in File No. 121134, which includes, among other provisions, the following significant
23 terms:

24 (1) Amending the Permit Term to grant Another Planet the right to produce the Festival
25 for an additional eight years;

1 (2) Increasing the daily attendance capacity of the Festival to 75,000 people;

2 (3) Increasing the Percentage Rent to 11%;

3 (4) Increasing the Additional Rent to \$1.25 per ticket sold;

4 (5) Beginning in 2019, capping the Minimum Permit Fee at \$1,400,000;

5 (6) Adjusting the Payment Schedule;

6 (7) Requiring Another Planet to host an annual Recreation and Park Department
7 Fundraiser;

8 (8) Requiring Another Planet to contribute funds annually, in addition to the rent
9 payments due under the lease, to endow a gardener to assist in maintaining the Festival
10 premises throughout the year;

11 (9) Requiring Another Planet to contribute \$15,000 annually, in addition to rent
12 payments due under the lease, to provide for materials and supplies to assist with
13 regenerating the Polo Fields after the Festival each year;

14 (10) Requiring Another Planet to produce and place at its own expense a limited
15 number of Recreation and Park Department promotional signs throughout the Festival site;

16 (11) Requiring Another Planet to donate a customary and reasonable number of
17 Festival tickets to the Parks Alliance or another non-profit benefiting park causes for the
18 purpose of donor recognition;

19 (12) Requiring Another Planet to employ sound monitoring professionals to measure
20 sound levels in the neighborhoods surrounding Golden Gate Park throughout the Festival
21 each year and to utilize one set of delay speakers in the Polo Fields when attendance
22 exceeds 40,000 and two sets of delay speakers when attendance exceeds 55,000;

23 (13) Requiring Another Planet to hold an annual job fair in the neighborhoods
24 surrounding Golden Gate Park to attempt to hire qualified San Francisco residents to fill
25 vacant positions for the Festival;

1 (14) Requiring Another Planet to fund a transportation analysis in 2013 to study the
2 traffic impacts of the Festival and how best to minimize those impacts on the surrounding
3 neighborhoods;

4 (15) Requiring Another Planet to expend \$10,000 annually to fund improvements in the
5 neighborhoods surrounding Golden Gate Park. The Permittee and Department shall work
6 with the members of the surrounding community and representatives of those communities
7 annually to develop funding priorities for those funds; and,

8 WHEREAS, As set forth in Administrative Code Section 2.6-1, it is the policy of the
9 Board of Supervisors to approve only such proposed agreements involving property or
10 facilities of the City and County of San Francisco that have been awarded to the highest
11 responsible bidder in accordance with the competitive bidding procedures, except where
12 impractical or impossible; and,

13 WHEREAS, The City's Planning Department has found that the Permit Amendment is
14 categorically exempt from environmental review under the California Environmental Quality
15 Act (a copy of these findings is on file with the Clerk of the Board of Supervisors in File No.
16 121134, and are incorporated herein by reference); now, therefore, be it

17 RESOLVED, That the Board of Supervisors finds that due to the significant experience
18 of Another Planet in operating the Festival in the sensitive park environs and its economic
19 contributions, including the increased rent paid by the Another Planet in recent years as the
20 Festival has grown, that it is in the best interests of the City to exempt the potential Permit
21 Amendment from the competitive bidding policy set forth in Administrative Code Section 2.6-1;
22 and be it

23 FURTHER RESOLVED, That the Board of Supervisors hereby approves and
24 authorizes the execution, delivery and performance by the City of the Permit Amendment,
25

1 subject to the approval of the Permit Amendment by the City's Recreation and Park
2 Commission, in its sole discretion; and, be it

3 FURTHER RESOLVED, That subject to the preceding paragraph, the Recreation and
4 Park General Manager is authorized to execute and deliver the Permit Amendment in
5 substantially the form filed with the Clerk of the Board in File No. 121134, and to take any and
6 all steps necessary or appropriate to effectuate the execution, delivery and performance of the
7 Permit Amendment. The Recreation and Park General Manager, at his or her discretion and
8 in consultation with the City Attorney and the City's Controller, is authorized to enter into any
9 additions, amendments, or other modifications to the Permit Amendment that the Recreation
10 and Park General Manager determines are in the best interests of the City and do not
11 materially increase the obligations or liabilities of the City or materially decrease the payments
12 or other benefits to the City, and are necessary or advisable to effectuate the purpose and
13 intent of this Resolution; and, be it

14 FURTHER RESOLVED, That any and all actions taken by City employees or officials
15 regarding the Permit Amendment are hereby ratified and approved.



City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 121134

Date Passed: December 11, 2012

Resolution approving and authorizing an amendment to the Permit with Another Planet Entertainment for the production of the annual Outside Lands Music Festival to grant Another Planet Entertainment, LLC, eight additional years and increasing the capacity of the event to 75,000, providing for Another Planet Entertainment to pay the City increased Rent Payments, endow a gardener within the festival premises, and pay for materials and supplies to maintain the Polo Fields; making environmental findings; and ratifying prior actions.

December 05, 2012 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

December 05, 2012 Budget and Finance Committee - RECOMMENDED AS AMENDED

December 11, 2012 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Olague and Wiener

File No. 121134

I hereby certify that the foregoing Resolution was ADOPTED on 12/11/2012 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

12/18/2012

Date Approved