

1 [Host Site Agreement - 2020 PGA Championship - PGA Tournament Corporation, Inc. -  
2 Minimum Site Fee of Not Less Than \$2,000,000]

3 **Resolution approving and authorizing the execution of a Host Site Agreement with PGA**  
4 **Tournament Corporation, Inc. for the use of TPC Harding Park Golf Course for the 2020**  
5 **PGA Championship for a site fee of not less than \$2,000,000.**

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7 WHEREAS, The City and County of San Francisco (City) owns, and the Recreation  
8 and Park Department (Department) maintains, a municipal golf course open to the public  
9 known as TPC Harding Park Golf Course; and

10 WHEREAS, On July 2, 2014, in a news conference held at City Hall, the PGA of  
11 America announced their desire to present the 2020 PGA Championship in San Francisco at  
12 TPC Harding Park Golf Course; and

13 WHEREAS, This would be only the fifth time in the history of the PGA Championship  
14 that it would held California; and

15 WHEREAS, TPC Harding Park Golf Course would be only the third golf course open to  
16 the public to ever host the PGA Championship; and

17 WHEREAS, PGA of America has granted PGA Tournament Corporation, Inc. the  
18 exclusive right to conduct the 2020 PGA Championship and to manage the business and  
19 affairs thereof; and

20 WHEREAS, Department staff negotiated an agreement with the PGA Tournament  
21 Corporation, Inc. for the presentation of this one-time event at TPC Harding Park Golf Course,  
22 a copy of which agreement is on file with the Clerk of the Board of Supervisors under File No.  
23 150483 (Host Site Agreement); and

24 WHEREAS, The financial terms of the Host Site Agreement call for the payment to City  
25 of the greater of a base fee of \$2,000,000 or 9% of the Gross Revenues from the event; and

1           WHEREAS, The PGA Tournament Corporation, Inc. estimates the Gross Revenues  
2 from the event, as defined in the Host Site Agreement, could reach \$33,000,000; and

3           WHEREAS, Gross Revenues shall be comprised of ticket sales, hospitality site sales  
4 and on-course merchandise sales; and

5           WHEREAS, At its meeting on April 16, 2015, the Recreation and Park Commission,  
6 through its Resolution No. 1504-008, which is on file with the Clerk of the Board of  
7 Supervisors in File No. 150483, recommended that the Board of Supervisors approve the  
8 Host Site Agreement between the City and the PGA Tournament Corporation, Inc.; now,  
9 therefore, be it

10          RESOLVED, That the Board of Supervisors hereby approves the Host Site Agreement  
11 and authorizes the General Manager of the Recreation and Park Department (General  
12 Manager) to execute the Host Site Agreement on behalf of the City in substantially the form  
13 presented to this Board; and, be it

14          FURTHER RESOLVED, That for the reasons set forth in this resolution, the Board  
15 finds that competitively bidding an agreement to host the 2020 PGA Championship is  
16 impractical or infeasible; 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 Host Site  
19 Agreement that the General Manager determines are in the best interests of the City, do not  
20 materially decrease the revenue to the City contemplated in the Agreement or otherwise  
21 materially increase the obligations or liabilities of the City, and are necessary or advisable to  
22 complete the transactions contemplated in the Agreement and to effectuate the purpose and  
23 intent of this resolution; and, be it

1            FURTHER RESOLVED, That within thirty (30) days of the Host Site Amendment being  
2 fully executed by all parties, the General Manager shall provide the final Host Site Agreement  
3 to the Clerk of the Board for inclusion into the official file.

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