

1 [Permit Amendment - Outside Lands Music Festival - Ten Year Extension - Permit Fee]

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3 **Resolution approving and authorizing a second amendment to the existing Permit with**
4 **Another Planet Entertainment LLC, for the production of the annual Outside Lands**
5 **Music Festival to extend the term ten additional years until 2031, pursuant to Charter,**
6 **Section 9.118, and to modify provisions of the Permit related to the permit fee and rent**
7 **payments and outreach and similar matters; affirming a categorical exemption under**
8 **the California Environmental Quality Act for the amendment; and ratifying prior**
9 **actions, as defined herein.**

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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 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 built on their prior year’s
6 efforts and included 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 entered into a Permit dated April 1, 2009,
12 (the "Permit"), under which Another Planet has produced the annual three day Outside Lands
13 Music Festival (the “Festival”) in Golden Gate Park from 2009 through 2013; and

14 WHEREAS, The City and Another Planet entered into a First Amendment to the Permit
15 dated December 5, 2012 (the “2012 Amendment”), to modify certain terms of the Permit, and
16 to authorize an extension of the Permit through 2021, and Another Planet has produced the
17 Festival from 2014 through 2018 under the 2012 Amendment; and

18 WHEREAS, Including the 2008 Festival, Another Planet has produced 11 annual
19 Festivals in Golden Gate Park which have been attended by up to 75,000 people each year;
20 and

21 WHEREAS, In producing these events, Another Planet has worked closely with the
22 surrounding communities, and, in tandem with RecPark, has developed significant expertise
23 in developing and implementing measures to avoid or reduce negative impacts of the Festival;
24 and

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1 WHEREAS, These measures to avoid or reduce negative impacts have included an
2 extensive review of the site plan to ensure adequate protection of park property including
3 arborist review of impact on trees; an extensive sound mitigation plan that includes use of
4 relay speakers, sound technicians to review of the acoustic plans, and monitoring of the
5 sound impacts in the community with real time adjustments to sound; a comprehensive and
6 adjusting transportation plan that encourages Festival attendees to arrive by Muni, private
7 shuttles, bicycle or by walking, addresses problems created by increased use by festival
8 goers of Transportation Network Companies such as Uber and Lyft (“TNCs”), and deploys
9 Parking Control Officers and tow trucks near the Festival to quickly respond to blocked
10 driveways and other parking violations; a robust annual outreach plan including a mailer to all
11 homes and businesses within four blocks of the Park; deploying crews to clean-up litter in the
12 surrounding neighborhoods; and

13 WHEREAS, Since the Festival’s inception, Another Planet, in collaboration with the
14 community, RecPark, Police Department, Fire Department, Municipal Transportation Agency
15 and the Mayor’s Office of Special Events, has continually refined its operational plans for the
16 Festival; and

17 WHEREAS, The Festival not only highlights the beauty of the Park, which is the City’s
18 largest Park, but also celebrates and promotes San Francisco’s culture by booking dozens of
19 local bands, hiring local artists to decorate the site and by utilizing over 50 local restaurants to
20 operate the food concessions; and

21 WHEREAS, With up to 60,000 San Franciscans attending each year and an even
22 larger number of visitors attending, the Festival has become part of the cultural fabric of the
23 City and a highlight of the City’s summer event calendar; and

24 WHEREAS, Since its inception, the Festival has developed into one of the preeminent
25 concerts in North America and has received international acclaim; and

1 WHEREAS, In 2018, the Festival was named the top music festival at the Billboard
2 Award which continues years of recognition starting with Rolling Stone Magazine saying in
3 2011 “This was the year that Outside Lands finally became the festival it always promised to
4 be, which is to say, one of the greats” and ABC has referred to the Festival as “one of the
5 most prestigious festivals in America”; and

6 WHEREAS, Rolling Stone Magazine has additionally said, “More than a cookie-cutter
7 American rock festival, Outside Lands takes advantage of its setting in Golden Gate Park by
8 pointedly celebrating all that is the Bay Area;” this strategy makes this event, stand apart from
9 any other festival in its class; and

10 WHEREAS, The success of the festival has resulted in a significant increase in rent
11 payments made by the Festival to RecPark increasing from \$800,000 in 2008 to \$1.4 million
12 at the time of the first amendment to \$3.3 million in 2018; and

13 WHEREAS, A 2017 Economic Impact Report, a copy of which is on file with the Clerk
14 of the Board of Supervisors in File No. 190117, states that the Festival contributed economic
15 output of \$66.8 million to San Francisco and \$75 million to the greater Bay Area through a
16 combination of increased jobs (over 700), hotel stays (41,448 hotel nights), and related food
17 and beverage sales and taxes; and

18 WHEREAS, In addition to the economic activity throughout the City, Another Planet
19 employs thousands of local citizens, including musicians, artists, and event staff and contracts
20 with more than 50 San Francisco restaurants to operate the food concessions at the Festival;
21 preference is provided to local merchants to be vendors during the event; and

22 WHEREAS, During 2018 nearly 7,500 people were employed to work directly as part of
23 the festival and each year a summer job fair is held by the Permittee in the neighborhoods
24 surrounding Golden Gate Park to hire residents to serve open positions during the event and
25 during 2018, 93 people were hired through the job fair; and

1 WHEREAS, In addition to rent payments, since the 2012 Amendment, the Festival has
2 (i) made available \$10,000 per year to fund neighborhood initiatives, (ii) conducted an annual
3 fundraising off-site concert during the Festival which has resulted in a total contribution of over
4 \$115,000 to a combination of the RecPark's scholarship fund and the Parks Alliance, and (iii)
5 funded a gardener to assist with maintenance of the Golden Gate Meadows and Polo Fields
6 and contributed \$15,000 per year for maintenance and supplies for the Polo Fields; and

7 WHEREAS, Under the Permit approved by the Board of Supervisors, the term of the
8 Permit currently expires after the 2021 Festival; and

9 WHEREAS, The City and Another Planet have negotiated, and the Recreation and
10 Park Commission has approved on January 18, 2019, a proposed amendment of the Permit
11 (the "2018 Amendment") in substantially the form on file with the Clerk of the Board of
12 Supervisors in File No. 190117, which includes, among other provisions, the following
13 significant terms:

14 (1) Extending the Permit term to grant Another Planet the right to produce the Festival
15 for an additional ten years until 2031;

16 (2) Increasing the Minimum Permit fee from \$1,400,000 to \$2,500,000 in 2019 and
17 increasing it by \$75,000 each year thereafter;

18 (3) Adjusting a number of provisions that were set at fixed amounts to reflect cost of
19 living adjustments including:

20 (a) Increasing the Additional Rent from \$1.25 per ticket sold to \$1.50 in 2020,
21 \$1.75 in 2024 and \$2.00 in 2028,

22 (b) Increasing the contribution for an endowed gardener to assist in maintaining
23 the Festival Area during the year from a fixed amount of \$89,250 based on 2011 costs to the
24 current annual cost of a gardener in 2019 (\$107,201) and then increasing by cost of living
25 adjustments each year, and

1 (c) Increasing the Ground regeneration fee of \$15,000 each year starting in
2 2019 for cost of living changes;

3 (4) Increasing the community benefit funds from \$10,000 per year to \$25,000 per year
4 to projects in each of District 1 and District 4, the Districts adjacent to the festival footprint
5 (\$50,000 total); the amounts will increase to \$30,000 per year per district in 2026;

6 (5) Amending the requirement to hold one or more annual job fairs in the
7 neighborhoods around Golden Gate Park to attempt to fill vacant positions for the Festival
8 with qualified San Francisco residents to require that at least one job fair will always be held in
9 the Richmond District;

10 (6) Amending the Community Outreach Plan to require that, in addition to meetings
11 held prior to the event, a meeting will be held in the Richmond District between 30 and 90
12 days after the event each year;

13 (7) Requiring additional amplified sound monitoring and that the Community Hotline
14 hours will be extended to require a staff hotline during sound check prior to the event;

15 (8) Amending the Transportation Plan to specifically require that traffic enforcement be
16 including in the plan due to concerns from neighbors about drivers in the area not obeying
17 traffic laws during the Festival;

18 (9) Requiring Another Planet to donate a booth at each year's event for the City or its
19 designated non-profit partner to use for purposes of community and philanthropic engagement
20 and/or membership outreach;

21 WHEREAS, The City's Planning Department has found that the 2018 Amendment is
22 categorically exempt from environmental review under the California Environmental Quality
23 Act (a copy of these findings is on file with the Clerk of the Board of Supervisors in File No.
24 190117, and are incorporated herein by reference); and
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1 WHEREAS, As set forth in Administrative Code, Sections 2.6-1 and 23.33, it is the
2 policy of the Board of Supervisors to require competitive bidding procedures before approving
3 certain contracts and leases, except where competitive bidding is impractical or impossible;
4 now, therefore, be it

5 RESOLVED, That the Board of Supervisors finds that due to (1) the significant
6 experience of Another Planet in operating the Festival in the sensitive park environs and
7 showcasing the City and Bay Area and the economic contributions, including the increased
8 rent paid by the Another Planet in recent years as the Festival has grown, (2) the limited
9 duration of the Festival each year, and the availability of the multiple City properties for
10 musical and other special events, and (3) the competitive process that was performed by
11 RecPark in awarding the initial permit to Another Planet for the Festival, that competitive
12 bidding for the Festival is impractical or impossible, and therefore is not required in this
13 instance; and, be it

14 FURTHER RESOLVED, That the Board of Supervisors hereby approves and
15 authorizes the execution, delivery and performance by the City of the 2018 Amendment; and,
16 be it

17 FURTHER RESOLVED, That subject to the preceding paragraph, the Recreation and
18 Park Department General Manager is authorized to execute and deliver the 2018 Amendment
19 in substantially the form filed with the Clerk of the Board of Supervisors in File No. 190117,
20 and to take any and all steps necessary or appropriate to effectuate the execution, delivery
21 and performance of the 2018 Amendment; the General Manager, at his or her discretion and
22 in consultation with the City Attorney and the City's Controller, is authorized to enter into any
23 additions, amendments, or other modifications to the 2018 Amendment that the General
24 Manager determines are in the best interests of the City and do not materially increase the
25 obligations or liabilities of the City or materially decrease the payments or other benefits to the

1 City, and are necessary or advisable to effectuate the purpose and intent of this Resolution;
2 and, be it

3 FURTHER RESOLVED, That the Board of Supervisors approves and accepts the
4 \$107,201 (subject to annual cost of living increases) annual contribution in the 2018
5 Amendment for a gardener to assist RecPark with maintaining the Festival site throughout the
6 year, subject to the budgetary and appropriations provisions of the Charter; and, be it

7 FURTHER RESOLVED, That the Board of Supervisors affirms the Planning
8 Department's determination that the 2018 Amendment is categorically exempt from
9 environmental review under the California Environmental Quality Act; and, be it

10 FURTHER RESOLVED, That any and all actions previously taken by City employees
11 or officials regarding the 2018 Amendment are hereby ratified and approved; and, be it

12 FURTHER RESOLVED, That upon execution of the Second Amendment, the
13 Recreation and Park Department shall transmit to the Clerk of the Board of Supervisors a
14 copy of the Second Amendment, for inclusion in File No. 190117.

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