[Permit Issuance - Another Planet Entertainment LLC - Polo Field Concerts - Minimum Permit

Fee of \$1,400,000 Per Year for a Two-Day Event and \$2,100,000 for a Three-Day Event

Resolution authorizing the Recreation and Park Department to issue a permit for Another Planet Entertainment LLC to hold a ticketed concert at the Golden Gate Park Polo Fields on the Friday, Saturday, and Sunday following the Outside Lands Festival in 2024, 2025 and 2026, in exchange for a minimum permit fee \$1,400,000 per year for a two-day event and \$2,100,000 for a three-day event for a three-year term to commence in 2024, and a commitment to hold three free musical concerts per year, for each year in which concerts are held at the Polo Fields; affirming a categorical exemption under the California Environmental Quality Act; and to authorize the General Manager of the Recreation and Park Department to enter into 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.

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

WHEREAS, Another Planet Entertainment LLC, a Delaware limited liability company ("Another Planet" or "Permittee"), is a concert production company that organizes the annual Outside Lands Festival which has been taking place in GGP since 2009; and

WHEREAS, The Outside Lands Festival takes place in the western part of GGP, including on the Polo Fields, and the Board of Supervisors when it approved an extension of the Outside Lands Festival permit found that the Another Planet has made Outside Lands a great success (Resolution No. 156-19); and

WHEREAS, The Recreation and Park Department ("RPD") is proposing to enter into another permit with Another Planet to produce either two or three concerts at the Polo Fields on the Friday, Saturday and/or Sunday immediately following Outside Lands Festival, in 2024-2026, in order to generate additional revenue to support RPD's budget which is facing significant constraints due to reduction of general fund support and increased labor and health care costs; and

WHEREAS, Holding the Polo Fields Concerts on the weekend immediately following the Outside Lands Festival will allow some of the infrastructure from the previous weekend to be used, albeit with a reduced footprint, which will minimize the event's impact on the public and the park, and allow for just one load-in and one load-out which will be completed by the Wednesday following the completion of the Polo Fields Concerts, so just 5 days later than the OSL Festival; and

WHEREAS, The Polo Fields Concerts will generate a minimum of \$1.4 million for each year of concerts with a potential 50% increase if a third concert is produced in any year preventing budget cuts; and

WHEREAS, The Polo Fields Concerts will leverage and fine-tune Another Planet's existing mitigation plans developed after many years of producing OSL, and Another Planet's production staff will already be in place to continue supporting neighborhood residents and local merchants as impacts arise; the central command post and community hotline to address real-time issues, sound monitoring adjustments, and transportation needs will remain in place; and

WHEREAS, Another Planet has agreed to also provide three free downtown concerts each year of the Polo Field concerts in order to increase downtown activities, for which it will obtain special event permits and pay all City costs related to the concerts, except the permit fees; and

WHEREAS, In order to reduce impact on the nearby neighborhoods, Another Planet has agreed to provide free Muni for concert goers; and

WHEREAS, RPD and Another Planet have negotiated a Term Sheet for the Polo Fields Concerts, a copy of which is on file with the Clerk of the Board in File No. 230710, which includes, among other provisions, the following significant terms:

- (1) Term: Three years beginning in 2024.
- (2) Premises: The certain portion of the premises called Polo Fields, a portion of Lindley Meadow that connects to the Polo Fields and the areas in Golden Gate Park that connect those areas.
- (3) Event Dates: The Polo Fields concerts will be held in 2024, 2025 and 2026 and will be either two or three of the following dates on the weekend after the OSL Festival: Friday from 2 pm to 10 pm; Saturday from 2 pm to 10 pm; Sunday from 2 pm to 10 pm.

  Permittee must notify the Department by May 1 of each year of the dates of the Polo Concert for that year.
- (4) Permitted Use: Production of a concert open to the public upon purchase of tickets.

  Permittee must complete all load out of the Polo Fields and Lindley Meadow by 10 pm on the Wednesday following the last Polo Concert of each year.
- (5) Permit Fee and Financial Terms relating to the Polo Fields Concerts:
  - a. *Minimum Fees:* Each year, the Permittee will pay the Department the higher of a minimum of \$1,400,000 for 2-day event and an additional \$700,000 for a third day or 5% of the net ticket revenue from the event. Net ticket revenue is defined in OL Permit.
  - b. **Staff Expense:** The Permittee will be required to reimburse the Department for all staff expenses including staff time to monitor set up and take down and for security. These expenses are expected to total approximately \$30,000 per day.
  - c. *Payment Schedule:* For each year of the Permit (2024, 2025 and 2026), fifty percent of the Minimum Fee will be due by July 15. All remaining fees will be due no later than 30 days following the last Polo concert of that year.
  - d. *CPI Increases:* The fees will increase each year by \$42,000 for a 2-day event and \$63,000 for a 3-day event.

- (6) Community Outreach: Permittee will meet with neighborhood groups at least four months prior to the Polo Concerts to discuss the impact and ways to mitigate the impact.
- (7) Security: Permittee will work with private security firm and the San Francisco Police Department, to provide full security for this event at Permittee's own cost.
- (8) Free Muni for Polo Concert Attendees: In addition to reimbursing SFMTA for the direct costs of Muni Services, Permittee will fund free MUNI rides to and from the Polo Field for those attending the concerts pursuant to the mutually agreed MTA/APE agreement.
- (9) Community Benefit Funds: In connection with the OSL Festival, Permittee already provides \$25,000 per year to neighborhood-specific projects and programs in District 1 and District 4. For each year of the Polo Concerts, Permittee will increase these community funds by \$10,000 per district per year to be distributed as outlined in the Permit.
- (10) Free Downtown Concerts: Permittee will organize free downtown concerts in in 2024, 2025, and 2026. In each year, one concert will be held at Civic Center Plaza, one concert will be held at Union Square, and one concert will be held at the Embarcadero. The downtown concerts will be held in the Summer and/or Fall of each year starting in 2024. Permittee will be required to obtain a one-day special event permit for each concert, will not be charged a permit fee for these free concerts, but will be required to cover City costs related to the concerts and to comply with all other terms of the special event permit.
- (11)Other Terms: All other terms of the Permit relating to production of the Polo Concerts will follow the current OSL Use Permit (as amended in 2019) between the Department

and the Permittee, including sound mitigation, transportation plans, and community hotlines and responses, and the payment of prevailing wages; and

WHEREAS, The Planning Department has found that the proposed Permit issuance is categorically exempt from environmental review under the California Environmental Quality Act, and a copy of these findings is on file with the Clerk of the Board of Supervisors in File No. 230710, and are incorporated herein by reference; and

WHEREAS, The Recreation and Park Commission adopted a Resolution (No. 2305-005), which is on file with the Clerk of the Board of Supervisors in File No. 230710 and which is incorporated herein by reference, 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 RPD to enter into the Permit; now, therefore, be it

RESOLVED, That the Board of Supervisors finds that due to 1) the significant experience of Another Planet in operating festivals in the sensitive park environs and showcasing the City and Bay Area and the economic contributions, including the rent paid by Another Planet under the Permit, 2) the limited duration of the Polo Fields Concerts each year, and the limited availability of City properties for musical and other special events, and 3) unique opportunity to reduce costs and park impacts which is only possible because the Polo Fields Concerts would occur immediately after the Outside Lands Festival on the same infrastructure, that competitive bidding for the Permit is impractical or impossible and therefore not required; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the RPD to execute the Permit substantially in the form as is on file with the Clerk; and, be it

FURTHER RESOLVED, That the RPD General Manager is authorized to execute and deliver the Permit, and to take any and all steps necessary or appropriate to effectuate the

execution, delivery and performance of the Permit; the General Manager, at his or her discretion and in consultation with the City Attorney and the City's Controller, is authorized to enter into any additions, amendments, or other modifications to the Permit that the General Manager determines are in the best interests of the City and do not materially increase the obligations or liabilities of the City or materially decrease the payments or other benefits to the City, and are necessary or advisable to effectuate the purpose and intent of this Resolution; and, be it

FURTHER RESOLVED, That the Board of Supervisors affirms the Planning Department's determination that the Permit issuance is categorically exempt from environmental review under the California Environmental Quality Act.



## City and County of San Francisco Tails

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

Resolution

File Number: 230710 Date Passed: September 12, 2023

Resolution authorizing the Recreation and Park Department to issue a permit for Another Planet Entertainment LLC to hold a ticketed concert at the Golden Gate Park Polo Fields on the Friday, Saturday, and Sunday following the Outside Lands Festival in 2024, 2025 and 2026, in exchange for a minimum permit fee \$1,400,000 per year for a two-day event and \$2,100,000 for a three-day event for a three-year term to commence in 2024, and a commitment to hold three free musical concerts per year, for each year in which concerts are held at the Polo Fields; affirming a categorical exemption under the California Environmental Quality Act; and to authorize the General Manager of the Recreation and Park Department to enter into 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.

September 06, 2023 Budget and Finance Committee - REFERRED WITHOUT RECOMMENDATION

September 12, 2023 Board of Supervisors - ADOPTED

Ayes: 10 - Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai,

Stefani and Walton Noes: 1 - Chan

File No. 230710

I hereby certify that the foregoing Resolution was ADOPTED on 9/12/2023 by the Board of Supervisors of the City and County of San Francisco.

London N. Breed Mayor 161/67

Date Approved

Angela Calvillo Clerk of the Board