



Edwin M. Lee, Mayor
Philip A. Ginsburg, General Manager

Date: March 3, 2016

To: Recreation and Park Commission
Operations Committee

Through: Philip A. Ginsburg, General Manager

From: Dana Ketcham, Director of Property Management and Reservations

Subject: Kezar Stadium – Permit to Enter and Use Property

Agenda Item Wording:

Discussion and possible action to (1) authorize the Department to enter into a permit with FCSF, LLC ("Permittee") for a period of up to 5 years to hold between 15 and 20 soccer games per year at Kezar Stadium that is substantially in the same form as the draft permit dated February 25, 2016, submitted to the Operations Committee with the agenda for this March 3, 2016 meeting and (2) authorize the General Manager to approve the sale and consumption of alcohol at Kezar Stadium on an annual basis pursuant to Park Code Section 4.10, provided the General Manager determines that the consumption of alcohol will not interfere with the public's use or enjoyment of Kezar Stadium.

Background:

Historic Kezar Stadium: Kezar Stadium was originally built in the 1920's following a gift of the land from Mary Kezar for a cost of \$300,000. Kezar was the home historically of many teams. In its early years it hosted track and field competitions, motorcycle racing, auto racing, rugby, lacrosse, soccer, baseball, boxing, cricket, and football. The stadium was also used for games by local colleges such as USF and Stanford and the former San Francisco Polytechnic High School. In 1926 the Stadium also became the home of the East-West Shrine Game. Since the 1920's it has been the home of the two biggest high school football games each year, the SFUSD Championship Football Game (the "Turkey Game") and the St. Ignatius vs Sacred Heart Cathedral Prep Game (the "Bruce Mahoney Game").

Kezar Stadium was the founding home field for the San Francisco 49ers who played there from 1946 to 1970. It was also the location of the first home games of the Oakland Raiders. The 1970 NFC Championship Game was the last professional football game ever played at Kezar Stadium. After that final game, the 49ers moved across the City to the Department's more modern Candlestick Park where they played for 43 years (1971-2013) before moving, again, to Santa Clara. Following the departure of the 49ers in 1970, Kezar Stadium was used for a series of concerts in the 1970's but also fell into disrepair.



New Kezar Stadium: In 1987, the voters passed Proposition D which paved the way for the destruction of the original Kezar Stadium and subsequent replacement with the new Kezar Stadium for a cost of \$6 million. The original Kezar Stadium was demolished in 1989 and the new stadium completed in 1991. Among other things the new Stadium reduced the number of seats from 60,000 to a potential capacity of 15,000, the track was enlarged and the stadium was built into the ground.

Kezar Interim Policy: Just prior to the opening of the Stadium, significant community concern developed about how the new Kezar Stadium would be used. An interim policy was adopted by the Commission in 1991, which is attached (the “Interim Policy”) to address these concerns. In addition, a Kezar Advisory Committee (the “Advisory Committee”) was to be appointed by the General Manager of interested members of the community. The Advisory Committee was to be made up of neighbors and residents of the Kezar and Haight area, representatives of the San Francisco Unified School District, Inner Sunset community groups, private schools, soccer organizations, and other user groups.

In developing the Interim Policy and the final details for the new stadium, there were a number of public meetings that focused on several issues raised by community members and neighbors including:

- Fencing - There were community members that did not want Kezar to be fenced at all. However, user groups (including schools) desired fencing to allow for ticketed events. In the end fencing was added but the Department committed to keep Kezar Stadium open to the public except for ticketed events and at night.
- Number of Events - There were community members who voiced concern about the number of events and how they would impact public access to the track and traffic in the neighborhood. The Interim policy limited the number of permitted events per week to three. However, since that time the Department has permitted more than three events per week in order to accommodate local school games and meets. This has been with the support of the Kezar Advisory Committee.
- Lighting - There were community members that opposed lighting but user groups (including schools) desired the opportunity to host night games. The Interim Policy limited the number of lighted games to one per week. However, since that time the Department has permitted more than one lighted event per week in order to accommodate local school games and meets. This has been with the support of the Kezar Committee.
- Amplified Sound - There were community members that did not want amplified sound systems and wanted to prohibit the use of any outside amplified sound systems (concern about concerts returning). Amplified sound was installed in the Stadium.
- Attendance - There were community members concerned about the traffic impact for large events. A traffic study was conducted that indicated events drawing over 5,000 attendees needed to have a traffic mitigation and parking plan. The study also found that events over 10,000 would have a more serious impact. The Interim Policy provided that no events would exceed 10,000 attendees and any event with over 5,000 attendees required a traffic mitigation plan.
- Alcohol - This was not raised in the letters or notes of any community meetings. An early draft of the Interim Policy provided that alcohol would be prohibited at school events. It was later amended to prohibit all alcohol (but there was no discussion of the change or the reason). Since that time the Department has not allowed alcohol to be consumed in the Stadium but has allowed events to set up beer gardens in

areas immediately adjacent to the stadium where attendees can consume alcohol and then return to the Stadium.

The Commission adopted the Interim Policy for a two-month trial period and directed that the Department and Advisory Committee report back on it but there are no records that this happened. The Department has met with the Advisory Committee between two and four times per year since 1991 to review use of Kezar Stadium. Many of the members of the Advisory Committee have been on it since it started in 1991.

Kezar Stadium Use since 1991: Since 1991, Kezar Stadium has been used primarily for games for school teams and school track meets. However, it has been used over the years by a variety of colleges and semi-professional and professional teams including:

- San Francisco Bay Area Seals (soccer) (1998-1999)
- San Francisco Freedom (cricket) (2004)
- San Francisco Dragons (lacrosse) (2006-2007)
- California Victory (soccer) (2007)
- San Francisco Stompers FC (soccer) 2012, 2014
- San Francisco Dogfish (ultimate) (2013)
- Bay Area Breeze (women's soccer) (2013)
- Stanford Red and White Game (2010-2012)
- College Lacrosse Showcase (2010-2013)
- San Jose Earthquakes (soccer) (2010, 2012, 2013, 2014)
- Club America Soccer (2011)
- Manchester City (soccer) (2011)
- NCAA Battle of the Bay Lacrosse (2012, 2013)
- Next Gen Ultimate Tour (2012, 2013)
- SF Nighthawks (women's soccer) (2010-2015)
- SF City Soccer (2015)
- Sueno Aliznza National Showcase (2012)

Proposed NASL Soccer Team

Background on the NASL: The original NASL (North American Soccer League) operated from 1968 to 1984 and its popularity peaked in the late 1970s when some of the world's greatest players played in the league such as Pelé, Franz Beckenbauer, Johann Cruyff and George Best. The modern NASL was founded in 2009 and began play in 2011 with eight teams. Entering its sixth season in 2016, the league has grown to 12 teams, which is the most since its return. The New York Cosmos, Tampa Bay Rowdies, and Fort Lauderdale Strikers names have carried on from the original league. The teams compete under the league's split-season format, which will consist of 10 games in the Spring Season and 20 in the Fall Season. The winners of the Spring and Fall Seasons will earn a place in The Championship, the league's four-team playoff format. The two teams with the next best overall record will have the remaining playoff berths.

NASL and Kezar: In 2014, the North American Soccer League ("NASL") approached the Department about the possible use of Kezar Stadium for a new franchise team based in San Francisco. They were in discussion with a number of potential new owners who would look for a Stadium to incubate the team until the following grew large enough to support their own stadium. Over the next few years the Department met with a number of potential owner groups. From the

outset, the idea was to use Kezar as a temporary incubator home while the fan base grew. Ultimately, the team would build its' own stadium as Kezar's capacity is not large enough to support long-term plans

In late 2015, the NASL notified the Department of an owner group that they were prepared to endorse as a sponsor of a San Francisco based team. The owner group is lead by Brian Helmick, who has lived in the San Francisco Bay Area since 2003. The team will be called the San Francisco Deltas (the Deltas). The Department has held a series of meetings with Mr. Helmick. He indicated the team's desire and commitment to make up front improvements to the Stadium to improve the fan and player experience in exchange for rent credits.

Overview of Agreement with the SF Deltas

Game Days: Similar to those professional sports team which preceded them, the San Francisco Deltas desire to use Kezar Stadium as their founding home for games beginning in spring of 2017. These proposed homes games would be played under the League's "split-season schedule," which runs from April to early November, with a four week break in July. Across its regular season, the Deltas anticipate 15 to 16 homes games will be played at Kezar, with additional preseason and playoff games. Per the terms of the proposed Permit, in no event shall Kezar Stadium be used for more than 20 games per season.

The vast majority of games are expected to be played on Saturdays but Wednesday games are also possible. Games will be either in the evenings (no later than a 7:00 p.m. start) or in the afternoons. Soccer games are 90 minutes (two 45 minute halves) with a 15 minute half. There is no overtime except during playoffs.

When initially presented with this proposal, the Department was concerned about the possibility that it would displace the use of Kezar by our youth teams. The Department met with the representatives of the Deltas, the NASL, the SFUSD and Sacred Heart Cathedral to review possible schedules. Our youth teams do not use Kezar on Saturday evenings but the Department was concerned about the number of events in a week and the impact on the turf. The Department prepared schedules based on the 2016 use of the facility and consulted with Department Turf Staff to assess potential impacts. Based on this review, the Department concluded that Kezar had sufficient capacity to accommodate this additional use. Both the SFUSD athletic office and the Sacred Heart Cathedral athletic office are comfortable with the proposal. The proposed Permit requires the Permittee to meet with the schools in October and November of each year to develop a schedule that will accommodate their needs.

During the games the Delta's are proposing to have concessions that will offer food, merchandise and alcohol to attendees similar to other sporting venues. In addition, the Delta's may rent the Waller Street Parking Lot for overflow parking and the Kezar Triangle for pregame activities.

Practices: The Deltas also desire to utilize certain designated soccer pitches on a rotating basis for practices. Primarily, the Deltas will practice at Boxer Stadium and use other pitches such as Beach Chalet and Polo Fields when practicable. It is important to note that the Team's contemplated practice schedule is set to occur during off-peak hours (weekdays before 2:30 p.m.) and will not interfere or disrupt any current users of the fields. The Delta's will also use one office in Boxer Stadium for their administration.

Initial Investment: The Delta's are committing to invest a minimum of \$500,000 prior to the first game toward improvements to Kezar and Boxer Stadiums. A list of the proposed improvements appears below:

Kezar - Locker Room Paint/Clean	\$20,000
Kezar - Locker Room Repairs	\$20,000
Kezar - Cameras	\$10,000
Kezar - Tunnel Repairs	\$40,000
Kezar - Seating Repairs/Paint	\$40,000
Kezar - Lighting	\$300,000
Kezar - Fiber	\$50,000
Boxer - Locker Room Repairs	\$20,000
Boxer - Paint & Misc	\$20,000
Total	<u>\$500,000</u>

In addition, the Delta's intend to improve the sound system at Kezar after sufficient testing, consultation with the neighboring community, and Department approval. As users of Kezar know the current sound system cannot be understood inside the stadium but yet carries into the neighborhood. Most user groups have been bringing in portable sound systems.

Proposed Permit - Terms and Conditions:

Permittee	San Francisco Deltas, dba FCSF, a Delaware LLC.
Term	Five (5) years
Extension Term	None
Permit Areas	<ol style="list-style-type: none"> 1. Kezar Stadium 2. Kezar Pavilion Locker Rooms 3. Boxer Stadium Office Space 4. Boxer Stadium Storage Space 5. Certain Designated Soccer Pitches
Permitted Uses	<p><u>Home League Matches</u> Subject to the approval of the Department each year, Kezar Stadium shall be made available to Permittee for <i>home league matches</i>. In no event shall Kezar Stadium be used for team practices.</p> <p><u>Team Practices</u> On a rotating basis, certain designated soccer pitches will be made available for team practices. At all times, team practices shall be held on weekdays and will end prior to 2:30PM each day.</p> <p><u>Office and Storage Space</u> Certain designated space(s) shall be made available at Boxer Stadium for use as an office and accommodation of a storage container.</p>
Home League Matches	Subject to annual Department approval, Permittee may schedule up to sixteen (16) home league matches per

	season at Kezar Stadium, with possible additional matches for preseason and playoff games. In no event shall Kezar Stadium be used for more than twenty (20) games per season.
Priority for School Use	At all times, the Department shall ensure priority is given to current school use at Kezar Stadium. By November 1 of each year, the Department shall provide Permittee with a list of scheduled school events for the following year. Permittee will not schedule, nor will Department approve, any home league matches which conflict with scheduled school events at Kezar Stadium.
Required Stadium Improvements	Prior to the start of Permittee's inaugural season in 2017, Permittee shall be required to make \$500,000 in certain improvements to Kezar and Boxer Stadium. Permittee shall not perform any improvements without first obtaining the written consent of the Department's General Manager.
Ownership of Improvements	All improvements to Kezar Stadium and Boxer Stadium shall become property of the Department upon the expiration or termination of the Permit.
Annual Operating Plan	At least sixty (60) days before the commencement of Permittee's regular season, Permittee shall submit to the General Manager an Annual Operating Plan for review and approval. The Operating Plan shall enumerate in detail the Permittee's Transportation Plan and Security Plan.
Transportation Plan	Permittee shall submit a comprehensive Transportation Plan to the Department for review and approval. The Transportation Plan shall encourage public and alternative transportation options and shall be included in all home league match publicity. At the request of the Department, Permittee shall be required to modify the Transportation Plan.
Arrangements for Traffic and Safety	Permittee shall make all necessary arrangements with the San Francisco Police Department, Department of Parking and Traffic, San Francisco Municipal Transit Authority, and San Francisco Fire Department to ensure that all home league matches are conducted in a safe, orderly, and organized manner.
Amplified Sound	The use of amplified sound during games for play-by-play announcement is strictly prohibited. Permittee shall not install any sound system without consultation with neighboring communities and written approval by the Department.
Food and Beverage Sales	Permittee shall be entitled to operate concessions at Kezar Stadium for the sale of food and beverage usually sold at sporting events. At all times, Permittee shall conduct concession operations in compliance with all applicable rules and regulations.
Restrictions on Alcohol Sales	The sale of alcoholic beverages must end eighty (80) minutes after the start of a match. The sale of beer and

	<p>wine may be available generally in the Stadium. The sale of spirits may be available only in designated ticketed areas, and the consumption of spirits shall be strictly limited to such designated ticketed areas. Permittee shall coordinate with the Department and SFPD to develop a comprehensive Alcohol Monitoring Plan, which plan can be revised at the request of the Department. The Monitoring Plan, location, price, conditions of any and all alcohol sales must be approved in advance in writing by the General Manager.</p>
<p>Annual Base Prepayment</p>	<p>Permittee shall pay thirty thousand dollars (\$30,000) on or before March 1 of each year and such Annual Base Prepayment shall be credited against the next \$30,000 Permit Fees. The Prepayment shall be subject to annual CPI adjustments.</p>
<p>Permit Fees</p>	<p><u>Events - Home League Matches</u> For <i>each</i> home league match approved by the Department, Permittee shall pay the following fees which are subject to annual CPI adjustments:</p> <ol style="list-style-type: none"> 1. Kezar Fixed Event Fee \$1,000 2. Kezar Hourly Event Fee \$500 3. Kezar Triangle Event Fee \$500 4. Waller Street Lot Fee \$500 <p><u>Practice Fields</u> Permittee shall pay fees for practice fields in accordance with rates set forth by the San Francisco Park Code.</p> <p><u>Office and Storage Space</u> For office and storage space at Boxer Stadium, Permittee shall pay the following <i>monthly</i> fees which are subject to annual CPI adjustments:</p> <ol style="list-style-type: none"> 1. Office Space \$800/mo. 2. Storage Space \$100/mo.
<p>Percentage of Sales</p>	<p>The Department will not receive a percentage of concession or ticket sales.</p>
<p>Reimbursement for Costs</p>	<p>Permittee shall promptly reimburse Department for all costs reasonably incurred by City for home league matches, including without limitation, cost of Park Ranger security, grounds preparation, facility operation, and repairs.</p> <p>In addition, Permittee shall be required to reimburse other City departments with regulatory of permitting authority including without limitation, San Francisco Police Department, Department of Parking and Traffic, and the</p>

	San Francisco Fire Department.
Credit Against Certain Fees	Permittee shall be entitled to receive a credit against Permit Fees in an amount equal to properly documented and approved costs of Kezar and Boxer Stadium improvements; provided that the Annual Base Prepayment and any Reimbursements for Costs shall not be subject to offset.
Minimum Affordable Tickets	For each home league match, Permittee shall make no fewer than three thousand (3,000) tickets available to the general public at cost of twenty dollars (\$20) or less (subject to CPI adjustments).
Community Tickets	For each home league match, Permittee shall provide one hundred (100) complimentary tickets for use by community centers, non-profits, or youth recreation groups.
Complimentary Tickets	For each home league match, Permittee shall donate fifty (50) complimentary tickets to the Department.
Limitations on Signage	Permittee shall not display any signs or advertisements without the prior written consent of the General Manager, in his sole discretion. All signage must comply with San Francisco Park Code Section 3.07(b)(3) which provides that all signage may only be installed on the day of the event, except that signage in a designated location may be posted one week prior informing the public of the event to occur.
Kezar Stadium Naming Rights	Permittee shall use the name Kezar Stadium in all advertising and shall not identify the Stadium by any other name.
Revocation of Permit	The Department may revoke the Permit at any time if Permittee fails to cure a material breach of the Permit within 10 business days after written notice.

Reasons for the Department's Support

The Department supports this proposal as it provides the residents of San Francisco the chance to attend a top quality soccer game in the City. The City no longer has a ground sports facility offering the opportunity for San Francisco fans to attend games. The Department believes that ensuring 3,000 tickets are available at a cost of \$20 or less provides an affordable and engaging recreation option to most families. In addition, 100 tickets per game will be donated to youth community groups.

The Delta's will also provide some much needed refurbishment to both Boxer and Kezar Stadiums and their locker rooms. Improvements include replacement of Kezar's aging lighting system with new modern fixtures to provide enhanced light conditions for games, youth teams, and the surrounding neighborhood. Advancements in technology allow these modern fixtures to direct light more-precisely onto the field and mitigate the unwanted light dispersion produced by Kezar's current system. The Kezar and Boxer locker rooms will be refurbished with paint, new lighting and other improvements. The Kezar tunnel has a leak in it and

will be repaired, repainted, and equipped with lighting improvement. The wooden stands at Kezar Stadium are rotting in many places and will be improved. Additional ADA seating will be made available at Kezar Stadium.

Community Outreach and Concerns

The Delta's have conducted significant outreach. They have met with or reached out to the following groups:

America SCORES
Cole Valley Neighborhood Association
Friends of Alford Lake
Haight Ashbury Merchants Association
Haight Ashbury Improvement Association
HANC
Inner Sunset Merchants Association
Inner Sunset Park Neighbors
Juma Ventures
Kezar Advisory Committee
SHARP/Sunset Heights Association of Responsible People
Arsenal FC Supporters Group - Bay Area Gooners
Peña Madridista San Francisco Bay Area
SF Spikes
Liverpool Football Club Supporters Group (LFCSF)
SF Man City Supporters Club
FC Barcelona Supporters Group - Penya Barcelonista SF
Everton FC Supporters Group - SF Evertonians
SF Bay Area Blues - Chelsea
San Francisco Spurs - Tottenham Hotspur Supporters Club
FC Bayern Supporters Group SF - Mia San Francisco
California Official Supporters Club Aston Villa
Man Utd Supporters Group - Red Army SF
American Outlaws San Francisco
San Francisco Leicester City Foxes
BOB - Brazilians of Bay

We have heard from members of the community that support the proposed use and improvements. However, there are members of the community that have also conveyed concerns about this proposed Permit focusing on several areas:

- Increased Use of the Stadium Resulting in Less Open Time for the Community
- Increased Traffic and Congestion on Game Days
- Sale of Alcohol at the Stadium and Impact on Neighboring Community
- Length of the Agreement

Increased Use of the Stadium Impact on Other Users: Community members expressed concern that the 15 to 20 games per year would limit their access to the stadium to use the track or access by schools. The vast majority of the games will be on Saturdays late in the day or on Saturday

evenings. The Department has very few events on Saturdays, particularly in the late day. In addition, historically, there are limited casual users during those times. The Department has worked closely with the schools that currently use Kezar to ensure that the Delta games can be accommodated without disrupting their use and the schools have no objections to this Permit.

Traffic and Congestion on Game Days: The use of Kezar will increase activity in the area on game days. When new Kezar Stadium was built a traffic study was completed and concluded that events drawing over 5,000 attendees would require a Traffic Mitigation plan. In 2015, the average attendance at NASL games was 5,912. The Deltas will be required to develop a full Traffic and Transportation Mitigation Plan for all games, not just those over 5,000. The fact that Delta games will occur Saturday evenings significantly mitigates the parking impact as Golden Gate Park and UCSF lots will both have substantial availability. In addition, scheduling will avoid games on days when there are major events in the Golden Gate Park in the same areas. The specific plan will depend on expected attendance. The Deltas have already identified several steps that they will use to reduce the impact on the neighborhoods including:

- Messaging about using public transportation
- Arranging for alternative transportation services or extra muni support
- Bike Valet Parking
- Partnering with Flywheel, Uber and Lyft to provide designated drop off and pick up areas that are a 5 to 10 minute walk away from the stadium in Golden Gate Park
- Engaging Parking Control Officers and SFPD to assist with traffic issues
- Providing for parking at the Waller Street Lot, UCSF Parking Lot (a 5 minute walk) and the Music Concourse Lot (a 15 minute walk) and provide a shuttle for those needing assistance.

Sale of Alcohol at the Stadium and Impact on Neighboring Community: When the Interim Policy was adopted it provided that alcohol sales will not occur in Kezar Stadium. Some community members object to any change in the policy because it will change the nature of the Stadium. The Department has followed that policy since its inception but have allowed for events to have beer gardens on the edge of the Stadium where attendees can purchase and consume a drink and then immediately return to the stadium. In 1998, the Park Code was amended to add Section 4.10 which prohibits consumption of alcohol in a number of Parks (including Kezar) but provides that the General Manager or the Commission can allow the consumption of alcohol in those parks if the consumption of alcohol will not interfere with the public's use and enjoyment of the park. The Department has allowed for alcohol sales and consumption at Kezar Pavilion and Boxer Stadium for many years. Examples at Kezar include the Stanford Red and White Game, certain of the Soccer games, and the Lacrosse Showcases. Examples at Boxer include full day adult soccer tournaments and rugby matches.

Some community members (particularly neighbors) are concerned that attendees would become inebriated and then spill out into the neighborhood. In order to reduce the chance for this to happen the Permit requires that:

- The Deltas have a robust security plan that includes hiring extra police officers and private security guards both inside and outside the stadium
- The security plan must be continuously updated to address any issues that develop
- The price of the sale of alcohol must be approved by the Department to ensure that the price is a deterrent to excessive drinking

- The Deltas must collaborate with SFPD to develop and implement a comprehensive Alcohol Monitoring Plan, which plan will be continually monitored and revised, if necessary.

Some community members felt that beer and wine was acceptable but that hard alcohol was not acceptable. Based on this feedback the Delta's agreed to limit the sale and consumption of hard alcohol to only designated VIP areas.

Length of the Agreement: Initially, the proposed agreement provided a term of seven (7) years. Because the Deltas are making a significant initial investment in the Stadiums, the term needed sufficient length to enable recovery of their investment. However, some community members expressed concerns that this proposed term was too long. Based on this community feedback, the term was reduced to five (5) years. In addition, the Department reserves the right to revoke the Permit in the event of a breach such as lack of adequate security plan or transportation plan.

Staff Recommendation:

Department staff recommends that the Commission authorize (1) the Department to enter into the permit with FCSF, LLC and (2) the General Manager to approve the sale and consumption of alcohol at Kezar Stadium pursuant to Park Code Section 4.10, provided the General Manager determines that the consumption of alcohol will not interfere with the public's use or enjoyment of Kezar Stadium.

Supported By:

Haight Ashbury Improvement Association
Inner Sunset Park Neighbors
Inner Sunset Merchants Association
Sunset Heights Association of Responsible People
Friends of Alford Lake
America SCORES
Juma Ventures
Local 261

Opposed By:

Cole Valley Neighborhood Association
Haight Ashbury Neighborhood Council
Kezar Advisory Committee

Attachments:

Exhibit A – Draft Permit to Enter and Use Kezar Stadium

Exhibit B – 1991 Interim Kezar Stadium Operation and Permit Policy

Exhibit C – Correspondence

Exhibit A

Draft Permit to Enter and Use Kezar Stadium

[Attached]

Exhibit B

1991 Interim Kezar Stadium Operation and Permit Policy

[Attached]

Exhibit C

Correspondence

[Attached]