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## 1. INTRODUCTION

The Recreation and Park Commission (the "Commission") of the City and County of San Francisco, California (the "City") requests expressions of interest, information and comments (RFI) from golf course operators and similarly interested parties ("Respondents") for the purpose of informing the ongoing development of policy directives for the use and operation of Harding Park Golf Course (including the nine holes at Fleming Golf Course), Lincoln Park Golf Course, and Sharp Park Golf Course located in Pacifica, California (together, the "Golf Courses"). We invite potential lessors/managers of the golf courses and/or other interested parties to respond to this RFI.

## 2. PROJECT BACKGROUND

The collective revenues of the City Courses under the jurisdiction of the Commission have reduced which require an increasing General Fund subsidy over the past several years in order to defray the costs of operation. Shortfalls have resulted in deteriorating maintenance and frequent poor playing conditions in two of the courses and disappointing revenue growth in the Golf Course system overall, including the Golf Courses that are the subject of this RFI.

Over the past several months the Commission and the City's Board of Supervisors (the "Board") have each engaged in a series of policy discussions regarding how best to address this issue. An addition to this RFI is a report (the "Report") which was provided to the Commission as part of this dialogue. The Report, "Operational Review and Recommendations for City of San Francisco Golf Operations," was prepared by NGF Consulting and can be found at the following link [http://www.parks.sfgov.org/site/recpark\\_index.asp?id=5405](http://www.parks.sfgov.org/site/recpark_index.asp?id=5405) and needs to be considered as background information only and not for its substantive policy recommendations. A second study, completed by PROS Consulting, [http://www.parks.sfgov.org/site/recpark\\_index.asp?id=27310](http://www.parks.sfgov.org/site/recpark_index.asp?id=27310) is the 2004 Recreation Assessment.

Recently the Board directed the completion of a study to determine whether some or all of the City's Golf Courses should be converted to other uses. In an effort to further inform this policymaking effort the Commission has directed the preparation of this RFI to provide a more accurate sense of the interest of outside entities in entering a contract management or lease relationship for the Golf Courses that would (i) consider a packaged proposal that would consider continuing the use of these facilities as a golf system; (ii) eliminate payments from the General Fund to defray operating costs of the Golf Courses; (iii) provide needed capital investment in the Golf Courses; and (iv) retain for the Commission an appropriate level of control over Golf Course operations and management.

## 3. GENERAL SCOPE OF EXISTING WORK

Currently, the City has six golf courses that are operated under the following management practices:

- The Glen Eagle Course is a nine-hole golf course that is not under consideration in this RFI. An operating agreement exists with this facility that extends through 2013.
- The Golden Gate Park Golf Course is a nine-hole executive course that is not under consideration in this RFI. An operating agreement currently exists with a vendor at this facility.

- Sharp Park Golf Course is an 18-hole facility managed through a month-to-month agreement with an existing concessionaire. This Oceanside facility is in Pacifica, California. Pacifica is suburban city located immediately south of San Francisco.
- Harding Park (18 holes) and Fleming (9 holes) Golf Courses are located at Lake Merced in the City. These facilities are currently under contract with a golf management company.
- Lincoln Golf Course is an 18-hole facility overlooking San Francisco Bay and is managed through a month-to-month agreement with an existing concessionaire.
- Clubhouse operations at Sharp Park, Harding Park, Fleming and Lincoln Golf Courses are managed through concession agreements as indicated.
- The maintenance of Sharp Park, Harding Park, Fleming and Lincoln Golf Courses is managed and under the direction of the City of San Francisco Employees.

#### 4. PROGRAM GOALS AND POLICY STANDARDS

Recreation and Park Department staff has identified the following critical goals to be achieved by any initiative to restructure the operations relationship with the Golf Courses:

- Achieve revenue growth for the Golf Courses through improved course conditions, effective customer service operations, and robust marketing initiatives
- Contain rate of expenditure growth for the City Golf System by incentivizing efficient course management and operations
- Maintain discounted greens fees for residents
- Construct needed capital improvements at the Golf Courses, as described in pp. 150-154 of the Report
- Foster a rational master planning process for additional capital improvements
- Integrate the use of the existing Active Network computerized golf reservation system and centralized customer interface for sales of tee times and payment of greens fees the Golf Courses
- Improved accounting, reporting, and other oversight tools
- Institute new customer communications and marketing initiatives, potentially including yield management techniques

Recreation and Park Department staff has identified the following policy standards for this effort:

- Eliminate General Fund liability for Golf Course shortfalls
- Revenues of the City Golf System will be used by the selected operator to pay expenses in the following order: operations and maintenance, repair and replacement of golf operations, capital replacement reserve, and debt service. Additional amounts ("Surplus Revenues") will be payable to the City under the lease as additional rent.
- Implement effective recordkeeping, accounting and point-of-sale systems to support City oversight and collaborative marketing efforts.

- Establishment of a project labor agreement acceptable to City policymakers governing the workforce deployment at the Golf Courses.

## 5. RFI SCHEDULE

The schedule for this RFI process is provided below. Responses must be submitted to the address of the Primary Contact, as provided in Section 6, by the time on the Submission Date indicated below.

<u>Date</u>	<u>Activity</u>
Day 1, April 17, 2008	The Commission issues RFI
April 23, 2008, 5:00 pm	City opens respondent inquiries regarding specific issues raised by this RFI. Please send inquiries by Email to: Terry.schwartz@sfgov.org
May 15, 2008, 5:00 p.m.	City closes inquiry period and issues answers to respondent questions
May 23, 2008, 5:00 p.m.	Deadline for submission of responses

All questions, requests for clarification, and requests for additional information regarding this RFI must be submitted to the City's Primary Contact not later than the Respondent inquiries due date above. Subject line on the inquiry must state "SF RPD Golf Course RFI Inquiry". All such questions and requests must be submitted by e-mail. Responses to such questions and requests shall be at the City's sole discretion and nothing in this RFI shall create an obligation by the City to respond to the submitting party at all. Responses may, in the City's sole discretion, be by published addenda, posted on the City's website.

The dates provided in the schedule are estimates only and the City reserves the right, in its sole discretion, to alter this schedule, as it deems necessary or appropriate. Notice of changes to the Pre-RFI Meeting date/time or location, the due date/time for Respondent submission of questions, and the date/time for the submission of responses will be posted on the City's website at [www.sfgov.org](http://www.sfgov.org). Once you are on that site, go to Facilities on the main menu and you will find the link to the answers to your questions when they are completed. The other dates/times listed may be changed without notice to prospective Respondents.

Responses must be received by **5:00 p.m. on May 23, 2008**. Responses may be delivered in person and left at McLaren Lodge, Attention Dr. Terry G. Schwartz, Superintendent of Citywide Services or mailed to the Primary Contact below.

## 6. PRIMARY CONTACT

The name, address, and contact information for the City's Primary Contact for this RFI are as follows:

Dr. Terry G. Schwartz  
Superintendent of Citywide Services  
McLaren Lodge  
501 Stanyan St.  
San Francisco, CA 94117

No oral response by any employee, consultant or agent of the City shall be binding on the City, or shall in any way constitute a commitment by the City. If a Respondent finds any inconsistency or ambiguity in the RFI, the Respondent is requested to notify the City.

## 7. SPECIAL PROVISIONS

The information and comments provided by Respondents will be used to help inform the dialogue regarding the potential restructuring or reprogramming of the City's relationship with its municipal golf course assets. Those steps could include, but are not necessarily limited to, issuance of a Request for Qualifications or a Request for Proposals. The submittal of a response to this RFI does not guarantee use of the information provided.

## 8. PUBLIC RECORDS ACT/SUNSHINE ORDINANCE

Responses to this RFI become the exclusive property of the City and subject to the California Public Records Act and the City's Sunshine Ordinance. Those elements in each submittal which are trade secrets as that term is defined in Civil Code section 3426.1(d) or otherwise exempt by law from disclosure (including regulations of the California Public Utilities Commission) and which are prominently marked as "TRADE SECRET," "CONFIDENTIAL," OR "PROPRIETARY" will be exempt from disclosure. However the City shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked if disclosure is deemed to be required by law or by an order of the Court. Respondents who indiscriminately identify all or most of their submittal as exempt from disclosure without justification may be deemed non-responsive.

In the event the City is required to defend an action on a Public Records Act or Sunshine Ordinance request for any of the contents of a submittal marked "confidential," "proprietary," or "trade secret," Respondent agrees, upon submission of its submittal for the City's consideration, to defend and indemnify the City from all costs and expenses, including attorneys' fees, in any action or liability arising under the Public Records Act.

## 9. RESPONSIBILITY FOR SUBMISSION COSTS

The Respondent shall be solely and fully responsible for all costs associated with the development, preparation, transmittal, and submission of any material in response to this RFI. The City may, in its sole discretion, ask selected Respondents to present their material in person to City's representatives at the City's offices, and the costs of such presentations shall be solely the responsibility of the Respondent.

The City assumes no contractual or other obligations as a result of the issuance of this RFI, the preparation or submission of materials by a Respondent, the evaluation of materials, the Respondent's conducting of presentations, or the selection of any Respondent for further negotiations. There may be no claims whatsoever for reimbursement from the City or any of its consultants or agents for such costs.

#### 10. DEFINITION OF BASIC REQUIREMENTS

Through this RFI, the City is seeking information on the feasibility of entering a lease relationship with a golf course operator that would address the policy challenges presented by the current state of operations at the Golf Courses. The form of the agreement with the operator (i.e. lease versus some other form of management agreement) is not of primary importance. Rather, the intent of the Commission is to receive comments from interested parties on the ability of the City to achieve the program goals and policy objectives described in Section 4 above.

#### 11. QUESTIONS TO RESPONDENTS

The City encourages Respondents to provide answers to and/or comments on the following questions and issues. Respondents are encouraged to elaborate as much as possible and address any relevant issues that are not expressly stated below.

- A. Revenue generation
  - 1. Rate setting
    - i. The City will seek to maintain control over the setting of greens fees at the Golf Courses, so it is interested in comments as to any rate covenant or other mechanism that would be proposed to ensure maximization of revenue performance.
    - ii. The City is also interested in receiving comments regarding the potential for yield management initiatives with its greens fees, as described on p. 147 of the Report.
  - 2. Marketing
    - i. The City is interested in receiving comments on approaches to marketing the Golf Courses along with the City's other golf assets to residents and visitors.
- B. Expense Management
  - 1. Project Labor Agreement. The City acknowledges that the Union has been certified by the Municipal Employee Relations Panel or the Civil Service Commission as the recognized employee representative. Maintenance employees will be expected to be representative of union labor.
- C. Capital Projects
  - 1. The Report sets forth a set of recommended investments for the Golf Courses on pp. 150-154. The City welcomes comments as to the necessity or prioritization of these recommendations, either based on the Respondent's experience with other facilities or knowledge of the situation at the Golf Courses.
  - 2. The City has an interest in your thoughts toward a long term lease agreement in exchange for design improvements to golf courses funded by the firm that leases a given facility. What is your interest in using company capital to invest in the long term benefit of the courses and the users of those courses?
  - 3. To that end, we are interested in golf architect relationships that you may have that would assist you in course redesign

- D. Upgrading of operations systems
1. The City is interested in implementing a standardized point-of-sale accounting and tee time management system as further described on pp. 148-150 of the Report. The City is therefore interested in comments on the following issues:
    - i. Would the Respondent be able to implement the existing Active Network point of sale and reservation system at the golf courses within the confines of the management approach described in Volume 2 of its response to this RFI?

## 12. RFI RESPONSE FORMAT

Respondents who have a commercial interest in the project (e.g., potential golf course operators) are requested to provide the following:

- One signed original and [eight (8)] copies of a transmittal letter, on the Respondent's letterhead.
- One original and [eight (8)] copies of an Executive Summary of the solution/approach proposed by the Respondent.
- One original and [eight (8)] copies of a document describing the Respondent's experience. , which must be labeled on the cover with "San Francisco Municipal Golf Course RFI: Volume 1 – Respondent Information." The required contents of Volume 1 are:
  - Name, street address, mailing address if different, email address, and telephone and facsimile numbers of the Respondent.
  - Year established. Identify the country and state in which the firm was incorporated or otherwise organized.
- One original and [eight (8)] copies of a document describing any proposals to meet the goals and policies defined in this RFI, which must be labeled on the cover with " San Francisco Municipal Golf Course RFI: Volume 2 – Proposal Overview." The required contents of Volume 2 are:
  - A detailed description of the approach the respondent would propose to take in achieving the goals and policies set forth in Section 4 above.
  - Identification of any issues that require further information or discussion.
  - Identification of objectives or proposals from this RFI or the Report that the respondent believes are not feasible or otherwise not advisable.
  - Suggestions for alternative methods of achieving the objectives or other potential policy goals of the City and the City Golf System.
  - Provide, at Respondent's option, any additional information not specifically listed above which shows any experience of the Respondent that might be relevant to the City's policy discussion with respect to the Golf Courses.

- One original and [eight (8)] copies of a document describing any proposals to meet the goals and policies defined in this RFI, which must be labeled on the cover with " San Francisco Municipal Golf Course RFI: Volume 3 – Proposal Overview." The required contents of Volume 3 are:
  - A detailed description of the approach the respondent would propose to take when answering the questions in Section 11 Questions to Respondents.
- One original and eight [8] copies of a document answering the questions outlined below, which must be labeled on the cover with " San Francisco Municipal Golf Course RFI: Volume 4 – Answers to RFI Questions."
  - A narrative description and organization chart depicting the management of the Respondent’s organization and its relationship to any larger business entity.
  - A description of the overall operations of the Respondent, the number and scope of other golf course management relationships currently ongoing or set to begin in the near future.
  - A narrative description, philosophical approach and experience to the management of food and beverage operations.
  - A narrative description of Respondent’s familiarity with and prior operating experience in California that might be relevant to operation of the Golf Courses.

All responses must be submitted on recycled paper and printed on double-sided pages to the maximum extent possible.