

RESOLUTION NUMBER R- **308813**DATE OF FINAL PASSAGE **MAR 25 2014**

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO AUTHORIZING APPROVAL OF AN
AGREEMENT WITH THE UNITED STATES GOLF
ASSOCIATION FOR LEASE OF THE TORREY PINES GOLF
COURSE TO HOST THE 2021 UNITED STATES OPEN
CHAMPIONSHIP

WHEREAS, the United States Open Championship (the "Championship") is an annual event sponsored by the United States Golf Association ("USGA") and hosted each year at a golf club selected by the USGA; and

WHEREAS, the 2008 Championship was held on the South Course of the City's Torrey Pines Golf Course ("the Championship Course"); and

WHEREAS, the 2008 Championship generated more than \$142 million in economic impact to the San Diego region including \$1.5 million in Transient Occupancy Tax and \$1.6 million in local sales tax; and

WHEREAS, the USGA and the City agree that the 2008 Championship was a successful event that met the USGA's standard for the conduct of the Championship and provided economic benefit to the City, and mutually desire to hold the 2021 Championship at the Torrey Pines Golf Course; and

WHEREAS, the City and the USGA have negotiated a proposed Agreement for the 2021 United States Open Championship, that includes an exclusive lease of the Torrey Pines Golf Course (except for the City's administrative offices and maintenance yard), located at 11480 North Torrey Pines Road, La Jolla, CA 92037, for approximately two weeks in June of 2021, for the conduct of the Championship, and an additional six days of use of the during the three years

before the Championship, and for a non-exclusive lease beginning upon execution of the Agreement through seventy-five days after the Championship (about September 3, 2021), for the purpose of planning and preparing for the Championship and for conducting clean-up and any necessary repairs after the Championship, for the total rental amount to the City of \$2,500,000, such amount having been reviewed and determined by staff to be fair and reasonable; and

WHEREAS, under the terms of the proposed Agreement, the City also agrees to provide area at the Torrey Pines Gliderport and the Qualcomm Stadium Parking Lot to support the transportation plan, and the USGA agrees to enter into separate agreements with the City's lessees and adjacent property owners for the use of their facilities; and

WHEREAS, under the terms of the proposed Agreement, the USGA is responsible for operating and organizing the Championship, including marketing and sales, and subject to the terms and conditions of the proposed Agreement, will share revenues from the sale of hospitality packages with the City in the amount of twenty percent of the gross sales of hospitality packages less the gross value of tickets and food and beverages included; and

WHEREAS, conditional upon the City Council's adoption of a distribution policy, the USGA will also give the City 300 weekly grounds tickets at no cost and provide the City the opportunity to purchase 300 weekly season ticket packages at face value; and

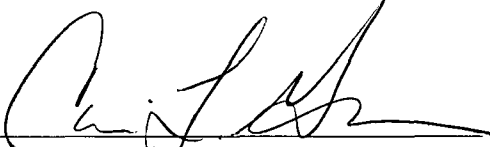
WHEREAS, consistent with the 2008 Championship, under the terms of the proposed Agreement, the City will prepare and maintain the Championship Course and practice facilities at its expense, pursuant to the USGA's agronomic program, and will make modifications to the Championship Course as needed up to a total cost to the City of \$350,000; and

WHEREAS, as set forth in more detail in the proposed Agreement, the USGA will pay for private security for the Championship and will pay up to \$450,000 for police, fire, and emergency medical services provided by the City for the Championship; and

WHEREAS, the City anticipates that the hosting of the 2021 Championship will generate significant regional economic impact with specific benefits to the City in transient occupancy and local sales taxes; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, that the Mayor be and he is hereby authorized and directed to execute, for and on behalf of said City, an Agreement for the 2021 United States Open Championship between the United States Golf Association and the City, for the hosting of the 2021 Championship, including lease of the Torrey Pines Golf Course for both exclusive and non-exclusive periods of time for a total rental amount of \$2,500,000, and for such other benefits as set forth in the Agreement, all on the terms and conditions as set forth in the proposed Agreement on file in the office of the City Clerk as Document No. RR- **308813** together with any reasonably necessary modifications or amendments thereto which do not increase project scope or cost and which the Mayor shall deem necessary from time to time in order to carry out the purpose and intent of the Agreement.

APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Carrie L. Gleeson
Deputy City Attorney

CLG:jdf
03/07/14
Or.Dept: Mayor
Doc. No.: 742650

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of MAR 17 2014.

ELIZABETH S. MALAND
City Clerk

By *Mary Gorman*
Deputy City Clerk

Approved: 3/25/2014
(date)

Kevin L. Faulconer
KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on MAR 17 2014, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
District 2 (Vacant)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage MAR 25 2014.

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

(Seal)

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

By *Mary Zuma*, Deputy

Office of the City Clerk, San Diego, California
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