



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

February 25, 2012

Mr. John Arntz
Director of Elections
1 Dr. Carlton B. Goodlett Place, Room 48
San Francisco, CA 94103

RE: Request for Analysis of Ballot Initiative Entitled "Coit Tower Policy"

Dear Mr. Arntz,

I am writing in response to your letter dated February 17, 2012, regarding the proposed initiative policy statement titled "Coit Tower Policy" for the June 5, 2012, election ballot. Because the City Charter provides that the maintenance of the Coit Tower murals is the responsibility of the Arts Commission, this response will instead focus on how the policy statement could specifically impact services, amenities and programs provided by the Recreation and Park Department.

If this policy statement is ratified by the voters and fully implemented by the Department, it could severely restrict many of the longtime activities and amenities at Coit Tower enjoyed by San Franciscans and City visitors alike. The policy statement urges the Department to curtail critical revenue streams that not only impact the Department's ability to keep Coit Tower safe and open to the public, but which also supports nearby parks and playgrounds in low income and underserved neighborhoods.

Background

The San Francisco Recreation and Park Department manages over 4000 acres of open space including 220 different parks and natural areas. The Department oversees iconic parks and facilities including Golden Gate Park, Coit Tower, the Palace of Fine Arts, the Conservatory of Flowers, Stern Grove, the Sunnyside Conservancy and Camp Mather. Within the Recreation and Park Department's jurisdiction are the following assets:

- 4,113 acres of recreational and open space
- 671 marina slips
- 179 playgrounds and play areas
- 151 tennis courts
- 82 recreation centers and clubhouses
- 72 basketball courts
- 59 soccer/playfields
- 44 ball fields
- 35 community gardens
- 27 off-leash dog areas



- 9 swimming pools
- 6 golf courses
- 3 stadiums

Our cultural arts programs include digital and visual arts, dance and theater, music and writing, a full-service photography center, the Harvey Milk Cultural Arts Center, Sharon Art Museum, Randall Museum, and natural sciences and technology programs. We offer youth sports leagues, girls sports, adult sports, sports camps, six golf courses, and numerous tennis, basketball, soccer, baseball and softball facilities. Our community programs include early childhood development and tiny tots programs, after-school programs, senior programs, and adaptive recreation and inclusion programs.

The Department stewards and staffs these parks and facilities with an \$118 million operating budget. Our budget is composed of three primary sources of revenue that include a general fund subsidy, a small property tax set aside and the revenue we earn on our properties. Earned revenue is our largest source of support for our park system, exceeding \$40M in the 2011-2012 fiscal year. Earned revenue is primarily generated at a handful of locations including Coit Tower, Candlestick Park and parking garages, but is used throughout our system to support our numerous functions including park maintenance, after-school programming and swim lessons. Coit Tower has historically generated approximately \$700,000 a year for our park system, enough to fund approximately 10 custodians, gardeners, recreation and park patrol staff.

The Recreation and Park Department is responsible for managing and maintaining Coit Tower and the surrounding Pioneer Park. For decades the Department has leased the elevator and gift shop concession to a third-party, commercial concessionaire. In addition to charging visitors to visit the observation deck and managing the gift shop, the vendor has periodically operated special events at the tower. Net revenue to the park system from the current concessionaire presently averages \$700,000. Because the current vendor-lease at Coit Tower has long expired, the Department is in the process of soliciting a new vendor and has worked extensively with surrounding community groups and neighborhood leaders to develop a new Request for Proposals that protects both the murals and the historic nature of Coit Tower. As part of this process, the Department has committed to making a \$250,000 contribution to the Arts Commission and setting aside one percent of all gross revenues from the tower for mural preservation and restoration. Additionally, any new tenant will be required to implement a robust, Arts Commission-approved mural protection program.

Impact of the Policy Statement on the Recreation and Park Department

While the measure itself is only a policy declaration and as such would not create any legally binding requirements, should the City follow the measure's prescriptions the effect on the Recreation and Park Department would be significant.

Primarily, a strict reading and implementation of the policy statement could restrict the Department from engaging a commercial operator to allow visitors to access the observation deck or enjoy any amenities on site. Given current budgetary constraints, such a policy decision could likely result in the severe restriction of public access to Coit Tower and would hamper the Department's ability to maintain the facility in a safe and welcoming manner. The measure

could severely reduce the department resources used to maintain nearby parks and playgrounds in lower income and underserved neighborhoods.

The commercial activities at the tower generate an important funding stream that keep the tower open to the public, support parks and recreation throughout the city and will enable the Arts Commission to maintain the murals. Ostensibly, this measure aims to protect the tower and the murals. However, the measure provides no tangible safeguards for the murals and no source of funds to restore and steward the murals.

Over the last three years the Department has worked closely with the surrounding community and the Arts Commission to protect and preserve Coit Tower for future generations. Given current budget constraint, on-site revenue generation is necessary to steward this beloved landmark.

A representative from the Recreation and Parks Department will attend the Ballot Simplification Committee on Monday, February 27, 2012 to answer any questions the Committee may have.

Sincerely,

Philip A. Ginsburg
General Manager