

# THE FUTURE OF SHARP PARK

# SPUR's Recommendations on Management of Sharp Park Golf Course and Natural Area

### SPUR POLICY REPORT

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The authors of this report were Anne Halsted, Vince Hoenigman, Byron Rhett, Peter Winkelstein, Laura Tam, and Corey Marshall

San Francisco Planning + Urban Research Association 654 Mission St., San Francisco, California 94105 www.spur.org

### **OVERVIEW**

In September 2011, a coalition of parks groups and environmental activists requested SPUR's support of new legislation addressing the management of recreational uses at Sharp Park, a city-owned golf course and natural area in Pacifica. The ordinance, introduced by Supervisor John Avalos, would require the San Francisco Recreation and Park Department (SFRPD), which currently manages the site, to negotiate a long-term management agreement with the Golden Gate National Recreation Area and National Park Service (GGNRA) to end golf at the site and restore the site to more natural conditions. Over the last few years, activists eager to see a newly restored natural area, as well as golfers eager to sustain and upgrade the course, have requested SPUR's support on this issue. This fall, we convened a small working group of SPUR Board and Advisory Council members to vet this issue and to seek Board approval of recommendations for the future of Sharp Park.

### BACKGROUND

Sharp Park is a 417-acre municipal golf course owned by the City and County of San Francisco, managed by the SFRPD, and located in the City of Pacifica in San Mateo County. The property was originally gifted to the City and County of San Francisco in 1917 with the explicit stipulation that it be used for public recreational purposes; if these uses are not maintained, ownership of the property reverts to the State of California.

Sharp Park borders two residential neighborhoods, the Pacific Ocean, GGNRA properties at Mori Point and Sweeney Ridge, and is bisected by Highway 1. Most golf holes are located on the western or ocean side of the property.

Sharp Park has an extensive wetland complex (Laguna Salada) located between the golf course and the earthen seawall separating it from the sand beach. This onsite wetland was at one point a fresh-brackish back barrier lagoon system that had an outlet to the sea. It was drained or modified in the early 20th century to support an artichoke farm, and later the golf course. Lake levels are maintained by pumping, but in the winter the park's location at the bottom of a steep and narrow coastal watershed (Sanchez Creek) means that it is periodically flooded beyond manageable levels, forcing closure of the golf course.

Sharp Park's wetlands are important habitat for two federally protected species, the California red-legged frog (listed as threatened since 1996) and San Francisco Garter Snake (listed as endangered since 1967). SFRPD has been working with the U.S. Fish and Wildlife Service and the California Department of Fish and Game to create a recovery plan at Sharp Park to protect these species. A long-term management plan—the citywide Significant Natural Resource Areas Management Plan—was developed by SFRPD in 2006 and updated in 2009, but only interim actions have been taken at Sharp Park while the plan has undergone environmental review. The draft environmental impact report (EIR) for this plan was finally published in August 2011. In the interim, a coalition of environmental groups has sued the city, citing golf operations – inclusive of mowing and freshwater pumping to reduce course flooding – as harming the protected species in violation of the Endangered Species Act. That lawsuit is not yet resolved.

The golf course at Sharp Park was designed in 1931 by Alister MacKenzie, the golf architect who designed Augusta National and other well-known courses. In its environmental review of SFRPD's Natural Areas Plan, the SF Planning Department found that because of its MacKenzie connection, the course is an historic resource under the California Environmental Quality Act (CEQA). There are some questions about this designation because the course has been significantly modified from its original MacKenzie design, with at least six of the 18 holes on the course having been modified or relocated

entirely, including two holes that were originally placed on the beach. The city's Historic Preservation Commission has not been able to reach consensus about the course's historic significance



#### Fig. 1: Aerial photo of Sharp Park

Sharp Park General Features

Sharp Park Conceptual Restoration Plan Pacifica, CA

Sharp Park Golf Course generates slightly less revenue each year—about \$200,000—than the balance of its operating costs, including allocated SFRPD overhead. A public course, it is one of the least expensive golf courses in the Bay Area, with weekend greens fees averaging \$41. San Francisco and Pacifica residents pay \$100 per year for a resident card and \$28 for greens fees. Approximately 85 percent of rounds played at Sharp Park are played at a reduced rate, including discounts for seniors, juniors and other special rates.

In September 2011, Supervisor Avalos introduced legislation that would require the SFRPD to negotiate a long-term management agreement with the GGNRA to manage and restore Sharp Park. The legislation further requires that a golf course use of the site would not continue once a management agreement was finalized. The legislation cites the following as reasons to discontinue golf and transition management of the site to the GGNRA: long term sea level rise and coastal erosion, ongoing endangered species issues, regional reduced demand for golf, increased demand for trail-based recreation, and decreasing revenue to support recreation in San Francisco. Supporters of the legislation include the Wild Equity Institute (WEI), San Francisco Neighborhood Parks Council (NPC), and National Parks Conservation Association (NPCA). SFRPD and the San Francisco Recreation and Parks Commission have been vocal in their opposition of the proposed legislation; additional opponents include the San Francisco Public Golf Alliance and Supervisor Sean Elsbernd. San Mateo County has strongly advocated for an alternative – a long-term lease agreement to allow them to operate the course and manage endangered species concerns – and has been in long-term conversations with the City and County of San Francisco to develop a partnership that would share the costs of both capital improvements and restoration of the sea wall and habitat.

#### **SPUR Process**

A task force comprised of current SPUR Board and Advisory Council members was convened to review and consider all sides of the issue. That group included Vince Hoenigman, Anne Halsted, Byron Rhett and Peter Winkelstein. SPUR staff who facilitated the group included Laura Tam and Corey Marshall.

The task force initially met with WEI and NPCA who worked with Sup. Avalos to develop the proposed legislation. We toured the site with WEI staff, including the southern side of the golf course, Mori Point, the seawall, Laguna Salada, and the Sharp Park clubhouse.

Subsequently the group conferred with the following key stakeholders: Amy Meyer (People for a Golden Gate National Recreation Area), David Holland (Assistant County Manager, San Mateo County, and former San Mateo Country Director of Parks), Dawn Kamalanathan (Director of Capital Planning, SFRPD), Meredith Thomas (Executive Director, NPC), Louise Renne and Richard Harris (San Francisco Public Golf Alliance), Howard Levitt (GGNRA), Phil Ginsburg and Mark Buell (SFRPD), Adrienne Tissier and Carole Groom (San Mateo County supervisors), and the office of Rep. Jackie Speier.

### **OPTIONS FOR THE FUTURE OF SHARP PARK**

SPUR's task force found that there are basically three options, containing substantially different possible near-term futures for Sharp Park.

### **Option 1 – Status Quo**

# Proceed with SFRPD Natural Areas Management Plan for Laguna Salada, which expands the lake while retaining Sharp Park Golf Course with some modifications to its alignment.

Option 1—which is the plan reviewed in the Significant Natural Resource Areas Plan EIR—includes moving some golf holes to the east side of Highway 1 to make better habitat both by expanding Laguna Salada and creating more natural, upland area surrounding it. It involves retaining 18 holes of golf and does not consider other options. The plan also involves dredging Laguna Salada to make it deeper and hold more floodwater, and connecting it by a deeper channel to Horsestable Pond. A deeper lake will have fewer cattails on the shoreline, which is better for red-legged frogs.

This plan has not yet been approved by federal and state regulatory agencies, but it is the only existing "plan" for Sharp Park, which is required for an entity to enter the wildlife agencies' consultation process, and to eventually achieve an approved recovery plan for the species. Some environmental groups are concerned about dredging because of the potential to stir up and release lakebed-settled toxics such as pesticides. San Mateo County has expressed concern that the dredging plan has some technical problems, including that it may not restore natural drainage between the two bodies of water, which would be better for the species.

One of the primary concerns about Option 1 is that it is not known how long even restored wetland and upland habitat will persist in a limited (albeit enlarged) area given the trajectory of sea level rise, coastal erosion, and the frequency and magnitude of winter storm events. The city recently agreed that it would not reinforce or repair the large, earthen seawall between Laguna Salada and the beach (in some places the seawall, which is home to the Coastal Trail, is 30 feet or more above the lakebed). SFRPD made this decision based on the recommendation of a stakeholder task force, facilitated by Amy Meyer, in 2010. Reasons not to reinforce the seawall include significant cost (between \$7 million and \$10 million),

acceleration of already-rapid erosion of the beach, and ultimate loss of the seawall due to future sea level rise. Regardless of further armoring, the seawall could be breached or overtopped in severe storm conditions, especially in future El Nino years. This could introduce enough salt to Laguna Salada to severely curtail frog populations, especially if no outlet has been created for natural drainage, for which the city has no specific plan or funding right now.

The fundamental challenge with Option 1, for those who would like to see the site managed by the GGNRA, is that a lake expanded landward with more natural upland habitat around it—instead of a golf course—and a restored open connection to the beach, would likely be a more resilient system than that proposed in the city's Natural Resource Areas Plan. Such a system would more naturally regulate saltwater intrusion, move landward at the same rate as sea level rise, and provide more area for animals to escape rising tides.

However, it is also likely that Option 1 can be implemented the most quickly. It has an actionable plan that SFRPD can implement in the short-term; the draft environmental impact report (EIR) was released for the city's Significant Natural Areas Plan in September and the comment period closed October 31.

Remaining questions about Option 1 include:

- How long will restored wetland and upland habitat persist in a limited area given the trajectory of sea level rise, coastal erosion, and the frequency and magnitude of winter storm events?
- Will the species recovery and protection plan developed by SFRPD withstand the scrutiny of the U.S. Fish and Wildlife Service and the California Department of Fish and Game?
- When will environmental review of the long-term management plan—the citywide Significant Natural Resource Areas Management Plan—be finalized? Will SFRPD continue to take interim actions while the process is completed?

### **Option 2 – The Avalos Legislation**

# Let Sharp Park be managed by the GGNRA and restored to a more naturalistic setting; end golf use of the site.

Recreational surveys of San Franciscans have found that walking and hiking trails are higher on the list of desired amenities than golf. Advocates of transferring Sharp Park to the GGNRA claim that the city has invested in improving its higher-cost courses, such as Harding Park, at the expense of acquiring or improving open spaces—and these funds have not yet been repaid. The city also operates other public golf courses (e.g. Lincoln Park) that could benefit from reinvestment and improvements, but funding has not been identified. Meanwhile, golf rounds have steadily declined at Sharp Park over the last ten years and the course is underutilized by industry standards. Advocates assert that if the city did not have to make a significant investment to improve the course or to restore habitat at Sharp Park, that funding could potentially be used to improve other courses, and for recreational activities more important to city residents.

The GGNRA has deep experience managing historic sites and endangered species, and already manages two sites immediately adjacent to Sharp Park, including both endangered species recovery and trail-based recreation. The GGNRA also has a strong record of working with partners to fund and to implement major environmental restoration projects in the region (e.g. Crissy Field and Fort Baker). However, the GGNRA cannot operate a golf course or manage lands with golf as a current use under its enabling legislation, the National Park Service Organic Act.

GGNRA has publicly stated a willingness to "accept" Sharp Park and to negotiate a management agreement with the SFRPD, but they have been very clear that the decision to enter an agreement of any kind must be made solely by the city. They are completely neutral about the Avalos legislation. The GGNRA has expressed interest in raising funds for restoration, adding trail-based recreation and conducting environmental review, but has maintained that cost and terms of a transition plan would need to be negotiated with the city. Transition costs are largely unknown, but could include such activities as environmental remediation. flood control for neighboring residential areas and more; the costs for removal of golf facilities and grass alone have been estimated to be between \$9 million and \$22 million. The Avalos

#### What about a 9-hole course?

Some people have suggested redesigning the course to 9 holes or configuring the course so that 18 holes may be played on 9 greens (currently the configuration at Gleneagles course in MacLaren Park). This option is slightly favorable to environmentalists, but it is very unpopular among golfers. This option could allow Laguna Salada more room to move/flood and create more space in its upland areas for habitat. It may also help to extend the playability of golf at Sharp Park further into the future – reducing future realignment costs — because it would experience less in the way of predicted sea level rise, seasonal flooding and erosion. However, redesigning the course for 9 holes would be very expensive, while a 9-hole course would attract fewer golfers because they are less popular in general. As a result, raising greens fees would be unlikely to cover the cost of realignment or additional habitat restoration. It appears that a 9-hole course would not please anyone with an interest in changing land use at this site, but further analysis of its feasibility might reveal that it could be a compromise.

legislation does not specify who would pay for transition costs under a management agreement. The length of time between passage of the legislation, negotiation of an agreement, and the GGNRA affecting the transition is also unknown, but would likely take years.

One major concern with this approach is the magnitude of unknown factors, inclusive of both risks and costs. While GGNRA seems well suited to managing eroding coastal properties inhabited by endangered species, it could take years and cost the city millions of dollars to complete the transition. The city would also lose golf course revenues under Option 2, which provide the majority of funds for operations and maintenance of the site. The legislation requires retention and reassignment of existing SFRPD employees to other activities managed by SFRPD, so no labor savings would result from the abandonment of golf.

Remaining questions about Option 2 include:

- During the negotiating period, would the city proceed with expedited implementation of the Natural Resource Areas Management Plan? If not, recovery efforts for the frog and the snake could be further delayed.
- Would the GGNRA absolve the city of risks and liabilities related to transfer and management of Sharp Park? If not, what are the ongoing costs associated with those remaining liabilities?
- Who would pay for the transition costs from the current golf use to the proposed restoration of natural habitat and trail-based recreation?

### **Option 3 – Lease the Course**

Lease the course to San Mateo County (or some other golf contractor) for 30 years. San Mateo County has expressed significant interested in leasing Sharp Park from San Francisco and talks with SFRPD are ongoing. Sharp Park is one of only two public golf courses in San Mateo County, which does not view golf —especially affordable golf—as an oversupplied recreational amenity.

San Mateo County would like to negotiate a 30-year lease to operate, manage and restore Sharp Park. During this time they would contract with a private operator to invest in capital improvements for the course, operate the course, and assume all liability for endangered species. They propose to manage the site for endangered species first, and golf second. The county believes that the course has been mismanaged and with some investment — funded by increases in greens fees that are more competitive with similar courses— the course could be both profitable and better utilized. The county would like to use the course for new youth golf programs, and to build and encourage more passive recreation on the site, such as hiking and walking.

The county would maintain the coastal trail, but would not upgrade or reinforce the seawall. They believe the seawall will hold for at least 30 years, at which time a conversation about the viability of golf at Sharp Park may be more timely – and when erosion/sea level rise is a clear and present danger.

San Mateo County would consider a revenue bond to fund improvements, but it is also investigating the viability of philanthropy and federal funding. They estimate costs of \$7-9 million to repair the course and clubhouse, and to address habitat issues.

Remaining questions about Option 3 include:

- Would SFRPD generate lease income by contracting with San Mateo County? If not, why wouldn't the city work directly with a private operator?
- Would San Mateo County follow the species recovery plan as outlined in the SF Significant Natural Resource Areas Management Plan or adopt a different plan? How would this impact implementation of changes pending approval of wildlife regulators?

### CONCLUSIONS

Endangered species recovery and golf appear to be compatible uses on the site in the short term, but both urgently require better management. The species require habitat and a recovery plan; the course and clubhouse require upkeep and maintenance. The species, especially the garter snake, are imminently threatened, and SFRPD needs to proceed with an approved recovery plan as quickly as possible.

Raising greens fees to a higher—but still affordable—level seems like a logical way to pay for improving habitat, the golf experience and public access/recreation on the site. However, we do not know how much revenue could be raised from an increase in fees and/or better utilization of the course and if that would cover the cost of necessary improvements. A package including higher greens fees and either philanthropy or some level of investment from San Mateo County might be feasible if such a source is identified, and if SFRPD is willing to partner with San Mateo County. Providing new trail-based recreational opportunities would also better utilize the site in accordance with the desires of San Franciscans.

In the long term (50-100 years), neither golf nor species may be viable at the site in its current state due to both beach erosion and sea level rise. The species could potentially survive if Laguna Salada is given room to migrate upland, which may be compatible with either a 9-hole course or an alternative not including golf at the site. Between now and the long term, Pacifica and/or San Mateo County will have to devise a viable flood protection plan for the two neighborhoods that will be impacted by higher levels of flooding at Sharp Park.

Sharp Park is a good candidate for adaptive management, a climate adaptation strategy being used in various places around the Bay, and described in SPUR's climate adaptation report, Climate Change Hits Home (May 2011). This strategy involves monitoring site conditions to determine how climate change is affecting the site, developing contingency plans so you know what to do when expected conditions occur, and then modifying these plans as time passes. However, this approach alone does not address necessary endangered species mitigation.

The GGNRA is well-positioned to be a long-term steward of Sharp Park, especially once golf becomes unviable, but the forcing nature of the Avalos legislation seems premature and leaves too many questions unanswered about what costs and liabilities the city would bear. SFRPD and San Mateo County haven't yet "failed" by regulatory standards and agencies, but they have been slow at producing and implementing a plan. It is unclear if transitioning the site to GGNRA would entail higher or lower capital costs than moving forward with SFRPD's current plan, or what a timeline for transition might look like.

Legislating contracting arrangements with neighboring jurisdictions sets a bad precedent for management of city assets and interacting with departments that are managed by independent bodies such as the Recreation and Park Commission. This approach is contrary to the spirit of city contracting laws and guidelines that require competitive bidding of contracts to ensure the city receives the maximum value from transactions.

The City and County of San Francisco manages thousands of acres of land outside its geographic boundaries. The majority of land held outside the primary city limits is used to support critical infrastructure; however, holdings such as Sharp Park require specialized services and serve constituencies other than San Francisco residents.

### RECOMMENDATIONS

### SPUR's Sharp Park Task Force recommends that:

- 1. SPUR should not support the Avalos legislation, which forces SFRPD to enter into a management agreement for Sharp Park with the GGRNA. This legislation is contrary to the spirit of city contracting laws, and is against the will of the Recreation and Park Commission. If the city wants to partner with another entity to manage Sharp Park, or even to sell the property, the city should come to that conclusion based upon agreement and detailed assessment of risk, transition costs and liabilities.
- 2. Because it has the only detailed 'plan' for species recovery, and is therefore the endangered species' best hope for recovery in the short-term (1-3 years), the city should proceed as quickly as possible to implement a legally sound plan to restore and protect frog and snake populations, working with federal and state regulators.
- 3. Over the medium-term (3-10 years), and especially if wildlife agencies reject the city's recovery plan and/or if it proves more costly to implement than anticipated, SFRPD should evaluate the

feasibility of partnership with another entity to manage and/or operate the site, including the GGNRA or San Mateo County. The city's evaluation should include a robust public outreach component and consider transition costs, benefits to protected species, and benefits to existing or potential recreational users. SFRPD should ensure that any future management or leasing arrangement:

- Contains a viable plan to recover and protect species, including increasing breeding habitat and eliminating "take";
- Maximizes recreational use;
- Is revenue-neutral or revenue-positive to the city;
- Contains adaptive management strategies to protect and improve the site in light of future sea level rise, flooding, and beach erosion.
- 4. If in the future (5-50 years), due to climate change, sea level rise, erosion, storm and flooding conditions, and salinity changes in Laguna Salada render the oceanside habitat restored for frog and snake populations unfit for their continued survival, SFRPD should consider a change of land use for the entire Sharp Park site. A more naturalistic setting, including an enlarged lake with an outlet to the ocean, may provide better habitat conditions and recreational opportunities, and be less expensive to manage on a day-to-day basis than a frequently flooded golf course. Partnering or transferring Sharp Park to the GGNRA at such time that these conditions occur would be a logical and potentially positive outcome.
- 5. The City and County of San Francisco should develop a policy regarding management of land holdings outside its geographic boundaries. The majority of land held outside the primary city limits is used to support critical infrastructure such as the city's water system, airport and jails. However, holdings such as Sharp Park are legacy land holdings that require specialized services and primarily serve constituencies other than San Francisco residents. The city needs to study these non-critical properties, develop a policy to fund and maintain these properties, and transfer ownership or management to other adjacent jurisdictions where no compelling ownership interest exists.