

April 25, 1996

RE: AVAILABILITY OF TOURNAMENT PLAY TO THE GENERAL
PUBLIC ON THE BOARD'S GOLF COURSES

RECOMMENDATION:

- 1) THAT the Board authorize small tournaments or group play at Fraserview Golf Course for 1996.
- 2) THAT play occur at non-peak times at the discretion of the General Manager.
- 3) THAT a premium equal to the fee charged to the Golf Clubs for advance booking also be charged for tournament play, and added to the adult green fee. (In 1996 the premium is \$3.00 per round.)
- 4) THAT an additional minimal amount be charged per player for the provision of food and beverages. For 1996 the amount would be \$7.50 redeemable for items from the existing menu or used towards a catered event.
- 5) THAT at the end of the season staff report back to the Board on the impact of the tournaments and a recommendation as to whether this new initiative should continue in the future.

POLICY

There is no current policy that permits tournament play for the general public on our golf courses.

BACKGROUND

On February 5, 1996 the Board approved a new policy on Men's and Ladies' Clubs on our courses.

It has long been recognized that tournaments are integrated as part of the Clubs' activities to stimulate competition amongst club members and between visiting clubs.

In addition, there are existing arrangements to allow students from the Vancouver Secondary Schools Athletic Association, the Independent Schools Golf League, and for Junior members of the Golf Clubs to participate in tournaments. These are allowed on a limited basis during the golf season on week days only, usually between the hours of 3:00 p.m. and 5:00 p.m.

Occasionally the men's division of the Canadian Professional Golf Association (C.P.G.A.) have been allowed to hold small tournaments as part of their youth development programs.

DISCUSSION

In the past, apart from the examples listed above, allowing small tournaments and/or group play have been refused as they could impact the chances of some golfers obtaining tee off times at their chosen time. The demand for public play has been sufficient without necessitating the need for holding tournaments.

The Golf Professionals and staff, however, still receive many calls annually requesting small tournaments or group play. They range from small corporate tournaments to social and golfing groups that would enjoy this type of service.

A survey of golf courses in the Lower Mainland was conducted in 1995 and showed that many private courses, including some civic courses, encourage tournament play under specific conditions. Many charged an additional fee for block booking as well as a mandatory food and beverage charge. (See Appendix 1.)

The market for golf has been highly competitive since 1994. In that year seven new courses opened and in 1995 at least another six were commissioned. The golfing public is somewhat transient and would travel some distances to seek an affordable venue, providing good service and variety of playing surroundings.

As a result of the increased supply all golf courses are constantly striving to enhance attendance. Marketing strategies range from reducing fees in various ways to promoting tournament play.

Our statistics show a small decline in rounds played. In 1992 89,000 rounds were played in Fraserview while in 1995 82,300 were played. The figures are even more significant if one takes into account that since the Langara Golf Course first closed in February 1993 only two of the Board's three courses have been in operation for most of the time. Demand did not rise as expected to account for a decreased supply. Fraserview provides a good example as it has been open throughout this period.

The Professionals at Fraserview and Langara have provided data that show there are available tee times during the week at non-peak times, mainly from 2:00 p.m. to 4:00 p.m. at the start of the week.

Although the Board's courses are in a strong marketing position due to location, enhanced facilities and affordable play, they are nevertheless being affected by the opening of many courses and a sluggish economy.

Availability would be concentrated on non-peak demand, at times that in the past year have not been taken up by regular play. This would be either Mondays or Tuesdays from 2:00 p.m. to 4:00 p.m. but could be extended to both days later in the summer at the discretion of the General Manager.

An analysis for Fraserview revealed that there is potential, if the program is established, to generate an additional \$27,500 of net revenues per annum from this income source. This is based on tournaments on either Mondays or Tuesdays, from approximately 2:00 p.m.

to 4:00 p.m. from May to September.

The above revenues include those derived from food and beverage (approximately \$4,500) which will assist in making the operation of the clubhouses a more viable proposition.

The automated reservation system is scheduled for implementation in May 1996. The system has the capability to pre-book tournaments in advance and it seems tailored to this type of activity. It will be able to track bookings and to provide timely statistical information. In addition, the reservation system will be able to offer golfers alternative tee times on our other courses if their preferred time is taken.

JUSTIFICATION

The use of vacant tee times for small tournaments and group play will provide additional revenues during periods of time when the courses are currently underutilized. If demand increases in the future the policy of allowing small tournaments will be reviewed and, if necessary, cancelled.

Prepared by:

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