

# Welcome

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The Vancouver Park Board owns and operates three golf courses:



**Fraserview**



**McCleery**



**Langara**

In 1992, the Park Board began the process of redeveloping the three courses. Each course was closed for approximately 18 months and completely renovated, starting with Langara Golf Course in 1993. Each course also received new clubhouse and maintenance facilities. The redevelopment project was completed in 1998, with the reopening of Fraserview Golf Course.

The cost of the project was in excess of \$28 million. It was funded by the City of Vancouver, through the Property Endowment Fund, to be repaid by increasing user green fees. The Park Board has an obligation to repay the golf course loan by the year 2009.

Revenues from the three golf courses have fallen short of projections and options for raising revenues are being considered.

The Vancouver Park Board would like to hear your views on the various options before making their final decision on how to raise revenues.

We invite you to review the information and chat with staff.

**Please fill in a survey.**

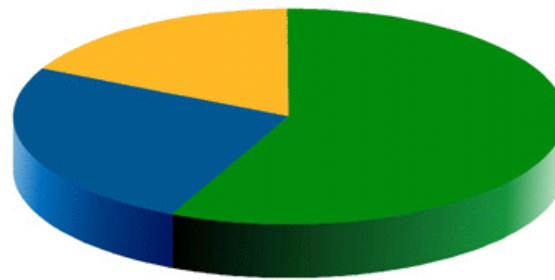


# Golf Revenues

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Golf Course Revenues currently go toward:

- ◆ Operations and maintenance – 57%
- ◆ Loan re-payment – 25%  
((\$28 million cost for redevelopment at all three courses))
- ◆ General Revenue – 18%  
(to help fund a variety of Parks and Recreation programs)



■ Operations and maintenance ■ Loan re-payment ■ General Revenue

A Golf Management Plan has been developed to:

- ◆ Improve the operation and maintenance of the golf courses
- ◆ Create a capital reserve fund
- ◆ Repay the loan by 2009
- ◆ Improve customer services

This plan sets aside an additional \$570,000 annually for increased maintenance and a capital reserve fund to protect the golf course assets. It will also generate sufficient revenue to repay the outstanding loan balance of \$23,300,000 by 2009.

Four options have been developed to increase revenues.

Handout would include details on each of the four options.



# Constants

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Some new changes are incorporated into all three options being considered:

1. Seniors will continue to get a discount on for mid-week green fees, but their fees will change over three years from a 50% reduction to a 25% reduction
2. Juniors will continue their current 50% reduction in green fees
3. Twilight and Sunset green fees will be standardized at 75% and 50% of the regular rates.
4. Winter green fees will continue to be discounted at the Twilight and Sunset rates.

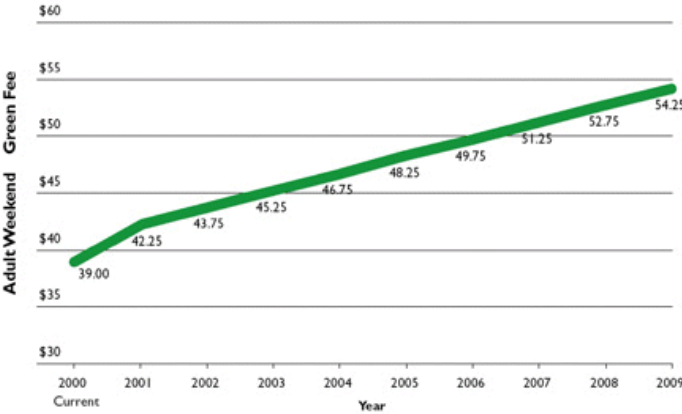
All three options include a gradual increase in green fees in addition to the changes shown above. The options vary in the amount of increase in green fees. Inflation is not included.



# Option I: Gradual Green Fee Increase

The Adult green fee would increase by \$3.25 in 2001, addressing the maintenance and capital reserve requirements. Each year after, the Adult green fee would increase by \$1.50, paying down the loan.

**Green Fee Increase - Option I**



A gradual increase was chosen over a one-time increase, because to reach the same goal by 2009, the one-time increase would have been a large jump of \$12.75 in green fees.



# Option 2: Fee Increase offset by Surcharges

In this option, surcharges would be added to the green fees at Fraserview and McCleery, but not at Langara where renovations are planned over the next few years.

Fraserview surcharge: \$4

McCleery surcharge: \$2

These surcharges reflect the higher quality golf experience at both courses.

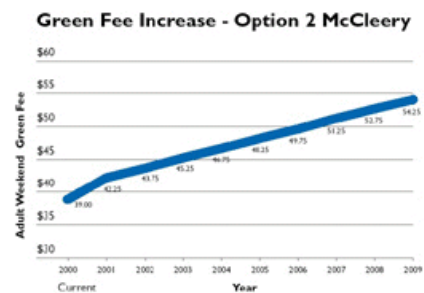
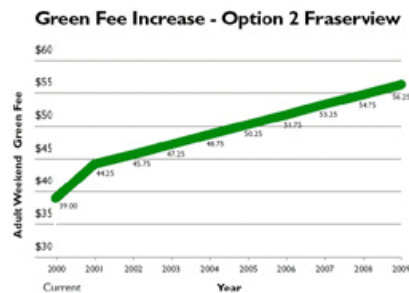
By implementing the surcharges, the increase in green fees for Adults in 2001 would be:

\$5.25 at Fraserview

\$3.25 at McCleery

\$1.25 at Langara

Each year after, the Adult green fee would increase by \$1.50, paying down the loan.



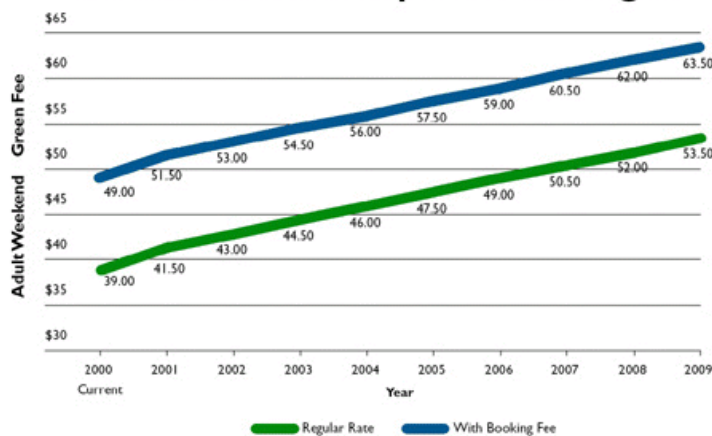
# Option 3: Fee Increase offset by Advanced Booking

In this option, a new program of advanced tee time reservations is introduced.

Each day, 5% to 10% of tee times would be allocated to the program. Golfers would have the opportunity to reserve a tee-time between 6 and 60 days prior to their game. For this privilege, they would pay a premium of \$10.00 (in addition to the usual green fee).

By implementing the Advanced Booking Premium, the increase in green fees for adults in 2001 would be \$2.50. Each year after, the Adult Green Fee would increase by \$1.50, paying down the loan.

**Green Fee Increase - Option 3 Booking Fee**



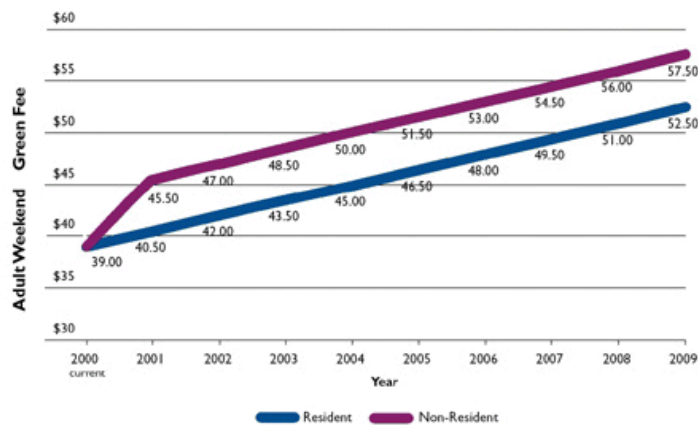
# Option 4: Fee Increase offset by Non-Resident

In this option, a non-resident rate is introduced.

Golfers who do not live in the City of Vancouver would pay a \$5.00 surcharge. Current user patterns show 53% of golfers who play at Vancouver Park Board Courses live outside of the City of Vancouver.

By implementing a Non-Resident Surcharge, the Adult green fee for Vancouver residents in 2001 would increase by \$1.50. Adult green fees for non-residents would increase by \$6.50. This assumes non-residents would make up 25% of golfers.

**Green Fee Increase  
- Option 4 Non-Resident Surcharge**



# Golf Course Improvements Surcharge Premium

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A survey of golf course users was conducted last summer to learn more about those who golf at our courses, gauge customer satisfaction with our facilities and to assess price sensitivity of current customers.

In response to what we learned, we are planning a number of improvements to how we operate the three golf courses:

- ◆ Improved maintenance programs
- ◆ An improved reservation system
- ◆ A new green fee payment system
- ◆ Establish a capital reserve fund
- ◆ Course condition improvements

***Thank you for participating!***

