

Date: October 2, 2006



TO: Board Members – Vancouver Park Board
FROM: General Manager – Parks and Recreation
SUBJECT: Marketing Plan for Golf Courses: Appointment of Consultant

RECOMMENDATION

- A. THAT the Board award the contract to prepare a marketing plan for the three public golf courses (Langara, McCleery and Fraserview) to Global Golf Advisors for a fee of up to \$35,000, plus disbursements and GST;*
- B. THAT no legal rights shall arise hereby, and none shall arise until execution of the contemplated contract. The Board may rescind this resolution at any time up to the execution of the contemplated contract.*

POLICY

Consultant contracts in excess of \$30,000 are awarded by the Board.

BACKGROUND

Strengthening the Board's fiscal responsibility and pursuing alternative sources of funding is a significant part of the Board's Strategic Plan. The long-term quality of Park Board services depends on maximizing available funding sources, finding new ways to improve our business operations, and controlling costs.

The three major golf courses, Langara, McCleery and Fraserview, are important sources of revenue for the Park Board. The courses are expected to be financially self-sufficient and contribute funds toward other Park Board parks and recreation services.

In the 1990s, all three courses underwent extensive redevelopment, financed by a loan that is to be repaid by 2010. Although the golf courses are busy, with almost 200,000 rounds per year combined, patronage has been slowly declining since 2005. The Board is looking for expertise in developing a marketing plan that will promote our competitive advantages – reasonable rates, central locations and the individual styles of each course to ensure the Board makes best use of these valuable assets.

DISCUSSION

The terms of reference for the preparation of the marketing plan for the three golf courses were prepared by Park Board staff and sent out to five firms across Canada. Four proposals were received by the September 6, 2006 deadline.

Park Board staff have reviewed the proposals and are recommending that Global Golf Advisors be appointed as the consultant for a fee of up to \$35,000 plus disbursements and GST.

Global Golf Advisors has relevant experience in the industry, both across Canada and worldwide and has provided service in some capacity to over 1800 golf clubs across North America. Notable local clients include Morgan Creek (Surrey, BC), Shaughnessy Golf and Country Club (Vancouver, BC), and Capilano Golf & Country Club (North Vancouver, BC).

The firm has worked on numerous projects, including a number of Canadian municipal projects, and can provide the marketing breadth and industry expertise required to ensure the development of a comprehensive, effective and strategic marketing plan.

The proposed process would include:

- detailed market study and background material review;
- review of current marketing initiatives;
- meetings with stakeholders;
- site visits and evaluation/review of current golf product; and
- development of a marketing plan.

The proposed delivery date for the marketing plan is the winter of 2006.

FINANCIAL IMPLICATIONS

As noted above, golf operations are expected to make a net contribution to the Board's parks and recreation services and improvements to the courses' net contribution will benefit all Park Board programs and services. Given the continuing down trending in Golf Course revenues and rounds, a need for more focus in marketing was identified. The responsibility was assigned to Corporate Services; funding for this consultancy is available within the current operating budget.

SUMMARY

This report recommends that Global Golf Advisors be awarded the contract for the preparation of a marketing plan for the three golf courses (Langara, McCleery, and Fraserview) for a fee of up to \$35,000, plus disbursements and GST.

Prepared by:

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