



Item	03
Meeting	2009 Apr 6

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2009 March 26
FROM: DIRECTOR PARKS, RECREATION AND CULTURAL SERVICES
SUBJECT: 2009 BURNABY GOLF FEES BYLAW
PURPOSE: To request approval for the 2009 Burnaby Golf Fees Bylaw.

RECOMMENDATION:

1. **THAT** approval be given to the 2009 Burnaby Golf Fees Bylaw as detailed on Attachment #1 circulated under separate cover.

REPORT

At its 'Open' Meeting of 2009 March 25, the Parks, Recreation and Culture Commission received the above noted report and adopted the two recommendations contained therein.

A handwritten signature in cursive script that reads "D. Ellenwood".

Dave Ellenwood
DIRECTOR PARKS, RECREATION AND CULTURAL SERVICES

MC:tc

Attachment

P:\ADMIN\TC\DATA\COUNCIL\090325\PK - 2009 BURNABY GOLF FEES BYLAW

Copied to: Director Finance
City Solicitor

TO: CHAIR AND MEMBERS
PARKS, RECREATION & CULTURE COMMISSION

FROM: DIRECTOR PARKS, RECREATION AND CULTURAL SERVICES

SUBJECT: 2009 BURNABY GOLF FEES BYLAW

RECOMMENDATIONS:

1. **THAT** the 2009 Golf Fees be approved as outlined in this report.
2. **THAT** Council be requested to approve the 2009 Burnaby Golf Fees Bylaw as detailed on Attachment #1 circulated under separate cover.

REPORT**BACKGROUND**

A Golf Fees Bylaw is required under the Community Charter for all fees and charges related to the public use of municipal facilities. The 2009 Burnaby Golf Fees Bylaw will apply for the period 2009 May 01 to 2010 April 30.

The 2009 fees for golf services (i.e. green fees, driving range sales) are presented at this time of the year to allow the proposed fees to fall into line with the local golf industry after evaluation of market conditions. This provides opportunity for the City to ensure that its pricing remains appropriately competitive.

This report will clarify all fee recommendations for the City's golf services, including all proposed green fee rates and restrictions for Burnaby Mountain Golf Course and Driving Range, Riverway Golf Course and Driving Range, Kensington Pitch and Putt, and the Central Park Pitch and Putt golf courses. If approved, these rates will form the 2009 Burnaby Golf Fees Bylaw.

RECENT TRENDS IN THE LOCAL GOLF MARKET

The dramatic decrease in rounds due to weather and subsequent course conditions in the recent years has resulted in the local golf market becoming very competitive to maintain volumes. Golf course operators have been forced to develop a variety of rate structures to maintain loyalty and stimulate non prime-time use at their facilities. Yield management incentives and rates are promoted in many ways to create value for the customer and improve utilization and profitability for our sites. Based on the current market and economic conditions facing our facility guests today, pricing increases should remain conservative to maintain present volumes.

2009 GOLF SERVICES – FEE DETERMINATION

The following factors were considered in the determination of the 2009 fee structure:

1. Current fees/market comparison (Attachment #2).
2. Public response to services and associated fees. Current and projected market demands and price ranges and recognition of the need to stimulate golf activity during weekday and non prime time periods. Fee recommendations are based on comparable public and private golf services in the Lower Mainland.
3. Budget restrictions and revenue targets. This includes review of adjustment of average yield rates to offset increasing operating expenses.
4. Adjustment of fees to reflect weekday Senior rates at approximately 75% and weekday Junior rates at approximately 65% of the posted Adult rate. Adjustment of fees for rounding to existing posted rates including 5% GST and rounding to the nearest \$0.25 when the GST is added.

2009 GOLF SERVICES – FEE RECOMMENDATIONS

1. Increase Adult green fee rates by \$3.00 on weekends and \$2.00 weekdays for 18 hole rates at Riverway and Burnaby Mountain as part of the third phase of our fee structure plan developed to create a more consistent yield average throughout the year to enable us recover revenue losses due to inclement weather. Increase all subsequent weekend rates where applicable by similar percentage to:
 - achieve more consistency with rates within the general local market;
 - offset revenue losses due to extreme weather conditions; and
 - offset inflation and operating expenses.
2. Increase Pitch and Putt rates by .50 for both weekday and weekend and continue to offer Senior/Junior weekday twilight rates during non-prime weekend (evening) hours.
3. Increase Driving Range fees on volume bucket purchases but continue to offer increased ball counts per bucket transaction during low season and quiet periods:
 - \$1.00 increase to 3 bucket sales
 - \$3.00 increase to 10 bucket sales
 - \$10.00 increase to 50 bucket sales.

Single and half bucket sales to remain the same price.

4. Introduce a “Sunrise Special” available to all patron types Monday through Friday (statutory holidays exempted) that reflects an approximate 10% discount to the weekday (Monday - Thursday) rates.

The Friday "Sunrise Special" will reflect the regular weekday rates for early morning play. Exact time period to be determined by demand and seasonal conditions.

5. Develop one competitive "Off Season" rate using the current Shoulder Season rate schedule. This would eliminate the existing winter rate schedule.
6. If required for construction/maintenance on the golf course, a discounted maintenance rate will be offered to reflect the number of holes available for play.
7. Introduce on-line internet tee time booking system for Riverway and Burnaby Mountain by mid-season which will open 25% of tee times to website users during prime time and 100% during non-prime time. Staff will monitor demand throughout the season.

Golf Services - Definition of Weekday/Weekend

Weekday: Monday through Thursday (with the exception of statutory holidays).

Weekend: Friday, Saturday, Sunday, and all statutory holidays. The Pitch and Putt facilities will continue to recognize Fridays (with the exception of those falling on statutory holidays) as a weekday.

- Sunrise specials are not available on statutory holidays
- Senior rate to be offered on the Remembrance Day statutory holiday in honour of war veterans. This holiday occurs in non-prime season when booking demand is substantially decreased.

SUMMARY

The proposed 2009 fees for Burnaby's golf services are believed to be fair and moderate in comparison with other local golf facilities. This value pricing for our golf facilities and services should ensure that the City maintains its market share in the golf industry. It is recommended that the 2009 golf fees be approved as outlined.



Dave Ellenwood
DIRECTOR PARKS, RECREATION AND CULTURAL SERVICES

DE/DOC:lmr

Attachments (2)

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Copied to: Director of Finance
City Solicitor

Driving Range Market Comparison - 2009 RATES (quoted with GST included)									
FACILITY	TOTAL # STALLS (HEATED)	PEAK SEASON				OTHER PROMOTIONS			
		FEE	# OF BALLS	\$ / BALL	FEE	# OF BALLS	\$ / BALL		
Burnaby Mountain 604 280-7355	BM - 32 (15)	\$3.00	25	\$0.12					
		\$5.00	50	\$0.10	\$5.00	75	\$0.07	Extra 50% balls dispensed on any full Bucket (or greater) purchases non-peak times *further discounts with volume bucket purchase	
Riverway 604 280-4653	RW - 54 (25)	\$13.50	150	\$0.09					
		\$33.00	500	\$0.07					
		\$145.00	2,500	\$0.06					
Fraserview 604 257-6923	FR 45 (0)	\$4.00	40	\$0.10					
		\$10.00	120	\$0.08					
McCleery 604 257-8191	MC 35 (20)	\$30.00	400	\$0.08					
		\$50.00	800	\$0.06					
Hastings Range 604 298-2721	70 (3)	\$5.00	60	\$0.08	\$4.00	75	\$0.05	special *8:30 a.m. - 12:00 weekdays ONLY	
		\$14.00	180	\$0.08					
Meadows Golf Centre 604 465-4641	60 (35)	\$5.50	66	\$0.08					
		\$9.50	132	\$0.07					
Westwood Plateau 604 941-4236	60 (40)	\$5.85	50	\$0.12					
		\$55.00	500	\$0.11					
		\$225.00	5,000	\$0.05					
Richmond (Mikasa) 604 278-1101	67 (60)	\$5.50	60	\$0.09					
		\$170.00	3,000	\$0.06					
Musqueam 604 266-2334	80 (40)	\$4.95	50	\$0.10					
		\$9.24	100	\$0.08					
		\$345.45	5,000	\$0.07					
Seymour Creek 604 987-7767	80 (40)	\$6.00	70	\$0.09				extra 15 balls 9 - 1 M-F & 9-11 Weekends	
		\$11.00	140	\$0.08					
		\$16.00	210	\$0.08					
Takaya 604 929-6672	78 (58)	\$3.00	30	\$0.10					
		\$6.50	75	\$0.09					
Pacific Golf Academy 604 278-7567	94 (14)	\$5.00	60	\$0.08					
		\$39.50	600	\$0.07					
		\$87.00	1,200	\$0.07					
Coquitlam (Eaglequest) 604 523-6400	67 (60)	\$7.30	60	\$0.12				further discounts with membership purchase	
		\$13.64	120	\$0.09					

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Burnaby Mountain Market Comparison - Proposed / Estimated Rates 2009						
All Quoted with 5% GST included						
	ADULT		SENIOR		JUNIOR	
	18 Holes		18 Holes		18 Holes	
	Weekday	Weekend	Weekday	Weekend	Weekday	Weekend
Carnoustie	\$40.00	\$50.00	\$34.00	\$50.00	\$34.00	\$50.00
Fort Langley	\$45.00	\$51.50	\$37.50	\$51.50	\$26.50	\$47.00
Guildford	\$40.00	\$50.00	\$35.00	\$50.00	\$35.00	\$50.00
Golden Eagle	\$40.00	\$56.00	\$32.00	\$56.00	\$24.00	\$24.00
Newlands	\$35.00	\$50.00	\$32.00	\$50.00	\$32.00	\$50.00
Surrey	\$45.00	\$52.00	\$40.00	\$52.00	\$25.00	\$50.00
McCleery	\$54.00	\$59.75	\$37.75	\$59.75	\$26.50	\$59.75
Langara	\$49.00	\$54.00	\$34.25	\$54.00	\$24.50	\$54.00
Burnaby Mtn	\$37.00	\$46.00	\$26.25	\$46.00	\$22.75	\$46.00
Local external market average (BMGC not included)	\$43.50	\$52.91	\$35.31	\$52.91	\$28.44	\$48.09
BM Below or above market average	-14.94%	-13.05%	-25.66%	-13.05%	-20.00%	-4.35%

* Golden Eagles Jr weekend rates after 1:00 p.m.

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Riverway Market Comparison - Proposed / Estimated Rates 2009						
All Quoted with 5% GST included						
	ADULT		SENIOR		JUNIOR	
	18 Holes		18 Holes		18 Holes	
	Weekday	Weekend	Weekday	Weekend	Weekday	Weekend
Mayfair Lakes	\$79.00	\$89.00	\$59.00	\$89.00	\$59.00	\$59.00
Meadow Gdns	\$65.00	\$75.00	\$59.00	\$75.00	\$35.00	\$35.00
Northlands	\$63.00	\$65.00	\$37.50	\$65.00	\$30.00	\$30.00
Northview Ridge	\$85.00	\$95.00	\$85.00	\$95.00	\$85.00	\$95.00
Northview Canal	\$70.00	\$80.00	\$55.00	\$80.00	\$25.00	\$80.00
Swanaset (Resort)	\$65.00	\$75.00	\$59.00	\$75.00	\$35.00	\$35.00
University	\$65.00	\$75.00	\$50.00	\$75.00	\$45.00	\$70.00
Fraserview	\$58.50	\$65.00	\$41.00	\$65.00	\$28.00	\$65.00
Riverway	\$47.00	\$56.00	\$33.75	\$56.00	\$29.25	\$56.00
Local external market average (RWGC not included)	\$68.81	\$77.38	\$55.69	\$77.38	\$42.75	\$58.63
RW below or above market average	-31.70%	-27.63%	-39.39%	-27.63%	-31.58%	-4.48%

Pitch & Putt Market Comparison - Proposed / Estimated Rates for 2009						
All Quoted with 5% GST included						
	ADULT 18 Holes		SENIOR 18 Holes		JUNIOR 18 Holes	
	Weekday	Weekend	Weekday	Weekend	Weekday	Weekend
Rupert Park	\$11.25	\$11.25	\$8.00	\$11.25	\$8.50	\$11.25
Stanley Park	\$12.00	\$12.00	\$8.50	\$12.00	\$9.00	\$12.00
Queen Elizabeth	\$12.00	\$12.00	\$8.50	\$12.00	\$9.00	\$12.00
W. Richmond (9 holes played twice)	\$9.90	\$9.90	\$8.15	\$9.90	\$8.15	\$9.90
Kensington/ Central	\$10.75	\$10.75	\$8.00	\$10.75	\$7.00	\$10.75
<i>Local external market average (Bby Pitch & Putts not included)</i>	\$11.29	\$11.29	\$8.29	\$11.29	\$8.66	\$11.29
Burnaby below or above market average	-4.76%	-4.76%	-3.47%	-4.76%	-19.19%	-4.76%