





## **STAFF REPORT: John Howard**

Mr. Howard highlighted that a new fleet of golf carts were brought in at Torrey Pines and customers are very pleased with them. Now all three City facilities have new golf carts which is a great service to be able to afford to customers.

Fall aerification has been completed at Balboa Park 18 and Mission Bay. The 9-hole course at Balboa will take place on September 22. Overseeding will take place at Torrey Pines North October 5-7. The South course will undergo overseeding and aerification which will take place October 26-28.

The new clubhouse at Mission Bay is currently in contract phase. Mr. Howard stated he anticipates the notice to proceed will come at the end of this year and the construction to begin in January 2022. Mr. Carlson wanted to know how long the construction would last and Mr. Howard stated that he anticipated it to be about 1 year.

Mr. Howard stated that rounds have been declining slightly at City facilities compared to last year. There was a 5% decline at both courses at Balboa and an 8% decline at Mission Bay. Despite this the target rounds are being reached at each facility.

Mr. Howard stated that the advanced reservation program is something golf staff are looking at and will bring back to the committee during the next meeting. They want to make sure they have a complete data set before it is shared with everyone.

## **ACTION ITEM**

### **201. Business Plan Update**

David Lanni, OCA Golf Course Manager, was brought in to present the 2021 business plan update for the committee's approval.

Mr. Lanni stated the business plan's goal is to provide excellent golf opportunities to the public, ensure golf complexes are properly maintained, and maintain the golf enterprise funds' long-term sustainability.

A customer satisfaction study done by a third party found that customer satisfaction ranged from 95%-98% satisfied at all three facilities in FY21. This was much improved at Balboa Park and Mission Bay compared to FY19.

Mr. Lanni stated there was a significant increase in rounds in FY21 with Mission Bay having 35,621 more and Balboa Park 9 having 35,159 more over FY19.

Revenue also had a large increase from FY19 to FY21. Mr. Lanni stated that from FY19 to FY21 the costs of running and maintaining the facilities has increased by 9%. According to the business plan there is a proposed green fee increase at all three facilities effective January 1, 2022. This would equate to a 3% increase for residents and a 5% increase for non-residents. There would be no increase to the resident ID card or the junior monthly ticket.

Mr. Lanni informed the committee that labor costs continue to increase as MEA represented employees received a 4% wage increase in July 2021 and will receive another 5% increase in July of 2022. There will be an additional 10% increase for Golf Operations Assistants to remain competitive in recruitment. For the Golf Division to continue to invest in infrastructure, maintain the health of the enterprise fund, and continue to remain self-sufficient they feel the increases are necessary.

As stated in the business plan, the City is dedicated to growing the game of golf and has been working on many different avenues such as signing a contract with Game of Life/Lion's Golf Academy to be the sole provider for instruction at Mission Bay and Balboa Park. Lion's Golf focuses on families and has an emphasis on providing juniors with instruction by certified PGA professionals. Lion's Golf has also pledged to provide 200 staff hours per year to the City's "Grow Golf" initiative such as P.L.A.Y. Golf and Women's Golf Day.

Mr. Lanni highlighted some of the Golf Division's accomplishments including a new wash rack for maintenance equipment at Balboa Park, new golf cart fleets at Balboa Park and Mission Bay, a new driving range ball dispenser with software for Balboa Park and driving range enhancements at Mission Bay. At Torrey Pines, the Golf Division implemented a new online advance reservation portal, a 17-million-dollar South Course infrastructure project was completed, golf operations were moved into the pro shop and they successfully hosted the U.S. Open in June 2021.

Mr. Lanni stated that going forward the Golf Division will continue the implementation of capital improvement projects at all three facilities, issue a new long-term contract for food and beverage at Balboa Park and Mission Bay which will result in improvements in the restaurant and clubhouse areas, and will research potential opportunities for salary adjustments to help with current employee recruitment and retention issues. With the approval of this business plan update, the Golf Division will continue to seek opportunities to make capital investments to improve course conditions and efficiencies as well as upgrade course facilities to enhance the customer experience. The Division will continue to implement business plan recommendations and its continuing effort to provide a world class golf experience that caters to golfers of all ages and experience levels.

