

COMMISSION REPORT

TO: CHAIR AND MEMBERS PARKS,
RECREATION AND CULTURE COMMISSION

DATE: 2019 April 09

FROM: DIRECTOR PARKS, RECREATION AND
CULTURAL SERVICES

FILE: 7000-01

SUBJECT: 2019 GOLF FEES BYLAW

PURPOSE: To request approval of the 2019 Golf Fees Bylaw

RECOMMENDATIONS:

1. **THAT** the 2019 Golf Fee Schedule (Attachment #1) be recommended to Council for approval as outlined in this report.
2. **THAT** Council be requested to authorize the City Solicitor to bring forward the necessary amendments to the following bylaw for consideration:
 - Burnaby Golf Fees Bylaw 2017

REPORT**1.0 INTRODUCTION**

A Golf Fees bylaw is required under the Community Charter for all fees and charges related to the public use of municipal facilities. The 2019 Burnaby Golf Fees Bylaw will apply for the period 2019 May 01 to 2020 April 30.

The 2019 Golf Fee Schedule (Attachment # 1) (distributed under separate cover) for golf services are presented at this time of year to allow the proposed fees to fall in line with the local golf industry after evaluating the market conditions and competitor's rates. This provides opportunity for the City to ensure that 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 2019 Burnaby Golf Fees Bylaw.

2.0 POLICY SECTION

The 2019 Burnaby Golf Fees Bylaw is in alignment with the Corporate Strategic Plan in the following ways:

A Healthy Community

- Promote and encourage opportunities for healthy living and well being

A Dynamic Community

- Manage change by balancing economic development with environmental protection and maintaining a sense of belonging

A Thriving Organization

- Ensure that our core values are reflected in our policies, programs and service delivery
- Maintain a financially sustainable City for the provision, renewal and enhancement of services

3.0 BACKGROUND

Recent Trends in the Local Golf Market

The local golf market has remained increasingly competitive in order to maintain volumes. This has forced golf course operators to develop a variety of rate structures to maintain loyalty and stimulate non-prime time use at their facilities. Yield management incentives such as tee time pricing are promoted in many ways to create value for the customer, and improve utilization and profitability for our sites.

Fee Determination Process

The following factors were considered in the determination of the 2019 fee structure:

1. Current and projected market demands, price ranges, and recognition of the need to stimulate golf activity during weekday and non-prime time periods. Fee recommendations are based on surveys of comparable public and private golf services in the Lower Mainland (Attachment #2). As warranted, greater increases will occur when fees are deemed to be below market range.
2. Public response to services and associated fees.
3. Budget restrictions and revenue targets.
4. Review of adjustment of average yield rates to offset increasing operating expenses.
5. Adjustment of base fees to reflect weekday Senior rates at 75% and weekday Junior rates at 65% of the posted Adult rate.
6. Adjustment of fees for rounding to the nearest \$0.25 pertaining to rates when combined with all applicable taxes. If tax rates should change during term of bylaw, fees will subsequently be adjusted, for the purposes of marketing and cash handling, to the nearest \$0.25 once taxes are applied.

Proposed Fees

1. Increase weekday and weekend rates \$1.90 (\$2.00 with GST) at both Burnaby Mountain and Riverway Golf Courses. Increase weekday and weekend rates \$0.48 (\$.50 with GST) at both Kensington and Central Park Pitch and Putts.
2. Increase Off Season weekday and weekend rates .95 (\$1.00 with GST) at both Burnaby Mountain and Riverway Golf Courses. Increase Off Season weekday and weekend rates \$0.48 (\$.50 with GST) at both Kensington and Central Park Pitch and Putts.
3. Discounted daily fees such as Twilight, Sunrise, and Sunset are adjusted based on a percentage off of the Adult daily 18 hole base rate and a review of market pricing. When required, rates will be adjusted up or down to a maximum of \$0.25 to ensure rounding to the nearest quarter once taxes are applied.
4. Eliminate the 75 bucket driving range package and introduce new package of 85 buckets. This will achieve a more consistent percentage discounting philosophy with respect to volume purchases. Continue to offer non-peak and off-season increased ball counts per bucket transaction in order to provide alternative pricing options.

Golf Services - Definition of Weekday/Weekend

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

Weekend: Friday, Saturday, Sunday, and all statutory holidays.

- Sunrise specials are not available on Saturday, Sunday, or statutory holidays.
- Senior rate continues 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.

* The Pitch and Putt facilities continue to recognize Fridays (with the exception of those falling on statutory holidays) as a weekday.

3.0 SUMMARY

The proposed 2019 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 current golf industry. In summary, the majority of fees are recommended to increase to reflect those being offered in the local market. The recommended adjustments will

To: Parks, Recreation & Culture Commission
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continue our practice of providing convenient, quality services at fair and competitive pricing.

4.0 RECOMMENDATION

It is recommended that the Parks, Recreation and Culture Commission recommend to Council that the 2019 Golf Fee Schedule be approved as outlined in this report and that Council be requested to authorize the City Solicitor to bring forward the necessary amendments to the Burnaby Golf Fees Bylaw 2017 for consideration.

A handwritten signature in black ink that reads "D. Ellenwood". The signature is written in a cursive, flowing style.

Dave Ellenwood
DIRECTOR PARKS, RECREATION AND CULTURAL SERVICES

DOC:lmr:km

Attachments (2)

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GOLF COURSE MARKET SURVEY

	Burnaby Mtn Fee Comparison - Proposed Adult Rates 2019				
	Base Rates - taxes not included				Average net fee achieved - before discounts
	Regular Season		Off Season		
	weekday	weekend	weekday	weekend	
Langara <i>Playcards & Redbook 2 for 1</i>	\$53.56	\$59.74	\$28.00	\$28.00	\$42.33
McCleery <i>Playcards & Redbook 2 for 1</i>	\$57.68	\$63.86	\$33.00	\$33.00	\$46.89
Burnaby Mountain	\$40.95	\$51.43	\$33.33	\$40.95	\$41.67

	Riverway Fee Comparison - Proposed Adult Rates 2019				
	Base Rates - taxes not included				Average net fee achieved - before discounts
	Regular Season		Off Season		
	weekday	weekend	weekday	weekend	
Fraserview <i>Playcards & Redbook 2 for 1</i>	\$61.80	\$67.98	\$36.00	\$36.00	\$50.45
Northlands <i>Redbook \$10 off various times</i>	\$65.71	\$69.52	\$42.86	\$46.67	\$56.19
Riverway	\$51.43	\$61.90	\$42.86	\$48.57	\$51.19

	Pitch & Putt Fee Comparison - Proposed Adult Rates 2019				
	Base Rates - taxes not included				Average Net fee including coupons
	Regular Season		Off Season		
	weekday	weekend	weekday	weekend	
Queen Elizabeth/Stanley Park Redbook 2 for 1 coupons	\$13.57	\$13.57	Closed	Closed	\$12.57
Rupert Park Redbook 2 for 1 coupons	\$13.35	\$13.35	Closed	Closed	\$12.35
Ambleside 30% discount vouchers	\$12.28	\$12.38	Closed	Closed	\$11.38
Central / Kensington	\$12.86	\$12.86	\$10.00	\$10.00	\$11.70

Driving Range Comparison - Proposed Rates 2019							
Base Rates - taxes not included							
FACILITY	PRICING			ADDITIONAL DISCOUNTS / PROMOTIONS			
	FEE	# OF BALLS	\$ / BALL	FEE	# OF BALLS	\$ / BALL	Notes
Burnaby Mountain & Riverway (Burnaby)	\$3.33	25	\$0.133				40% Bonus during non-peak times
	\$5.71	50	\$0.114	\$5.71	70	\$0.082	
	\$15.24	150	\$0.102	\$15.24	210	\$0.073	
	\$65.71	750	\$0.088	\$65.71	1050	\$0.063	
	\$323.81	4250	\$0.076	\$323.81	5950	\$0.054	
Fraserview & McCleery (Vancouver)	\$3.58	25	\$0.143				No promotions listed
	\$5.72	50	\$0.114				
	\$15.24	150	\$0.102				
	\$94.29	1250	\$0.075				
	\$333.34	5000	\$0.067				
Meadows Golf Centre (Pitt Meadows)	\$4.29	44	\$0.098				No promotions listed
	\$6.19	88	\$0.070				
	\$27.50	440	\$0.063				
	\$50.00	880	\$0.057				
	\$375.00	8,800	\$0.043				
Westwood Plateau (Coquitlam)	\$5.24	50	\$0.105				No promotions listed
	\$44.95	500	\$0.090				
	\$84.95	1000	\$0.085				
	\$199.95	2500	\$0.080				
	\$499.95	7500	\$0.067				
Birdies & Buckets (Surrey)	\$5.00	35	\$0.143	\$5.75	60	\$0.096	Senior/Junior Token fee (Mon-Fri Only)
	\$7.50	60	\$0.125				
	\$19.00	180	\$0.106				
	\$110.00	1,200	\$0.092				
	\$255.00	3,000	\$0.085				
Eaglequest (Coquitlam)	\$5.25	30	\$0.175				33% Bonus during non-peak times
	\$7.50	60	\$0.125				
	\$78.00	900	\$0.087				
	\$252.00	3,600	\$0.070				
	\$475.00	7,800	\$0.061				