



January 24, 2000

To: City Council
From: Darryl Dunn, General Manager *[Signature]*
Subject: Green Fee Increases and Modifications at Brookside Golf Course

At the Business Enterprise Committee (BEC) meeting on January 19, 2000 this item was approved unanimously with the following modifications:

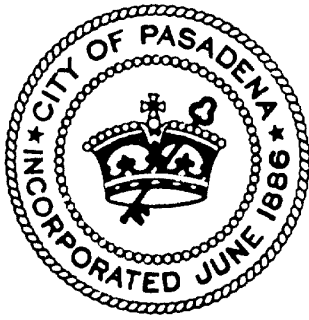
5. Policy Changes

The recommendation that would require the purchase of a Junior Membership Card for \$10.00 to receive the junior discount rate was not approved.

Brookside Golf Course Rates

The fee increases proposed were all approved, except for Junior rates. The BEC modified the proposed green fee rates for juniors to remain unchanged (currently \$5.00)

<u>Weekday Green Fees</u>	<u>Current</u>	<u>Proposed</u>
18 Holes (Junior)	\$5.00	\$6.00



Agenda Report

January 24, 2000

TO: City Council

FROM: Rose Bowl Operating Company

SUBJECT: Green Fee Increases and Modifications at Brookside Golf Course

RECOMMENDATION:

It is recommended that the BEC approve and recommend to City Council the following related to fee structures at Brookside Golf Course:

1. Green Fees – A \$2.00 increase for non-residents and \$1.00 increase on residents (most rates). It should be noted that it is not recommended to implement an increase in senior rates at this time.
2. Tournament Fee Increase – Fee increases are being recommended at the following levels for Tournaments:
 - Course # 1 weekends - \$2.00 increase
 - Course # 1 weekday shotguns - \$5.00 increase
 - Course # 2 weekends - \$2.00 increase
3. It is recommended that promotional rates be implemented during “off peak” time periods. Promotional rates will be no less than 50% of the stated non-resident rate for the time of day.
All promotional rates will require the approval by the General Manager of the RBOC and will be valid for no more than 90 days.
4. Policy Changes: The following policy changes are recommended in order to increase revenues and increase play during off-peak times:
 - Require the purchase of a Junior Membership Card for \$10.00 to receive the junior discount rate;
 - Require Senior Saver Card (\$30.00) for Non-Resident Senior Rates;
 - One hour early twilight for American Golf Players Association;
 - For weekend reservations there would be a credit card guarantee in order to secure reservations. There will be a 24-hour cancellation policy without penalty.

5. Capital Improvements: It is recommended that as part of the fee increase American Golf will invest \$50,000 towards an improvement(s) related to the golf course.

BACKGROUND:

GREEN FEES:

On May 1, 1998 a fee increase went into effect at Brookside Golf Course. The fee increase put Brookside at a comparable rate related to fee structure compared to other local public golf courses.

Currently Brookside Golf Course has the reputation as one of the finest public golf courses in the United States. This is due in large part to the location of the course, the conditions of the course and the length of the course (course # 1 is over 7,000 yards, which is one of the longest courses in Southern California).

As part of the business of managing the golf operation, American Golf Corporation has recommended that fees be increased, effective March 1, 2000. The rates are designed to keep Brookside at a competitive price level, but it also reflects the popularity of the facility. In 1999, approximately 170,000 rounds of golf were played at Brookside.

Attached are comparisons of current and proposed fees, as well as the fees for other local public golf courses. As you can see, the rate increase for Brookside will keep the course competitive, however will reflect its reputation as a premier public golf course.

Tournament Fee Increase:

Currently rates charged for Tournaments at Brookside are very aggressive; hence proposed increases to these rates are modest.

Off Peak Promotional Discount Rates:

Currently there are no promotional rates established at Brookside. As is the case with other industries (e.g. airlines, movies), certain time periods are slower than other time periods. The development of promotional rates exists at many other golf facilities across the country and the same is recommended for Brookside.

Policy Changes:

Similarly to the establishment of promotional rates, some revised policies related the golf course are designed to increase revenue and increase play.

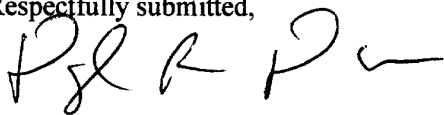
Capital Improvements:

In conjunction with approval of the fee increases, American Golf would agree to a \$50,000 investment to improve the golf course. As part of the management of the golf course operation, capital improvements are continually necessary. The \$50,000 would be added to the current pool of dollars available for capital improvements on the golf course, which is currently at more than \$750,000.


FISCAL IMPACT:

If all of the recommendations are approved, it is estimated that the RBOC will generate an additional \$60,000 per year. Currently the RBOC generates \$1.6 million annually from American Golf.

Respectfully submitted,


for Daniel Castro
President

Prepared by:


Darryl Dunn
General Manager