



AGENDA REPORT

CITY OF SAN CLEMENTE

City Council Meeting

910 Calle Negocio
2nd Floor
San Clemente, California
www.san-clemente.org

Meeting Date: 2/7/2023

Agenda Item: 6D

Department: Beaches, Parks and Recreation

Prepared By: Samantha Wylie, Beaches, Parks & Recreation Director

Subject:

RESOLUTION TO AMEND GOLF COURSE FEES FOR PLAY UPON THE MUNICIPAL GOLF COURSE

Fiscal Impact:

An increase of golf course revenue roughly corresponding to rate increases averaging 10% across all course fees is expected. This rate adjustment is estimated to gross an annual increase of \$214,860 in green fees based on FY 21-22 actuals, assuming that user demand is unchanged.

Summary:

Staff and the Golf Course Committee recommend the City Council adopt Resolution No. 23-02 (Attachment 1), amending the golf course green fees for play at the San Clemente Municipal Golf Course.

Background:

The Golf Course Committee FY 22-23 Work Plan included a goal to review and update the golf course fees.

At its November 3, 2022 meeting, the Golf Course Committee considered and approved the staff recommendation for modifications to the green fee schedule and associated golf course rates.

Discussion:

The Golf Course operates as an Enterprise Fund in which golf revenues must cover expenditures. Golf revenues are captured within three areas: (1) green fees; (2) banquet/food & beverage sales; and (3) pro shop sales, including cart and range fees.

Before the Coronavirus pandemic, the golf course experienced a decline in revenue from green fees associated with a trending decline in play in the golf industry and overall course usage. The golf course operated by reducing capital and ongoing expenditures to compensate for lower revenues. Because of the stagnant revenue spanning 10 years, many improvement projects were not undertaken, machinery and equipment were not replaced, and routine maintenance was deferred.

An increase of approximately 10% of course fees will partially offset operational cost increases by assisting in funding replacement equipment and machinery that has depreciated. Additionally, some funding may be allocated towards golf course improvements, as identified as priorities by the Golf Course Committee through its annual work plans. In the future, staff and the Golf Committee will consider golf rate increases annually to ensure the golf course is staying competitive with market rates while meeting the goals of the enterprise fund.

The proposed rates include two new fees associated with tournaments: (1) Course Marshal Fee; and (2) Conditionally Refundable Compliance/Damage deposit for tournaments. The course marshal fee will be charged on an hourly basis to tournaments that are booked and expected to bring large numbers of players to the course. Based on continual review and feedback of tournament operations, marshaling is critical during busy tournament days to ensure that the pace of play is managed and that golfers outside of the tournament have a pleasant golf experience.

Similarly, the compliance/damage deposit would be assessed as a conditionally refundable deposit to tournament organizers. The deposit will be withheld if the course experiences higher than normal levels of wear and tear, including excessive trash and debris throughout the course and/or its facilities (i.e., greens, restrooms, etc.). These two new fees are solely intended to offset any additional costs that may be incurred on behalf of tournaments.

Recommended Actions:**Staff Recommendation**

Staff and the Golf Committee recommend that the City Council adopt Resolution No. 23-02 titled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, ESTABLISHING CERTAIN FEES FOR PLAY UPON THE MUNICIPAL GOLF COURSE, AND REPEALING RESOLUTION NO. 20-70."

Attachment:

1. Golf Course Fee Resolution No. 23-02
2. Proposed Green Fees Rate Increase

Notification:

Dave Cook Pro Shop

RESOLUTION NO. 23-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, ESTABLISHING CERTAIN FEES FOR PLAY UPON THE MUNICIPAL GOLF COURSE, AND REPEALING RESOLUTION NO. 20-70.

WHEREAS, the City of San Clemente owns and operates the San Clemente Municipal Golf Course for the benefit of San Clemente residents and the surrounding community; and

WHEREAS, the City of San Clemente funds Course operations through an enterprise fund, where revenues collected at the Course are utilized to fund the maintenance and operation of the Course; and

WHEREAS, fees for play upon the Municipal Golf Course were last considered in 2020 and increased effective February 1, 2021; and

WHEREAS, operating standards and regulations for play upon the Municipal Golf Course have been established and adopted through Resolution No. 20-71; and

WHEREAS, the City of San Clemente regularly considers fees to optimize Course utilization and provide for reliable Course revenue for maintenance, improvements, and Course continuity.

NOW, THEREFORE, the City Council of the City of San Clemente does hereby resolve as follows:

Section 1. GREEN FEES

Green Fees for daily play upon the Municipal Golf Course shall be as follows:

	STANDARD (AGE 18-59)	SENIOR (AGE 60+)	JUNIOR (AGE 17 & Under)
18 Hole (Weekday)	\$ 43.00	\$ 37.00	\$ 16.00
18 Hole (Weekend)	\$ 53.00	--	\$ 19.00
Twilight (Weekday)	\$ 31.00	\$ 26.00	\$ 12.00
Twilight (Weekend)	\$ 43.00	--	\$ 16.00
9-Hole (Weekday)	\$ 22.00	--	\$ 8.00
9-Hole (Weekend)	\$ 26.00	--	\$ 10.00

The weekend rate schedule shall apply on the holidays listed in Resolution No. 20-71, Section 9.

Section 2. MEMBERSHIP CARD (RESIDENT CARD) & GREEN FEE RATES

A resident of the City of San Clemente may purchase a yearly membership card for \$60.00, which entitles the resident to play golf upon the Municipal Golf Course on weekdays and weekends for the Green Fees as described in the chart below. Membership cardholders may also be eligible for early tee time bookings.

	MEMBER (AGE 18-59)	MEMBER SENIOR (AGE 60+)
18 Hole (Weekday)	\$ 25.00	\$ 24.00
18 Hole (Weekend)	\$ 33.00	--
Twilight (Weekday)	\$ 20.00	\$ 17.00
Twilight (Weekend)	\$ 24.00	--
9-Hole (Weekday)	\$ 16.00	--
9-Hole (Weekend)	\$ 17.00	

Section 3. DEFINITION OF CITY RESIDENT

A "resident" of the City of San Clemente is hereby defined to be any person who occupies a dwelling unit in the City of San Clemente as that person's legal domicile. Any person applying for or renewing a registration card as set forth in Section 3 hereof, shall be required to furnish to the Golf Starter documented proof of residence which includes, but is not limited to, the following: a current utility bill, vehicle registration, or rental or lease agreement indicating a San Clemente address, or such other documentation as may satisfy the Golf Starter that San Clemente is the legal domicile of said person. P.O. boxes and addresses of known mail service centers will not qualify as residences. All active duty military personnel and registered PGA and LPGA professionals shall be treated as legal residents of the City of San Clemente.

Section 4. JUNIOR CARD FEE

Qualifying minors ages 12 year and older may receive a Junior Card for play upon the course, affording them the option to play upon the course unaccompanied by an adult. The Junior Card is available at a one-time cost of Five Dollars (\$5.00). Junior green fee rates apply regardless of Junior Card status.

San Clemente High School Golf Team Members are eligible to play upon the Golf Course for Five Dollars (\$5.00) per player, per competition season. Junior Green Fees will apply to all Team Member play outside of the designated season.

Section 5. TOURNAMENT RESERVATION FEE

A ~~Six~~ Seven Dollar (\$7.00) non-refundable reservation fee shall be required for each player to reserve a starting time for all contracted tournaments, other than recognized local club tee time block reservations.

Section 6. CHARITABLE ORGANIZATIONS – SPECIAL TOURNAMENT FEE

A green fee of ~~Fourteen~~ Fifteen Dollars (\$15.00) per player shall be required for all

tournaments held to benefit charitable organizations. Requests for such tournaments will be subject to approval by the City Manager or his/his designee. Only those tournaments held to assist bona-fide local charities or non-profit charitable corporations licensed by the State of California will be approved. Proof of California non-profit status must be submitted with the tournament application.

Any request for a charity tournament that is disapproved by the City Manager or his/his designee may be appealed to the City Council by providing written notice of appeal to the City Clerk within 10 days of the date of City Manager or his/his designee disapproval.

Section 7. PRIVATE GOLF CART REGISTRATION FEE

Residents with a current municipal membership card may register their privately owned golf cart for use on the municipal golf course. The annual registration fee for the use of a registered, privately owned power driven golf cart on the Municipal Golf Course shall be Two Hundred and Twenty dollars (\$220.00). Requests for refunds of golf cart registration fees for reasons such as sickness, vacations, leaving the area, etc., will not be considered.

A trail fee per rider will be due upon each use of the registered private cart at the Municipal Golf Course. The trail fee will be one half (50%) of the cart rental fee in effect at the time per rider cart, ~~or as determined by the Pro Shop Concessionaire.~~

Section 8. DISCOUNTING

The City Manager and/or his or her designee, upon consultation with the Golf Course Committee or its designees, may offer limited offer discounts in the form of advertised coupons or group discounts for the purpose of maximizing revenue at the golf course.

Section 9. Resolution No. 20-70, and any other Resolution in conflict herewith is hereby repealed and has no further force or effect.

Section 10. The fees contained in this resolution will become effective upon approval by City Council.

Section 11. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED this _____ day of _____, _____.

ATTEST:

City Clerk of the City of
San Clemente, California

Mayor of the City of San
Clemente, California

STATE OF CALIFORNIA)
 COUNTY OF ORANGE) §
 CITY OF SAN CLEMENTE)

I, LAURA CAMPAGNOLO, City Clerk of the City of San Clemente, California, do hereby certify that Resolution No. _____ was adopted at a regular meeting of the City Council of the City of San Clemente held on the _____ day of _____, _____, by the following vote:

AYES:

NOES:

ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of San Clemente, California, this _____ day of _____, _____.

 CITY CLERK of the City of
 San Clemente, California

Approved as to form:

 City Attorney

San Clemente Municipal Golf Course

Proposed Rate Schedule, FY 2022-23

Suggested Effective Date: February 1, 2023

NOTES:

* The proposed rates reflect an approximate 10% increase, rounded to the nearest dollar. In rounding, some percentage points may have increased or decreased thus resulting in a higher or lower actual percent.

	Current	Proposed	Adjustment
Standard Rates			
18 Hole (Weekday)	\$ 39.00	\$ 43.00	10%
18 Hole (Weekend)	\$ 48.00	\$ 53.00	10%
Senior - 18 Hole	\$ 34.00	\$ 37.00	9%
Senior - Twilight	\$ 24.00	\$ 26.00	8%
Twilight	\$ 28.00	\$ 31.00	11%
Twilight (Weekend)	\$ 39.00	\$ 43.00	10%
9-Hole	\$ 20.00	\$ 22.00	10%
9-Hole (Weekend)	\$ 24.00	\$ 26.00	8%
Membership Card (Residents Only)			
Membership Card	\$ 60.00	No Change	
18 Hole (Weekday)	\$ 23.00	\$ 25.00	9%
18 Hole (Weekend)	\$ 30.00	\$ 33.00	10%
Senior - 18 Hole	\$ 22.00	\$ 24.00	9%
Senior - Twilight	\$ 15.00	\$ 17.00	13%
Twilight	\$ 18.00	\$ 20.00	11%
Twilight (Weekend)	\$ 22.00	\$ 24.00	9%
9-Hole	\$ 15.00	\$ 16.00	7%
9-Hole (Weekend)	\$ 15.00	\$ 17.00	13%
Junior Rates (60% Discount from standard rate)			
18 Hole (Weekday)	\$ 16.00	No Change	
18 Hole (Weekend)	\$ 19.00		
Twilight	\$ 12.00		
Twilight (Weekend)	\$ 16.00		
9-Hole	\$ 8.00		
9-Hole (Weekend)	\$ 10.00		
Tournaments			
Damage Deposit (Refundable)	\$ -	\$ 250	
Golf Course Marshal Support	\$ -	\$17/hour	
Misc. Fees			
Private Carts	\$ 200.00	\$ 220.00	10%