



SUBJECT: Tyandaga - Park and Golf Course

TO: Environment, Infrastructure & Community Services Cttee.

FROM: Recreation Services Department

Report Number: RS-02-20

Wards Affected: 1

File Numbers: 940-01

Date to Committee: March 9, 2020

Date to Council: March 30, 2020

Recommendation:

Direct the Director of Recreation Services to complete an engagement process with the broader community and Tyandaga neighborhood on opportunities to further enhance both the golf experience and Park program for consideration in future budgets; and

Direct the Director of Recreation Services to review and investigate alternative financial models for Tyandaga, both operating and capital considerations and present options to Council in Q3 2020 with staff recommendations.

PURPOSE:

Vision to Focus Alignment:

- Increase economic prosperity and community responsive city growth
- Improve integrated city mobility
- Support sustainable infrastructure and a resilient environment
- Building more citizen engagement, community health and culture

Background and Discussion:

March 1973 the City of Burlington Council voted to proceed with a plan to purchase the Tyandaga Golf Course. Council recognized that having the golf course and the more than 100 acres of parkland/greenspace would help in growing Burlington and its community. July 18, 1973, Council passed a motion to purchase the 108-acre golf

course for \$500,000, along with an additional 8 acres from the Catholic Diocese Church to complete an 18-hole golf course.

In 1997, staff recommended the original clubhouse be decommissioned, built in the early 1960's, as it required far too many costly repairs to bring it up to City standards. The decision was made to move forward with a new Clubhouse facility which opened for use in the summer of 1998.

In 2009, after years of financial challenges, Council directed staff to review the overall operations of Tyandaga Golf Course. Through this review, the Parks & Recreation Management team, along with the Tyandaga team, reviewed the overall operations of Tyandaga. Marketing practices along with expenditure management strategies were implemented to better align revenues and expenditures moving forward.

Highlights of strategies implemented include:

- a) Determine Tyandaga's position in the marketplace by using the industry standard rating scale
 - a. It was determined Tyandaga was a 2 – 2 ½ star golf course
- b) Rates and fees alignment based on the facility star rating
 - a. Rates & Fees were aligned to better reflect the service
- c) Marketing and Sales campaigns
 - a. Promoting new pricing structure, tournaments and league membership drive was developed
- d) Operations review based on the facility star rating
 - a. Prioritized areas of play and reduced frequency and priority areas of maintenance
 - b. Adjusted material and equipment
 - c. Adjusted management structure/staffing model

In 2010, based on the operational alignment and adjustments, Council directed City staff to continue with the operation of the Tyandaga Golf Course. Part of the direction provided to staff at that time, was to ensure the golf course continued to operate as a net zero (i.e. contribute each year to the Tyandaga reserve fund), be self-supporting (not a burden to the tax base) and be sustainable both through the operating and capital budget. Under this operation, the course continues to operate as a 2 – 2 ½ star golf course.

Each year a variety of adjustments have been made to the standards, marketing campaigns, programs, service providers, grounds and the facility to help ensure a meaningful and active recreation experience is achieved.

As part of the active recreation experience, Tyandaga serves as a wonderful opportunity for the community to come together and volunteer their time, skills, abilities and knowledge. Each season 40 to 60 people volunteer their time at Tyandaga. Volunteers play an important customer service role at Tyandaga helping to improve the overall experience for the 25,000-30,000 people that frequent the facility each year. The benefit of volunteering is enormous, opportunity to meet new friends, connect with the community, learn new skills and feel healthier and happier are just a few of the benefits our Volunteers have shared with staff.

Today, Tyandaga Golf Course is a year-round active leisure opportunity for the community on 108 acres of parkland. The focus over the past few years, has been to optimize the golf season and increase utilization of the parkland and Clubhouse in the off season to align with the City's strategic plan. Staff implemented a three-year plan beginning in 2017 to grow the off-season participation levels on the grounds and inside the facility.

The current operating model aligns perfectly with the City's Framework for Community Recreation. Tyandaga offers entry level play for all age groups, affordability, inclusive programs and a real sense of community for all user groups, volunteers and residents of Burlington.

When the golf course closes for the season, the grounds become a haven for the community enjoying tobogganing, snow shoeing, cross country skiing and walking among other winter activities.

With the current state of the golf industry, climate change impacts, community needs along with the City's Strategic Plan, staff continue to look for opportunities to offer the community a year-round destination encouraging healthy and active lifestyles.

Strategy/process

Tyandaga Golf Course has been owned by the City of Burlington for approximately 47 years and has been operated under a self-sustaining net zero operation, both the operating and capital budget, during this time. Due to many factors, from the aging infrastructure, industry changes and the environmental impacts, staff have taken this opportunity to review options for long-term sustainability.

An initial step in the process was to meet with members of Council to provide an overview of current state for the Tyandaga Park and Golf Course and get an initial understanding of Council's ideas around this park and recreation offerings.

During the discussions with individual members of Council, staff identified some of the challenges (listed below) that both Tyandaga and the industry are facing. Informal discussions with members of Council also identified that under the current operating model, the golf side of the operation supports the year-round initiatives of the off-season

park. To continue to offer the community a year-round destination the current operating and financial model will need to be revisited.

Infrastructure:

The facility is coming up to a 30-year life cycle, with several building components up for renewal. The golf course/parkland is approaching 60 years old with several items that are reaching end of life, such as irrigation, bridges, maintenance building and the parking lot.

One high level risk facing the golf course today is the irrigation system. The system is 20 years past its expected lifecycle. Without a full functioning irrigation system the course conditions would decline rapidly and revenues would soon follow.

While staff have managed the operations and facility renewal program based on the reserve fund balance, over the years, to maintain a net zero operation, some capital renewal items have been decommissioned or deferred to future years.

With the infrastructure approaching end of life, changes in the golf industry and impacts of climate change affecting the golf service, it is timely to complete a review of this service to proactively determine future directions for this valued asset and community recreation opportunities.

Industry Changes:

The sport of golf was booming in the late 20th century, which encouraged a substantial golf course development program with many new golf courses opening for business. Golf was thriving and 18-hole courses along with 5-hour rounds became the norm.

The average time to play 18-holes of golf is 5-6 hours and costs on average around \$60 for 18-holes with a power cart. Today, people's time and available disposable income, is limited. With time and expense being two of the largest restraints amongst most golfers today, this has also impacted the overall golfing industry.

Participation in 18-hole golf rounds has been on the decline over the past few years. Courses have begun to struggle to meet revenue targets. Operating expenses continue to increase, time and financial restraints are more prevalent on families. Golfers are now more interested in having a variety of golf experiences and are using technology to easily search for discounts. As a result, several private courses have closed in the past few years. Statistics supplied through the recent 2019 NRPA Conference show.

- Approximately 70% of golf courses are unable to cover operational expenses
- Approximately 75% of golf courses are deferring Capital expenses
- 40% of golf courses are lowering maintenance standards
- Rounds played on 18-hole golf courses continue to decrease yearly over the past 10 years
- Use of driving range facilities, 9-hole golf courses and short courses is increasing year over year since 2015

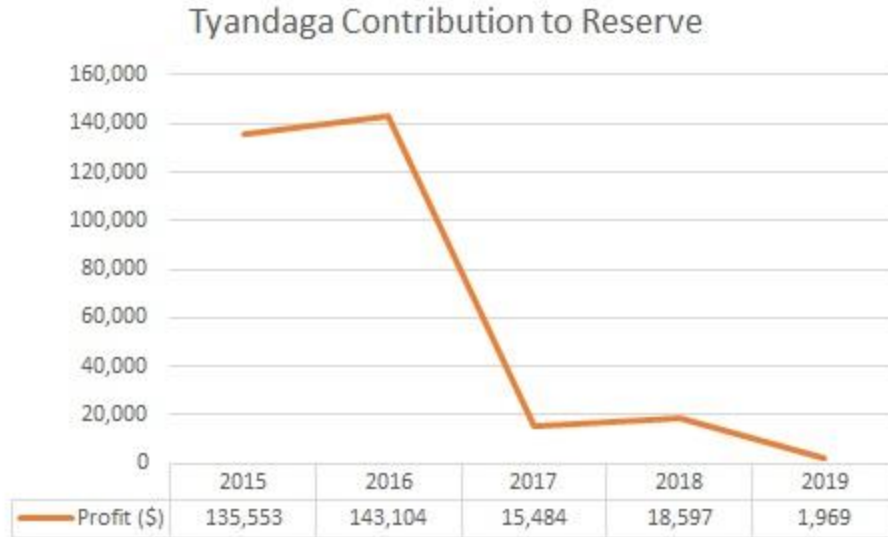
A high-level summary of initial comments from Council during meetings with staff were documented. The common consensus among Council members are listed below:

- We value the greenspace
- We value having a municipal golf course
- We value having a destination for the community year-round
- We look forward to hearing about additional uses for the Clubhouse
- We would welcome hearing about additional uses on the greenspace for the community to enjoy.

With an initial understanding of Council's interests around our Tyandaga Park and Golf Course, staff will prepare two reports. The first report (this report RS-02-20), will highlight the background, current state, implications, and upcoming community engagement. The second report will highlight the feedback staff received through the community engagement and provide staff recommendations for Council to consider.

Financial Matters:

Over the past 5 years, with noticeable changes in the climate and restraints on people's time and disposable income, Tyandaga has averaged a contribution to the operating reserve fund of just under \$63,000 per season. The last three years with considerable climate challenges (i.e. ice storm, flood, heat wave), the average contribution has declined to just over \$12,000 per year being contributed to the reserve fund. The below line graph shows the overall decline in monies being contributed to the reserve fund over the past 5 seasons.



Based on a 60-year sustainable capital contribution analysis, \$225,000 per year should be contributed to the Tyandaga reserve fund to cover capital renewal. An additional \$100,000 per year should be contributed to the Vehicle Depreciation Reserve Fund to replace aging maintenance equipment. With the current market and climate crisis the average contribution to the reserve funds has been underfunded the past three years.

A combination of operational impacts has made it difficult for the overall golf industry, including Tyandaga. While staff have worked diligently to maintain the net zero operating model, it is not exempt from both internal and external challenges.

Total Financial Impact

Not applicable

Source of Funding

Not applicable

Other Resource Impacts

Not applicable

Climate Implications

Burlington has been experiencing more extreme weather events that have negatively affected the golf industry throughout southern Ontario. The climate crisis directly affects

the overall operations, causing later starts and early closures to the golf season which has negatively impacted the overall financial performance.

It has been five years since the City of Burlington received 191 millimeters of rainfall in 8 hours causing significant flooding and damage throughout the City. Since that date, we have consistently received major climate challenges year after year. Flooding, ice storms and draughts to name a few. Most recently, between April 1 and May 13, 2019 Burlington experienced 226 millimeters of rain adversely affecting participation, revenues and expenses at the golf course, a recent trend impacting the golf operation.

Engagement Matters:

Staff will implement a comprehensive engagement plan to seek input from the Tyandaga neighbourhood as well as the broader community on future interests and opportunities with the Tyandaga Park and Golf Course.

Conclusion:

For Tyandaga to continue to operate financially as a net zero operation, complete the necessary capital projects and continue to offer and expand a year-round destination for the community, it is imperative that management begin to look at the overall financial and operating models.

Respectfully submitted,

Brad Weake

Supervisor of Tyandaga Golf Course

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Report Approval:

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Council. Final approval is by the City Manager.