Minutes

City of San Diego Municipal Golf Committee (MGC) July 15, 2021

Meeting held at: <u>Mailing address is:</u>

Via Zoom 11480 N. Torrey Pines Road

La Jolla, CA 92037

Attendance:

Members PresentMembers AbsentStaff PresentLarry BaronOlivia FloresJohn Howard

Marty Block Colin Walshok Roy Burchill VACANT

Kurt Carlson Kevin Carman Susan Casagranda

CALL TO ORDER:

Kurt Carlson called the meeting to order at 6:00 p.m.

APPROVAL OF THE March 18, 2021 MINUTES:

A motion to approve the minutes was made by Kevin Carman and seconded by Larry Baron pending the correction of the adjournment time.

Motion: MOVED/SECONDED Carman/Baron

All in favor of the motion. The vote was unanimous.

NON-AGENDA PUBLIC COMMENT

John Howard stated there were two submissions of non-agenda public comment from Edward Murphy and Dean Callies. Mr. Murphy requested to modify the green fee rates at Torrey Pines to be higher than the normal City resident rates and set aside tee times for San Diego County residents. Mr. Murphy requested to have four tee times Monday to Thursday starting at 11:00 am be available on both North and South courses for county residents. Mr. Callies requested the Torrey Pines monthly calendar be available for the public to view. This will give the player the ability to know what is scheduled at the course and if there is a chance to walk on from the wait list. Mr. Kylees was unhappy that the monthly calendar was not accessible.

ITEMS FOR DISCUSSIONS ON NEXT MEETING:

Mr. Carlson asked members if there are any specific items anyone would like to discuss on the next meeting. No items were stated at that time. Mr. Carlson moved forward to Adoption of Agenda:

ADOPTION OF AGENDA:

A motion was made to adopt the agenda by Kevin Carman and seconded by Larry Barron.

Motion: MOVED/SECONDED Carman/Barron

All in favor of the motion. The vote was unanimous.

CHAIRPERSON'S REPORT: Kurt Carlson

Mr. Carlson wanted to review the letter to support the Mission Bay Golf Course project and discuss AB672. In addition, Mr. Carlson discussed the importance of the Municipal Golf Committee building relationships though out the community. Mr. Carlson mentioned the Committee was established to support public golf and to develop the leverage as a recognize important committee. Mr. Carlson stated we should try and address issues well in advance to be an effective group.

STAFF REPORT: John Howard

Mr. Howard reported the completion of the 2021 US OPEN was a success and fantastic tournament. USGA realized that Torrey Pines was still going to be a great event for them despite the COVID restrictions. With John Rahm as champion, the U.S. OPEN was a victory for everyone. Mr. Howard also announced that he and Scott Bentley are now permanent in their positions as Assistant Deputy Director and Deputy Director of the Golf Division. Mr. Howard expressed how proud they were for all the hard work City staff had put into hosting a great event and representing the City of San Diego. Mr. Howard stated the City is actively seeking to have the USGA return with another U.S. OPEN.

The Golf Division was currently hosting the Junior World Golf Championship with over 200 boys in the 15–17 years old Division competing at Torrey Pines. There are more than 1,200 junior golfers throughout San Diego playing in these tournaments. Mr. Howard stated how happy we are to partner with the Junior World in hosting this great event. At the conclusion of the Junior World, we go right into the City Amateur with a 36 holes event at Balboa Park and Torrey Pines Golf Courses. The North Course still closed. We anticipate the North Course will reopen this fall for more tee times to be available for everyone. Mr. Howard stated we are working with the USGA to deconstruct the build on the North Course and bring back the normal conditions as soon as possible.

The Balboa Park Golf Course Bathroom Project will have a kickoff meeting in mid-August. The anticipated timeline is about 8 weeks once the project is started. There is a tentative

completion date at the end of October. Mr. Howard expressed we are excited to bring the bathroom to acceptable conditions.

Mr. Howard stated there is a sewer line project that is scheduled for the March of 2022 and that the Mission Bay Golf Course project went out to bid. The Division received three applicants that came in underbudget. The next phase for the project is to go into contracting and construction in late October or early November.

Mr. Howard recapped the total rounds of golf in FY21. He expressed how these numbers were very impressive and highlights how golf is in high demand. Balboa Park Golf Course was up 38% on the 18-hole course with approximately 83,000 rounds and 79,000 rounds on the 9 hole course for a 63% increase. Mission Bay Golf Course recorded over 102,000 rounds for a 67% increase over the previous year. Mr. Howard shared the Golf Division did over 414,000 rounds in total for all the courses, which was a 110,000-round increase.

ACTION ITEM

201. Torrey Pines Advanced Reservation Program

There was one public comment regarding the Torrey Pines Advance Reservation Program from Mr. Dean Callies. Mr. Callies requested to eliminate the Advance Reservation Program.

Mr. Burchill stated the public comment was very similar to what he was going to express. Mr. Burchill posed questions such as "Was is intended to have all the tee times for Advance Reservations and none are left for seven-days reservations? Is your concern if there was a limit to Advance Reservations, the remaining available tee times a week in advance would go to a broker to be resold? Do you know in a normal year, without a U.S. Open, what percentage of time are Advance Reservations and what are not at Torrey Pines?"

Mr. Block asked, "Is there another rationale or reason for the need of Advance Reservations besides adding revenue?"

Mr. Carlson stated "we are all trying to make the course more accessible and it's very hard to turn away that revenue, especially when there are many things happening like the pandemic. Mr. Carlson stated you would want to use the projections from a positive year and golf is making a comeback. Then you have other people that have their own agenda like AB672 trying to get rid of golf for things like housing. The goal is to keep golf in a good place, but not limit or drive people away for the lack of accessibility for any reason. Mr. Carlson asked, "In the Advance Reservations program, is there any data that show which days are more popular?" Mr. Carlson highlighted Mr. Murphy comments, at the Non-Agenda Public Comment, about giving San Diego County Residents more access to tee times. This could also be a potential revenue stream.

Ms. Casagranda stated, "There is quite a bit of revenue from the Advance Reservations system, if that went away, how would you replace them? What would happen to course conditions?" Ms. Casagranda reiterated that costs in every business are sky rocking. She advised Mr. Howard to tread very carefully if you are going to get rid of a very profitable revenue stream.

Mr. Howard reported that in 2005 the Golf Division had an IVR phone system for customers to secure tee times. The system was inefficient and cumbersome process. The Advance Reservation was meant to be convenient and flexible option for customers, while helping increase access to more people. He explained how the past year was very different, from previous years. We never been through a pandemic. No one would have predicted that all forms of recreation, entertainment centers would be closed, and golf was the only recreational activity available. We would have never anticipated to reach these levels. This year was a complete anomaly and the demands are high than ever.

Mr. Howard stated reason the Advance Reservation program was created was because brokers were reselling tee times, they created customer service issues, and there was a high rate of no shows. Management does not want to rely on a wait list to fill unused tee times and the Division wanted to provide a better customer experience. For every time that is not filled, it is lost revenue for the city and enterprise fund. Every single user fee goes back into the facilities and 100% of it is reinvested. Mr. Howard informed the committee that Non-Residents made up 30% of all tee times are sold. When it comes to resident advanced reservations, there was low participation rates when compared to previous years. In FY21 the Advance Reservations program has seen a dramatic increase.

Mr. Howard responded by saying there are not a lot of options in replacing this revenue stream. The Advanced Reservation system helps supplement the Golf Enterprise Fund. Mr. Howard stated when revenue goes down, course conditions potentially could suffer. One challenge that we are experiencing, specifically from the pandemic, is a large labor shortage. It is impacting our ability to purchase and the budget. Mr. Howard stated that the Division needs to be cautious on where they are at and what is being implemented. He would not recommend new policies decisions that affected revenue, especially in such an unprecedented year.

Mr. Burchill requested to make a motion, "To support limiting the numbers of Advance Reservations that can be made at Torrey Pines." I would like to take action on this topic based on the data John will bring back to the next meeting.

A motion was made to make a recommendation if less 100% tee times be available to Advance Reservations and those times be given back to the seven-day period for normal reservations by Roy Burchill and seconded by Kevin Carman.

Motion: MOVED/SECONDED Burchill/Carman

Votes -4 Yes 2 No Motion passed

Kevin Carman - Yes

Larry Baron – Yes Kurt Carlson – No Marty Block – Yes Susan Casagranda – No Roy Burchill – Yes

202. Mission Bay Golf Course Revitalization Plan Letter of Support

No public comment on this agenda item.

Mr. Carman wanted to know the status on the letter that was set out. The support for Mission Bay Golf Course will help deal with AB672 and the De Anza Cove_Revitalization Plan.

Mr. Carlson recommended to send the letter to City Council Members and the Mayor's Office, to keep them informed. Mr. Howard agreed and advise the committee to take an active role to gain more support for the Mission Bay Golf Course Revitalization Plan.

A sub-committee group was formed on this topic was established to keep progress on the letter of support. Mr. Block suggested the committee members should use their personal relationship with any Council Members to get the letter to them faster instead of their staff member or office.

Mr. Howard reminded the committee to ensure no violations are done in accordance with the Brown Act.

202. <u>AB672</u>

No public comment on this agenda item.

Mr. Howard discuss AB672 and the importance to this bill. The SCGA sent out an article about AB672 and wanted the public to be affair what this bill can potentially do to golf courses. Mr. Howard and Mr. Carlson meet with Craig Kessler who is the Director of Governmental Affairs with the SCGA. Mr. Kessler's responsibility is to be an advocate for municipal golf. Mr. Carlson wanted the committee to be aware of this bill and it is an attack to municipal golf courses. This bill will come back in January 2022 and have potential impact on more municipal facilities. Mr. Kessler will be scheduled to do presentation for the committee at the next meeting.

Meeting adjourned at 7:27 p.m.