



## Legislation Text

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**File #:** 59057, **Version:** 1

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### Title

Capital Needs Assessment

### Body

The Golf Enterprise Program (GEP) has historically been structured and expected to support both Operating and Capital Financial needs through revenues generated from course operations and has not been part of the City's Capital Improvement Plan. Aside from irrigation upgrades in 2000 and the Parks Division's investment in Yahara's clubhouse, GEP has failed to invest in Capital Infrastructure for a number of reasons, and most recently due to lack of available funds within the program. The failing infrastructure, including both course and building conditions as well as equipment, pose an increasingly concerning problem to the GEP's overall profitability as they have led to course closures and increased operating expenses as staff work to make repairs and short-term fixes to keep mission critical areas and equipment functional. The Needs Assessment identifies all known capital investment needs as of today and anticipates the needs for reinvestment over the next decade in a manner to demonstrate the scale and scope of capital infrastructure necessary to operate 72 holes of municipal golf at four courses.

Staff will provide an overview of the current equipment and course conditions and will describe how these impact the playability and overall financial success of the GEP. Staff have worked to map and provide descriptions and images of the issues, contextualize the impact of the issues on play and overall service delivery, as well as prioritize the needs in terms of greatest impact on current operating structure. Investment in Capital Infrastructure is one of the primary driving factors in the future success of the GEP. Using preliminarily mapped drawings by field staff, adjusted historic costs, current comparable project estimates from Parks Division projects, available industry data through National Golf Foundation and local municipal programs, consideration of zoning codes and best available site mapping data, staff have prepared preliminary probable project estimates to address the capital infrastructure needs and deferred maintenance costs. Further study will be required if and when a determination is made to invest in Capital Infrastructure of the GEP. It is important to note that the cost estimates are very preliminary, but are consistently tabulated across courses and are very conservative in nature. If an investment in capital would be made, a business evaluation that established an investment schedule would be necessary. The investment schedule must be strategically planned and implemented so as to provide maximum overall benefit to GEP operations while limiting impact to service delivery to the extent possible. Staff anticipate, if completed, these projects would address all, or nearly all, capital needs for golf for the next 20 years (with many of the investments lasting significantly longer than that).

Staff will provide analysis of costs as they relate to currently available GEP data. Staff will also contextualize the overall GEP needs as they relate to other parkland and the Parks Divisions Capital Improvement Plan.