



Your Worship and Members of City Council

The goal of the partnership we are proposing is to ensure the sustainability of the city golf courses and decrease or eliminate the demand for tax payer support within a win-win-win agreement.

We are proposing a partnership between the City of London municipal golf courses and the London Golf Club

State of Golf

Golf throughout North America has been in a state of decline for 10 years now, it is predicted the decline will continue for another decade. In the USA more golf courses are closing each year than ever before. In 2010 the National Golf Foundation in the U.S. reported that 1 million golfers have quit golf in each of the last 5 years. Similarly, in Ontario, golf courses are under pressure due to the down turn in golf. Municipal courses across Ontario are feeling the need for more tax payer dollars to sustain their golf courses. In 2010 Winnipeg's municipal golf courses lost \$1 million.

This season the Owen Sound Golf and Country Club closed, golf courses have closed in Sault St. Marie and Niagara Falls. Nearby, Ingersoll Golf and Country Club has just been sold due to declining membership.

With the down turn in golf projected to continue for another decade business as usual will not be a solution! Creative solutions will be needed to ensure the sustainability of golf courses and reverse the demand for increasing support from tax payer dollars.

London Golf Club

London Golf Club is an online golf business. We cater to golfers who want to golf at a variety of golf courses. We have partnered with several London and area golf courses to encourage our members to golf at several golf courses. The London Golf Club was formed in 2006 with 6 golf course partners and 25 golfers as members. Our accelerated growth has defied the declining trend in golf. Our membership and partner golf courses have continued to grow each year. In this our 6th season we had 26 golf courses as partners and capped our membership at *1400 golfers. In 2009 we opened a second club in the GTA area and have more than 3000 members there this year. In 2010 we opened a third club in the Waterloo Tri-city area where we have 1000 members. In 2012 we will be opening our fourth club in Chicago.

In an era when the decline in golf is having a significant negative impact on the business of golf, golf courses must chart a different course in order to survive and flourish.

Currently our 1400 members do not play at the London municipal courses.

*With our history of member retention and a cap on our membership we do not see erosion of the city membership as a concern.

London Golf Club - City of London Partnership

The London Golf Club is proposing a partnership with the city municipal golf courses. We believe the partnership will be a significant step towards the city golf courses reaching a goal of sustainability and decreased demand for tax payer support. LGC believes this proposal will be a **win-win-win partnership**. The partnership will benefit the City of London-LGC-golfers/tax payers

London Golf Club will purchase 100 adult memberships, (currently adult memberships cost \$1550 per membership) from the city of London municipal courses. There are 2 options.

Option A

LGC will pay \$2000 per adult membership, \$200 000 in total, (plus tax), on April 1st 2012.

Option B

This option builds in some flexibility based on usage.

LGC will purchase 100 adult memberships. LGC will pay \$1550 per membership plus a 10% bonus. The total amount of \$170 500 (plus tax) will be paid on April 1st 2012. In addition LGC agrees to review the amount of usage at the conclusion of the 2012 season and agrees to pay a further surcharge based on rounds played by LGC members (targets to be set in consultation with the city).

Marketing

London Golf Club will partner with the City of London and Tourism London to promote London as a Golf Destination. The marketing plan will include partnerships with London hotels, restaurants and events and so on.

Benefits to the City of London

- **No cost to the city to integrate with LGC**
- **Reduce or eliminate additional tax payer support for golf course sustainability**
- **Potential of over 1400+ additional golfers to municipal courses**
- **Payment prior to the start of the golf season**
- **Negative Spring Weather would have a far less financial impact with the LGC pre season payment**
- **Additional revenue from food sales, cart rentals and so on.**
- **Additional revenue from green fee paying friends of LGC members**
- **Instant marketing outside of London through our sister clubs in the Toronto, Tri-City and Chicago**
- **Tournament partnership**
- **Promotion of the city Junior Golf program to our members**
- **Long term commitment to the partnership**
- **Promotion of the City courses in partnership with the LGC other courses as a London Golf Destination with marketing promotions involving City of London events, restaurants, private businesses, hotels and so on**

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