

Re: Recommended closure River Road Golf Course.

I would like you to consider various items from both the 2011 report, and the KPMG report submitted to you in February 2020. As a long time member of the municipal golf system I am concerned about certain deletions and misinformation included in both reports. I would also like you to accept that Covid 19 was not a factor when the conclusions of both reports were submitted, and might now be a consideration.

According to the National Golf Foundation of Canada there was a rise of just over 20% in golf participation in 2020, and " 2.5 million kids teed it up in 2019."The full opportunity cost of closing River Road for the 2020 season will never actually be known. What we do know for an absolute fact is that golf courses in London had their best and most profitable season ever.

Many experts agree that the pandemic will be with us, in one form or another for at least a couple more years. Any member of our municipal golf system will tell you that it was virtually impossible to get a tee time at preferred times, Both Fanshawe and Thames were stretched to the limit due the closure of River Road, and the increment of players the pandemic produced. I for one have never seen so many young people playing our courses. Some like me, for the first time in 20 years bought a partial membership. It made no sense to purchase an unlimited one when I was unable to book tee times. Thames and Fanshawe just did not have the capability to service its members, and all three lost out on the lucrative green fee market.

The 2020 report points out that 29 - 34 percent of rounds played between 2011 and 2018 were by non members (green fee players). We lost the majority of those last year, and will do so again in 2021 should River Road remain closed. If members could not get tee times, imagine the frustration of green fee players. These green fee players simply went to other courses like Forest City, Eastpark, and Firerock. Firerock in fact was so overwhelmed by green fee players that, for the first time ever this coming season they are not allowing memberships in order to accommodate the more lucrative casual player. The 29-34 percent of rounds played represents a minimum (KPMG report on rounds played) of 29,000 - 34,000 green fee rounds potentially lost at an average of \$30-\$32 a round. Added to this lost revenue was also cart rental and food and beverage that these players would also have had.

The KPMG report also points out that in 2018 the largest operating cost (52%) incurred through municipal golf operations was wages. It does not break down the wage cost per position, but when River Road remained closed in 2020 the two largest salaried employees were still on the payroll. The Government was offering a program whereby we could have staffed the pro shop and grounds crew with university students at no cost to The City, as their salaries would have been paid by the Pandemic Relief Program. Even with River Road closed, the course was still maintained to some degree and also incurred extra wages in security. River Road has always operated with a smaller staff than the other courses. The only 'real ' thing that changed in 2020, was that there was no revenue in a year where all courses enjoyed a bumper year despite the shortened season.

I suggest to you that the same would happen in 2021 should River Road remain closed. The system will be stretched, the casual 29-34 % will go elsewhere, and you will lose members over the frustration of fighting for tee times. Golfers are course loyal, and once they leave they may never come back.

#### Other Considerations From 2011 and 2020 Reports

In many ways the conclusions of the February 2020 report accepted certain recommendations of the 2011 report were implemented, which they were not.

It also did not take into account the dramatic change in population and demography of the area surrounding River Road since the 2011 report.

It also did not take into consideration that, as a City run department, ultimately financed in part by London taxpayers it should be perceived as a service, rather than a business. The other facets of Parks and Recreation create little or no revenue. Should a park, tennis court, football field, ice rink merit different considerations than a golf course? Geographically, Fanshawe and Thames primarily service North and West London. Surely East Londoners deserve similar amenities? If River Road were a park I would imagine that maintaining it might even be more costly, especially because winter maintenance would be added to the expense.

In terms of revenue, there was no mention in the 2020 report that River Road was partially closed for over two months for a couple of years due to an ongoing water issue and subsequent law suit. For at least a couple of months in 2019 the course had only 16 holes open. Potential green fee players do not want to play a 16 hole course, akin to ten pin bowling with eight pins. Also there was no mention in either report about the comparative lengths of golf seasons. Anybody who plays in the system will know River Road is opened later than the other two and closed earlier.

The 2020 KPMG report, for all its statistical information assumed a couple of things which it based its final recommendations on. I submit to you that this information is erroneous, and therefore negates the validity of its recommendations.

The 2011 Report set out a three point business plan to enhance the golf experience, specifically at River Road: The KMPG Report states that despite these things being implemented the status quo is being maintained.

1. To improve customer experience a cart path would be constructed and services such as food and beverage would be enhanced. A cart path was never constructed, and in fact River Road never has had enough electric carts for demand. I have heard someone in the pro shop on the phone in numerous occasions tell a prospective customer that all the carts were out. These people go elsewhere. There is no such problem at Thames or Fanshawe. River Road is not maintained to the same degree as Thames or Fanshawe. I have witnessed River Road open with only the Greenskeeper and one other employee on the grounds crew. Compare this with Fanshawe who have so many staff working on the course that they often can be seen looking for golf balls rather than working. Also since 2011 River Road has gone from a full service kitchen to literally only microwaved hot dogs. The kitchen remains there and fully equipped, but not used. At the very worst this could be put out to tender for additional revenue. The lack of catering facilities at the club would dissuade a lot of corporate tournament bookings, and greatly reduce revenue from everyday golfers. Both Fanshawe and Thames have full service functioning kitchens.

2. To create and continue club events. There used to be three events, a weekly men's night, a yearly match play, and a club championship. These have actually been reduced to two, and the weekly men's night is cavalier at the very best.

3. To increase revenue through promotion and advertising. This simply has not been done. You would be alarmed at what percentage of members at other courses do not know about the four course City membership. Plus with a fourth course you increase the potential for corporate tournaments with the correct promotion and marketing, which to my knowledge does not exist.

But most importantly, the KPMG report makes conclusions primarily based on a single misguided assumption which says: " There are 32 golf courses in the London/Middlesex area that are in direct competition with the City of London Golf System" This is only partially true. We offer, with River Road, four full sized courses for one membership. Although there are 32 golf courses in the London area, only one other organization offers a three course membership. Eastpark is included in this three course package, our only real competition. We gave them an unexpected gift closing their neighbour. And even then our courses are considerably better. We are in essence unique, so in fact have little competition, but like every business have to promote ourselves better.

The other main change since the 2011 report which was not taken into consideration in the 2020 report is the massive increase in population in the catchment area, which is ongoing, and the social demography of its new residents.

Since 2011 there has been enormous growth in new residential developments along

Commissioners Road east of Highbury, and in the last couple of years and in the immediate future adds a whole new customer base to River Road. The most concentrated and newest development is literally hanging over the golf course. In 2011 there was very little residential near the course.

The added developments along Fanshawe Park Road East and the new development to be built on previous farm land just north of the entrance to The Fanshawe Conservation area on Clarke Road will only add to the congestion at Fanshawe. River Road is literally a five minute drive south on Clarke as an alternative.

#### Conclusion

A lot of the conclusions in the 2020 report were based on the presumed implementation of recommendations of the 2011 report which were not done

These conclusions did not take into consideration the dictates of the pandemic.

The massive recent increases in residential developments were not considered in either report.

There is little consideration in looking at other overheads such as wage efficiency currently running at 52%, equipment, and the running of the courses. Simply closing one or two of the courses is viewed as the only option.

If Golf Operations are run by The City, then they should be viewed as a service to all its residents in much the same way as a park. Unlike a park, according to KPMG, golf operations more than pays for itself.

The increment in outdoor activity and the 20% rise in people playing golf because of the pandemic should dictate the timing of any decrease in such activity.

The 2020 KPMG actually comes to a conclusion in so many words when it summarizes that, "The community is not over serviced nor under served when it comes to the supply of golf" Surely the closure of River Road tips the balance towards the latter.