

CITY OF SAN DIEGO
M E M O R A N D U M

DATE: October 31, 2001

TO: Honorable Mayor and City Council

FROM: Marcia C. McLatchy, Park and Recreation Department Director

SUBJECT: Agenda of November 6, 2001, Item No. 333: Companion Item to Manager's Report No. 01-213, "Proposed Golf Operations at Torrey Pines and Balboa Park Golf Courses Including Proposed Fee Changes"

This companion memo is provided in order to help simplify the large volume of reports before you today. On October 17, 2001, the Natural Resources and Culture (NR&C) Committee heard subject item and, after public input and discussion, made recommendations to City Council. By a vote of 5-0, NR&C supported 33 of the City Manager's 34 recommendations, with some additions and revisions. The most significant addition was a recommendation for a San Diego County Resident Rate at a discount of about 25% from Non-Resident Rates at Torrey Pines Golf Course. The most significant revision was a recommendation to not charge a half-cart fee (\$15) in Non-Resident Rates on Torrey Pines South Golf Course. By a vote of 3-2, NR&C supported the City Manager's recommendation to charge City Residents a higher fee on Torrey Pines South Golf Course than on Torrey Pines North, in order to: a) help keep the number of rounds played on the South Course to 72,000 per year, which is necessary to retain the new championship level playing conditions on the South Course, and b) help pay for the higher cost per round of maintaining those championship level playing conditions.

It is the intent that any fee schedule adopted by City Council would become effective January 1, 2002. The estimated additional revenue to the Golf Operations Enterprise Fund over the period January 1, 2002 - June 30, 2005 resulting from adoption of the Manager's Recommendations is \$9,706,000. The estimated additional revenue associated with NR&C's recommendations is \$9,562,100. Although not supported by NR&C, if South Course City Resident Rates are kept at the same level for the Torrey Pines South Course as the North Course, the estimated additional revenue is \$7,728,300.

On October 25, 2001, the volunteer citizen Golf Advisory Council (GAC) voted 13 - 1 to support all but one of NR&C's October 17, 2001 actions. GAC recommended against Issue #8, to "include all Golf Operations revenue in the calculation of Rental of Land payment to General Fund." The Golf Advisory Council strongly recommended that the Golf Operations Enterprise Fund cap its payment to the General Fund for rent of land and buildings at the current \$1,279,642 level so that all new revenue generated from this fiscal plan will stay in the Golf Operations Enterprise Fund to benefit the golf courses. The fiscal impact of accepting the GAC's

Page 2

Honorable Mayor and City Council
October 31, 2001

recommendation would be to not increase the Golf Enterprise Fund's contribution to the General Fund by a cumulative total of \$244,000 through FY2005.

To distinguish the attachments to this memo from those in the reports to NR&C Committee, these are labeled with letters instead of numbers. Attachment A organizes the Manager's 34 recommendations to NR&C on October 17, 2001 into the categories developed by the NR&C Committee Consultant. This attachment shows the Manager's Recommendations and NR&C's

actions side-by-side for comparison. At the end of this attachment are the Committee's actions which do not relate to a Manager's recommendation.

Attachment B gives the Manager's recommended green fees and tournament fees for Torrey Pines and Balboa Park Golf Courses for January 1, 2002 through June 30, 2005.

Attachment C shows NR&C's recommended fees for the same period.

Attachment D shows how the Operating Costs to provide a round of golf at Torrey Pines South, Torrey Pines North and Balboa Park Golf Courses were calculated. The costs do not include any funds for capital improvements.

Attachment E provides the estimated revenue impact if City Resident rates on Torrey Pines South are not set higher than North Course rates.

Attachment F gives the estimated revenue impact of the County Resident Rates recommended by NR&C.

Attachment G shows the FY01 and FY02 green fees and tournament fees at Torrey Pines and Balboa Park Golf Courses.

Attachment H is a breakdown of rounds of golf by category at Torrey Pines and Balboa Park Golf Courses.

Marcia C. McLatchy, Director
Park and Recreation Department

TW:ejc

cc: George I. Loveland, Senior Deputy City Manager

- Attachments:
- A. Chart of October 17, 2001 Manager’s Recommendations and NR&C’s Actions
 - B. City Manager’s Recommended Green Fees and Tournament Fees for Torrey Pines and Balboa Park Golf Courses for January 1, 2002 through June 30, 2005.
 - C. NR&C’s recommended Green Fees and Tournament Fees for Torrey Pines and Balboa Park Golf Courses for January 1, 2002 through June 30, 2005
 - D. Operating Costs to Provide a Round of Golf
 - E. Revenue Impact if City Resident Rates Are Not Set Higher on Torrey Pines South than Torrey Pines North
 - F. Revenue Impact if County Resident Rates Recommended by NR&C Are Adopted
 - G. FY 2001 and FY 2002 Green Fees and Tournament Fees at Torrey Pines Golf Course
 - H. Rounds of Golf by Category at Torrey Pines and Balboa Park Golf Courses

CHART OF RECOMMENDATIONS

MAN AGE	NATURAL RESOURCES AND	
--------------------	------------------------------	--

R'S REC OMM END ATIO NS TO NAT URA L RESO URC ES AND CUL TUR E COM MITT EE ON OCT OBE R 17, 2001	CULTURE COMMITTEE RECOMMENDATIONS ON OCTOBER 17, 2001	
RES ER VA TIO N PR OC ED UR ES		
1.	Make both resident and non-resident reservations available on Automated Tee	Adopt Manager's recommendation.

	Time Reservation System.	
3.	Make tee times available on Reservation System 7 days in advance of play for both residents and non-residents.	Adopt Manager’s recommendation with the following additions and revisions: a) Add “Caller ID” to the Automated Golf Reservation System.
6.	Require Resident Photo ID card to book reservation and to use reservation.	Adopt Manager’s recommendations with the following additions and revisions: a) Phone reservation recording must inform residents as soon as possible they need photo ID cards to obtain tee time. b) Purchasing photo ID cards should be very accessible from Torrey Pines and Balboa courses. c) Direct City Manager to report back to NR&C in July 2002 on effectiveness of use of resident photo ID cards.
10.	Require non-refundable credit card guarantee of non- resident reservation.	Adopt Manager’s recommendation with the following additions and deletions: a) Direct City Manager to report back to NR&C in July 2002 on effectiveness of: credit card guarantee for non-resident reservations, and non-resident refundable cancellation procedures.

32.	Set deadline for return of tee times that won't be used to the following: 10 days in advance of date of play for tournaments, hotels, and clubs, and 48 hours for Golf Shop.	<p>Adopt Manager's recommendations with the following additions and revisions:</p> <p>a) Add a 48-hour cancellation policy for residents with no more than two allowed cancellations. If this policy is abused, the system will identify the player and remove their name and number for 60 days from the Active Player Base in the Automated Reservation System. This is recommended by the City Manager but not clarified in CMR #01-213. Direct the City Manager to report back to the NR&C Committee in July 2002 on effectiveness of resident cancellation procedures.</p>
33.	Set maximum of one refundable non-resident cancellation per calendar year.	Adopt Manager's recommendation.
34.	Change call in time from 5:00 A.M. to 7:00 P.M.	Adopt Manager's recommendation.
TEE TIM E AC CES S		

2.	Do not artificially distribute play into 70% residents and 30% non-residents.	Adopt Manager's recommendation.
7.	Instead of using prime time restrictions, limit play as follows: no discounted play on South Course at any time other than the Senior Daily rate. Discounted play allowed Monday through Friday on the North Course.	Adopt Manager's recommendation.
12.	Develop broad-based marketing plan beginning with an advertising campaign to draw non-resident play from North San Diego County and Orange County.	Adopt Manager's recommendation with the following additions and revisions: a) Direct the City Manager to present a comprehensive marketing plan to the NR&C Committee and issue a Request for Proposal for a marketing consultant that would maximize marketing efforts for San Diego golf courses
14.	Direct Real Estate Assets Department and Golf Operations to negotiate agreement with The Lodge and Hilton at Torrey Pines for 20 non-resident rounds (5 tee times) each per day subject to terms and conditions.	Adopt Manager's recommendation with the following additions and revisions: a) Agreement negotiations with the Lodge and Hilton at Torrey Pines should include a premium charge paid by the hotel to the City for guaranteed tee time access, limited number of tee times per day (ie. receive no more than 10 tee times each day), enforcement of cancellation penalties, requirement

		to not charge hotel's registered guests a fee for the service of making the tee time reservation.
15.	Reduce tee times and increase golf fees paid for Golf Packages by Torrey Pines Club Corporation. Renegotiate when planning a new building.	Adopt Manager's recommendation with the following additions and revisions: a) Direct the City Manager to meet with Torrey Pines Club Corporation to discuss potential lease re-negotiations to include use of golf pro packages, centralized operations of clubhouse, and potential reconstruction/relocation of clubhouse.
17.	Increase intervals on North Course to 7 and 8 minutes and on South Course to 10 minutes.	Adopt Manager's recommendation.
18.	Reduce standby play from 2 times per hour to 1 time per hour.	Adopt Manager's recommendation.
19.	Restrict availability of reciprocal play for recognized PGA members and Golf Superintendents.	Adopt Manager's recommendation.
20.	Maintain the Friday Back-Nine Torrey Pines and Balboa Park Women's Golf Club Groups. Allow the Torrey Pines and Balboa Park Women's Golf Clubs to continue their December holiday Shotgun Start events.	Adopt Manager's recommendation.
21.	Reduce to a maximum of four (4) hours	Adopt Manager's recommendations with

	Torrey Pines Golf Club play on Thursdays, to accommodate a maximum of 128 players each week. Continue to schedule events on the North and South Courses equally.	the following additions and revisions: a) Continue to schedule events on the North and South Courses equally with added revision “unless otherwise requested.”
22.	Limit shotgun starts to April - October with the exception of Women’s Club December events.	Adopt Manager’s recommendation.
23.	Target pace of play at 5 hours on Torrey South, and 4 hours on Torrey North and Balboa.	Adopt Manager’s recommendation.
26.	For tournaments, reduce minimum size to 20 players and set lead time for booking at 2 years for 144 players, 1 years for 72 - 80 players, and 1 year for 20 - 70 players.	Adopt Manager’s recommendation.
31.	Continue to allow current Golf Club tournaments. Disallow use of Senior Monthly Ticket on South Course.	Adopt Manager’s recommendation.
FEE STR UC TU RE		

<p>4.</p>	<p>Adopt fees outlined in Attachment B for Torrey Pines Golf Course. Cart fee is mandatory on South Course and included in fee. Use of \$10.50 Junior Monthly Ticket is not allowed on South Course. For current fees, see Attachment G.</p>	<p>Adopt Manager’s recommendation with the following additions and revisions, as shown in Attachment C:</p> <p>a) Eliminate inclusion of a half-cart rate (\$15) in the South Course non-resident rates. Cart rates would still be included in Tournament Rates, but the proposed South Course FY 2002 non-resident rates would be amended to:</p> <p style="padding-left: 40px;">South Course = \$85/\$105 18-hole weekday/weekend</p> <p>b) Direct the City Manager to provide some opportunity for use of the Junior Monthly Ticket on Torrey Pines South Course.</p>
<p>5.</p>	<p>Discontinue Charitable Tournament rate. Set one rate for all tournaments at Torrey Pines Golf Course.</p>	<p>Adopt Manager’s recommendation because Tournament Rates on the North Course are now proposed to be less than current Charitable Rates, benefitting those charity based tournaments. While allowing a charitable discount is not a common practice among golf courses, the discontinuation of the Charitable Tournament Rate should be monitored by the NR&C Committee in six months after implementation of new Tournament Rates.</p>

24.	Designate day after Thanksgiving as holiday rates.	Adopt Manager's recommendation.
25.	Adopt fee for photo/filming shoots on the courses.	Adopt Manager's recommendation.
27.	Adopt fees outlined in Attachment B for Balboa Park Golf Course.	Adopt Manager's recommendation.
28.	Offer a County resident discount for twilight only.	<p>Adopt Manager's recommendation with the following additions and revisions, as shown in Attachment C:</p> <p>a) Extend the Resident ID Card rate of \$12/year to San Diego County Residents, and adopt a San Diego County Resident rate for Torrey Pines Golf Course which reflects an approximate 25% reduction from non-resident rates, as follows:</p> <p>South Course = \$65/\$80 18-hole weekday/weekend</p> <p>North Course = \$50/\$60 18-hole weekday/weekend</p>
29.	Do not require half-cart fee on North	Adopt Manager's recommendation.

	Course.	
CO URS E IMP RO VE ME NTS		
9.	<p>Amend the Golf Course Capital Improvement Plan adopted by City Council on June 5, 2001 as follows:</p> <p>a) Replace (4) Outside Bathrooms at Torrey Pines Golf Course (\$200,000 each): Postpone project past FY 2005. ADA requirements for bathrooms will be met as part of South Course Reconstruction Project.</p> <p>b) Renovate Torrey Pines Golf Course Administration Building. After the CIP Plan approved by City Council on July 5, 2001 is completed, demolish existing clubhouse at</p>	<p>Adopt Manager’s recommendation with the following additions and revisions:</p> <p>a) No Change.</p> <p>b) Balboa Park Golf Course Clubhouse reconstruction should remain a higher priority to complete than the Torrey Pines Clubhouse. Direct the City Manager to evaluate and report on a realistic financing plan and contribution options by benefitting parties for reconstruction of the Clubhouse at Torrey Pines.</p> <p>c) Direct City Manager to look at improvements and enhancements to</p>

	Torrey Pines (administration and golf shop) and replace with new customer friendly building closer to parking lot to better coordinate operations and improve customer service.	existing utility boxes on courses, work/storage shed exteriors, all sidewalks, curbs, and pathways. Report back to NR&C Committee in July 2002 with cost estimates for these improvements which should utilize similar architectural style as the newly remodeled facades on The Lodge at Torrey Pines.
11.	Add 6.00 staff for improved maintenance.	Adopt Manager's recommendation.
13.	Discontinue equipment lease. Purchase high use equipment and rent other equipment as needed.	Adopt Manager's recommendation.
RE VE NU E TO CIT Y OF SAN DIE GO		
8.	Include all Golf Operations revenue in the calculation of Rental of Land payment to General Fund.	Adopt Manager's recommendation.
16.	The Agreement with the Century Club to	Adopt Manager's recommendation.

	sponsor the Buick Invitational Tournament is valid through 2002 event. Staff will do research and comparisons to similar agreements when negotiating new agreement to determine if City has an opportunity to increase revenue.	
30.	Require Golf Club tournaments to give merchandise awards from Golf Shop.	Adopt Manager's recommendation.
OT HE R		
	An Alternative is to also adopt an ordinance which restricts transfer of tee time reservations for compensation or consideration.	Defer any action on the Alternative of an ordinance eliminating the resale of tee times pending further discussion at NR&C Committee in July 2002.
	PricewaterhouseCoopers report provided at NR&C's request.	Accept the PricewaterhouseCoopers "Business Plan Review and Revenue Analysis of the Torrey Pines Municipal Golf Course."
	City Auditor's report provided at NR&C Chair's request.	Accept the City Auditor's report on Torrey Pines revenue status, "Increased Revenues from Torrey Pines Golf Course."
	--	Direct the City Manager to return to NR&C in July 2002 with a status report to include golf operations, cart policies, broker issues, revenues, and the issues that were recommended in the Committee Consultant's report for review in six months.

	- -	Direct the City Manager to ensure that prior to golf issues being heard at the NR&C Committee, the volunteer citizen Golf Advisory Council has an opportunity to review the issues and make recommendations.
	- -	Direct the City Manager to provide detail to City Council on the cost of providing a round of golf.

	'02*	'03	'04	'05	'02*	'03	'04	'05
18 Holes Weekdays (Cart included on South)	\$100	\$110	\$120	\$130	\$65	\$65	\$65	\$75
18 Holes Weekends/Holidays (Cart included on South)	\$120	\$130	\$140	\$150	\$75	\$75	\$75	\$85
9 Holes Only (Early Morning - Back 9)	N/A	N/A	N/A	N/A	\$35	\$35	\$35	\$40
Twilight (4:00 p.m., April-Oct.) (3:00 p.m., Nov.-March)								
Weekday	\$50	\$55	\$60	\$65	\$35	\$35	\$35	\$40
Weekend	\$60	\$65	\$70	\$75	\$40	\$40	\$40	\$45
MONTHLY TICKETS Valid on Weekdays Only								
18-Hole Senior Ticket Torrey Pines North OR Balboa	N/A	\$135 10 plays						
Junior Ticket - Under 18 - After 3:00 p.m. Torrey Pines North OR Balboa	N/A	\$10.50						

* Effective 1/01/02

SOUTH COURSE 10 MINUTE INTERVALS (24 PLAYERS AN HOUR)

NORTH COURSE 8/7 MINUTE INTERVALS (32 PLAYERS AN HOUR)

SOUTH COURSE PLAYING TIME - 5 HOURS

NORTH COURSE PLAYING TIME - 4.5 HOURS

MANAGER'S RECOMMENDATIONS FOR
TORREY PINES GOLF COURSE
TOURNAMENT FEES

	COURS E							
TYPE OF EVENT	SOUTH	NORT H						
	'02	'03	'04	'05	'02	'03	'04	'05
Weekday (per player)	\$100	\$110	\$120	\$130	\$80	\$80	\$80	\$90
Weekend (per player)	\$120	\$130	\$140	\$150	\$90	\$90	\$90	\$100
Shot-Gun Weekday*	\$12,096	\$13,536	\$14,976	\$16,416	\$9,216	\$9,216	\$9,216	\$10,656
Shot-Gun Weekend*	\$14,976	\$16,416	\$17,856	\$19,296	\$10,656	\$10,656	\$10,656	\$12,096

Cart fees are required for tournaments on both the North and South courses, and are included in fee.

All tournaments are billed a non-refundable booking fee of \$10 per player, which is applied to the green fee.

Tournament fee does not include the Men's and Women's Golf Club events.

* All Shot-Gun tournament events require 144 players.

MANAGER'S RECOMMENDATIONS FOR BALBOA PARK GOLF COURSE GREEN FEES

* Fees approved as part of the Three-Year Funding Plan for FY 2000-2002

** Proposed fee increases

SAN DIEGO CITY RESIDENTS (with Resident I.D. Card)						
TYPE OF FEE	FY 2000* EFFECTIVE 7/1/99	FY 2001* EFFECTIVE 7/1/00	FY 2002* EFFECTIVE 7/1/01	FY 2003 EFFECTIVE 7/1/02	FY 2004 EFFECTIVE 7/1/03	FY 2005 EFFECTIVE 7/1/04
Resident I.D. Card	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
18 Holes Weekdays	\$18.00	\$19.00	\$20.00	\$21.00**	\$22.00**	\$23.00**
18 Holes Weekends/Holidays	\$20.00	\$21.00	\$22.00	\$23.00**	\$24.00**	\$25.00**

9 Hole Course	\$6.50	\$7.00	\$7.50	\$8.00**	\$8.50**	\$9.00**
Twilight (18 Hole Course only)	\$10.00	\$10.50	\$11.00	\$11.50**	\$12.00**	\$12.50**
Senior 18 Daily Rate Weekdays Only	\$9.00	\$9.50	\$10.00	\$10.50**	\$11.00**	\$11.50**
Senior 9 Daily Rate Weekdays Only	\$3.25	\$3.50	\$3.75	\$4.00**	\$4.25**	\$4.50**
MANAGER'S RECOMMENDATIONS FOR BALBOA PARK GOLF COURSE GREEN FEES						
COUNTY						
Twilight (18 Hole Course Only)	\$13.00	\$13.50	\$14.00	\$14.50**	\$15.00**	\$15.50**
VISITORS						
TYPE OF FEE	FY 2000* EFFECTIVE 7/1/99	FY 2001* EFFECTIVE 7/1/00	FY 2002* EFFECTIVE 7/1/01	FY 2003 EFFECTIVE 7/1/02	FY 2004 EFFECTIVE 7/1/03	FY 2005 EFFECTIVE 7/1/04
18 Holes Weekdays	\$31.00	\$32.00	\$33.00	\$34.00**	\$35.00**	\$36.00**
18 Holes Weekends/Holidays	\$36.00	\$37.00	\$38.00	\$39.00**	\$40.00**	\$41.00**
9 Hole Course	\$16.00	\$17.00	\$18.00	\$19.00**	\$20.00**	\$21.00**
Twilight (18 Hole Course Only)	\$18.00	\$18.50	\$19.00	\$19.50**	\$20.00**	\$20.50**
MONTHLY TICKETS Valid on Weekdays Only, Excluding Holidays						
18-Hole Senior Ticket Balboa ONLY	\$65.00/ 10 plays	\$75.00/ 10 plays	\$85.00/ 10 plays	\$95.00/** 10 plays	\$105/** 10 plays	\$115/** 10 plays
9-Hole Senior Ticket Balboa ONLY	\$30.00/ 15 plays	\$30.00/ 12 plays	\$30.00/ 10 plays	\$30.00/ 10 plays	\$35.00/** 10 plays	\$40.00/** 10 plays
Junior Ticket Balboa OR Torrey (Under 18 - After 3 p.m.)	\$10.50	\$10.50	\$10.50	\$10.50	\$10.50	\$10.50

**MANAGER'S RECOMMENDATIONS FOR
BALBOA PARK GOLF COURSE
TOURNAMENT FEES**

TYPE OF EVENT	CURRENT FY 2000	PROPOSED FY 2001	PROPOSED FY 2002	PROPOSED FY 2003	PROPOSED FY 2004	PROPOSED FY 2005
City Resident Weekday	\$18/player	\$19/player	\$20/player	\$21/player	\$22/player	\$23/player
City Resident Weekend	\$20/player	\$21/player	\$22/player	\$23/player	\$24/player	\$25/player
Non-Resident Weekday	\$31/player	\$32/player	\$33/player	\$34/player	\$35/player	\$36/player
Non-Resident Weekend	\$36/player	\$37/player	\$38/player	\$39/player	\$40/player	\$41/player

All Tournaments are charged a booking fee of \$2 for weekday and weekend events. Tournament fee does not include the Men's and Women's Club Tournament events. Fees are subject to change if fee schedule is amended by City Council after completion of the Balboa Park Golf Course Master Plan.

Cart fees (currently \$20/weekday, \$22/weekend/holiday per cart) not included in Current and Proposed Tournament Fees. Carts are not mandatory for tournaments.

NR&C's RECOMMENDATIONS FOR
TORREY PINES GOLF COURSE
GREEN FEES

SAN DIEGO CITY RESIDENTS (with Resident I.D. Card)								
	COU RSE							
TYPE OF FEE	SOUT H	NORT H						
City Resident I.D. Card (annual photo I.D. card)	\$12							
18 Holes Weekdays	\$40	\$29						
18 Holes Weekends/Holidays	\$45	\$34						
9 Holes Only	N/A	\$17						

(Early Morning - Back 9)								
Twilight (4:00 p.m., April-Oct.) (3:00 p.m., Nov.-March)								
Weekday	\$25	\$17						
Weekend	\$30	\$19						
Senior 18 Daily rate - Weekdays Only Time Restriction on South only (Nov.-March Before 8 a.m. and after 11 a.m.) (April - Oct. before 7 a.m. and after 12p.m.)	\$25	\$15						
COUNTY								
County Resident I.D. Card (annual photo I.D. card)	\$12							
	'02	'03	'04	'05	'02	'03	'04	'05
18 Holes Weekdays	\$65	\$70	\$80	\$85	\$50	\$50	\$50	\$60
18 Holes Weekends/Holidays	\$80	\$85	\$95	\$100	\$60	\$60	\$60	\$65
Twilight (4:00 p.m., April-Oct.) (3:00 p.m., Nov.-March)								
Weekday	\$35	\$35	\$40	\$45	\$25	\$25	\$25	\$30
Weekend	\$40	\$45	\$50	\$50	\$30	\$30	\$30	\$35
VISITORS								
18 Holes Weekdays (Cart included on South)	\$85	\$95	\$105	\$115	\$65	\$65	\$65	\$75
18 Holes Weekends/Holidays (Cart included on South)	\$105	\$115	\$125	\$135	\$75	\$75	\$75	\$85
9 Holes Only (Early Morning - Back 9)	N/A	N/A	N/A	N/A	\$35	\$35	\$35	\$40
Twilight (4:00 p.m., April-Oct.) (3:00 p.m., Nov.- March)								
Weekday	\$45	\$50	\$55	\$60	\$35	\$35	\$35	\$40
Weekend	\$55	\$60	\$65	\$70	\$40	\$40	\$40	\$45
MONTHLY TICKETS Valid on Weekdays Only								
18-Hole Senior Ticket Torrey Pines North OR Balboa	N/A	\$135 10 plays						
Junior Ticket - Under 18 - After 3:00 p.m. Torrey Pines* OR Balboa	N/A	10.50						

SOUTH COURSE 10 MINUTE INTERVALS (24 PLAYERS AN HOUR)

NORTH COURSE 8/7 MINUTE INTERVALS (32 PLAYERS AN HOUR)

SOUTH COURSE PLAYING TIME - 5 HOURS

NORTH COURSE PLAYING TIME - 4.5 HOUR

* Some limitations will be placed on Junior Monthly Ticket use on the Torrey Pines South Course.

NR&C's RECOMMENDATIONS FOR:

Torrey Pines Tournament Rates

Same as Manager's Recommendations.

Balboa Park Golf Course Green Fees and Tournament Rates

Same as Manager's Recommendations.

**BREAKDOWN OF OPERATING COSTS PER ROUND FOR
TORREY PINES & BALBOA PARK GOLF COURSES***

	PROPOSED TORREY PINES SOUTH COURSE	PROPOSED TORREY PINES NORTH COURSE	PROPOSED BALBOA PARK COURSE**
Golf Starter, Marshal and Maintenance Staff	\$1,046,800(1)	\$ 817,200	\$1,318,800
Supplies and Contracts	\$1,609,600(2)	\$ 1,463,300	\$1,117,900
Utilities	\$ 329,900	\$ 329,900	\$ 251,300
Data Processing	\$ 8,500	\$ 8,500	\$ 6,400
Equipment Outlay	\$ 7,500	\$ 7,500	\$ 5,000
Administration & Support	\$ 123,200	\$ 123,200	\$ 213,300
Total	\$ 3,118,000	\$ 2,749,600	\$ 2,912,700
Divided by Estimated # Rounds	72,000	100,000	170,500
Average	\$43.31	\$27.50	\$17.08

* Excludes any costs for capital improvements.

** Combines costs for 18- and 9-Hole Courses at Balboa.

Costs are spread equally over the two 18-hole courses except as noted below.

(1) Includes 6 more entry level maintenance staff for extra grooming.

(2) Includes more maintenance materials for South Course grooming.

TORREY PINES SOUTH GOLF COURSE

REVENUE IMPACT IF SOUTH COURSE RESIDENT RATES ARE NOT SET HIGHER THAN NORTH COURSE RATES

<u>TORREY PINES SOUTH GOLF COURSE</u>			
FISCAL YEAR	PROJECTED REVENUE <u>PROPOSED</u> RESIDENT FEES(1)	PROJECTED REVENUE <u>CURRENT</u> RESIDENT FEES(2)	DIFFERENCE IN REVENUE
FY2002 (1/1/02 - 6/30/02)	\$1,937,232	\$1,675,260	-\$ 261,972
FY2003	\$4,088,664	\$3,564,720	-\$ 523,944
FY2004	\$4,311,504	\$3,787,560	-\$ 523,944
FY2005	\$4,458,024	\$3,934,080	-\$ 523,944
<u>TOTAL REVENUE IMPACT</u>	\$14,795,424	\$12,961,620	<u>-\$1,833,804</u>

(1) South Course Resident Rates higher than North Course Rates.

(2) Resident Rates are the same at South and North Courses.

**REVENUE IMPACT IF COUNTY RESIDENT RATES
RECOMMENDED BY NR&C ARE ADOPTED**

TORREY PINES GOLF COURSE			
FISCAL YEAR	REVENUE WITHOUT COUNTY RATE	REVENUE WITH COUNTY RATE	IMPACT
2002 (Effective 1/1/02)	\$3,777,282	\$3,763,280	-\$14,002
2003	\$7,768,764	\$7,738,129	-\$30,635
2004	\$7,991,604	\$7,949,699	-\$41,905
2005	\$8,337,624	\$8,280,319	-\$57,305
TOTALS	\$27,875,274	\$27,731,427	-\$143,847

TORREY PINES GOLF COURSE GREEN FEES

SAN DIEGO CITY RESIDENTS (with Resident I.D. Card)		
TYPE OF FEE	EFFECTIVE 7/01/2000	EFFECTIVE 7/01/2001
Resident I.D. Card	\$12.00	\$12.00
18 Holes Weekdays	\$24.00	\$29.00
18 Holes Weekends/Holidays	\$26.00	\$34.00
9 Holes Only (Early Morning - Back 9)	\$13.00	\$17.00
Twilight (4:00 p.m., April-Oct.) (3:00 p.m., Nov.-March)	\$13.00	\$17.00
Senior 18 Daily Rate Weekdays Only	\$12.00	\$15.00
COUNTY		
Twilight (4:00 P.M., April-Oct) 3:00 P.M., Nov.-March)	\$18.00	\$22.00
VISITORS		
18 Holes Weekdays	\$55.00	\$95.00
18 Holes Weekends/Holidays	\$60.00	\$100.00
9 Holes Only (Early Morning - Back 9)	\$30.00	\$40.00
Twilight (4:00 p.m., April-Oct.) (3:00 p.m., Nov.-March)	\$30.00	\$40.00
MONTHLY TICKETS Valid on Monday through Thursday Only, Excluding Holidays		
18-Hole Senior Ticket Torrey OR Balboa	\$85.00/ 10 plays	\$135/ 10 plays
Junior Ticket Torrey OR Balboa (Under 18 - After 3 p.m.)	\$10.50	\$10.50

**TORREY PINES GOLF COURSE
TOURNAMENT FEES**

Per Player

TYPE OF EVENT	FY 2001 With Cart (1)	FY 2002 Without Cart (2)
Charitable Weekday	\$50	\$75
Charitable Weekend	\$75	\$80
Non-Charitable Weekday	\$85	\$95
Non-Charitable Weekend	\$100	\$100

(1) Cart fees (currently \$34 per cart) are included in FY 2001 fees.

(2) Cart Fees are over and above FY 2002 fees. Cart fees are only required for tournaments.

BALBOA PARK GOLF COURSE GREEN FEES

SAN DIEGO CITY RESIDENTS (with Resident I.D. Card)		
TYPE OF FEE	EFFECTIVE 7/01/2000	EFFECTIVE 7/01/2001
Resident I.D. Card	\$12.00	\$12.00

18 Holes Weekdays	\$19.00	\$20.00
18 Holes Weekends/Holidays	\$21.00	\$22.00
9 Holes Only (Early Morning - Back 9)	\$7.00	\$7.50
Twilight (4:00 p.m., April-Oct.) (3:00 p.m., Nov.-March)	\$10.50	\$11.00
Senior 18 Daily Rate Weekdays Only	\$9.50	\$10.00
Senior 9 Daily Rate Weekdays Only	\$3.50	\$3.75
COUNTY		
Twilight (4:00 P.M., April-Oct) 3:00 P.M., Nov.-March)	\$13.50	\$14.00
VISITORS		
18 Holes Weekdays	\$32.00	\$33.00
18 Holes Weekends/Holidays	\$37.00	\$38.00
9 Holes Only (Early Morning - Back 9)	\$17.00	\$18.00
Twilight (4:00 p.m., April-Oct.) (3:00 p.m., Nov.-March)	\$18.50	\$19.00
MONTHLY TICKETS Valid on Monday through Thursday Only, Excluding Holidays		
18-Hole Senior Ticket Torrey OR Balboa	\$75.00/ 10 plays	\$85/ 10 plays
9-Hole Senior Ticket Torrey OR Balboa	\$30.00/ 15 plays	\$30.00/ 10 plays
Junior Ticket Torrey OR Balboa (Under 18 - After 3 p.m.)	\$10.50	\$10.50

**BALBOA PARK GOLF COURSE
TOURNAMENT FEES**

PER PLAYER

TYPE OF EVENT	EFFECTIVE 7/1/00 WITHOUT CART*	EFFECTIVE 7/1/01 WITHOUT CART*
City Resident Weekday	\$19	\$20
City Resident Weekend	\$21	\$22
Non-Resident Weekday	\$32	\$33
Non-Resident Weekend	\$37	\$38

* Cart fees are not mandatory for tournaments.

All Tournaments are charged a booking fee of \$2 for weekday and weekend events.

Tournament fee does not include the Men's and Women's Golf Club Tournament events.

**BREAKDOWN OF ROUNDS OF GOLF BY CATEGORY AT
TORREY PINES GOLF COURSE (1)**

TYPE OF PLAY	FY2001 ACTUAL NORTH & SOUTH COMBINED	ESTIMATE D FY2003 MANAGER' S RECOMME NDATIONS	ESTIMATE D FY2003 NR&C'S RECOMME NDATIONS		
		North	South	North	South
City Resident*	115,431	68,000	48,600	68,000	48,600
County Resident	1,630	1,000	792	1,845	1,487
Non-Resident**	47,016	23,000	15,408	22,155	14,713
Tournaments***	8,256	8,000***	7,200***	8,000	7,200
Total Rounds	172,333	100,000	72,000	100,000	72,000

* Includes all City Resident play except City residents playing in tournaments other than Club tournaments. Includes: Adult play, Senior Daily Rate, Senior Monthly Ticket and Junior Monthly Ticket. Includes 18-hole, 9-hole and Twilight rounds.

** Includes all Non-Resident play except non-residents playing in tournaments other than Club tournaments. Includes 18-hole, 9-hole, and Twilight rounds.

*** Tournaments estimated to include 11,400 non-resident rounds on two courses combined.

(1) On average, there are 11 hours available for golf play each day at Torrey Pines Golf Course. During half of the year, when the days are shorter, there can be 10 hours of play: 8 hours of 18-hole play, during which there are 2 hours when golfers can tee off on both the #1 and #10 tees, creating 2 additional hours of 9-hole play. The other half of the year, when days are longer, there can be 12 hours of play: 10 hours of 18-hole play, during which there are 2 hours when golfers can tee off on both the #1 and #10 tees, creating 2 additional hours of 9-hole play. One "tee time" represents 4 "rounds" of golf.

For an average length day of 11 hours, Torrey Pines Golf Course has 8 tee times for each hour of play (based on 7-minute intervals) or 88 tee times per course per day. The 88 tee times for two golf courses equals 176 tee times per day, times 365 days per year, equals 64,240 tee times available at Torrey Pines Golf Course. (256,960 rounds of 18-hole, 9-hole and Twilight golf, if every hour of daylight received maximum play).

BREAKDOWN OF ROUNDS OF GOLF BY CATEGORY AT BALBOA PARK 18-HOLE GOLF COURSE (1)

TYPE OF PLAY	FY2001 ACTUAL	ESTIMATED FY2003	ESTIMATED FY2003
--------------	---------------	------------------	------------------

		MANAGER'S RECOMMENDATIONS	NR&C'S RECOMMENDATIONS
City Resident*	67,174	70,463	70,463
County Resident Twilight	259	259	259
Non-Resident**	6,221	7,072	7,072
Tournaments***	2,146	2,000	2,000
Total Rounds	75,800	79,794	79,794

* Includes all City Resident play including: Adult play, Senior Daily rate, Senior Monthly Ticket and Junior Monthly Ticket. Includes 18-hole and Twilight rounds.

** Includes all Non-Resident play except non-residents playing in tournaments other than Club tournaments. Includes 18-hole and Twilight rounds.

*** Tournaments estimated to include 2,000 City Resident rounds.

(1) The total number of 18-hole and Twilight tee times (4 rounds) available each day varies based on hours of daylight and ranges from 80 - 96 tee times (320-384 rounds), based on current 7-minute intervals between four-some starting times.

BREAKDOWN OF ROUNDS OF GOLF BY CATEGORY AT BALBOA PARK 9-HOLE GOLF COURSE (1)

TYPE OF PLAY	FY2001 ACTUAL	ESTIMATED FY2003 MANAGER'S RECOMMENDATIONS	ESTIMATED FY2003 NR&C'S RECOMMENDATIONS
City Resident*	84,252	87,978	87,978
County Resident Twilight	0	0	0
Non-Resident	3,519	2,728	2,728
Tournament	0	0	0
Total Rounds	87,771	90,706	90,706

* Includes all 9-hole City Resident play including Adult play, Senior Daily rate, Senior Monthly Ticket and Junior Monthly Ticket.

- (1) The total number of 9-hole rounds available each day varies based on hours of daylight and ranges from 80 - 96 tee times (320 - 384 rounds), based on current 7- minute intervals between four-some starting times.