

 <div style="text-align: center;"> <h1 style="margin: 0;">Council</h1> <h1 style="margin: 0;">Communication</h1> <p style="margin: 0;">Office of the City Manager</p> </div>	<b>Date</b>	March 24, 2008
	<b>Agenda Item No.</b> <b>49</b> <b>Roll Call No.</b> <b>08-</b> <b>Communication No.</b> <b>08-154</b> <b>Submitted by: Donald M. Tripp</b> <div style="text-align: right;"><b>Park and Recreation Director</b></div>	

## AGENDA HEADING:

Blank Golf Course – Miniature Golf Course Fees

## SYNOPSIS:

Amend Chapter 74 of the City Code to admission fees for the Blank Miniature Golf Course.

<u>Item</u>	<u>Recommendation</u>	<u>Ages</u>
<b>New Section:</b> Miniature Golf Course fees:	<b>Free</b>	4 and under
	\$5.00/person	Child (5 to 12 years)
	\$7.00/person	Adult (13 and older)
	\$5.00/person	Groups of 10 or more

By ordinance, rates for the new miniature golf course at A.H. Blank Golf Course need to be incorporated into the Municipal Code. The fees have been proposed by C-Corporation for their recently-added business venture. The Park and Recreation Department Board is in agreement with these rates and is requesting Council approval of the outlined fees regarding the miniature golf course operation at A.H. Blank Golf Course.

## FISCAL IMPACT: NONE

Blank Miniature Golf Course is a part of the A.H. Blank Golf Course. The City of Des Moines receives an annual payment of \$100,000 from C-Corporation (Ned Chiodo, President) for the exclusive right to manage and operate A.H. Blank Golf Course. Beginning in 2010, the City will receive 10% of gross revenues over \$1,000,000 in total sales, in addition to the \$100,000 payment.

## ADDITIONAL INFORMATION:

At their December 12, 2007 board meeting, the Park and Recreation Board approved the second reading of various Park and Recreation facility fees and charges, with the exception of fees for the miniature golf course operation at Blank Golf Course. Board members had expressed concern regarding the miniature golf course fees for youth between the ages of 4 and 8 years of age, suggesting that an additional tier of admission pricing be added to reduce the cost for this age group.

Current Miniature Golf Course fees are as follows:

<u>Item</u>	<u>Fees</u>	<u>Ages</u>
Miniature golf play	<b>Free</b>	3 and under
	\$5.00/person	Child (4 to 12 years)

\$7.00/person	Adult (13 and older)
\$5.00/person	Groups of 10 or more

Since that meeting the golf course operator has changed his recommendation to increase the age for free play from 3 years old to 4 years old with 5 to 12 year olds paying \$5.00 and anyone 13 and older paying \$7.00. Staff believes this change adequately addresses the Park and Recreation Board's concerns, and does not recommend adding an additional tier of admission pricing. In addition, on February 26, 2008, the Des Moines Park and Recreation Board recommended approval of the 2008 Blank Golf Course Miniature Golf Course fees.

With the quality of the miniature golf course and the number of rounds played based on the current pricing, an additional 4-8 year-old tier of pricing would not dramatically increase play, and therefore revenue, and revenue may instead decrease should the rates be reduced for the 2008 season. In comparing the original business model with actual rounds played, staff believes the proposed fees are in line with the market for the quality of service being provided. The change of free golf from age 3 to age 4 should provide a positive family experience for those that bring their younger family members to the miniature golf course.

Other area miniature golf course operations include Longview (Grimes), Sleepy Hollow (Des Moines) and Toad Valley (Altoona) where the following rates were charged in 2007:

<b>2007 Rates</b>	<b>Company</b>	<b>Child</b>	<b>Adult</b>
	Longview	\$5.00 (10 & Under)	\$6.00
	Sleepy Hollow	\$4.00 (12 & Under)	\$5.00
	Toad Valley	\$4.00 (12 & Under)	\$6.00

On July 10, 2006, by Roll Call Number 06-1385, the Des Moines City Council entered into a Management Agreement with C-Corporation for the private management of A. H. Blank Golf Course. Under Section III. A. 15. Capital Projects, the City agreed to allow the contractor the right, at their sole expense, to make improvements to the clubhouse and parking lot as well as construct a miniature golf course. The cash flow analysis for these improvements indicated the revenues from the new miniature golf course would be used to subsidize the other improvements along with additional future capital improvements, including but not limited to, cart path paving, reforestation, irrigation system upgrades, etc. The estimated number of rounds projected in the business model for the first season (2007) was 12,000. Despite the shorter season, due to a late start following construction, the total miniature golf rounds sold in 2007 were 18,666 with the current rates in effect.

The miniature golf course constructed at Blank Golf Course has been very popular. It was designed with longer distances for holes than is typical to allow for a more enjoyable and enhanced experience for the customers, creating one of the best miniature golf course operations in the Greater Des Moines area. There are routinely waiting lines at the miniature golf course. Some attendees surveyed have reported they have chosen other options due to long lines, but not due to fees.

#### **PREVIOUS COUNCIL ACTION(S):**

Date: July 10, 2006

Roll Call Number: [06-1385](#)

Action: [On](#) agreement with C Corporation, (Jeff Chiodo, President) for the A.H. Blank Golf Course and Clubhouse Management Agreement from July 1, 2006 through January 15, 2019, continued from June 19, 2006 Council Meeting. ([Council Communication No. 06-443](#)) Moved by Kiernan to adopt. Motion Carried 6-1. Nays: Hensley.

Date: June 19, 2006

Roll Call Number: [06-1239](#)

Action: Hearing [on](#) agreement with C Corporation, (Jeff Chiodo, President) for the A.H. Blank Golf Course and Clubhouse Management from July 1, 2006 through January 15, 2019. ([Council Communication No. 06-394](#)) Moved by Kiernan to continue to the July 10, 2006 Council meeting at 5:00 P.M. Motion Carried 4-2-1. Nays: Brooks and Coleman. Pass: Vlassis.

Date: June 5, 2006

Roll Call Number: 06-1099

Action: Approved setting the date of public hearing for the agreement with C Corporation for operation and maintenance of A.H. Blank Golf Course from July 1, 2006 through January 15, 2019, (6-19-06). Moved by Kiernan to adopt. Motion Carried 6-1.

#### **BOARD/COMMISSION ACTION(S):**

Date: February 26, 2008

Action: Approved recommendation to establish the 2008 A.H. Blank Golf Course Miniature Golf Course fees to the Des Moines City Council.

Date: December 12, 2007

Action: Requested staff to review the fee for youth between the ages of four and eight and report back to the Board..

#### **ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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