


COUNCIL COMMUNICATION

	Number:	19-529	Meeting:	December 16, 2019
	Agenda Item:	55	Roll Call:	19-2056
	Submitted by:	Benjamin R. Page, Park and Recreation Director		

AGENDA HEADING:

Approval of proposed amendments of Municipal Code Chapter 74 Article VI. FEES, regarding changes to golf fees and the addition of Terrace Hills Golf Course, now owned by the City of Altoona, to the golf courses eligible for use by annual badge holders.

SYNOPSIS:

Staff recommends to City Council to approve the proposed changes to the schedule of fees in Article VI. FEES Sec.74-181. Golf Courses of the Municipal Code Chapter 74 and the addition of Terrace Hills Golf Course to the golf courses eligible for use by annual badge holders, due to the City of Altoona now owning the course and contracting with a newly formed corporation that is owned and operated by the City's current golf course contractor. This action has been approved by the Parks and Recreation Board.

FISCAL IMPACT:

Amount: Estimated \$7,400 additional yearly revenue based on proposed increases to cart fees and an unknown fiscal impact on badge revenue due to the new badge opportunity at Terrace Hills Golf Course.

Funding Source: Fiscal Year (FY) 2019-2020, Operating Budget, Golf Contracted Operations, E201 PK001201, page 183.

ADDITIONAL INFORMATION:

- Under the golf management contract that has been in effect since January 15, 2010, the contractor, C-Corporation, is responsible for proposing fee changes for consideration by the City. Golf fees were last adjusted prior to the 2018 season. At the October 18, 2019 meeting of the Citizen Golf Advisory Committee, the committee voted to recommend fee increases and changes being proposed by C-Corporation to take effect as part of the 2020 golf season starting January 1, 2020.
- Proposed Fee Changes - Staff has reviewed sections of Chapter 74 of the Municipal Code pertaining to current golf fees and believe the proposed changes represent an appropriate range with comparable market rates. The fee change being requested is for cart rentals to increase by \$1.

- Proposed Badge Changes - Starting in 2020, the City of Altoona will take ownership of Terrace Hills Golf Course. Management of the course will be under the newly formed CS-Corporation, owned by current C-Corporation president, Jeff Chiodo and C-Corporation General Manager, Rocky Sposato.
- In the interest of continuing the partnership with C-Corporation on shared use of annual golf badges at the three (3) City-owned courses and the Jester Park Golf Course, Parks and Recreation Department is proposing an expanded partnership with CS-Corporation and the City of Altoona, for the addition of Terrace Hills Golf Course, now owned by the City of Altoona, to access with City course badges. Revenue for the badges would be split based on the number of rounds golfed at each course, as it is now with our partnership with Polk County Conservation for the Jester Park Golf Course.
- The goal of maintaining this program for badges is to:
 - Create the best value in relation to comparable courses in Des Moines and Central Iowa.
 - Offer greater flexibility for golf within C-Corporation, and now CS-Corporation, operated courses when one (1) or multiple courses are reserved for tournament or event play.
- These proposed additions will keep the City of Des Moines golf course badge fees aligned with current market rates. Implementation of these proposed badge changes will continue to position the City of Des Moines golf courses with some of the most versatile badge offerings at some of the most competitive prices relative to comparable golf courses in Central Iowa. The term of this Agreement will be from January 1, 2020 until December 31, 2024. The Agreement will automatically renew for one (1) 5-year term.
- City staff estimates that this fee increase to cart use will raise revenues by \$7,400 at the three (3) Des Moines owned courses. With the revenue of badge sales to include Terrace Hills yet to be fully identified, the sharing of revenue from badge sales will be based solely by use. As has been the previous function of badge sales, the revenue for each type of badge will be divided by the number of rounds played at each course.
- The City of Des Moines, City of Altoona, Polk County Conservation, C-Corporation and CS-Corporation have agreed to terms. This model is the one currently in place between the City of Des Moines, C-Corporation, and Polk County Conservation for shared badge access, which would be voided and replaced by this new arrangement.

PREVIOUS COUNCIL ACTION(S):

Date: October 8, 2018

Roll Call Number: [18-1688](#), and [18-1689](#)

Action: [Amending](#) Chapter 74 of the Municipal Code regarding golf course greens fees and season badges. ([Council Communication No. 18-500](#)) Moved by Coleman that this ordinance be considered and given first vote for passage. Motion Carried 7-0.

(A) Final consideration of ordinance above, requires six votes. Moved by Coleman that the rule requiring that an ordinance must be considered and voted on for passage at two Council meetings prior to the meeting at which it is to be finally passed be suspended, that the ordinance be placed upon its final passage and that the ordinance do now pass, [#15,714](#). Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Parks and Recreation Board

Date: November 26, 2019

Resolution Number: 19-090

Action: Motion by Woodard to approval golf fees and badge program. Second by Potter. Motion carried.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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