

Golf Course Operations – Sustainability Work Plan Initiatives Towards Net Zero

On 2018 June 25, Council directed that “Administration report back to Council through the One Calgary budget process with options that reflect the overall Golf Course Operations to Break even in terms of revenue and expenses” (CPS2018-0349). Table 1 provides a description of the options that will move Golf Course Operations towards net zero operations by 2022, with a target of \$1 million in revenue generating opportunities and cost saving and efficiencies. Table 2 provides a description of additional opportunities that will be investigated to further increase Golf Course Operations future sustainability.

| Table 1: Break Even Options Underway | | | | |
|--------------------------------------|---|---------------------------------|---------------------|---|
| | | Anticipated Total Yield by 2022 | Implementation Date | Progress |
| 1 | McCall re-opening | \$280,000 | 2019 | <ul style="list-style-type: none"> Construction currently underway; course re-opening late May 2019 \$6.7M capital investment |
| 2 | Annual Fee Adjustments | \$100,000 | 2019 | <ul style="list-style-type: none"> Pending Council approval as part of the One Calgary budget process |
| 3 | Golf IT Solution | \$185,000 | 2021 | <ul style="list-style-type: none"> Underway with anticipated implementation Q1 2020 Will support more efficient booking processes and enable advanced pricing strategies and is expected to increase attendance and revenue |
| 4 | Debt Fulfillment | \$142,000 | 2019 | <ul style="list-style-type: none"> Debt payments completed in Dec 2018 Utilized for capital improvements at Maple Ridge |
| 5 | Increased standardization of operation practices between assets | \$273,000 | 2021 | <ul style="list-style-type: none"> Started in 2018 with expected completion 2020 Ensuring that operations and maintenance is undertaken with increased standardization |
| 6 | Contracting of Select Services | \$20,000 | 2019 | <ul style="list-style-type: none"> Contracting of select maintenance services currently underway |
| | Potential Yield | \$1,000,000 | | |

| Table 2: Options being pursued for enhanced sustainability | | | | |
|--|----------------------------------|-------------------------|---|---|
| | | Anticipated Total Yield | State of Funding | Description |
| 7 | Capital Improvement Alternatives | TBD | <p>Three projects are currently unfunded or on the “Unfunded for Information” capital list:</p> <ul style="list-style-type: none"> Shaganappi Clubhouse and Renewal (\$8.8M) Shaganappi Maintenance Facility Replacement (\$2.1M) Confederation Park Golf Course Clubhouse Upgrade (\$1.9M) <p>One project that’s part of the Essential Services Delivery Bundle, but currently unfunded:</p> <ul style="list-style-type: none"> Fairways and Greens Service Cycle in Essential Services Delivery Bundle (\$8.3M) | <p>With capital investment, new business opportunities are possible. For example, improved Clubhouse facilities at Shaganappi Point would provide a source of year-round revenue through:</p> <ul style="list-style-type: none"> Expanded food & beverage service Conference, banquet and event rental possibilities. |
| 8 | Partnering with Industry | TBD | 2021 | As the golf industry continues to evolve, opportunities exist to partner |

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| | | | | with industry leaders, to enhance golf assets and service offerings. |
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