



**CITY OF ANN ARBOR – PARKS ADVISORY COMMISSION
MEETING MINUTES
January 15, 2008**

The regular meeting of the Park Advisory Commission was held on Tuesday, January 15, 2008 at 4:00 p.m. in the Council Chambers located in City Hall, 100 N. Fifth Avenue, Ann Arbor, Michigan.

I. The meeting was called to order at 4:15 p.m. by Chair, L. Berauer.

II. Roll Call:

Members Present:	(9)	L. Berauer, B. Macomber, D. Barrett, J. Grand, J. Lawter, S. Offen, G. Nystuen, S. Rosencrans, T. Berla (4:20 arrival)
Ex-Officio Members Present:	(1)	S. Kunselman
Ex- Officio Members Absent:	(0)	None.
Members Absent:	(0)	None.
Staff Present:	(10)	C. Smith, J. Miller, A. Kuras, D. Borneman, K.C. Bemish, J. Dehring, M. Warba, J. Davis, G. Trocchio, P. Kohring
Guests:	(6)	K Sidney, G Thompson, D. Drake, P. Bancel, J. Lumm, M. Lovelace

APPROVAL OF AGENDA

PUBLIC COMMENTARY - AGENDA ITEMS (3 Minutes per Speaker)

Karen Sydney spoke on Parks spending and commended the Commission on their active encouragement of public input. Ms. Sidney also stated she prepared a memo as well as a supporting spreadsheet on various answers to questions that were raised at last meeting and requested that the memo and supporting spreadsheet be included in the minutes so complete information is available to the public. She explained her calculations for operating Huron Hills as a park. She also said that she had spoken with Susan Pollay from DDA who indicated that there is no contract between the Police and DDA. DDA does rent parking spaces from the City and the rent can be used for any City expense including Police. The parking contract does not require the City to provide a specific amount of Police services. Time limits for approved Minutes – Open Meetings Act requires that draft Minutes be available 8 days after the meeting and approved Minutes be available 5 days after approval. There is no separate time requirement for approved Minutes. More information available on Open Meetings Act and Parks spending on Citizens News Service at www.cnsa2.blogspot.com.

To: Ann Arbor Parks Advisory Commission
From: Karen Sidney
Date: January 15, 2008
Re: Questions raised at December PAC meeting

I appreciate your efforts at financial oversight of parks spending. I have been following city finances for several years and would like to share with you information I have collected that will answer questions raised at the December PAC meeting.

You asked for the cost of operating Huron Hills as a park but parks staff was unable to provide you with a "ball park" figure. Included in the public comments to the golf course report is one from Jane Lumm. She reports that at a meeting with Jayne Miller and in later emails with Jayne Miller and Councilmember Rapundalo the annual cost to maintain Huron Hills as a park was estimated at \$250,000 to \$300,000.

63 This cost estimate appears to be low. I analyzed budgeted expenses for fiscal years 2008 and 2009 using
 64 the city's BRASS budget report I received in October 2007. A spreadsheet with the calculations
 65 accompanies this memo.
 66

67 I calculated a per acre cost for various categories of parks expenses in the general fund and the new
 68 millage fund. These cost estimates exclude costs of operating general fund recreational facilities. Huron
 69 Hills has 116.23 acres. The 2008 per acre cost for administration is \$1,740, which results in an annual cost
 70 of \$202,240 just for administration. The per acre cost of the NAP program (794) and forestry (464) results
 71 in an annual cost of \$146,217 for a combined cost of \$348, 457 per year assuming operation as a natural
 72 area.
 73

74 If Huron Hills is operated as an active park but not a recreation facility, the 2008 per acre operating costs
 75 are \$4,581 for annual costs of \$532,450. Adding the cost of administration results in total annual costs of
 76 \$734,690. Therefore, the annual operating costs of operating Huron Hills as a park, but not a golf course, is
 77 between \$348,457 and \$734,690 depending on whether the park is a natural area or an active park with
 78 sports fields, trails, parking lots, etc. According to the fiscal year 2007 audited financial statements, the golf
 79 courses (both Leslie and Huron Hills) reported a loss of \$243,576.
 80

81 You also asked about a police contract with the DDA. I spoke with Susan Pollay on 1/7/08 and asked
 82 whether there were any DDA-police contracts. She said there were no contracts for police services. The
 83 DDA does rent parking spaces from the city. Since the city can use the rent from that contract for any
 84 expense it chooses, the money could be used to pay for police services. However, the rent agreement
 85 does not mandate the city provide a given level of police service.
 86

87 You also asked about time limits for providing minutes to the public. The open meetings act requires that
 88 draft minutes be available 8 days after the meeting. Approved minutes must be available 5 days after
 89 approval. There is no separate time deadline for approved minutes.
 90

Submitted by Karen Sidney, Jan. 15, 2008

Total acres per PROS plan	2,046.12
Less golf courses	-265.88
Less farmer's market	-1.06
Non enterprise fund acres	1,779.18
Less natural areas	-896.21
Active parks acres	882.97

	Number of Acres	FYE 2008 BUDGET	Per acre Cost	FYE 2009 BUDGET	Per acre Cost
Combined General fund & millage					
Administration, fringes & debt service	1779.18	3,095,243	1,740	3,175,204	1,785
Forestry	1779.18	826,248	464	909,800	511
Mowing	882.97	1,180,745	1,337	1,208,680	1,369
Other maintenance & equipment	882.97	2,454,396	2,780	2,696,464	3,054
Subtotal		4,461,389	4,581	4,814,944	4,934
NAP	896.21	711,928	794	732,928	818
Transfer to police	1779.18	250,000	141	250,000	141
TOTAL		8,518,560		8,973,076	

DETAIL

Parks- General fund	7,226,299	7,434,909
Less non parks forestry	1,129,571	1,119,952
Less non parks operations	-17,554	-17,554
Less rec facility operating costs	-	-

	<u>2,637,807</u>	<u>2,569,064</u>
Total parks operation & admin costs	3,441,367	3,728,339
General Fund Breakdown		
Administration, fringes & debt service	1,893,800	1,938,212
Mowing	1,180,745	1,208,680
Other maintenance & equipment	<u>366,822</u>	<u>581,447</u>
	3,441,367	3,728,339
Parks-Fund 71 (new millage)		
Administration	1,201,443	1,236,992
Forestry	826,248	909,800
Other repairs, maintenance & equip	2,087,574	2,115,017
Transfer to police	250,000	250,000
NAP	<u>711,928</u>	<u>732,928</u>
TOTAL fund 71	5,077,193	5,244,737

91
92
93 **Linda Berauer** saw no problem in including the comments in the Minutes. They can be emailed to Christen
94 Smith and copied to Linda Berauer, who will see that Lynn gets them.
95

96 **Dee Drake** is the head women's golf coach at Huron and assistant men's coach at Huron. He spoke in
97 favor of keeping Huron Hills as a golf course, if not enhancing it as a golf course. Speaking as a golf coach
98 – Huron Hills is the primary facility that the women's golf team uses for all matches, practices etc, it's an
99 appropriate course for the level of play that they are able to do at this time. It is also used by several golf
100 teams in the area, almost all of the JV golf teams in the area, and some varsity golf teams in the area. It's a
101 wonderful facility to play golf at – particularly for kids. It's also because of the enhancement of the practice
102 facility i.e. practice putting greens etc – perfect for their needs and right across the river from Huron High
103 and very convenient. As a supporter of junior golf, it's an appropriate course for kids to play on; there are
104 very few options for kids to play on in this area, private or public. As a resident of the City, I pay taxes for
105 recreational facilities and even if it doesn't make money, he thinks it's worth supporting because it's a
106 recreational facility, not as a park or green space, but as a recreational facility that should stay as it is for
107 that reason.
108

109 **Mike Lovelace** is the current boy's varsity golf coach at Ann Arbor Huron and was appalled at the idea that
110 Huron Hills may even be thought about to leave the City. Huron Hills is a huge part of the development –
111 not sure if we realize as a golfer you have to start somewhere and progress with the goal of getting to the
112 advanced level. Here in Ann Arbor if you just picked up a club, you might go to a range or Georgetown, a
113 par 3 course where you can just barely start to hit the ball. Once you start getting better you like to
114 challenge yourself which is where Huron Hills has a perfect niche right here in Ann Arbor. Whenever he
115 drives by Huron Hills he sees 4th-8th graders all in little 4-somes playing, developing their game and if they
116 want to go on, if you ask those kids where they hope to play eventually, they'll tell you Leslie Park and
117 those kids can manage Huron Hills. The front 9 is wide open and is an excellent developmental part and
118 the back 9 you have to be precise and still a place to teach people how to play so that eventually they can
119 go to Leslie, which is much more difficult. If you take out Huron Hills, you will take out the whole
120 developmental part of golf and if those kids move to Leslie, you will slow play down so much that the better
121 golfers will not want to play there. Likewise, it would almost decimate the girl's program at Huron. Leslie is
122 too long and too hard for them. In his first 10 years as coach he took at least 8-10 golfers and played
123 exclusively at Huron Hills because they wouldn't make it around Leslie. It's part of a developmental
124 process. (Handouts from Mike Lovelace provided by Jane Lumm after her public comments.)
125

126 **Ed Walsh** passed out a communication to the Commission. He represents a group of Ann Arbor citizens
127 with the desire to maintain the existing golf courses as operating facilities. The group consists of golf, real
128 estate professionals, business people and casual and serious golfers, but most importantly citizens of Ann
129 Arbor who believe the golf courses offer a viable and important recreational option to residents of Ann
130 Arbor. They have reviewed the golf course consulting report from Golf Convergence and have been
131 involved in the process both prior to and since it's presentation to Council on December 17. They believe
132 that a few minor improvements will result in the courses remaining the highest and best uses of their
133 respective properties, specifically hiring a golf operations manager to oversee all aspects of golf operations.
134 A person in this capacity should have authority for maintenance, marketing, personnel and operations. This

135 was highly recommended in the consultant's report. In addition, they recommend an oversight committee
136 be formed specifically directed at the golf operations. The golf courses represent the largest use of
137 property and the highest revenue generation of any of the City's recreational activities and it's the only such
138 activity subjected to the scrutiny of inclusion in an enterprise fund and therefore, should warrant a separate
139 oversight committee to ensure its optimal operations. Commit to marketing the facilities. \$1,000 is not
140 enough. This includes acquiring a software package to manage tee times and other scheduling as well as
141 promoting the courses for daily fee play and special events in order to maximize revenues and utilization by
142 the public. The consultant recommended at least \$25,000 annually. Improve the maintenance at Huron
143 Hills. Small changes can provide significant improvements to the physical appearance and playability of the
144 facility. Regular maintenance will undoubtedly prolong the life of the course and defer the needs for major
145 capital improvements. We are very skeptical of the need to replace the irrigation system at Huron Hills and
146 request further study into alternatives. Position Huron Hills as a learning, walkable golf course. It has
147 unique facilities that make it ideal for beginning golfers and those casual golfers such as seniors who wish
148 to walk, many who do so for exercise – Leslie Park is not designed for this. The public benefit of having an
149 active recreation facility such as this for seniors is going to be pronounced in future years as the population
150 ages and the number of retirees increases. Pursue a liquor license for Leslie Park. The consultant report
151 indicated that Leslie Park has the ability to attract special events and additional daily fee golfers by offering
152 alcohol service. We do not disagree; however, they warn against the trap of bigger is better, which many
153 golf courses fall into. They do not believe that the clubhouse needs to be expanded or other facilities be
154 built, but that alcohol service alone would increase revenues. In this way the financial situation of the
155 combined golf operations in Ann Arbor would improve. It should be noted that they believe the preceding
156 recommendations have an excellent probability of success if implemented in total, not in part. They also
157 believe that Huron Hills should be transferred to the general fund and treated as all other recreational
158 activities.

159
160 **Jane Lumm** will be sending comments on the golf consultant's report and PAC's thoughtful discussions by
161 electronically. She stated that assessing what to do with these two significant Park properties should be
162 based on balancing public benefits and costs. She believes that maintaining golf at both courses is the
163 clear winner on both counts. No alternative use, whether open park land or another recreation activity,
164 serves a greater public benefit, particularly considering Huron Hills' unique fit with the needs of youth and
165 seniors. Golf and all other City recreation activities belong in the general fund. With golf's revenue
166 generating potential, the net cost, if any, to maintain golf would be less than that for open park land or other
167 recreation activity. With lots of community emotion and the consultant's study, there's a tendency to
168 assume dramatic action is required. It isn't here. The best course of action is to keep what we have and
169 improve it, not with millions of unnecessary capital investment, but with minor increases in spending,
170 primarily for maintenance and marketing. That's all the customers are saying they want. You've heard
171 from an important constituency today representing youth who have reaffirmed what you heard in your
172 meeting in December, that golf courses are not interchangeable and that Huron Hills is the perfect fit for
173 youth and seniors. Golf courses are not swimming pools – all the same. Closing Huron Hills or converting
174 it to a 9 hole course would send golfers to Leslie Park or to courses outside of Ann Arbor – not a good
175 thing. Leslie Park is too difficult for them, it would slow play even more, an existing problem at Leslie Park
176 and telling resident golfers they can go to Ypsi or Saline is not consistent with what the City's Parks and
177 Rec mission should be. Jayne Miller stated at your last meeting that the neighbors, presumably referring to
178 the group of interested golfers engaged in this, were confused, that Huron Hills is not a neighborhood but
179 rather a community resource. The group couldn't agree more. A municipal golf course is a key community
180 asset and if not for this group there wouldn't have been much community conversation at all. The City did
181 not include golf season pass holders in its survey, and did not bother to talk with the local schools.
182 Fortunately the group did. These are not neighbors but important community stakeholders in Huron Hills.
183 Finally the financials – whether it's the Ann Arbor News' headline of \$4 million of losses over six years or
184 references to the ticking time bomb irrigation system, there's been a cloud of looming financial disaster
185 hanging over these discussions that's simply inaccurate and very unfortunate. The golf courses are
186 essentially breakeven and in fact made \$88,000, or over \$2 per round last year on a cash flow basis. The
187 irrigation system can be maintained without millions of up-front investment. Also, last month it was
188 mentioned that rounds at Huron Hills were potentially subsidized to the tune of \$10 per round, costing
189 citizens upwards of \$200,000-\$500,000. It is interesting to note that just 3 years ago Huron Hills generated
190 \$125,000 positive cash flow – huge losses at Huron Hills? We pay golf consultants the equivalent amount
191 of annual losses that Huron Hills incurred this past year. As you deliberate, please ask yourself which
192 course is the better fit with the City's vision for it's' rec facilities, it's certainly Huron Hills. A public mission
193 doesn't contain language about offering municipal golf only if the course is championship, quality or
194 generates a profit. For a minimal cost we can continue to offer a significant public recreation benefit,
195 hopefully we will.

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A - APPROVAL OF MINUTES

A-1 The Parks Advisory Commission approved the minutes of December 18, 2007 as written. The minutes were approved unanimously.

SPECIAL PRESENTATIONS

PUBLIC HEARINGS

Public Hearing on the Sales and Service of Alcohol (Beer and Wine) at Leslie Park Golf Course Club House

Linda Berauer emphasized that this hearing and PAC's consideration of this issue is not deciding on which of the bidders for the liquor license should be awarded the license. They are looking at it from a very narrow Parks point of view, specifically is it a reasonable policy decision to allow a Park facility to have a liquor license and will it really help golf operations in the City to issue a liquor license to Leslie Park.

Karen Sydney opposed a liquor license for Leslie because she thinks the money should be spent for things the public says it wants like a skate park or greenway or just keeping the current Parks assets in good repair. The liquor license is part of a plan to attract more corporate and league events. It will require substantial capital investment to expand and remodel the clubhouse to host these events and handle the expanded food and beverage offerings. The consultant's estimate of \$50,000-\$100,000 to expand and remodel Leslie clubhouse is unrealistic. We have spent \$160,000 on just consultants to remodel the Farmers Market. How can it cost only \$50,000-\$100,000 to expand and remodel the Leslie clubhouse? I'm not a golfer so I asked a client who plays a lot of golf on the City courses and a lot of others what they needed. His response was not a liquor license. Every dollar spent on Leslie is one less dollar for other Parks priorities. A Leslie liquor license is really about how to spend limited Parks resources. When you consider your recommendation, I urge you to consider whether the public will approve of the choices when you go back to them in a few years for a Parks Millage renewal.

Glen Thompson observed that he's notices signs at the entrance to all of our parks that say "no alcohol". Once or twice, but very seldom, he's seen a down and out, maybe on hard times, guy who's ignoring the signs. The City's response has been to ask for expenditure of hundreds of thousands of dollars to fund the Police to go in there, take away the guy's alcohol, bust him and make miserable life a little more miserable. There's also a parking problem that's also a similar egregious City difficulty with the Parks. There's also one specific City park where a few guys have a similar problem. They've had a hard day, they've shot over-par and they want a drink or two also. I think I can identify with them but the City wants to spend hundreds of thousands of dollars to modify their facility and hire people to bring the booze to them. Is this really consistent?

B - UNFINISHED BUSINESS

B-1 Land Acquisition Strategic Plan Approval

G. Trocchio explained that through the functions of GIS it has been possible to identify vacant parcels within the City as well as portions of parcels that are vacant and working with staff and PAC, through their expertise, come up with certain criteria to score or find some of those parcels that may be suitable for Park land. This is meant to be one of the tools used in looking at potential purchases for Park land as well as using the PROS plan, PAC's expertise, staff input and any other expertise that may be needed in looking for Park land acquisitions. The resolution has been slightly revised from the one previously brought to PAC to clearly identify all of the others tools being used in supplement to this.

G. Nystuen moved, supported by **S. Rosencrans** to consider the Land Acquisition Strategic Plan Resolution.

G. Nystuen supports this now that it's clear that we're using many of the items of the PROS plan and the goals as part of the consideration of the acquisitions in addition to the material generated showing the vacant lands in the City on various maps.

*On a voice vote – **Motion Passed** – Unanimous*

258 **Approval of Minutes** – L. Berauer opened discussion of the Minutes, seconded by S. Rosencrans. Linda
259 complimented the staff person who did the Minutes, capturing the high points of discussion without being
260 overly detailed. It should be a model of what the Minutes should be.
261

262 *On a voice vote – Minutes Passed As Written – Unanimous*
263

264 **B-2** Golf Course Report

265 **J. Lawter** moved, supported by **J. Grand** to consider the Golf Course Recommendations resolution.
266

267 **J. Lawter** reviewed and read the recommendations from the Golf Course Report to the Commission. City
268 Council will receive a recommendation from PAC in January.
269

270 **S. Rosencrans** stated there were a number of suggestions, recommendations and concerns that have
271 been brought up through public commentary regarding the Golf Course reports. S. Rosencrans also stated
272 he has calculated approximately seven points to contribute to the discussion and provide the public with
273 answers through the course of his research.
274

275 1. The course satisfies a need for beginner, senior and slow paced golf. Answer - It was found that
276 the private sector provides for 17 courses within 25 miles, comparable in play style to Huron Hills at
277 a variety of price points. The estimated portion of the population that has this need is 4% according
278 to the Golf Convergence report.
279

280 2. Golf should be subsidized at a comparable standard to other Parks sports activities. Answer – All
281 of the recreational offerings provided by Parks that have a net cost to the general fund are for
282 facilities and activities that are not adequately provided for in the private sector. Golf is more than
283 adequately provided for in the private sector and in fact according to the Golf Convergence report
284 our area is over-supplied with golf opportunities by 25%. Furthermore, golf is currently subsidized
285 by the general fund to the tune of \$4.47 per visit at Huron Hills and \$10.48 per visit at Leslie Park;
286 making them currently the two most heavily subsidized sporting facilities in our system per visit.
287

288 3. There is a need for two golf courses in the Parks system. Currently the number of rounds of golf
289 played by people using our public golf courses is 35,770. The number of golfers in a 10 mile radius
290 which contains all of Ann Arbor is 40,986 – all according to the Golf Convergence report. Leslie
291 Park by itself has the capacity to facilitate all of those rounds of golf and many more.
292

293 4. By implementing improvements in facility infrastructure and promotion we can improve the financial
294 status of the golf courses. According to the Golf Convergence report if we make all of the
295 improvements stated in the golf bailout resolution before us today, it is predicted that we will still
296 lose over \$4 million over the next 6 years. The up-front costs of the improvements suggested in the
297 resolution is \$3,388,650, which makes a total investment of nearly \$7,400,000 with no hope of ever
298 recovering those monies through golf operations.
299

300 5. Huron Hills is a multi-use facility because it offers sledding and cross-country skiing opportunities in
301 the winter. This would still be true if the land were converted to other park uses.
302

303 6. The view of Huron Hills from adjacent roads and homes offers a more pleasant experience. Again,
304 this would still be true if the land were converted to other park uses.
305

306 7. Converting land to other parks uses would increase traffic and activity in the area. My response to
307 that is this is the goal whether one wants to retain golf at Huron Hills or not.
308

309 He also briefly had a couple of other factors he felt should be considered.
310

311 1. Currently the City is in negotiations to acquire properties to facilitate the priority needs as stated in
312 the PROS plan for sports activities facilities. Whereas the properties in negotiations may offer the
313 best opportunities to meet those needs among available properties in our area, all of them are
314 outside of the City limits, all are not central to the population of Ann Arbor, and all have problems
315 that include heavy contamination of toxins, and current ownership issues that complicate
316 negotiations.
317

- 320 2. The cost of acquiring these lands currently in negotiation is roughly \$6 million.
321
322 3. The property currently occupied by Huron Hills Golf Course would be more than suitable to meet all
323 of the needs of future facilities for which we have established priorities. With no acquisition costs,
324 ownership problems etc, the converting of Huron Hills property to those facilities would save the
325 acquisition costs and all costs of improvements for operations at Huron Hills.
326

327 There is a potential to save a lot of money by converting it to other uses for which we have established
328 priorities.
329

330 **S. Offen** agreed with some of the points made, but was not sure he agreed with all of the financial
331 evaluation. Without understanding how Scott got to those numbers, he wasn't certain that was an agreed
332 upon assessment of the financial impact of the Huron Hills Golf Course. It certainly can be Scott's opinion
333 but he doesn't think that represents the view of all of PAC. He doesn't believe that the consultant is
334 necessarily accurate in his \$4 million in 6 years. Some of the issues such as other uses are going to
335 happen. They don't know what the ultimate use would be but given a natural use of the park land, the view
336 would still be attractive. He would support the recommendation to continue the 18 hole golf course, with the
337 investments that are suggested to see if the market can be improved and if all of these could demonstrate
338 to the City and PAC that Huron Hills is a viable alternative that can work as an entry-beginners level golf
339 course. He doesn't really think there are as many golf courses out there which address the beginning golfer
340 as the consultant and others believe. He doesn't believe that beginning golfers are going to drive much
341 more than a few miles to learn to play golf, especially in this community. They would only drive a few miles
342 or stay within the City.
343

344 **T. Berla** stated he believed Scott reversed the numbers of the subsidy of the two courses - \$4.47 for Leslie
345 Park and \$10.48 for Huron Hills subsidies. He doesn't believe Huron Hills is going to make it, it's no where
346 close financially. It's a great idea, it's great that this was done, but he doesn't think anything that has been
347 done should be looked at as a failure, he feels that staff has worked really hard to make this work and has
348 no criticism of them, and thinks that Golf Convergence did a very good job of exploring the issues and is
349 really glad they were hired. Since he's not a golfer when it comes to some of the claims i.e. Ms. Sidney and
350 Mr. Thompson's assertion that it would be a net cost to acquire a liquor license, obviously Golf
351 Convergence and staff believe that it will be a net benefit. He does think that a golf board making these
352 decisions might not be a bad idea in the future and he would support that if PAC could come up with a good
353 plan for that. To check out what he thought was the real deal, he asked what a reasonable projection would
354 be for Huron Hills over the next 5 years and based on the fact that the expenses for last year were listed at
355 almost \$400,000 and in looking at things that staff recommended and said was critical, over 5 years the
356 capital investments that are needed plus the additional expenses of more personnel, his estimate of the
357 cost of running the course is going to be \$600,000 per year. He then said that the revenue from each round
358 of golf is \$17 per round, including concessions etc. If anything, it would go down when prices are lowered.
359 By taking the best scenario with no inflation on the expenses and the number of rounds going up 10% per
360 year for the next 5 years, in 2008 the City would lose \$340,000 and in 2012 that would drop to \$219,000.
361 The net loss would be \$1.4 million. The City would be subsidizing the course to almost \$10 per round. The
362 number of rounds has gone down 10% in the last 10 years and he's sure the course can be presented in a
363 nicer way and he's sure it will have an impact but it would need to double next year and then keep going up
364 to get to the point where it's breaking even. From his perspective, \$1-\$2 million would potentially be thrown
365 away to keep something going that he doesn't believe would work. They need to get up to 30,000-40,000
366 rounds per year to get where we were 10 years ago and he doesn't see that happening. He would like to
367 propose an amendment to replace the second bullet in the second to last Resolved clause to say that "The
368 City should plan for the possible closing of Huron Hills Golf Course at the end of the 2008 or 2009 season,
369 or thereafter, and that all expenditures until such time should be evaluated in terms of their impact should
370 we close." Perhaps it should be considered having a millage just for this course in the future. If the
371 taxpayers are going to pay for the course, they would explicitly be asked to pay for this.
372

373 **L. Berauer** moved, supported by **D. Barrett** to discuss the amendment.
374

375 **T. Berla** explained his calculations: The total expense of running the course in 2007 (from the handout last
376 week) \$388,523. \$780,000 of suggested capital investments at Huron Hills divided by 5 years, then
377 operational investments for Huron of \$88,000, reduced, for a rough cost of running the course of \$600,000
378 per year for the next 5 years. In his opinion, if things go really well, it will lose \$1.5 million.
379

380 **G. Nystuen** stated the costs of not operating as a Golf Course has not been taken into account, then the
381 income is lost and operating costs of 100+ acre park have to be paid. This is also a substantial amount that

382 has to be taken into account. There is strong public support to keep Huron Hills as a Golf Course. Yes,
383 there are serious problems that add up to the fact that for most of the period of recent years, Huron Hills
384 has no capital investment, in addition the road construction and other factors have caused a precipitous
385 drop in use. If it's to be given a chance to be revitalized, it would take longer than one or two years. Her
386 sense of public sentiment is to give it a chance which can't be done with lack of investment for so long and
387 with the environmental conditions we've had (losing the irrigation pump). The big capital investment was
388 the \$525,000 for the irrigation; the pump was done as an emergency last year – a big investment that's
389 already been made. It's not clear whether it could ever operate fully as an enterprise fund.

390
391 **L. Berauer** responded to the suggestion that the golf courses could be funded with a Millage by pointing out
392 that if specific Millage money was asked for every park activity, it would be very difficult and people would
393 vote yes on only those activities that they do.

394
395 **T. Berla** responded that this is by far the most expensive recreational activity provided and there is no
396 recreational activity that could possibly compare.

397
398 **J. Lawter** offered a friendly amendment to the resolution that 3 - 5 year period should be narrowed down to
399 a 3 year period to evaluate its ability to sustain itself as a golf course, assuming reasonable ongoing annual
400 general fund support.

401
402 **S. Kunselman** observed that when we're talking about subsidies, he's also asked what the cost is per
403 soccer player at Fuller field. We don't have those numbers but the cost of buying land is millions of dollars
404 to prepare for soccer or other athletic fields. He feels that that cost should also be included in the cost per
405 player. He felt that soccer was a number of the same players that consistently played; it didn't bring in
406 many new players. He felt that subsidizing should be per player whether it's soccer or golf. He attended
407 the Washtenaw County Parks & Recreation meeting several weeks ago where it was discussed that they
408 are planning for many new soccer fields at Rolling Hills, where they've bought 90 acres to expand their
409 recreational programs. Why should the City be engaging in that kind of activity when we should be
410 partnering with them? If we want to put some money toward soccer fields, let's put it out with the County
411 and contribute toward that effort since obviously it's going to cost a lot of money to make soccer fields.
412 Huron Hills is a multi-use piece of land, golf and winter recreational activities. Fuller is 5 months where it's
413 not used – January-March – heavy subsidies, not tax payments. That gets back to the issue of why hasn't
414 the private sector picked up on soccer fields – the cost of the land and the taxes associated with it. There
415 has been an effort by at least one club that bought soccer field land way outside of town, and they've had
416 a very difficult time. If you put the true cost of playing soccer into the cost of the registration to play, then
417 you're going to basically put it into the same parameter as golf and then of course, the private sector will
418 compete. Right now we've subsidized, and rightfully so, because the cost of land is very high and it's our
419 mission as a public body and our charter as Parks & Recreation to subsidize for the greater masses. I'm
420 very adamant about providing a range of activities for the whole community. I hope you're going to support
421 subsidizing fully a skate park in Ann Arbor because there is a bona fide need for that as well, just as we're
422 going to be subsidizing a number of activities such as the dog parks, but we're working in partnerships.
423 Throwing numbers around and saying that this is too heavily subsidized or it's not worth it and we need to
424 make efforts to close it down so we can use it for soccer or other athletic fields, I think sets it up for
425 arguments we can make such as shutting down Fuller and turning that into something else. I don't think it's
426 fair to pit one recreational activity against others. What is the cost per soccer player to maintain Fuller and
427 if you included the price of the land, what is it at that point too, then maybe we can talk about why the
428 private sector hasn't stepped up and tried to compete.

429
430 **S. Rosencrans** responded that he would support Tim's amendment; it's a much more appealing approach
431 than the resolution as written. Speaking to soccer fields/playing fields the PROS plan under Play Fields
432 states on page J-13 of J-15: Soccer fields are located in City parks and on school play fields but the
433 tremendous growth of soccer and other growing sports has placed high demands on existing facilities.....
434 playing fields are one of the most pressing needs within the City as the current number of fields including
435 the City and school fields does not come close to meeting the demand. It's not his intention to pit golf
436 against soccer. He believes that the land at Huron Hills would be suitable for a myriad of activities and in
437 fact looked at contour and water table maps because it had occurred to him that from the presentation of
438 the skate park people, the area where the 8th and 10th tees and the 9th hole, would be an ideal location for
439 the skate park. I think this facility could house a lot of the priority activities and if we are providing for the
440 needs of golfers, which I do believe is important, then I think we should explore other uses for this land.
441 One of the things that we discussed in our meetings is how to go about trying to meet the needs of
442 beginning and senior golfers. We've thrown around some ideas and he would like the time, whether it's 1,

443 2, 3, 5 years, that we're exploring the uses at the Huron Hills site that we are also exploring how to meet the
444 needs of senior and beginner golf in other ways.

445
446 **J. Lawter** responded to Tim's amendment by saying that reasonable people are struggling with trying to be
447 careful with the investments on this course. It's a question of whether you should pay for it and he would
448 say before discussion of the question of what is the subsidy for soccer, he would ask that someone come
449 up with an answer and let them know. In terms of Fuller, it's gone fallow and it needs to be repaired and as
450 part of the Millage mandate it's going to be repaired. Regarding Tim's amendment, some of the capital
451 improvements, one in particular for \$500,000 everyone choked on it. We could not do it and it could break
452 down, then we'd really be in trouble in terms of the irrigation or we could play cat and mouse with it like
453 we're doing, there's not a perfect solution. We're concerned about the long term of this and we don't want
454 to just throw money at it and if Tim's numbers are even close then I think that's worth making sure that that
455 makes its statement. The term should reflect that we're not being irresponsible with what it's going to take
456 to make this work. He would like to hear the exact wording before supporting Tim's amendment.

457
458 **L. Berauer** discussed the amendments to be made in the Resolution with the Commission, the language
459 was discussed in depth and decided upon to read, replacing the bullet point – "The City should plan for the
460 possible closing of Huron Hills Golf Course at the end of September, 2008 or September, 2009, or any time
461 thereafter, and any expenditures the City makes until such time shall be evaluated for the financial impact if
462 the course is closed on one of those dates."

463
464 **T. Berla** stated that Steve had mentioned soccer and they don't have any numbers. If the land value is
465 used as part of the subsidy, that would have a much bigger impact on the golf courses. That land is worth a
466 billion dollars. We're not selling, but if you're comparing apples to apples.... Jayne said several years ago
467 that they would try to turn it around but it's been 10 years that it's been going down.

468
469 *On a hand vote – 3 in favor and 6 opposed – Amendment Fails*

470
471 **L. Berauer** proposed wording for a friendly amendment – "The City should review the golf course
472 operations on an annual basis to evaluate its ability to sustain itself as a Golf Course, assuming reasonable
473 ongoing annual General Fund support with the goal of making a decision to maintain the golf course facility
474 or identify an alternative use of the property at the end of three years."

475
476 **L. Berauer** If Council does approve going forward with this investment, the irrigation system investment
477 will be designed with the flexibility of also using this irrigation for a different use if needed.

478
479 **L. Berauer** asked if the Commission agreed with her latest friendly amendment.

480
481 *On a voice vote – Motion Passed – Unanimous*

482
483 **J. Lawter** offered a friendly amendment adding an additional bullet point, "It is the Parks Advisory
484 Commission's understanding that the General Fund surplus is sufficiently healthy to absorb the
485 recommended financial support and that no other Parks operation or facility will be impacted by this
486 decision."

487
488 **L. Berauer** asked if the Commission agreed on the amendment.

489
490 *On a voice vote – Motion Passed – Unanimous*

491
492 **J. Lawter** offered a friendly amendment adding an additional resolved clause, "Resolved, that the \$1.3
493 million debt charged to the Golf Enterprise Fund will be repaid by the General Fund Reserve."

494
495 **L. Berauer** asked if the Commission agreed on the amendment.

496
497 *On a voice vote – Motion Passed – Unanimous*

498
499 **L. Berauer** asked if the Commission agreed on the amended resolution.

500
501 *On a voice vote – Motion Passed – Unanimous*

502
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MEMORANDUM

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TO: Mayor and Council
FROM: Parks Advisory Commission
DATE: January 22, 2007
SUBJECT: Resolution Regarding Golf Course Recommendations

The City's golf operations are conducted within the Golf Enterprise Fund, a fund that operates solely from fees collected from the golf course operations. Since the early 1990s, the fund has experienced mixed success due to a number of variables. Michigan's current recession has decreased the discretionary dollars that are available for golf and other recreational activities resulting in decreased numbers of golf rounds played at golf courses in Michigan, including Ann Arbor courses. Over the past decade the number of golf courses in the Ann Arbor area has continued to grow which has resulted in an ultra-competitive market. Finally, weather has a profound effect on golf operations and Southeast Michigan experienced above-average rainfall during the 2000 through 2004 golf seasons and has been a factor in decreased participation in the spring of 2007. Each lost day of golf activities at the golf courses results in up to \$12,000 in lost revenue.

Given the most recent history of the local, regional and national golf industry and the status of the City's Golf Fund, Golf Convergence, Inc. (GCI) was hired in July 2007 to evaluate the City golf operations, provide an overview of the current market, evaluate the City golf operations' future viability and profitability, and provide a recommended course of action for the golf properties by December 2007. A golf steering committee was charged with overseeing the consultant's work during this process. The committee included Stephen Rapundalo, representing City Council; John Lawter, representing the Parks Advisory Commission; Doug Davis, of Miles of Golf, representing the private golf industry; and City staff. Throughout the contract period, the consultant met with the Golf Course Steering Committee providing progress updates and to gain input from the committee.

Over the course of its contract, GCI held public meetings to gather input from citizens and golfers about Leslie Park and Huron Hills Golf Courses as well as completing a macroeconomic analysis of the golf industry and microeconomic analysis of golf in the Ann Arbor market. The consultant completed an operational assessment of both City courses, evaluating the course conditioning; capital, technology, and marketing investments; conducting a land use study; and financial analysis of both golf courses. As a result of this work, a business plan for Leslie Park and Huron Hills Golf Courses was presented to the Parks Advisory Commission and City Council in November and December 2007. The Parks Advisory Commission (PAC) committed to providing City Council with a recommendation on the golf courses based on the study and recommendations provided by CGI.

Since receiving this business plan, PAC created a Golf Task Force to review and discuss the report and the options for both courses. PAC and Task Force held numerous meetings to discuss the financial and operational implications associated with the future of the golf course operations as well as alternative options for use of the land, in particular the Huron Hills Golf Course property. PAC also conducted a public hearing on January 14th regarding the sales and service of alcohol (beer and wine) at Leslie Park Golf Course clubhouse.

Recommendations

The Parks Advisory Commission is making a number of significant recommendations on the future of the City's golf operations. PAC feels strongly that the golf courses need to be evaluated separately, not collectively, because the issues and associated implications are distinct to each golf course.

The recommendations from PAC are in the attached "2008 Parks Advisory Commission Golf Course Recommendations". A number of the recommendations need to be enacted by February 2008 in order to positively impact the 2008 season. The items requiring immediate action are noted in the recommendations.

Below we have identified the basis for the attached recommendations for each course.

Leslie Park Golf Course

566 The Parks Advisory Commission believes that Leslie Park Golf Course has the capacity to regain its
567 competitive edge in the golf industry in southeast Michigan; however, short term assistance is needed to
568 position the golf course for future self sustainability. Fundamental to the attached recommendations are the
569 following:

- 570 ○ Leslie Park should remain an 18-hole golf course that remains within the golf enterprise fund.
- 571 ○ The City should provide Leslie Park with a significant financial boost for the 2008 golf season from
572 the City's general fund reserve for needed capital investments, equipment purchases, and
573 operational assistance.
- 574 ○ The City should provide assistance to Leslie Park for the 2009 and 2010 golf seasons from the
575 City's general fund reserve for operations.
- 576 ○ The City should award the available liquor license to Leslie Park Golf Course. Our
577 recommendation on this issue is based solely on what is best for the golf course. It is clear to us
578 that providing for the sale of alcohol at a golf course is beneficial for Leslie to be competitive with
579 other courses, an alcohol permit is essential.

580
581 Huron Hills Golf Course

582 PAC has considerable concerns about the sustainability of Huron Hills Golf Course, but the overall
583 consensus of PAC is that the City needs to give the golf course an opportunity to see if it can survive long
584 term as an entry level golf course in the area. To be able to appropriately assess the ability of Huron Hills
585 to operate as a golf course, PAC feels that it is necessary for the City to provide Huron Hills with initial
586 investments and some ongoing annual financial support. However, PAC recognizes that the following
587 caveats need to be considered in providing this opportunity:

- 588 □ Ensuring that the necessary initial investments be made at Huron Hills. In other words, not over-
589 investing, but providing the essential investments to truly give Huron Hills a chance to compete in
590 the marketplace as a golf course.
- 591 □ Determining a reasonable period of time to evaluate the golf course's ability to survive.
- 592 □ Determining what is the reasonable level of ongoing general fund support to the golf course.
- 593 □ If Huron Hills is not successful as a golf course, determining the alternative uses for the property,
594 how those alternative uses will be determined, and how the alternative uses will be funded.

595
596 Given this, PAC's recommendations for Huron Hills Golf Course are based on the following

- 597 ○ Huron Hills should remain an 18-hole golf course at this time.
- 598 ○ Huron Hills should be moved to the City's General Fund effective July 1, 2008.
- 599 ○ The City should provide Huron Hills with a significant financial boost for the 2008 golf season from
600 the City's general fund reserve for needed capital investments, equipment purchases and
601 operational assistance, with acknowledgment of the following:
 - 602 ○ The biggest single investment at Huron Hills is the replacement of the irrigation system.
603 PAC is recommending that staff complete all of the due diligence associated with replacing
604 the irrigation system during the spring and early summer of 2008, however, prior to
605 recommending approval of the purchase that staff provide status reports to PAC to see if
606 efforts initiated for the 2008 season are having a positive impact on the golf operation.
607 Based on those status reports, PAC will make a recommendation to Council regarding
608 moving forward with the purchase for installation in the fall of 2008. Additionally, PAC
609 recommends that as part of the due diligence efforts, staff explore options in the design of
610 the irrigation system that would allow for potential alternative future uses of the system.
 - 611 ○ Given the age of the equipment at both courses, PAC feels the equipment investment,
612 while substantial, is important to make. If Huron does not continue as a golf course, the
613 equipment can be moved to Leslie as appropriate or sold, thereby recouping some, if not
614 all, of the investments made.
 - 615 ○ The City should allow up to a 3 year period of time to evaluate its ability to sustain itself as
616 a golf course, assuming reasonable ongoing annual general fund support.
 - 617 ○ That a process be undertaken beginning in 2008 to evaluate use options for the Huron Hills
618 property in the event operating the property as a golf course is not successful.

619
620 Prepared by: Jayne Miller, Community Services Administrator
621 Attachments: 2008 Parks Advisory Commission Golf Course Recommendations

622
623 *GOLF COURSE RECOMMENDATIONS*

624
625 *Whereas, The City of Ann Arbor owns and operates the Huron Hills Golf Course and Leslie Park Golf*
626 *Course;*

627

628 *Whereas, Michigan's recession has decreased discretionary dollars that are available for golf and other*
629 *recreational activities;*

630
631 *Whereas, The large number of golf courses in Ann Arbor, and throughout Michigan, create a highly*
632 *competitive market place;*

633
634 Whereas, Golf Convergence, Inc. was hired in July 2007 to evaluate the City golf operations, provide an
635 overview of the current market, evaluate the City golf operations' future viability and profitability, and
636 provide a recommended course of action for the golf properties by December 2007;

637
638 Whereas, Golf Convergence, Inc. developed a business plan for Leslie Park and Huron Hills Golf Courses
639 that was presented to the Parks Advisory Commission and City Council in November and December 2007;
640 and

641
642 Whereas, The Parks Advisory Commission has been charged with making recommendations on the future
643 of the City's golf operations;

644
645 RESOLVED, That the Parks Advisory Commission feels strongly that the golf courses need to be evaluated
646 separately, not collectively, because the issues and associated implications are distinct to each golf course;

647
648 RESOLVED, That the Parks Advisory Commission's recommendations for Leslie Park Golf Course are
649 based on their belief that Leslie Park Golf Course has the capacity to regain its competitive edge in the golf
650 industry in southeast Michigan, however, short term assistance is needed to position the golf course for
651 future self sustainability and that as a result,

- 652 • It should remain an 18-hole golf course that remains within the golf enterprise fund
- 653 • The City should provide Leslie Park Golf Course with a significant financial boost for the 2008 golf
654 season from the City's general fund reserve for needed capital investments, equipment purchases
655 and operational assistance that the golf course will not be expected to repay
- 656 • The City should provide assistance to Leslie Park Golf Course for the 2009 and 2010 golf seasons
657 from the City's general fund reserve for operations;

658
659 RESOLVED, That the Parks Advisory Commission's recommendation for Huron Hills Golf Course is that
660 the City needs to give the golf course an opportunity to see if it can survive long term as an entry level golf
661 course in the area, and as a result,

- 662 • It should remain an 18-hole golf course at this time
- 663 • Huron Hills Golf Course should be moved to the City's General Fund effective July 1, 2008
- 664 • The City should provide a significant financial boost for the 2008 golf season from the City's general
665 fund reserve for needed capital investments, equipment purchases and operational assistance that
666 the golf course will not be expected to repay, with the following caveats
 - 667 ○ Staff complete all of the due diligence, including exploring options in the design of the
668 irrigation system that would allow for potential alternative future uses of the system;
669 however, prior to approval of the purchase, status reports should be provided to PAC to
670 see if efforts initiated for the 2008 season are having a positive impact on the golf
671 operation. Based on those status reports, PAC will make a recommendation to Council
672 regarding moving forward with the purchase for installation in the fall of 2008.
 - 673 ○ The City should review the golf course operations on an annual basis to evaluate its ability
674 to sustain itself as a golf course, assuming reasonable ongoing annual general fund
675 support, with the goal of making a final decision to maintain the golf course facility or
676 identify an alternative use of the property at the end of three years.
 - 677 ○ That a process be undertaken beginning in 2008 to evaluate use options for the Huron Hills
678 property in the event operating the property as a golf course is not successful;

679
680 RESOLVED, It is the understanding of the Parks Advisory Commission that the General Fund surplus is
681 sufficient to absorb the recommended financial support for golf. No other park operation or facility shall be
682 financially impacted by this decision and neither Park General Funds nor Park Millage funds are to be used
683 to implement these recommendations;

684
685 RESOLVED, That the \$1.3 million debt charged to the Golf Enterprise Fund will be repaid by General Fund
686 Reserve; and

687

688 RESOLVED, That the Parks Advisory Commission recommend that Council approve the attached 2008
689 Parks Advisory Commission Golf Course Recommendations for Leslie Park Golf Course and Huron Hills
690 Golf Course.

691 **B. Macomber** made the clarifying comment that the question keeps getting asked about what the cost of
692 other activities on the property might be. It was decided, and the reason there is a bullet point that reads
693 “that a process be undertaken in 2008 to evaluate use options for Huron Hills property in the event
694 operating the property as a golf course is not successful”, it was decided that we couldn’t even begin to
695 discuss or put numbers on alternative activities because without public input about what those alternative
696 activities may be, it would be completely inappropriate to do that. The point of the bullet and recommending
697 a public process be started is to just get a sense from the public of what alternative activities may be so that
698 we can start running some numbers, and that’s not to say that any decision at any point would be based on
699 finances, but it is a question that has kept coming up as to comparative expenses.

700
701
702 **T. Berla** questioned Steve and Christen about what happens if Council says they’re not going to pay for it
703 out of the General Fund reserve, what happens next?
704

705 **S. Kunselman** said that what he would hope is that the Administration is going to put enough funding in to
706 keep the golf course going at least for this next year and buy some time. It’s his understanding that the
707 General Fund reserve is fairly comfortable. He does have a question because they’ve talked about General
708 Fund subsidy, what is PAC’s comfort level on subsidies. It is apparently uncomfortable with \$4-\$10 subsidy
709 per round of golf, but we may be subsidizing swimming, ice skating etc. He thinks there may be some
710 biases against golf and cautioned that they have to be very impartial about what they’re calling a subsidy
711 vs. what other activities they’re supporting. Huron Hills Golf Course has been in the City parks system
712 since 1922 and while thinking that soccer and athletic fields are almighty because there’s growth there,
713 there really isn’t. He’s talked with someone in Pittsfield Township and they just charge more for their fields
714 and hence their fields are in much better shape and maybe we need to think about charging more. If that’s
715 the kind of situation if we want our fields in good shape. He doesn’t want to do that because he wants to
716 see them used – there needs to be a balance. If he had it his way we’d be providing a lot more recreational
717 services because we have cut back in this community on more services than we provide today.

718
719 **L. Berauer** stated that it might be helpful for PAC as a whole to develop something that would allow them to
720 make more reasonable comparisons in the future. Maybe it’s something the budget committee could help
721 on.
722

723 **L. Berauer** moved, supported by S. Offen to consider the Resolution regarding award of liquor license to
724 Leslie Park Golf Course.
725

726 **D. Barrett** questioned whether this needs to be specified as a beer and wine only, vs. alcohol. He offered a
727 friendly amendment, “Resolved, That the Parks Advisory Commission recommends that City Council award
728 the available Class C liquor license to Leslie Park Golf Course and this recommendation is based solely on
729 what is best for the golf course to regain its competitive status in the local golf market.”
730

731 **L. Berauer** seconded and asked for a vote on the friendly amendment.
732

733 *On a voice vote – **Motion Passed** – Unanimous*
734

735 **J. Lawter** proposed an additional friendly amendment, “Whereas, Liquor is currently allowed in the Parks
736 on a special permit basis”;
737

738 S. Offen seconded.
739

740 **L. Berauer** asked for a vote on the friendly amendment.
741

742 *On a voice vote – **Motion Passed** – Unanimous*
743

744 *RESOLUTION REGARDING AWARD OF LIQUOR LICENSE*
745 *TO LESLIE PARK GOLF COURSE*
746

747 *Whereas, The City of Ann Arbor owns and operates the Huron Hills Golf Course and Leslie Park Golf*
748 *Course;*
749

750 Whereas, Michigan's recession has decreased discretionary dollars that are available for golf and other
751 recreational activities;

752
753 Whereas, The large number of golf courses in Ann Arbor, and throughout Michigan, create a highly
754 competitive market place;

755
756 Whereas, Golf Convergence, Inc. was hired in July 2007 to evaluate the City golf operations, provide an
757 overview of the current market, evaluate the City golf operations' future viability and profitability, and
758 provide a recommended course of action for the golf properties by December 2007;

759
760 Whereas, Golf Convergence, Inc. developed a business plan for Leslie Park and Huron Hills Golf Courses
761 that was presented to the Parks Advisory Commission and City Council in November and December 2007;
762 and

763
764 Whereas, The Parks Advisory Commission has been charged with making recommendations on the future
765 of the City's golf operations, including the issuance of a liquor license for Leslie Park Golf Course;

766
767 Whereas, The Parks Advisory Commission's recommendations for Leslie Park Golf Course are based on
768 their belief that Leslie Park Golf Course has the capacity to regain its competitive edge in the golf industry in
769 southeast Michigan;

770
771 Whereas, The Parks Advisory Commission recognizes that providing for the sale of alcohol at Leslie Park
772 Golf Course is a key element for the golf course to be competitive and thereby regain and retain golf
773 customers; and

774
775 Whereas, Consumption of alcohol is allowed in City parks, including the Leslie Park Golf Course, by special
776 event permits to allow for the consumption of beer and wine in areas where such consumption would
777 otherwise be prohibited;

778
779 RESOLVED, That the Parks Advisory Commission recommends that City Council award the available
780 Class C liquor license to Leslie Park Golf Course and this recommendation is based solely on what is best
781 for the golf course to regain its competitive status in the local golf market.

782
783 **L. Berauer** asked for a vote on the amended resolution.

784
785 *On a voice vote – Motion Passed – Unanimous*

786
787 **B-3** Park Security Pilot Program Report

788
789 **C. Smith** provided a brief overview of the park security pilot program and reviewed the report that was
790 distributed in the packets. On investigation of a contract currently in place with the DDA and the City –
791 there is no contract in place. Safety Services does provide downtown patrolling but it is not under contract
792 and there is no additional service there on a regular basis. They are on foot because that's the most logical
793 way for them to provide patrol, but there is not a contract.

794
795 The reports regarding updates on the Parks by Safety Services has focused on incidents by Park that
796 they've tracked over FY 07-08 have not yet been developed as they are very short staffed. They will get it
797 to PAC as soon as they can.

798
799 **G. Nystuen** asked who will be replacing Deputy Chief Greg O'Dell who has been the primary contact with
800 Safety Services. Overall there is no safety crisis in the parks but she asked where the arrests for drunk and
801 disorderly took place since typically they are in areas for trouble is expected anyway. It's important to know
802 where they were so they can be evaluated. Parking needs to be separated out since they can no longer do
803 parking. It should no longer be a cost. Community Standards is doing parking enforcement which depends
804 on the timing.

805
806 **T. Berla** was under the impression that Council needs a recommendation from PAC. He would recommend
807 that he's comfortable with the Police doing the job and he's uncomfortable with the idea that they would be
808 paid for it, partly because he finds it hard to say that this work that they're doing is the work that they always
809 did and were always supposed to do, and they have to do no matter what, and this is the work that they've
810 added to them.

811

812 **L. Berauer** said he was correct and that it should have been done in September. It hasn't been done
813 because they're waiting for more information. Apart from the fact that they're way overdue in having the
814 needed information to be able to get back to Council with their point of view, her concern is that when it was
815 approved as a pilot, it was very clear that nothing was going to come out of the Parks Millage, it was not
816 clear thereafter. If it continues after the 3 month pilot, the source of funding remains the same. Let's have
817 a resolution ready at the next meeting and not wait for this additional data.
818

819 **S. Kunselman** stated that as far as he knows the adopted budget did not provide for any transfer of money
820 between the Parks Millage and Safety Services. They are supposed to be providing safety and security in
821 our parks as they do anywhere in the City and if you want to give a recommendation, just say that we want
822 them to continue to provide safety and security in our parks at no extra cost. There should not be any extra
823 cost. He's sure they're in the budgeting process and doesn't know if they're expecting to resurrect the idea
824 that was shot down last time.
825

826 **D. Barrett** asked if there has been any money set aside, not by the Parks, where is the money coming from
827 for funding the extra hours. What we decide here is not altering that decision.
828

829 **C. Smith** responded that a 90 day pilot was originally set up that was July-September, PAC was to
830 comment in October but they've been waiting for some information. Safety Services has continued their
831 service because it has gone into the winter season and they've reduced their workload. The intent was to
832 buy service and not people so the hours can be used as needed, i.e. fewer hours are used during the
833 summer when it's busy, but would very much like to have more hours per day. Safety Services is providing
834 the additional hours in the parks from their General Fund budget.
835

836 **L. Berauer** moved, supported by, **S. Offen** to send the following safety and security services
837 recommendation to Council.
838

839 RESOLUTION FOR SAFETY AND SECURITY SERVICES IN CITY PARKS

840
841 Whereas, PAC has looked at the public safety report for providing safety and security services in the
842 City Parks,
843

844 Resolved, That PAC recommends that Council continue to direct Safety Services to provide safety
845 and security in the City parks at no cost to the Parks General Fund budget or the Parks Millage
846 budget through June 30, 2008.
847

848 *On a voice vote – Motion Passed – Unanimous*
849

850 **B. Macomber** stated she would like to have a discussion regarding what Park Rangers do/did and talk
851 about whether that's something that should be put back into next fiscal year's budget.
852

853 **L. Berauer** stated that there is also a significant line item in the Park Millage budget that was set aside for
854 security which will not be used if Council accepts the security resolution. She remembered that after finding
855 out how much General Fund money was coming for Parks, they were very disappointed and felt that
856 Council was not abiding by their original resolution and wrote a resolution protesting that. Council didn't
857 agree to do it but some months down the line they agreed to split the difference and return half of what PAC
858 thought was owed the Parks budget from the General Fund. That's what she thought was earmarked for
859 the athletic fields.
860

861 **S. Kunselman** recalls that with the budgeting process that money is no longer available. It got moved to
862 athletic field repair at Fuller. Council action took place that did not involve a PAC recommendation. He
863 believes it derived from Councilmember Johnson's proposal. There was some activity on Council that
864 addressed the need to repair the athletic fields at Fuller.
865

866 **G. Nyusten** didn't remember shifting \$200,000 to something else. There was \$200,000 of Millage money
867 that was unallocated.
868

869 **C. Smith** will provide a copy of the Fund 71 allocation and that will clarify. She did not bring it to this
870 meeting but will email to PAC members tonight.
871

872 **B-4** Gift Policy
873

874 **T. Berla** moved, supported by, **B. Macomber** to consider the Gift Policy draft.

875

876 **T. Berla** provided an overview of the Gift Policy draft. There was no real policy in place with respect to
877 memorials and how much to charge. It was decided that there should be a policy in place so that a staff
878 member didn't have to make all of the decisions without a policy in place. Tim suggested that when a gift is
879 given the focus shouldn't be on the gift but rather to the benefit of the parks. The cost of the memorial,
880 including maintenance, should be covered by the amount donated. Catherine Rising also served on the
881 task force and had a different point of view.

882

883 **C. Smith** explained that there is a need to find a way that donors can be contacted if the plaque or bench
884 becomes dated and worn and the opportunity to be given to update these gifts. The proposed policy offers
885 a number of opportunities in addition to plaques that would be suitable for many different types of gifts and
886 doesn't necessarily have to be next to the item.

887

888 **L. Berauer** stated the criteria and someone to determine who can donate the plaque and/or gift should be
889 in place. policy is very vague.

890

891 **J. Dehring** explained to the Commission the types and forms of recognition and how the recognitions are
892 done.

893

894 **B. Macomber** suggested there be a chart of reference explaining gifts and sponsorship as well as the costs
895 so the public will understand exactly what is to be expected.

896

897 **C. Smith** stated that Bob Johnson had expressed a concern about the number of benches that are
898 currently placed in Gallup Park. It's a particularly popular place for people to gift. Other communities have
899 come up with a list of items that are no longer accepted in particular park areas. Ideally we would prefer to
900 find other ways to memorialize rather than having a plaque on a particular item unless there was a special
901 situation.

902

903 **L. Berauer** questioned page 3, section 4.8 about on-site recognition for memorial gifts not permitted,
904 however the points above seem to imply that on-site recognition can be given for other gifts. Why is that an
905 option for non-memorial gifts but not an option for memorial gifts? It seems odd to make a differentiation
906 based on whether or not it's a memorial. In that same section in 4.2 "in recognition of a gift, preference will
907 be given to providing a form of recognition that is not displayed within the parks". She supported it as a
908 preference but felt that the policy should say who's going to determine that and on what criteria. She's
909 worried that it creates more problems that it solves.

910

911 **T. Berla** thought that the criteria was left deliberately vague and left it to the Parks Manager who can refer it
912 to PAC if desired. He felt that if the public was not happy with the answer it would eventually go to PAC for
913 a decision. He stated that his recall is that when it was discussed, there were some park systems that had
914 a park where there were memorial gifts and all of the gifts in the system went to that particular park.
915 Comments have been received that some people don't like seeing all of the plaques in the park. There
916 were so many signs of who gave money that it was felt to be inappropriate for the park.

917

918 **S. Kunselman** stated that there's an effort to build a skate park and the skate park organization is doing
919 some fund raising for construction. How does this relate? Is there an example of someone giving \$ toward
920 the construction of a facility as opposed to a bench or tree?

921

922 **C. Smith** said it may be that we would consider that to be a gift if it's from a number of givers, it may be that
923 we have a substantial sponsorship from the private sector that we would want to name it after that particular
924 sponsor. There are a couple of different ways that type of situation could go if there are many individuals
925 who are giving.

926

927 **J Dehring** clarified by explaining that the task force worked through various versions. Section 4.8 should
928 be eliminated from the draft that PAC is currently working off of. The policy then goes on to tell how various
929 types of recognition were identified. Section 4.2 says that the preference is that we don't give actual
930 recognitions in the parks but there are forms of recognition we will accept. Any level of giving would be
931 gratefully received and acknowledged. Sponsorship is a whole different area and policy. A list of different
932 amenities that could be purchased and the \$ range is being drafted. The gift policy is still a draft and still a
933 work in progress but it's more definitive and gives more detail and responsibilities. Staff wants the gift
934 policy to become an administrative policy.

935

936 **L. Berauer** was concerned that it may create more problems than it solves because it's so vague and
937 people will want to know on what criteria decisions are made. She would like something that's stronger
938 than can be used to point to rationalize the decision.
939

940 **B. Macomber** thought this was very confusing and there's a lot about what can't be done and the ifs, ands,
941 etc. It might be helpful to have a one page summary with a grid with tiers that gives examples of gifts, who
942 makes the decision, here's what kind of recognition is available. That could be more user friendly. She
943 thought at one point this could be used as an extension of the discussion of raising revenue for parks as
944 well through gifts and sponsorships.
945

946 **C. Smith** clarified that a gift is something that is given with no expectation of Parks giving back. A
947 sponsorship is given with some expectation that the giver will get something back i.e. visibility before Parks
948 patrons. They are two very different concepts and a sponsorship policy will be brought forward at another
949 time. She will work with staff to develop a chart/quick reference that will help work through the policy more
950 easily.
951

952 **S. Offen** agreed that a chart made a lot of sense and wants to be sure that there's still an opportunity for
953 small amount gifts to get some sort of recognition even though it may not be in a park. Is there a naming
954 policy or is this something that's coming up? He suggested that perhaps parks stewards could suggest
955 locations for benches etc.
956

957 **C. Smith** stated that there is currently a naming policy adopted by PAC that's from the 60s, 70s or 80s
958 that's in the process of being updated. It was discussed at a LAC work session in the past few weeks. It
959 would more fully address the parcel, park or large facility. PAC needs to approve or amend the gift policy
960 so staff can move forward with a campaign to invite gifts and begin receiving gifts that will support the Parks
961 system. Staff will come back next month with a grid and additional information so hopefully final discussion
962 can take place.
963

964 **T. Berla** suggested that every gift be recognized in ways that don't include an object and if a recognition
965 object is desired, that is by definition a sponsorship. That might not be possible because it might have tax
966 consequences. Because sponsorship and gifts are related, it might be easier to consider the two together,
967 whether there in the same policy or not.
968

969 **G. Nystuen** inquired when an updated spreadsheet of budget actuals for the first half of the year will be
970 available regarding the recreational facilities, and Park Operations. Some money needs to be allocated for
971 studying and experimenting with innovations that can reduce expenses.
972

973 **B. Macomber** believes there is still \$250,000 of Millage that as far as PAC knows remains unallocated.
974 This could be discussed at the next meeting as well as Gwen's suggestion above.
975

976 **L. Berauer** is hoping that they can soon receive some information in a form that the budget committee has
977 recommended.
978

979 **C. Smith** stated Damon Thompson is working on the draft regarding the budget and due to being short
980 staffed this report is forthcoming.
981

982 **T. Berla** RAC updates. Ball field lighting was estimated by Rob Millett at \$9,000 for the entire year. Rec &
983 Ed received an invoice for substantially more than that. This also needs to be discussed at the next
984 meeting since obviously there is some confusion about the issue. Also, there is an upcoming event called
985 Tour de Kids involving little kids from 3-12 years old having a race on their trikes on Father's Day.
986

987 **C - NEW BUSINESS**

988 **D - COMMISSION PROPOSED BUSINESS**

989 **D-1** Athletic Field Lighting
990

991 **E - REPORT FROM PARKS AND RECREATION MANAGER**

992 **F - REPORT FROM MANAGER OF FIELD OPERATIONS**

993 **G - REPORT FROM RECREATION ADVISORY COMMISSION**
994
995
996
997

998
999 **H - REPORTS FROM RELEVANT COMMISSIONS, COMMITTEES, BOARDS AND/OR TASK FORCES**

1000
1001 **I - PUBLIC COMMENTARY – GENERAL (3 Minutes per Speaker)**

1002
1003 **Karen Sydney** cautioned PAC to be very careful in when comparing subsidies - apples to apples – since
1004 they're probably not. She believes that when you take the golf fund they're using everything that's in the
1005 audit which has a lot of overhead and probably when the rec facility fund is used, there is a separate cost
1006 center that she would consider to just be the direct costs of operating the rec facilities. If Vets Park were
1007 closed, the cost of staffing, pool supplies etc would go away but there would still be the costs of maintaining
1008 and plowing the parking lot, mowing and administrative overhead. The new Parks Millage budget contains
1009 \$270,000 in a contingency, \$250,000 of which she believes to be Police, according to FOIA information she
1010 received. She thinks that budget is over \$200,000 more than the Council budget resolution and she was
1011 concerned that the increase to the General Fund got posted over there. Gwen suggested cost savings and
1012 last summer Karen noticed that there could be more efficiency in some areas.

1013
1014 **Bill Newcomb** is an Ann Arbor resident and golfer who believes tonight's discussion is the best PAC has
1015 ever had and the only discussion on record tackling some of the issues. The big issue is what is a fair and
1016 reasonable subsidy, and what is a subsidy. He's compelled to say that PAC shouldn't panic because if you
1017 don't put in all of the additional costs that make the golf course lose money, the golf courses actually put
1018 \$88,000 into the General Fund for use. Those costs are not going to go away, that will make it several
1019 hundred thousand dollars under the line because the cost allocation of City services etc. will not go away.
1020 In order to finalize the points of the \$ and get to the issues that everyone is concerned about, the golfers
1021 don't want to be viewed as leading a dead horse, in order to accurately get to the numbers. A golf
1022 committee is absolutely essential to the future operation of the golf courses. Golfers ask that every effort
1023 possible be made to have a citizen's golf committee to answer to PAC and have input. They believe the
1024 whole report that assumptions and questions are based on is a suspect report. They don't think the
1025 irrigation system today is in chaos or is going to break down now, it may over years. A lot of the \$600,000
1026 maintenance figure includes a lot of the golf course's constant updating, i.e. fertilizer, seed etc. There a lot
1027 of capital improvements that take place on a daily basis on a golf course.

1028
1029 **Jane Lumm** complimented Bill Newcomb on his credibility as well as several others in the community who
1030 consult with other private and public golf businesses, who are coaches etc. There are many in the
1031 community who care and are willing to volunteer in monitoring and evaluating in going forward on a
1032 vigorous basis. As Councilmember Kunselman said it's been here since 1922, let's make it continue to be
1033 successful. One other thing he said was that our charter or mission is to provide recreation for the masses.
1034 This whole conversation of comparing, sinking significant sums of money into Leslie, why it's profitable, it
1035 generates money, perhaps an irrigation system at Huron Hills, and 8 months from today we're going to
1036 have conversations about alternative uses, bothers her because in none of the meetings has there been
1037 one mention of the comments that have been submitted to the City's web page. There are 32 pages of
1038 citizen comments and it troubles her that the season pass holders were never included in the survey. The
1039 consultant said that was because they didn't know who those people were. The consultant was to contact
1040 the schools; coaches etc but that didn't happen either. We're already talking about having a wider
1041 community conversation and with this sport we didn't have a conversation with the actual users. She
1042 believes we need to double back and do a better job. In terms of providing services for the masses, it was
1043 also stated that there are 17 alternatives within a 25 mile radius to provide services comparable to Huron
1044 Hills. The same could certainly be said of Leslie Park and then some. People aren't building courses for
1045 beginners, and no courses have been built locally within the last 5-7 years. There are alternatives for Leslie
1046 just as there are for Huron Hills. Those are the high end alternatives for the high end golfers. We're saying
1047 that if you're at the low end, you have to seek out those alternatives – sorry. The mission should be to
1048 provide these kinds of services for the masses just like we do for all other rec programs and facilities and
1049 there's not one rec facility in the City that generates close to \$900,000 per year as the golf courses do.
1050 Some of the numbers just trouble her. She's only referenced the City's audited numbers and has read
1051 every audit for 15 years but in terms of the most recent numbers, Huron Hills has lost money on a cash
1052 basis for the last 2 years alone. In '06 \$48,000 on a cash basis, in '05 \$8,000 on a cash basis, in '04 made
1053 \$61,000, in '03 made \$125k. When we talk about potentially having a Millage for \$48,000, as a
1054 community/city we've been boasting that we can build a new City Hall for \$65 million without a Millage, and
1055 we did just increase the Parks Millage by 20% last year, so citizens have stepped up and supported that.
1056 I'm glad Councilmember Kunselman floated the question of "what is your comfort level of subsidy?" I
1057 served on PAC, was a Councilmember, and always the metric that we used was that we didn't apply this to
1058 any other rec program, that golf needed to be 90+% self-support. No other rec program because golf is the
1059 most financially viable of our rec programs and that needs to be valued, particularly if you're looking at this

1060 as a bottom line proposition. Two years ago in January 06 PAC received the Golf Fund 47 report that
1061 included a breakout for 10 years of number of rounds played at Leslie Park and Huron Hills. She thinks
1062 these conversations give the public that Leslie Park is loaded and no one is playing at Huron Hills. As of 2
1063 years ago, the number of rounds played were virtually identical at both and in some years Huron Hills had
1064 more than Leslie Park. Over the last 2 years, the pump died in '06 and was replaced last year, the grass
1065 was yellow, the pile drivers for the sidewalk improvements went on for 9 months, houses shook during that
1066 time, the bridge construction etc. There are various contributing factors. To make this work a golf advisory
1067 committee is a wonderful idea.

1068
1069 **L. Berauer** stated that the pages of web comments have been read by everyone and not ignored.

1070
1071 **Glenn Thompson** believes that some decisions have been made on inaccurate, misleading, or false
1072 economic information. He believes that some PAC members should be ashamed of themselves and their
1073 decisions because this seems to have become the committee to disassemble the recreational programs of
1074 the City of Ann Arbor. Golf is not the most subsidized and hopes that all will be looked at and dismantled if
1075 that's your intent. He believes that PAC is hiding. It's impossible to find PAC on the web. there is no direct
1076 link to PAC, no way to email, no way to find the agenda, and with a great deal of searching the only agenda
1077 is the December one, that was as of yesterday. He challenged PAC to get the agenda out there, let people
1078 come to them with appropriate information, make decisions on that basis.

1079
1080 **L. Berauer** commented that the agenda should be posted to the web when they're sent to PAC members.
1081 She's not sure why that didn't happen this time, she's not sure if that's routinely happening.

1082
1083 **T. Berla** said that there should be a link to email PAC members and agenda should be published before the
1084 meeting. PAC members will look into the problem; it's absolutely not right for that to happen.

1085
1086 **J - CLOSED SESSION TO DEAL WITH LAND ACQUISITION ISSUES** (If Applicable)

1087
1088 **L. Berauer** moved, supported by **S. Offen** to go into closed session.

1089
1090 *Approved by a Roll Call vote – **Motion Passed** – Unanimous*

1091
1092 *The Commission went into closed session at 6:40 p.m.*

1093
1094 The commission met in closed session to discuss land acquisition issues.

1095
1096 **T. Berla** moved, supported by **J. Lawter** to move out of closed session.

1097
1098 *On a voice vote – **Motion Passed** – Unanimous*

1099
1100 There being no further business to come before the Commission, **D. Barrett** moved, supported by **T. Berla**
1101 that the meeting be adjourned. The regular meeting was adjourned at 6:55 p.m.

1102
1103 Prepared by,
1104 Jayne Miller
1105 Community Services Administrator
1106