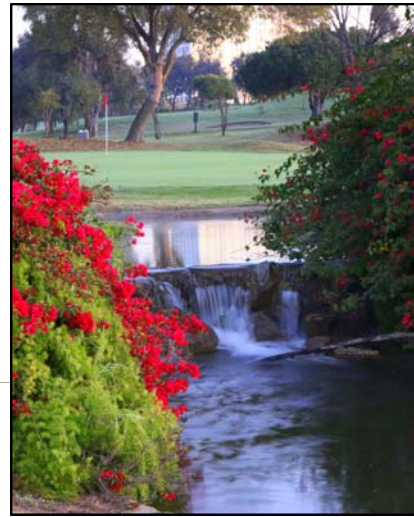


THE LAKES VISION COMMITTEE

MAY 5, 2015

EL SEGUNDO CITY HALL



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BACKGROUND

• December 2014 – Financial Analysis

- City Council voted to solicit proposals for a Financial Analysis to be conducted by a third party to compare the projected financial performance of a current and enhanced version of The Lakes versus the TopGolf Development Proposal
- In January 2015 Pro Forma Advisors LLC was selected

• December 2014 – The Lakes Vision Committee

- Concurrently, initiated by community members, the City Council opted to have staff create and facilitate a committee to develop a vision of the future of The Lakes and create a Request For Proposals (RFP) that could be used to help compare alternative opportunities for the facility in addition to TopGolf
- In February 2015 “The Lakes Vision Committee” was formed

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THE LAKES VISION COMMITTEE

- **Comprised of a Diverse Cross Section of Volunteers**
 - Recreation & Parks Director, Meredith Petit
 - 2 Southern California Golf Association Representatives, Craig Kessler & Lew Murez
 - PGA Professional/Junior Golf Leader, Josh Alpert
 - El Segundo Golf Club President, John Gutt
 - Former El Segundo Mayor/Golf Course Subcommittee Member, Bill Bue
 - Current City Council Member, Mike Dugan
 - Resident Golfer/Frequent User of The Lakes, Charlie Krolak

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PURPOSE OF THE COMMITTEE

- To develop the structure, elements and terms of an RFP capable of delivering the best overall offer for superior recreational use of The Lakes that is consistent with Community and Council expectations regarding both financial performance and the services provided to the community
 - **Community Engagement**
 - Survey
 - Open Community Meeting
 - **City Council Direction**
 - Identify Priorities

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SURVEY RESULTS

- 879 Responses
- Variety of Cities Represented
 - 39.38% - El Segundo
 - 29.73% - Manhattan Beach
 - 11.33% - Redondo Beach
 - 7.21% - Torrance
 - 6.31% - Hermosa Beach
 - 6.05% - Los Angeles
 - Other – Rancho Palos Verdes, Palos Verdes, Santa Monica, Playa Del Rey, Lomita, Gardena, Hawthorne, Westchester, Culver City, Carson, etc.
- For the most part, consistent responses regardless of city of residence

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Usage at The Lakes

- Most frequently used amenities
 - Putting Green
 - Driving Range
 - Golf Course
 - Chipping/Bunker Practice Area



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Amenity Conditions at The Lakes

- **Highest ranked amenities**
(more than 75% of users indicated “Good” or “Excellent”)

- Camps/Youth Programs
- Lessons/Clinics
- Putting Green
- Golf Course
- Driving Range

- **Lowest ranked amenities**
(more than 35% of users indicated “Average,” “Below Average” or “Poor”)

- Chipping/Bunker Practice Area
- Pro Shop
- Event Venue/Banquet Room
- Restaurant

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Most Needed Improvements

- **Chipping / Bunker Practice Area**

- Too small, too busy, unsafe, poor condition

- **Restaurant / Banquet Facilities**

- Outdated décor, patio not adequately shaded, cheap plastic tables, larger/healthier menu selection, expand hours to evening, need to maximize outdoor views and dining, slow service, full bar, events

- **Clubhouse / Pro Shop**

- Restrooms need upgrading and maintenance, general updating of decor
- Pro shop is cramped, limited inventory, better customer service, more leagues/tourneys/events

- **Driving Range**

- Want new/different mats or grass, better balls

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Survey Results Continued

- Over 80% of the respondents thought **affordable pricing** was important.
- About 55% of **El Segundo** respondents thought The Lakes should either be financially subsidized by the City or break-even for the City, while about 37% thought it should financially profitable for the City, and 8% had no opinion.
- Over 53% of **El Segundo** respondents thought The Lakes as a Parks & Recreation facility is important or very important, and 47% were either neutral or felt it was unimportant.
- Over 92% of all respondents (83% of El Segundo respondents) were satisfied or very satisfied with the facility.

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Community Meeting – April 27, 2015

- 63 People in attendance (41% El Segundo Residents)
- Top Concerns/Priorities (ranked from highest):
 - Parks and Recreation Core Values
 - Golf-focused experience with practice facilities and instruction
 - Multi-generational accessibility
 - Safety (crime, traffic, adult-focused environment)
 - Process should include competitive bids
 - Revenue should not be sole decision point
 - CenterCal/TopGolf lease is too risky for City
 - Length of reconfigured golf course
 - Affordability of play for golfers/frequent users



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RFP Elements / City Council Discussion

• Financial Sustainability

- Facility operations
 - Golf
 - Restaurant
 - Pro Shop
- Capital Improvements & Reserve Fund
- Additional revenue to the City

• Recreation & Parks Values

- Affordable opportunities to play/learn golf
- Safe and secure
- Outdoor recreation / Open space
- Wholesome, family-friendly environment
- Multi-generational programming (youth, high school athletics, seniors, etc.)

• Type of contract/arrangement

- Lease, sub-lease, management

• Various sectors

- Traditional or non-traditional

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NEXT STEPS – estimated 4-5 months

- Vision Committee will refine RFP elements/structure, evaluation criteria and selection procedures
- RFP draft to be reviewed by City Council
- RFP distribution and proposals received
- RFP evaluation



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