

APPROVED

NOV 03 2022

BOARD OF RECREATION AND PARK COMMISSIONERS

BOARD REPORT

NO. 22-286

DATE November 03, 2022

C.D. #

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: CHANGES TO RATES AND FEES FOR SHERMAN OAKS CASTLE PARK ASSOCIATED WITH MINIATURE GOLF PRICING, BIRTHDAY AND GROUP PACKAGE DEALS, FACILITY RENTING AND FILMING

B. Aguirre	_____	* M. Rudnick	<u>MR</u>
H. Fujita	_____	C. Santo Domingo	_____
B. Jackson	_____	N. Williams	_____



 General Manager

Approved X Disapproved _____ Withdrawn _____

If Approved: Board President *Sylvia Patsanias* Board Secretary *Sakina Sarden*

RECOMMENDATIONS

1. Approve the proposed changes to the Schedule of Rates and Fees for Sherman Oaks Castle Park as set forth in the Attachment 2 to this Report and as described in the Summary of this Report, effective November 18, 2022.
2. Authorize Department of Recreation and Parks (RAP) staff to amend the Schedule of Rates and Fees for Sherman Oaks Castle Park, to incorporate the aforementioned changes: and,
3. Authorize RAP staff to make technical corrections as necessary to carry out the intent of this Report.

SUMMARY

The Department of Recreation and Parks began self-operation of the Sherman Oaks Castle Park (Facility) in 1993. This experiment in entrepreneurship was structured with RAP as Operations Manager of the Facility, overseeing the miniature golf component Mini Golf directly and utilizing private concessionaires for direct oversight of the Batting Cages, Arcade Games and Food Service Bar concessions. RAP's philosophy has been to offer a wholesome, fun, and affordable entertainment experience as seamless from the public perspective. Costs for this self-operating Facility is paid from revenues collected from the Facility operations by RAP.

The Schedule of Rates and Fees for the Sherman Oaks Castle Park have not been adjusted since 2008. This schedule sets forth rates and fees for individual and group rates for Mini Golf,

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various birthday and group packages, and fees associated with facility rentals and filming. Since 2008 the cost of supplies, equipment and labor have risen 24 percent. The Consumer Price Index and inflation for the Southern California Region has risen by roughly 1.7 percent each year over the 14-year span. Other Miniature Golf venues have also raised their rates across the board. RAP staff has compared the rates and fees from some of these other facilities, which is attached hereto as Attachment 1. The current fee structure for Sherman Oaks Castle Park is not sustainable to cover the cost to operate the facility. Therefore, staff recommends that the Schedule of Rates and Fees for the Sherman Oaks Castle Park Schedule be amended to increase the rates and fees as set forth in Attachment 2, which reflects an increase in fees for Mini Golf individual and group rates, birthday and package rates, and facility rental and filming rates. RAP staff is committed to keeping equal access to the Facility to all and believes that the changes to the schedule are fair and reasonable.

Annual revenue for the Facility Mini Golf Operations over the three-year span of 2019, 2020 and 2021 has averaged One Million, Five Hundred and Forty-Four Thousand Dollars (\$1,544,000.00)

Annual Revenue Share of the Facility Mini Golf Operations to the General Fund (50%) and accounting (8%) over the three-year span of 2019, 2020 and 2021 has averaged Eight Hundred Ninety-Five Thousand, Five Hundred and Twenty Dollars (\$895,520.00)

Annual Cost to operate the Facility over the three-year span of 2019, 2020 and 2021 has averaged Eight Hundred Ninety-Six Thousand and Seven Hundred Forty-Five Dollars (\$896,745.00)

Based on the above average annual figures over the three-year span of 2019, 2020, and 2021, the following total annual revenue to the Facility (after setting aside the 50% revenue share of the Mini Golf Operations to the General Fund and including remittances from Facility concessionaires) and the total annual cost of operations are as follows:

AVERAGE ANNUAL REVENUE TO THE FACILITY: \$900,480.00

AVERAGE ANNUAL COST OF OPERATIONS: \$896,745.00

SOCV AVERAGE ANNUAL PROFIT/(LOSS): \$3,735.00

FISCAL IMPACT

The proposed changes to the Schedule is estimated to result in an annual increase in rates and fees of approximately Five Hundred Thousand Dollars (\$500,000.00). Of this amount, the annual revenue share retained by RAP is estimated to increase by approximately Two Hundred Fifty Thousand Dollars (\$250,000).

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STRATEGIC PLAN INITIATIVES AND GOALS

This Report supports the following Strategic Plan Goals: No. 2, Offer Affordable and Equitable Recreational Programming and No. 6, Build Financial Strength and Innovative Partnerships.

This Report was prepared by Sean Hinton, Park Services Supervisor, Park Services Division.

LIST OF ATTACHMENTS

- 1) Comparison of Rates and Fees from other similar facilities.
- 2) Rates and Fees Page

CITY OF LOS ANGELES, DEPARTMENT OF RECREATION AND PARKS
PARK SERVICES DIVISION: PROPOSED RATES AND FEES ADJUSTMENTS

FACILITY NAME: Sherman Oaks Castle Park
 FACILITY DESCRIPTION: Miniture Golf
 DATE RATES AND FEES LAST ADJUSTED: 2008

CURRENT RATES			PROPOSED RATES	
ITEM	DESCRIPTION	RATE	ITEM	RATE
1	Adult Golf (18 Holes)	\$6.50	1	\$12.00
2	Child Golf (18 Holes)	\$5.50	2	\$8.00
3	Senior Golf (18 Holes)	\$5.50	3	\$8.00
4	Replay	\$3.00	4	\$5.00
5	Early bird	\$3.00	5	\$6.00
6	Party Package 1	\$10.95	6	\$18.00
7	Party Package 2	\$13.95	7	\$22.00
8	Party Package 3	NEW	8	\$30.00
9	Group Rate Golf Adult	\$4.50	9	\$10.00
10	Group Rate Golf Child	\$3.50	10	\$6.00
11	Group Rate Golf and Games Adult	\$6.50	11	\$14.00
12	Group Rate Golf and Games Child	\$5.50	12	\$10.00
13	Private Area Premium (Gazebo/Boathouse/Flower Garden)	\$30/party	13	\$40/party
14	Deposit for Party	\$35.00	14	\$40.00
15	Pavilion, Gazebo, Boathouse & Flower Garden rental 10am-4pm (Mon-Fri, excl holiday)	\$40/hour	15	\$50/hour
16	Pavilion, Gazebo, Boathouse & Flower Garden rental 4pm-close (Mon-Fri, excl holiday)	\$60/hour	16	\$50/hour
17	Pavilion rental (weekends & holidays)	\$80/hour	17	\$100/hour
18	Cancellation Fee for parties (Pavilion, Gazebo, Boathouse, & Flower Garden) within 30 days or less	\$35.00	18	\$40.00
19	Filming during non-operational hours		19	
20	Use of facility (incl parking lot)	\$250/hour	20	\$300/hour
21	Parking lot only	\$50/hour	21	\$100/hour
22			22	
23	Golf Gift Card (1 round of golf)	NEW	23	\$12.00
24			24	

COMPETITOR NAME: Golf and Stuff - Norwalk
FACILITY DESCRIPTION: Miniture Golf

CURRENT RATES		
ITEM	DESCRIPTION	RATE
1	Adult, Child, and Senior (18 Holes)	\$15.00
2	Replay	N/A
3	Party Package 1	\$19.00
4	Party Package 2	\$26.00
5		
6		

COMPETITOR NAME: Arroyo Seco Mini Golf - Pasadena
FACILITY DESCRIPTION: Miniture Golf

CURRENT RATES		
ITEM	DESCRIPTION	RATE
1	Adult, Child, and Senior (9 Holes)	\$12.00
2	Replay	\$7.00
3	Party Package 1	N/A
4		
5		
6		

ADDITIONAL NOTES

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PREPARED BY: Dario Tello

DATE: 12-Oct-22

SHERMAN OAKS CASTLE PARK

(Revised ~~06/08~~, 11/22)

MINATURE GOLF PRICES

50% to be allocated to the Special Fund Account

50% to be allocated to the Department of Recreation and Parks General Fund Account

Individual Rates:

Adults (13-64)	\$6.50 — \$12.00
Children (5-12)	\$5.50 \$8.00
Children 4 and under	Free with paying adult
Senior (65+)	\$5.50 \$8.00
Early Bird	\$3.00 \$6.00
Saturday and Sunday 9 a.m. to 10:30 a.m.	
Replays	\$3.00 \$5.00
Discount Coupons	\$2.00 off regular price round of golf

Group Rates (15 persons or more)

Requires advance reservations and must be paid in a single transaction

Golf Only

Adults	\$4.50 \$10.00
Children	\$3.50 \$6.00
Senior	\$3.50 \$6.00

Group Golf and Game Rates (15 or more persons)

Includes gamecard with \$5 in credit per person, requires advance reservation and must be paid in a single transaction. \$4.00 per person allocated to concessionaires

Adults	\$6.50 \$14.00
Children/Seniors	\$5.50 \$ 10.00

Gift Certificates ~~\$15.00~~

~~(\$7.30 to concessionaires; 50% balance to the Special Fund Account and 50% to the Department of Recreation and Parks General Fund Account)~~

- _____ Includes: One round of golf
- _____ 10 game tokens
- _____ Large Slice of Pizza
- _____ Ice Cream
- _____ Soft Drink

Golf Gift Card **NEW \$12.00**

Good for one round of golf

(50% balance to the Special Fund Account and 50% to the Department of Recreation and Parks General Fund Account)

Birthday Party Packages – 12 guest minimum

Majestic Package **NEW \$30.00**

(\$23.00 allocated to concessionaires; 50% balance to the Special Fund Account and 50% to the Department of Recreation and Parks General Fund Account)

Includes: one round of golf, \$20.00 game card, large slice of pizza, soft drink, use of party area for 2 hours, party hostess for 2 hours, decorations and paper goods, clean-up of party area, 3,000 tickets towards arcade prize redemption

Imperial Package ~~\$12.95~~ **\$22.00**

(\$15.00 allocated to concessionaires; 50% balance to the Special Fund Account and 50% to the Department of Recreation and Parks General Fund Account

Includes: one round of golf, \$10.00 game card, large slice of pizza, soft drink, use of the party area for 2 hours, party hostess for 2 hours, decorations and paper goods, clean-up of party area

Royal Package ~~\$10.95~~ **\$18.00**

(\$11.00 allocated to concessionaires; 50% balance to the Special Fund Account and 50% to the Department of Recreation and Parks General Fund Account

Includes: one round of golf, \$5.00 game card, large slice of pizza, soft drink, use of party area for 2 hours, party hostess for 2 hours, decorations and paper goods, clean-up of party area

Private Area Premium Use Fee: ~~\$30.00~~ **\$40.00 per party**

(Gazebo, Boathouse and Flower Garden only, when added to Imperial or Royal Birthday Package)

Down payment required for ALL reservations: ~~\$35.00~~ **\$40.00**

To be credited toward final bill

Pavilion, Gazebo, Boathouse and Flower Garden Hourly Rental:

10 a.m. – 4 p.m. Monday through Friday, excluding holidays	\$40.00	\$50.00
4 p.m. – Closing	\$60.00	\$50.00
Weekends and Holidays	\$80.00	\$100.00

Must be paid in full to reserve

Birthday Party Cancellation Fee: ~~\$35.00~~ **\$40.00**

Cancellations prior to 30 days will receive a full refund

Golf Course Exclusive Use Fee:

Course rentals will be considered on a case-by-case basis depending on public demand. One-third of the courses will be accessible to the public at all times. Exclusive use fee must be paid in full to reserve.

Monday through Friday prior to 4 p.m.	\$200.00 per hour/per course	\$250.00
Monday through Thursday after 4 p.m.	\$300.00 per hour/per course	\$350.00
Friday, Saturday, Sunday and Holiday	\$500.00 per hour/per course	

Film Use:

During open hours:

- Use of Golf Course will be charged the Exclusive Use Fee
- Grounds Use Fee of \$150.00 per hour will be charged for use of non-golf course areas excluding the arcade, batting cage and café. Areas include green areas adjacent to courses, entrances, walkways, landings and party areas

- Parking Lot Fee of \$150.00 per hour will be charged for up to a maximum of 60 vehicles or the truck length equivalent. Catering is not allowed on the premises

During closed hours:

Use of facility including parking lot: ~~\$150.00~~ \$300.00 per hour

Parking Lot only: ~~\$50.00~~ \$100.00 per hour

Cancellation Policy for Exclusive Use of Golf Course and Filming:

Cancellation prior to 24 hours: No Charge

Cancellation within 24 hours: \$200.00

Complimentary Golf Passes – a maximum of 1500 per calendar year may be issued