



Municipal Golf Courses Status Report

**Neighborhood Services and
Education Committee
August 8, 2024**

**Avi Yotam, Deputy Director
Shannon Heimer, Division Manager
Dominique Pacolba, Parks Manager**

History

- Opened:
 - San José Municipal: 1968
 - Rancho del Pueblo: 2000
 - Los Lagos: 2002
- Public golf courses provide recreational opportunities and environmental benefits.
- Los Lagos and Rancho del Pueblo had large operating losses for two decades, spurring studies and audits.
- San José Municipal operated using a lease model since 1988 and provided a stable source of income to the City.
- City Council tasked the Department to ensure sustainable operations.



New Lease

- San José Municipal Golf, LLC, an affiliate of CourseCo, Inc., is the single operator for all 3 golf courses.
- Lease agreement began on April 1, 2023 and ends March 31, 2038
 - Option of 2 additional 5-year terms at the City's sole discretion.
- Lessee responsible for all management, operations and maintenance of the golf courses.
- City is no longer financially responsible for management, operations and maintenance and receives quarterly rent payments based on the financial performance of the golf courses.



Operational and Financial Results



Los Lagos

	2022-2023	2023-2024
Rounds	60,778	64,407
Revenue	\$4,254,578	\$4,552,576



Rancho del Pueblo

	2022-2023	2023-2024
Rounds	37,367	39,630
Revenue	\$1,006,634	\$1,123,342



San José Municipal

	2022-2023	2023-2024
Rounds	81,789	83,147
Revenue	\$6,160,666	\$6,529,829

Total rent paid to City for 2023-2024: \$916,129

Capital Investment and Improvement

- Lessee took over daily maintenance expenses and must invest \$2 million of its own funds for capital improvement projects.
- In 2023, the lessee spent a total of \$104,063 on repairs.
- For 2024, the lessee proposed to spend \$2.35 million on capital improvement and maintenance projects.



Community Use and Access

- Under the lease agreement, the lessee must increase public access to the golf facilities by all community members with a focus on equity and inclusion.
 - First Tee programming
 - Non-golf related activities
 - First Green events
 - Scholarship opportunity
 - San José Turfgrass initiative

Community Events Summary (4/1/23 – 3/31/24)

Site	Events	Participants
Los Lagos	18	1,935
Rancho Del Pueblo	24	3,599
San José Municipal	17	450
Total	59	5,984

Environmental Stewardship

- Climate Smart San José
 - Reduce air pollution
 - Use of recycled water
 - Improve quality of life
- Environmentally sustainable maintenance practices
 - Sensitive to habitats and the riparian corridors
- Certified Audubon Cooperative Sanctuary at Los Lagos and Rancho del Pueblo
 - Planning to apply for certification for San José Municipal





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