


CITY OF LOS ANGELES
Department of Recreation and Parks

July 10, 2002

TO: BOARD OF RECREATION AND PARK COMMISSIONERS

FROM: MANUEL MOLLINEDO, General Manager
Department of Recreation and Parks 

SUBJECT: ENCINO-BALBOA GOLF PROFESSIONAL CONCESSIONAIRE – READY GOLF STATUS REPORT

At the request of Commissioner Specht, staff has prepared a status report on the Encino/Balboa Golf concessionaire. This report provides the Board with an evaluation of the concessionaire's performance as outlined in his contract. Staff has also provided the Board with written and telephoned complaints regarding the concessionaire.

Contract Facts:

Effective date: February 17, 2001

Term: 30 day revocable permit which can be revoked by either party by giving a 30 day written notice. In no case, per the City Charter, shall the term of this permit exceed beyond February 16, 2004.

Rent: 30% on the Driving Range
5% on the Pro Shop, Lessons & Club Rentals

Gross 3/01 thru 2/02	\$1,574,697.04
Rent 3/01 thru 2/02	\$ 257,110.12

Performance Bond: \$41,931.00 C. D. has been posted.

Insurance: Current and up to date.

Capital Improvements: Ready Golf has completed the thirteen capital improvements that were required (see attached).

Utilities: \$2000 monthly flat rate is paid with the rent.

Performance:

Ready Golf has been timely with rental payments and is current with its insurance and bond requirements.

In response to the Department's request for an interim operator, Ready Golf provided the Department with two options in a proposal letter dated January 26, 2001. Ready Golf would pay the Department 37% on the range and 7% on the pro shop, lessons, & club rentals **OR** they would pay 30 % on the range, 5% on the pro shop, lessons, & club rentals, and perform 13 capital improvement projects within 30 days of the execution of the permit. The Department opted for the capital improvements option. Ready Golf completed the proposed improvements, with the last improvement, the expansion of the tee line on the driving range, in February 2002.

Monthly inspections are conducted by our course managers to ensure performance compliance. To date, each report states that the concessionaire has performed at an acceptable to excellent level. The areas in which the concessionaire is evaluated include merchandise quality, merchandise quantity, hours of operation, customer service, cleanliness of the range and pro shop, safety, range ball and mat condition. The pro shop is presented very professionally and the staff are cordial and helpful. A PGA professional is available for lessons as well as other qualified staff. The concessionaire has also offered golf lessons and playing opportunities for youth.

Currently, Ready Golf has an employee complaint pending regarding compliance with the Living Wage Ordinance. The complaint involves the carry-over provisions of the compensated time off sections of the ordinance. The Department received notification of this complaint from the CAO on June 7, 2002.

The Golf Division has received 2 written complaints regarding the concessionaire's abrupt manner. One complaint was received from a member of the women's club and the other from a long standing member of the men's club.

Two telephone complaints have been received regarding the publicizing of a youth golf program.

This report prepared by Tom Petrique, Management Analyst II, Golf Division.