



DEPARTMENT OF PARKS AND RECREATION

CITY HALL

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**SUPPLEMENTAL STAFF REPORT**

**Agenda Item No. 7A**

**MEETING DATE: January 6, 2011**

**SUBJECT**

Impact of Stevens Creek Corridor Trail Phase 2, Option 4A on the Blackberry Farm Golf Course.

**BACKGROUND**

The options presented by City Architect Terry Greene in his November 29 report to Cupertino City Council included a creek restoration option, Option 4A, that encroaches by 35 feet into the ninth fairway. This encroachment enables the creek restoration to be completed without taking out orange trees in Stockmeir. Option 3 is the trail only and is the project in the current five-year CIP. As indicated in Terry Greene's report, the unanticipated award of \$1.2 million from the State of California enables a possible creek restoration project.

Option 4A will negatively impact Blackberry Farm Golf Course in a number of ways. First, the course will be closed for an estimated four months for the creek restoration part of the project. Second, the ninth fairway is 70 feet wide so a 35 foot encroachment will eliminate one-half of the existing fairway. This would force a golf course redesign and additional closing of the course to implement any redesign.

**ANALYSIS**

The fiscal impact of a creek restoration project encroaching on the Blackberry Farm Golf Course involves revenues, expenditures, and net profit. In Fiscal Year 2009-2010, the Blackberry Farm Golf Course operating revenues were \$568,770. The expenditures were \$457,169 for a net profit of \$111,601. The golf course is on target for a similar net for Fiscal Year 2010-2011. Creek restoration construction is anticipated to take four months and given the environmental constraints construction mostly likely would be begin July and conclude at the end of October. Based on a four year average of revenues over these four months the anticipated revenue lost would be \$224,000. If the project continued another two months there would be an additional \$77,000 in lost revenue.

On the expenditure side the golf course maintenance contract would continue at a cost of \$16,265 per month. A four-month closure would cost \$65,060 and an additional two-month closure would

cost an additional \$32,530. The total maintenance cost would be \$97,590. The cost of the full-time manager of the golf course would also be covered.

The total fiscal impact for a four-month construction closure would be \$289,060. If the project slides to six months, the total cost would be \$398,590, not including staff cost.

A redesigned and reconstructed golf course will require closure to complete the project. Staff is uncertain as to how long such a project would take, but it would mean additional impact on revenues and expenditures. All of these costs are one-time only costs.

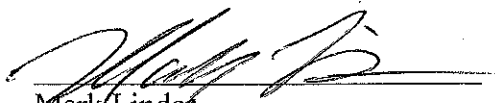
According to the City Architect, Terry Greene, the cost of any redesign and construction is incorporated into the \$3.5 million cost of Option 4A.

Beyond the one-time costs are the intangible unknowns. If Blackberry Farm Golf Course is closed for an extended period of time, the current players may well find alternative facilities and many may not return. Many golfers also are familiar with the current course and enjoy playing it as it is. If Council decides to proceed with an alternative to requires a golf course redesign, staff urges that the golfing community be included in the process.

#### **RECOMMENDATION**

Staff recommends that the Parks and Recreation Commission endorse an alternative that does not negatively impact Blackberry Farm Golf Course.

SUBMITTED BY:

  
Mark Linder  
Director, Parks and Recreation