



17 December 2015

Tom Goode  
Director  
JBA  
L7, 77 Berry Street  
NORTH SYDNEY NSW 2060

Attention: Tom Goode

Dear Tom

**BAYVIEW GOLF CLUB - IMPACT OF MASTER PLAN  
CABAGE TREE ROAD**

Further to your request to comment on the financial and other implications of the Bayview Golf Course Master Plan, please find following.

The Club has been in existence since 1929 as a community resource for the enjoyment of the game of golf and the amenity of the club house for weddings, parties and anything. In [2007] the then Club Board of Directors embarked on the construction of a new clubhouse. The decision to divert the Club's resources to a new clubhouse was a strategic mistake and indeed, as it unfolded, a mis-managed project. The Club sees the foregoing as a one-off error but is left with the aftermath, a fragile financial position. While the Club is trading cashflow positive it is not in a financially resilient condition and as such has embarked on a long term plan to re-invigorate itself. That plan includes the sale of land to a synergistic developer, Waterbrook.

As the reader will be aware, the first application for a Site Compatibility Certificate was denied by the Department of Planning in January 2015. With the benefit of hindsight, the Club now sees this as having been of great service. It forced an entire re-think of the Waterbrook project from both Waterbrook's and the Club's perspective. The project moved from a myopic impact of the development only to looking for a whole of golf course environmentally sustainable outcome. That outcome includes flood mitigation.

The Club estimates that the flood mitigation works implicit in the re-submission will allow the golf course to remain open for play for an additional 20 days per year. This has a direct benefit in additional revenue and maintenance that we estimate is worth approximately \$54,000 in revenue and c. \$40,000 - \$50,000 in lower maintenance costs. So around \$100,000 per year. This is calculated as per the following:

- Green Fees and Competition levy / fees c. \$1,200 per day
- Cart Hire c. \$500 per day
- F&B c. \$1,000 per day

This results in lost fees of around \$2,700 per wet day, spread over c. 20 days per year. [\$54,000 p.a.]

However, this is not the major benefit.

While the Club focused resources on a new clubhouse in [2007] other golf clubs focused on improving their golf courses notably; Long Reef, Mona Vale, Cromer, Monash, Elanora and Terrey Hills. All the 18 hole courses in Bayview's immediate area. It will be self-evident to the reader that people go to golf clubs primarily to play golf. Arguably, Bayview Golf Club has the best clubhouse but so what? Potential golfers choose the quality of the golf course first and the amenity of the clubhouse a distant second when choosing where to play or where to join.




The sale of land to Waterbrook gives Bayview the opportunity to invest the resources that should have been invested circa 2007 to renovate its course including 18 new greens and tees. The whole of golf course environmental works that underpin the re-submission for the Site Compatibility Certificate mitigates flooding of the fairways. The two projects together, both funded by the Waterbrook development, provide a compelling offer to prospective golfers. In this way, Bayview Golf Club expects to be able to source new members and improve member retention. Indeed, the synergy of the Waterbrook development includes Waterbrook Bayview's residents who will provide additional prospective Club members. We estimate that the confluence of these factors will provide a minimum additional \$400,000 in revenue.

With \$400,000 of additional member revenue plus \$100,000 in wet weather revenue/savings Bayview Golf Club will be financially resilient.

Should you have any queries about this matter, please do not hesitate to contact me on or [gm@bayviewgolfclub.om.au](mailto:gm@bayviewgolfclub.om.au)

Yours faithfully



David Stone  
General Manager  
Bayview Golf Club



**BAYVIEW**  
GOLF CLUB