

2011

544 MULBERRY STREET
MACON, GEORGIA 31201
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1921

GLENCOE GOLF CLUB
BALLROOM FEASIBILITY
STUDY

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I. INTRODUCTION AND SCOPE OF STUDY

PCA was engaged by Partners & Sirny, golf clubhouse architects, on behalf of the Village of Glencoe Clubhouse Task Force to:

- Gather and analyze relevant economic and demographic data regarding the market area to determine whether the overall economic environment in the market area appears suitable for development of a meeting/banquet facility for a new golf clubhouse.
- Analyze food & beverage demand for daily golf clubhouse use.
- Perform Primary Research which includes interviews with key demand generators in each sub market:
- Inspect and evaluate competition in the market, represented by hotels, other clubs and other venues identified by the demand generators.
- Prepare estimates of future growth and demand and supply of golf club dining/meeting/banquet facilities.
- Make recommendations as to the size and components of the proposed facility.
- Project likely financial results for the first five-year period of operation.

Additional guidance was provided by Village officials Joe Keefe, Larry Levin, and Arnold Levy and Glencoe Golf Course General Manager Stella Nanos:

- ✓ Analysis of a variety of options.
- ✓ What is the right thing to do?
- ✓ How do we (Glencoe Golf Club) fit in the marketplace?
- ✓ How will a banquet facility fit into the golf operation?
- ✓ What will it take to handle food and beverage for golf course only without a ballroom? How to service normal operations?
- ✓ How to service additional activities?
- ✓ Would like to have a golf course competition analysis.

The Scope of this Study is to define options, suggest facility capacities and investigate the local market to determine whether or not there is sufficient demand to justify the additional costs to include a banquet/private function space in the new clubhouse. It provides data to assist the Village/Glencoe Golf Club in answering the question: *“Does the Village/Glencoe Golf Course want to expand the (1) current successful operating model of individual rounds play as its primary target into an expanded model accommodating (2) larger golf outings or (3) larger golf outings plus additional special events?”*

To obtain the most value this report should be read in its entirety.

II. METHODOLOGY

The study was performed from September 19, 2011 through November 10, 2011. Research consisted of:

- Interviews with Glencoe Golf Club GM and Village Officials (See **Exhibit A** to this report)
- Personal or telephone interviews with event suppliers in the community; (See **Exhibit B** to this report)
- Personal or telephone interviews with businesses, Chamber of Commerce and Village officials.
- Site visits to special event venues and other golf and country clubs.
- Interviews with staff of competitive entities; and
- Demographic, economic and golf data research.

III. MARKET POTENTIAL

Following in this study are definitions of options for the Village/Glencoe Golf Club to consider in the design of a new golf clubhouse. It is the opinion of PCA that adequate current and future market demand exists for each option to be successful. However, realizing the projected results for a new special events facility of any size within the new clubhouse will require an aggressive marketing process to take market share from existing venues competing for the same business. Evidence of this demand is presented below in **Exhibit E**: “Special Event Income Projection/Payback”.

II. DECISION PATHS

The Task Force must answer the following questions to determine whether or not, and to what magnitude, the new clubhouse should contain a ballroom component:

Does the Village/Glencoe Golf Course want to expand the (1) current successful operating model of individual rounds play as its primary target into an expanded model accommodating (2) larger golf outings or (3) larger golf outings plus additional special events? If so, how will it market and operate the expanded facilities?

FACILITY OPTIONS:

1. Continue current model – improve golfer experience through enhanced facilities including lockers, showers, dining facilities for individual golf play only & smaller outings: 16-64 golfers. Food and Beverage facilities with 40 – 64 seats.
2. Expand to accommodate large golf outings: capacity of 175: 144 golfers plus guests.

3. Expand to accommodate large golf outings plus additional special events: 300 + dance floor capacity.

CONSIDERATIONS for each Option

OPTION 1 – Continue current model with upgraded facility:

- ✓ Maximize efficient space utilization
- ✓ Maximize operational efficiencies
- ✓ Storage
- ✓ Parking
- ✓ Dining Views
- ✓ Golf Turn and “After Golf” dining – 40 seat capacity

OPTION 2 - Expand to accommodate large golf outings: 175 capacity (144 golfers plus guests).

- ✓ How does this fit with current “brand” of *Individual Golf Play*?
- ✓ What competition is available at 175/200/250 seats?
- ✓ What would be your distinctive characteristic that would make GGC a market leader? Would GGC be a differentiator or low cost provider?
- ✓ “Make” or “Buy” decision required. Does GGC want to market and operate an increased capacity special events facility.

OPTION 3- Expand to accommodate large golf outings plus additional special events: 300 + dance floor capacity.

- ✓ How does this fit with current “brand” of *Individual Golf Play*?
- ✓ What competition is available at 300 seats?
- ✓ What additional physical features are required to assure success?
- ✓ What would be your distinctive characteristic that would make GGC a market leader? Would GGC be a differentiator or low cost provider?

Exhibit C provided by Partners & Sirny architects entitled “GLENCOE GOLF CLUB – “Banquet Facility Program Data Sheet” shows the increased cost (in addition to the basic golf clubhouse) of adding a ballroom/special events facility at 175, 250 & 300 seats including all peripheral hard costs.

III. REQUIRED DECISIONS of Village & Club Management

- A. What is the “Brand” of Glencoe Golf Club? Does the Village/Glencoe Golf Club want to expand from the “Individual Golf Round” upper end municipal golf club brand it currently espouses to an expanded golf outing & other special events brand? Would it be a “differentiator” or “low cost provider”?
- B. Does the Village/Glencoe Golf Course want to establish the marketing and sales mechanism required to assure success of an expanded clubhouse facility?
- C. Does the Village/Glencoe Golf Course want to outsource the food/beverage/catering operation, or bring the f/b/c management and execution “in house”?

IV. ECONOMICS/DEMOGRAPHICS

The Village of Glencoe is an affluent community, surrounded by other affluent communities. It is rated 6th in CNN Money’s “Top Earning Towns”. Relevant market data includes:

Glencoe Household Income:	\$187,043
10 Mile Radius Household Income:	\$76,136
10 Mile Radius Population	657,438
Glencoe Population	8,800
Glencoe Median home price:	\$1,148,241

As of the date of this report, projections for the US and regional economic growth change almost daily and most likely will continue to do so prior to the 2012 national elections. Specific Glencoe Economic statistics are included in **Exhibit D** to this report.

Planning for the clubhouse must anticipate 50+ years of use and, as much as possible, anticipate community golf clubhouse needs and wants in the future. Demand for social events subsides with poor economic conditions but is always present. The number of weddings in general fluctuates very little with economic changes; however the number of guests and expenditure per guest varies directly with overall economic health. Corporate entertaining, meetings and training vary directly, as well.

V. Market Analysis: Banquet – Private Event Demand

Interviews were conducted with suppliers to the wedding and social event trade including florists, photographers, bridal shops, formal gown retailers, meeting planners, industry consultants, business managers, and staff of venues identified as competition for private parties/banquets/weddings and golf. Our consultants visited twelve facilities identified as possible competition or examples of successful special event facilities. Based on this research and our experience we have estimated gross revenues and potential net proceeds in **Exhibit E** to this report titled “Special Event Income Projection/Payback”. Additionally we have calculated projections at degraded levels of both 75% and 50% of the primary estimates. Demand generators are specified and are not all inclusive. Each year as the economy recovers the facility could approach its maximum capacity and realize improved results – and the opposite could occur. Most facilities and managers interviewed indicated that 2011 is ahead of 2010 in demand.

Realization of these identified revenue numbers is contingent upon:

- Taking market share from other venues through having a unique and appealing physical facility. (See **Exhibit F**) “Architect’s Considerations”
- Having a spectacular outdoor venue for ceremony and reception. (*We recommend members of the Task Force visit the Bridges at Poplar Creek*)
- Developing a positive reputation for quality events – food, service, décor, marketing materials and billing. It must be “just like downtown”.
- The Service must set the standard for hospitality cultures. Individuals we interviewed who expressed hesitation in recommending building a ballroom in the propose clubhouse were associated with venues that had poor communication processes- did not or took extensive time to return telephone calls and had no methodical marketing processes.
- Ensuring a high “Pricing to Perceived Value” relationship.
- Implementing an aggressive catering sales and marketing action plan
- Establishing marketing and catering sales processes that are proactive, friendly, caring, convenient, responsive and hassle-free.
- Incorporating “yield” management; taking advantage of the design of the facility.
- Establishing relationships with proximate hotels.
- Planning for professional flow control – parking, elevator, pre function spaces, beverage service, food service, butler service, delivery, storage and exit.
- Use IACC (International Association of Conference Centers) certification guidelines as a checklist for design, to assure most prominent place in the market and to attract outside retreats and conferences.

VI. Market Analysis: Banquet – Private Event Supply

The following are comments from special event venues visited by our consultant:

Women's Library Club - Glencoe- 50 - 110

Caterer required? Yes
Room Rental fee \$300 - 500
Business trend Demand is for 150 and up; receive calls for 250 - 300
Remarks:
- No onsite personnel
- Built in stage
- Old, tired
- Poor acoustics – all hard surfaces
- Downtown – central location

- **Danada House - DuPage Forest Preserve**

Seating Capacity 250
Caterer required? Yes
Room Rental fee \$3,200
Food/Beverage Average \$100@
Business trend Does 150 – 200 Weddings per year; turns away same number. 2011 is better than 2010.

- **Poplar Creek Country Club**

Seating Capacity 250 & 100
Caterer required? No
Room Rental fee \$1750
Business trend Very busy; 44 so far in 2011 (mid Sept) compared to 9 in 2011 – difference due to new outdoor facility. Booked every 2012 Saturday from May through November.
Remarks:
- Spectacular outdoor venue –with indoor capacity for inclement weather.
- Impressive marketing piece.

- **Green Acres Country Club**

Seating Capacity 280 – but is in 2 rooms and a tent.
Caterer required? No
Food Beverage \$100 @ minimum Remarks: - “Glencoe people may not want to go to municipal facility
Does 14 Bar Mitzvah's per year – discourages them.

- **Sportsman's Country Club**

Seating Capacity 100 – uses tents
Caterer required? Yes – Open Kitchen
Room Rental fee \$500
Remarks: -Dark & Dreary

- **Highland Park CC**

Caterer required? No – in house f & b
Room Rental fee none-
Business trend 30 – 35 weddings per year; 45-50 bar mitzvah's per year
Remarks: -looks like a municipal building – no sense of arrival
- mentioned most frequently competition to Glencoe Golf Club

- Independence Grove**
 Seating Capacity 250
 Caterer required? Managed by Michael's Catering
 Room Rental fee \$6,000 f/b minimum
 Business trend down since 2007; coming back; companies beginning to spend again; all 2012 Saturdays from May-October have been booked since July 2011.
 Remarks:
 - Beautiful grounds and setting
 - Very well managed
 - Build it to handle 400 & divisible by 2 (2 rooms @ 200)
 -GGC should have abundant business
- **Royal Melbourne CC**
 Seating Capacity 240 with dance floor
 Caterer required? In house – private member only club
 Room Rental fee 60-100 per son
 Business trend 24-26 large events each year. Turns away same number; many for cost.
 Remarks:
 - Glencoe Golf Club may be competing against high end clubs
 - **Chicago Botanic Garden**
 Seating Capacity 260
 Caterer required? Yes
 Room Rental fee 3,000 - avg. cost \$160 per person
 Business trend 2011 is same as 2010 – better than 2009; Does 22 weddings per year
 Remarks:
 - Very attractive
 -Poor marketing, if any. It was difficult to get through to anyone by telephone.
 - Most turnaways are due to cost.
 - Doesn't see the market turning up, but people are still getting married
 - **Pinstripes**
 Seating Capacity 300 – can be divided in 1/3rds
 Caterer required? In house f & b
 Room Rental fee avg. price: \$15 lunch; \$40 dinner
 Business trend 2200 total events in 2011; 80 -100 large events (weddings/bar mitzvahs) each year
 Remarks:
 -Turnaways are sent to other Pinstripes
 -Competition is from hotels, clubs
 - **Wilmette Golf Club**
 Seating Capacity 144 (golf outings only from April – Nov) Non golf max=50.
 Caterer required: Open Kitchen
 Room Rental fee avg. price: \$15 lunch; \$40 dinner
 Business trend 2011 is better than 2010- more larger events. December is full.
 Remarks:
 -Turnaways are sent to other Open Kitchen venues
 -Abundant business in this area: schools, charities, fundraisers, political events, Glencoe has high bar mitzvah demand. There is definitely a need for a larger facility.

- **Takiff Center**

Seating Capacity	100 seated; 250 standing
Caterer required?	Yes
Room Rental fee	900
Business trend	less than 10 large events in any year; fair degree of turnaways due to limited size of facility.
Remarks:	<ul style="list-style-type: none"> - Will never be in wedding business - Poor communications – very slow to return calls, if at all. - Sees fair amount of competition from hotels. “Market may be saturated.” - North Shore market has wherewithal to go downtown. - Holding kitchen only

VII. Recommendations – facility

PCA cannot make a recommendation until or unless the Glencoe Golf Club determines the brand it wishes to carry forward. There is adequate demand now and forecast to remain a “golf only” facility. The new clubhouse should have food/beverage facilities for the “turn” function and the “after golf” demand and should seat forty (40) patrons plus a bar. There is also more than adequate demand for a ballroom/special events facility that should seat a minimum of 250 plus a dance floor, pre function space, storage and an adequate kitchen – as detailed in **Exhibit D: Banquet Facility Program Data Sheet**. Having the minimum 175 seats would allow only golf outings and some other events; however the market is looking for at least 250 seats.

Exhibit E: Special Event Income Projection/Payback calculates the payback period in years for the additional costs of adding each of three ballroom/banquet facility options. In addition the chart contains factors for achieving less than the calculated results - of degradation of both 75% and 50%. Payback periods range from 8.14 years to 19.05 years. The worst case scenario for adding a 250 seat facility would occur at 50% of the already conservative calculation of sales resulting in a 16 year payback period.

These calculations are for ballroom/banquet sales only and are based upon GGC managing the food & beverage operation. Outsourcing the operation to Open Kitchens, Michael’s or an equivalent caterer/operator requires a new calculation.

The new Clubhouse components should include:

- ✓ Commanding “Sense of Arrival”: attractive landscaping; covered entrance
- ✓ Ballroom with capacity of 250
- ✓ 250 capacity should include dance floor, space for a band and buffet tables
- ✓ Capacity space calculated utilizing round tables of 10
- ✓ Ballroom configured with flex space
- ✓ Outside wedding/party venue
- ✓ Pre-function space (for cocktails, gathering, etc.)

- ✓ Dramatic views, preferably with golf course and water, for photographs, with blackout capability for meetings and conferences
- ✓ Exceptional technology, AV equipment on site and good sound system & acoustics
- ✓ Adequate parking for events and golf simultaneously
- ✓ Coat check
- ✓ Valet parking
- ✓ Adequate storage for tables, chairs, equipment
- ✓ Upgrade Restrooms
- ✓ Bride's Room, or area for changing
- ✓ Professional kitchen with hotel grade equipment
- ✓ At least one private room for commonly-requested groups up to 25.

VI Disclaimer

Information in this report and used in the development of projections has been taken from historical records, published data, and other sources which we regard as reputable; however, we cannot assume responsibility for the accuracy of such material. Moreover, since projections of future events are subject to many uncertainties, we cannot represent these statements to be accurate presentation of the results which may actually occur. The accompanying report and projections are based upon assumptions of future events, which in turn are based on present circumstances and information currently available. The projections may be affected favorably or unfavorably by many factors such as revenues, costs, employee relations, taxes, governmental controls, and general economic conditions, among others, and accordingly, there is no assurance that the projections will be achieved

VIII. Use of our report

It is expected that our report may be used to assist in obtaining community support and financing for the project. We will have no objection to such use of our report so long as it or any reference to Private Club Associates conforms to the following stipulations:

The report text, with exhibits, is included in its entirety in any such presentation.

All printed material, other information taken from our report and any statement as to its meaning and purpose transmitted to other parties which refers in any way to our engagement or to our firm, is approved by us before using it in such manner.

EXHIBIT A

Interviews with Village Officials

September 22, 2011

Joe Keefe- Village Board Member, Chairman of the Golf Advisory Committee

- Traffic: Green Bay Road – 30,000 cars per month
- Golf: 16% Village residents; 84% from outside Village
- Club is owned by Village & Forest Preserve – on donated land; must always be a golf course.
- Glencoe – upscale
- Club has parking and land
- Political issues
 - ✓ How to pay for the new clubhouse. Bond issue?
 - ✓ Site selection: 3 choices: Green Bay Road(political issue); current site; 18th Green
- Competition?
 - ✓ Wilmette
 - ✓ Highland Park CC
- Mission
 - ✓ Need to give Stella options

September 23, 2011

Larry Levin - Village Board Member, Clubhouse Task Force Chairman

- Mission
 - ✓ Analysis of a variety of options
 - ✓ What is the right thing to do?
 - ✓ What can we get the money to do?
- Competition
 - ✓ How do we fit in the marketplace?
 - ✓ How will it fit into the golf operation?
- Considerations
 - ✓ What will it take to handle the golf course itself?
 - Both perfect and less than perfect options
 - ✓ How to service normal operations?
 - ✓ How to service additional activities?
- Takiff Center issues
- “What If?” program

- Use “as is” revenues.
- Is there a need for a second visit?

September 28, 2011

Arnold Levy- Member, Clubhouse Task Force former Chairman, Golf Advisory Committee)

- Seeking to obtain clarity as to our options & costs for those options – looking for gradations in each option
- Need to avoid what is not politically achievable.
- Give us PCA’s professional judgment in answering our questions.
- Comprehensive set of responses to what we asked.
- Weddings- not much of an opportunity here
- Key question – how to pay for it? Private investment? Bond referendum – general obligation bonds? Becomes obligation of residents.
- Do we need a banquet hall greater in scope than what is needed to handle larger golf groups?
- Would need a compelling support for conclusion that we need a ballroom bigger than 144. What are the incremental costs & incremental opportunities?
- Assumptions must be reasonable.

Ballroom Feasibility Study – Discussions with General Manager

Tuesday September 20, 2011

Stella Nanos - GM- Glencoe Golf Club

- Please start a turnaway log
- Marketing Efforts – seniors/juniors
- Outings – not many – due to higher profit from individual rounds
 - \$7,500 shotgun minimum – or \$75 per player whichever is greater
 - Shoulder season only
- Best conditioned course- confirmed excellent condition & improvements with course tour – 9 holes.
- Would like information on competition
- 30-33000 rounds – down a little; not sure of split between tournament and other
- 6500 names on email roster- could do a survey

- Competition: Wilmette GC, Chevy Chase, Highland Park, Winnetka, Sportsman CC, Deerfield.
- GGC does no weddings now
- Food operations is leased to a caterer – 3 non golf events
- Board is open to anything; doesn't want outings to restrict individual round play.
- Marketing: seniors, Local papers: seniors; CDGA- Lemont, IL Call to Action; Handicap w/banner ads; Link, Face book & website; Golf Chicago magazine; email blasts.

Wednesday October 19, 2011

- Challenge — Getting consensus.
- Has not pursued outing business. Directed to avoid perception of "outing" club; priced higher than others & product is not right (Clubhouse: dining/showers).
- Outing sponsors are looking for a deal.
- Has small outings: \$75.00 per person Friday, Saturday, Sunday/\$65.00 Mon-Thurs.
- Could do 8 more outings/yr – if product was better (new clubhouse).

Email October 17, 2011

- Additional demand generator –high school sports banquets – 200 – 250 participants.

Email October 25, 2011

- Golf Rounds: 16% from village; 84% outside.
- Charges for outings: – Ranges from rack rate to \$75.00 per person, does not include food.
- Golf Outing business has not been solicited.
- Guidance from Village has been:
 - Do not displace day to day golfer with outings.
 - Do not want GGC to be turned into an outing course.

EXHIBIT B

Clubhouse Feasibility Study – Interviews & Site Visits

Wednesday, September 21, 2011

Rachelle Anne – Photographer

- Where do people go?
 - Glencoe Community Room (Takiff Center) – Glencoe Park District- renovated 2 years ago.
 - Chicago Botanic Gardens – Lake Cook Road –lots of big weddings
 - Northmoor CC (smaller)
 - Skokie CC – 2 rooms; poor design.
 - Lake Shore CC (Jewish)
 - Green Acres CC
 - Winnetka Community House – (Green Bay & Pines) - advertises for weddings; Catering by Design; redone 7 years ago.
- Physical Needs
 - View – large windows
 - High Ceiling
 - Atmosphere
 - Angles – not just square walls
 - Soft, elegant
 - Separate bar area/pre function space
 - Dressing/Changing Room
 - Ability to section off spaces for smaller events
- Demand is staying the same year after year
- Need meeting space for smaller groups – 8 (for photography class) - not much available to “for profit” entities.
- High demand for Bar/Bat Mitzvah’s – (daughter went to 30 last year/neighbor invited to 55)
- Other opportunities
 - Newcomers
 - Newcomers & neighbors
 - School fundraising
 - Glencoe Education Foundation
 - 8th Grade graduations

Sally Sprowl: Executive Director Glencoe Chamber of Commerce:

- Chamber hosts annual meeting of 75-85 in late October – would have it at the Golf Course. Everything is donated so chamber wouldn’t be able to pay rental fee or food. Provides exposure.

- Chamber sponsors Business After Hours events – for smaller groups
- Gets occasional calls for North Shore wedding venues
- Where do people go?
 - Women's Library Club
 - Michigan Shores Club – Wilmette
 - Winnetka Club
 - Highland Park CC
 - Takiff Center – Glencoe Park District (new facility)

Lucy Hayes: Women's Library Club

- Main Room Seats 90-110 charge: \$500 on Weekends
- Sun Room Seats 50 – 60 charge: \$300 & has patio
- Requires caterer.

"We don't do many events as requests are all for 150 and up- used to be able to accommodate larger groups before Writers Theatre took over that part of building. We receive lots of calls for groups of 250-300.

Brooke Lawler: The Flower Shop

- 2011 having fewer weddings than previous years – average 10 per year
- Range from 50 – 350 (4 – 5 are 350)

Victor Hlavac: Florist Winnetka

- Weddings range from 25 – 300
- Many go downtown

Rev. Phil Landers: "I Do" Weddings, Ltd.

- Full time wedding minister
- 140 weddings per year
- Gets requests for location recommendations
- 200-250 guests ;
- Physical Needs
 - Ability to divide room- must use good quality air walls (keep sound from traveling)
 - Outside wedding place with shade (visit)
 - Keep minister from having to look into the sun; no one looking into sun – prevent squinting in pictures.
 - Permanent/excellent sound system (DJ can connect into it)
 - Have to have an inside option
 - Need a Porte cohere or some kind of overhang at entrance.
- Where do people go?
 - Poplar Creek Golf Club in Hoffman Estates: indoor & outdoor spaces; super "Gazebo" with 40 – 50 capacity; attractive surroundings; direct access to parking.

- Denada House – Wheaton (DuPage Forest Preserve): floor to ceiling windows, good views; Booked Feb – November – every Friday and Saturday through 2012; expensive;
- Hyatt Lodge in Oakbrook on McDonald's Campus: floor to ceiling windows –as pretty in winter as in summer – trees are backlit.

Jill Ludvigson: Danada House- DuPage Forest Preserve (G. Macht)

- Capacity 250 – limited to 300 by parking?
- Uses outside caterers
- \$3200 facility rental fee
- Average \$100 per person food/beverage charge
- 150 - 200 weddings per year; 2011 is better than 2010
- Range 75 – 250 per wedding; majority closer to 250.
- Turnaways – same as number booked – around 175
- There are no unique spaces in the Glencoe area- be sure it doesn't look like a hotel.
- Lots of hotel competition.

Brian Bechtold GM/Head Golf Professional, Bridges of Poplar Creek Country Club – Hoffman Estates Park District

- Outings – 60 – 65 per year; range 16 to 144 golfers \$50 – 65 including cart
- Weddings
 - 9 in 2010
 - 44 so far in 2011 (difference was outside site for wedding & reception - see photos.
 - Already booked every Saturday from middle of May through November 2012
 - Range 175 – 200; some requests for 365.
- Grill & Bar – seats 60
- 2 kitchens
- 2 inside banquet rooms - floor to ceiling windows
 - Upstairs capacity 250
 - Downstairs capacity 100
- Outside Pavilion – very impressive – capacity 250
- F/B Self Managed

Jeff Plain General Manager – Green Acres Country Club

- 14 Bar Mitzvahs/year
- Glencoe people are upscale/ - may not want to go to municipal facility for Bar Mitzvahs or weddings
- GACC is too small; demand is for 250 – 275. Those groups go to Standard Club or Highland Park CC.
- If you build a facility it needs to seat 300 plus a pre-function space
- GACC can do 280 in 2 rooms and a tent.
- \$100 pp minimum f/b

Thursday September 19, 2011

Sportsman's Country Club – Northbrook

- No Banquet Facility – uses a tent for large group outings
- Can seat 100 for smaller groups
- Was hosting NSSRF Swing Golf Outing – with tent
- Dark & Dreary – some painting underway
- Maintenance bldg is in need of repair.
- Old & tired
- F/B by “Open Kitchens”

Chestnut Florist – Winnetka

- 3 weddings per month in season
- Range 300 – 500 per wedding
- Same # as last year

Susan - Edwards Florist

- Mostly 250
- Brides in 2011 leaned toward downtown hotels – Ritz, Drake, Four Seasons
- 25 weddings so far this year

Doris Wedding Dresses

- 2011 100+ dresses sold 2010 90 dresses sold
- If it is nicely done, they will go to the Glencoe Club
- Range: 150 – 300: average size is 300

Kristen Kwasniewski Highland Park Country Club

- Old Building- looks like police station-very “pedestrian”.
- Okay décor – had a fireplace
- Owned by city of Highland Park
- Allison-receptionist – also works for Mazel Scheduling as chaperone. Do 2 -3 Bar/Bat Mitzvahs per weekend – all over North Shore & downtown.
- HPCC – does 45-50 Bar/Bat Mitzvahs per year
- HPCC – does 30 – 35 weddings per year – size: 250 – 300
- Max seating 350; 400 cocktails- room can be divided.
- Small outdoor patio – (had a tent up this day)
- Looks at Glencoe as competition (“don’t take our business.”)

September 28, 2011

Kathy Blez – Mazel Scheduling Services (provides chaperones for Bar/Bat Mitzvahs)

- Not many events during school breaks or holiday weekends
- On a given week – services 5 – 12 events. Had 12 -13 events last weekend.
- 2008, 2009, 2010 were slower; 2011 is picking up.
- Range 50 – 100 kids + friends, family & kids that went through the religious education process with guest of honor.
- Country Clubs limit the number of bar/bat mitzvahs
- Need a separate, distinct area; kids wander in hallways.
- Requires a difference, upscale environment.
- Estimate: average 10 per week for 44 weeks= 440 per year.

Wednesday October 19, 2011

Stuart Glass – Independence Grove – Libertyville

- Entire facility managed by Michael’s Catering – all facets – marketing, production, maintenance
- Weddings and Big Events coming back from recession – size & frequency; max gross 3.4 M; now in 2 millions; 2011 better than 2010.
- Big companies (Abbot Labs,) beginning to spend again for corporate events. Corporate business does not go to country clubs as much as to independents.
- 125 weekend evenings available – slow Jan- April + Weekday corporate events
- Weekend Social events (weddings/b/b mitzvahs) 100-120/year (max is 5 per weekend)

- 1 large room in the facility – not built for current purpose (disaster-contractor went bankrupt); can be divided into 4 rooms.
- Abundant business turned away for non availability
- All 2012 Saturdays from May through October have been booked since July 2011
- Capacity 250 (can squeeze 295)
- Normal range 120 – 220
- 3 attractive places to hold outside ceremony & reception – decks & garden
- Owned by Forest Preserve; Forest Preserve gets rental fees & % of gross – was 500,000 at 3.4 M gross.
- Average Sat minimum = \$25,500
- Classroom available.
- Glencoe Golf Club should have abundant business
- Would build it to 400- divisible for 2 events @ 200 simultaneously. Bulk of parties is 150 – 250. Lots of places can handle 200 – very few can take 250. Ideal would be 300 – divisible by 100/200 or 150/150.
- Must have downtown style food and service
- Last 2 Bar Mitzvahs: 245 – average is 185
- Weddings – need to have special venue
- Design: Bridal Room, Water View; Pre-function/Cocktail space; Outdoor venue
- All marketing/materials sent by email except for one small print brochure available.

Brian Carlson – Royal Melbourne Country Club – Long Grove (sent note 10/25/11)

- Private club but will accommodate sponsored non-members.
- 24- 26 large events per year (weddings/b-b mitzvahs)
- 10 – 65 in smaller room
- Capacity 240 with dance floor (Ball room)
- Range \$60 – 100 per person
- North Shore – Lake Forest to Evanston – abundant high end private clubs with 220 – 240 capacity
- Facility has to be high end
- What is the completion?
- Royal Melbourne is high end competing against lower end; Glencoe may be lower end competing against higher end. Can you succeed in that competitive set?
- Lots of business turned away: Of 100 calls per year – book 50 turn away 50: 50% -too expensive'; 50% already booked

Ellen Biebke- Chicago Botanic Garden

- Observation – was a “hostile” witness – afraid of more competition – not very helpful
- Price driven competition goes to the hotels
- 2011 volume is same as 2010 which was better than 2009
- CBG does 22 weddings per year
- Range 80 – 180 – has seen a drop in guest count last 3 years
- Capacity 260 inside; outside unlimited
- Does not do many outside weddings.
- Average cost - \$160 per person (venue rent, f/b, chairs, etc)
- Most turnaways are due to budget issues
- In this economy no one has seen the upswing.
- People are still getting married.
- Lots of facilities: see rental chart

Sandy **Montgomery** – Pinstripes (sent note 10/25/11)

- Bowling, Bocce, Bistro facility with a ball room – casual/busy
- 80 – 100 large events annually – weddings/bar bat mitzvahs
- 2200 total events per year
- Ballroom capacity 300- can be divided in thirds
- Turnaways are sent to other Pinstripes
- Competition from hotels, banquet halls & clubs

Wednesday October 26, 2010

Amy Bishop – Apple a Day Catering (sent note)

- 50 weddings per year
- Wide range – average 150
- 50 Bar/Bat Mitzvahs per year
- Average 100 attendees
- Recommend 200 seated
- Not really sure if it is needed – competition from Lake Shore CC & Skokie CC.

Thursday October 27, 2010

Vicky Ahern – Wilmette Golf Course Event Coordinator

- Food service operated by “Open Kitchens”. Open Kitchens manages food at Winnetka, Glenview, Northbrook as well as Wilmette Park Districts.
- Can seat 144- can only do golf outings from April 1 – November 1. Limited by parking – no way to have 2 events at one time. Non golf events are limited to 50 maximum.
- Golf course tries to have as many outings as possible; quite a few this year; lots of 40 or less.

- 2011 is better than 2010 –more and larger outings- lost and gained some large ones.
- Price range for food Lunch \$15 ++' Dinner \$40 ++
- December is full; cannot accept any more events. All turnaways are referred to other Open Kitchen venues.
- If I could rebuild this Clubhouse, I would add a second floor ballroom strictly for banquets, with an adequate kitchen plus add additional parking – to be able to handle golf & special events simultaneously.
- There is abundant business in this area- people are coming in constantly:
 - Schools – fraternities and sororities
 - ✓ Loyola
 - ✓ Northwestern
 - ✓ Glenbrook
 - ✓ Maine East
 - Charities
 - Weddings
 - Fundraisers
 - Political Events
- Wilmette – with DJ & dance floor can only accommodate 150. Average here is 100 – 120 but would be higher if we had a bigger facility.
- Lots of charity events. 200 capacity would be good
- Glencoe has very high bar mitzvah demand. We discourage them due to low revenue (no drinking) and lots of work. Our prices are very low.
- I wish we had a ballroom. If you build one, they will come.
- We send business to The Glen – old Navy base in Glenview – beautiful clubhouse.
- Would like to have lodging component – for golfers and wedding parties.
- There is definitely a need for a larger facility.

Steve Nagle-Director of Operations- Glencoe Park District (Takiff Center) (Site visit September 21, 2011)

- Very difficult to contact. Capacity- Community Room: 100 seated; 252 standing cocktails.
- Less than 10 large events in any calendar year;
- Fair degree of events turned away due to size – weddings, bar mitzvahs
- Average size event: 120 -130
- Charge: 4 hours: \$900 room fee. No services provided. Prep kitchen only.
- Will never be in wedding business.
- If you could re-design Takiff Center, what would you do? *Add larger room- better layout- some width & more parking.*

- Would you put a ballroom in Golf Clubhouse? *There is a fair amount of competition from hotels, private clubs and public golf courses. I don't know what the market could sustain. Market may be saturated.*
- North Shore market has wherewithal to go downtown.
- Has multiple rooms: Community Hall (100); Community Rooms 1 – 4; Board Room (12-14); Staff Room.

Site Visit Wed Sept 21, 2011

- 4 Classroom/meeting rooms
- Community Hall – max 100
- Adequate kitchen – not connected to rooms
- Board Room 12 -14
- Staff/Break room

END OF INTERVIEWS

EXHIBIT C

Banquet Facility Program Data Sheet

Glencoe Golf Club – Partners & Sirny Architects

November 10, 2011

Space Requirements:

Seating Options/SF (10 top 72" rounds)

175 seats	3,024 SF
250 seats	4,032 SF
300 seats	4,760 SF

Dance Floor 20x28 560 SF

Separate Restrooms/Brides Room 800 SF

Service Bars 300-425 SF

Pre Function Lobby

175 seats	1,000 SF
250 seats	1,200 SF
300 seats	1,500 SF

Kitchen 700 SF

Corridors 300-400 SF

Storage 500-700 SF

Total Area

175 seats	7,184 SF
250 seats	8,109 SF
300 seats	9,845 SF

Budget Requirements:

General Construction \$200/SF

175 seats	\$1,436,800
250 seats	\$1,621,800
300 seats	\$1,969,000

Furniture/Kitchen Equipment:

175 seats	\$124,000
250 seats	\$156,000
300 seats	\$164,500

AE Fees: 8.5%

175 seats	\$132,000
250 seats	\$151,000
300 seats	\$181,000

Total Budget:

175 seats	\$1,692,800
250 seats	\$1,928,800
300 seats	\$2,495,000

Exhibit D

Economy in Glencoe, Illinois

Economy	Glencoe, IL	United States
Unemployment Rate	8.90%	9.10%
Recent Job Growth	-1.02%	-0.12%
Future Job Growth	29.06%	31.25%
Sales Taxes	7.75%	6.80%
Income Taxes	3.00%	6.25%
Income per Cap.	\$81,685	\$27,067
Household Income	\$187,180	\$52,954
ESTIMATED HOUSEHOLDS BY HOUSEHOLD INCOME		
Income Less Than 15K	2.34%	12.10%
Income between 15K and 25K	2.20%	10.18%
Income between 25K and 35K	3.09%	10.56%
Income between 35K and 50K	2.48%	14.98%
Income between 50K and 75K	9.70%	19.53%
Income between 75K and 100K	9.57%	12.52%
Income between 100K and 150K	13.50%	12.14%
Income between 150K and 250K	9.74%	3.91%
Income between 250K and 500K	27.04%	3.34%
Income greater than 500K	20.35%	0.75%
POPULATION BY OCCUPATION		
Management, Business, and Financial Operations	34.18%	13.81%
Professional and Related Occupations	33.29%	22.68%
Service	4.43%	14.51%
Sales and Office	21.61%	25.22%
Farming, Fishing, and Forestry	0.03%	0.68%
Construction, Extraction, and Maintenance	2.23%	9.37%
Production, Transportation, and Material Moving	1.55%	15.86%

EXHIBIT E

SPECIAL EVENT INCOME PROJECTION/PAYBACK

This “What IF” program (Chart) identifies sources of income (demand generators) and the possible projected income from each. Additionally it shows revenues at both 75% and 50% of the initial conservative estimates.

Net Revenue is determined by subtracting Cost of Sales (consumables); Cost of Labor; and Cost of Operating Expenses from the projected income. No allocation for overhead (utilities, insurance, and debt service) is considered.

Payback in Years has been calculated using the three revenue projections (100%; 75% & 50%). Additionally an economy or dis-economy of scale factor has been incorporated showing lower results with a 175 seat facility and enhanced results with a 300 seat facility. The payback is determined by dividing the additional cost of construction of each option (175 seats, 250 seats, 300 seats) by the various Net Revenue calculations.

Special Event Income Projection @ 250 seats

Room Rental/Food/Beverage Revenue Potential/Projection/Payback

Demand Generators	Annual	Covers	Check Average	Gross Revenue	75%	50%
Golf Outings	10	144	20	28,800	21,600	14,400
Weddings	26	200	100	520,000	390,000	260,000
Bar/Bat Mitzvahs	20	100	80	160,000	120,000	80,000
Education			9			
High School Sports	6	200	25	30,000	22,500	15,000
Banquets						
College	6	100	50	30,000	22,500	15,000
Fraternities/Sororities						
8th Grade	4	100	40	16,000	12,000	8,000
Graduation Parties						
Business/Corporation		0	0		0	
- Training	52	12	45	28,080	21,060	14,040
- Celebrations	8	50	50	20,000	15,000	10,000
- Meetings	8	40	45	14,400	10,800	7,200
Family Celebrations		0	0		0	
- Birthday		0	0		0	
- Anniversary		0	0		0	
Charities-Fund	4	200	75	60,000	45,000	30,000
Raisers						
Political Events	4	200	50	40,000	30,000	22,500
TOTAL	157		\$947,280	\$710,460	\$476,140	
Cost of Goods	30.00%		284,184	213,138	159,854	
Labor	30.00%		284,184	213,138	159,854	
Operating Expenses	15.00%		142,092	106,569	79,927	
Net Before Allocation of Overhead	25.00%		\$236,820	\$177,615	\$119,035	
100.00%						
Size factor	175 seats	0.80	189,456	142,092	95,228	
250 seats	1.00		236,820	177,615	119,035	
300 seats	1.10		260,502	195,377	130,939	
Cost of Construction	Payback in years		100.00%	75.00%	50.00%	
175 seats	1,692,800		8.94	11.91	17.78	
250 seats	1,928,800		8.14	10.86	16.20	
300 seats	2,495,000		9.58	12.77	19.05	

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EXHIBIT F

Architect's Considerations

1. Large windows – floor to ceiling
2. Great views
3. High ceiling
4. Special atmosphere – unique setting – must not look like a hotel
5. Angles –not just square walls
6. Soft, elegant
7. Separate bar/pre-function space
8. Dressing, Changing, Bride's room
9. Outdoor area for ceremony and reception – same capacity as indoor space- consider facing direction so minister/priest/rabbi is not looking into the late afternoon sun.
10. Adequate parking – accommodate golfers and special events