



# CLUBHOUSE RESTORATION PROJECT FAQ'S

## ABOUT THE PROJECT'S SCOPE OF WORK

### Why a restoration – why not tear it down?

Replacing the club house would cost at least as much as restoration and would leave OTLBC with no building for at least one summer, having negative impact on revenue and membership. Demolition will be expensive and environmentally harmful. Restoration/renovation will preserve the historically significant building exterior, and solidify the club's standing in Old Ottawa South

### What does the restoration project involve?

Project includes extensive improvements to the building's structure, insulation, wiring and plumbing; restoration of some original building elements; and upgrades to the café, member - services areas and change rooms. All work completed to date was sent out to tender, and bid on by at least three contractors The building will be winterized – decreasing the need for annual repairs – and the plumbing wiring and structure upgraded.

### Will this project disrupt the tennis season?

Major work will be completed between October and May to minimize impacts on member experience and revenues. Goal is to complete project by 2023, 100th year on Cameron Ave

### When will the restoration project start?

Construction will begin once the Capital Campaign raises \$1 million of the \$2.6 million needed to complete the project. The first two phases of the project combined will cost \$1 million.

### Is winter tennis part of the project?

Once the clubhouse renovation is complete, the OTLBC will investigate the demand for winter courts.

## ABOUT THE URGENCY OF THE PROJECT

### Why do we need to restore the clubhouse?

Solid clubhouse is essential to future of the OTLBC.

Maintenance costs are extremely high: we spend \$30,000 in spring to repair damages.

### Why are we undertaking this project now?

In recent years membership has risen, and revenues have grown significantly due in part to a long - term agreement with the Ottawa Sport and Social Club (OSSC), and to profitable special events and programming.

Shareholders voted to change OTLBC's ownership structure to a not-for-profit corporation without share Capital, making the club eligible for matching grants from public programs.

OTLBC spent approximately \$105,000 to develop detailed design and floor plans, and to prepare the drawings required to obtain construction permits. The club now has Class A construction drawings, as well as a costing to execute the drawings.

### Is the restoration project feasible?

A core group of individuals – including individual members and representatives of the Board – has the professional expertise in key areas (e.g. fundraising, project management, construction, communications) needed to succeed.

## ABOUT THE FUNDING OF THE PROJECT AND WHERE THE MONEY WILL COME FROM

### What does the restoration project involve?

The project estimate is \$2.6 million and will be funded through a mix of donations, sponsorship, partnerships, matching grants, loans and membership levies/fees - includes a 10% contingency fund.

### Can we sustain the expenses of a four-season clubhouse?

The Board of Directors developed a business plan to assess the strategic and financial implications of a four-season building. The net impact on the balance sheet is very positive.

New sources of revenue in the business plan include upstairs hall daytime and weekend rental revenue, restaurant lease revenue, a board room on the second floor, and new partnership revenue from the currently unused ground floor bowler's area (800 square feet).

### Will all funds raised go toward the restoration project?

The Clubhouse Restoration Capital Campaign will collect money for the project; donors who wish to support other projects can give to OTLBC's Capital Fund.

### What happens if the project costs exceed budget and money raised?

If costs exceed the established budget, the project would be delayed or scaled back until adequate financial resources are in place.

### If we exceed the campaign goal, what will be done with the extra money?

Any surplus funds will go toward OTLBC capital projects, such as court resurfacing.

Will membership fees increase substantially to pay for the project?

OTLBC does not plan to raise membership fees in the short term to finance the project. A capital assessment for all members is being analyzed.

## PROPOSED CAPITAL ASSESSMENT FAQ's

Each individual member would pay a capital assessment over three years in addition to membership fees which are specific to membership type.

### Why a capital assessment?

Buildings essential infrastructure is well past its intended and useful life. To date the club has been able to make patches and emergency repairs necessary to function, but this approach is simply not sustainable.

### Why not just raise membership fees? Why an assessment?

Membership Fees cover operating costs, but do not meet our capital infrastructure needs. Funds from capital assessment would be dedicated to clubhouse restoration.

### Would the OTLBC waive the capital assessment for a member who makes sizable donation to the fundraising campaign?

Donations are accepted from all but would not waive possible capital assessments – those who stand to benefit most from clubhouse restoration (members) contribute to the project.

### When would the capital assessment take effect?

OTLBC needs a 66.6% endorsement by members' vote in 2019 to implement the capital assessment process in the fall of 2019 for early bird memberships.