Environmental movement may hinder plans

BY MARK LESLIE

"Environmental laws that make development tougher and more time-consuming threaten to dampen the golf course boom that many in the industry are predicting," said Golf course architect Michael Hurdzan told the 300-plus people at a golf development seminar in Florida that despite the need for more courses to accommodate the growing number of golfers, the boom might be going to see fewer and fewer courses built.

He cited harsher wetlands and other environmental laws as the reason.

"With the environmental movement and Congress being environmentally sensitive, there are a lot of things to look at in buying and using property," Wisdom said.

"Many things need to be looked at before you proceed with a project — with the laws are, how much time it will take, et cetera," Robbins said.

Listing the team of professionals a developer should put together after buying the land, Hurdzan included, among others:

* a regionally local land planner because he is familiar with the area;
* a local engineering firm, "the heart and soul of what's going to get done; they know the soil, permits, contractors and government officials" in the region; and
* a local environmental firm, but "watch out for consultants" because these can be very expensive and you don't want to have that type of work done over again.

Wisdom suggested that the developer hire a consultant at the beginning; get an up-to-date map of all environmental surveys; use consistent scales with the maps; get a biologist to the site to determine if and where any wetlands, then get the regulatory agencies to the site to verify those findings in writing; and have an environmental audit done.

"The environmental audit is most important," Wisdom said. "You must know the past history of the site backwards and forwards, then get a pro to do an audit of the site to check out the land, violations, past violations, places used to store toxic substances, et cetera."

"Ensure that that site is toxic free." After determining the type and location of wetlands on a property, Wisdom recommended deciding what to use it for or if you do want to use it.

"You're going to have to pay for it and pay for it dearly," he said.

He also suggested working around wetlands.

"Use them to move out the effluent. They're filter units — a big spoutage out there, a filter," he said.

Wisdom also predicted effluent, or gray water, will be used more and more to irrigate golf courses in the future.

In Florida, he said, regulatory agencies encourage using effluent from domestic sewage treatment plants to irrigate courses.

"The main reason for this is that the potable water is a finite resource. Florida's population explosion is causing it to become an endangered resource," he wrote in a handbook.

Installing an irrigation system to handle effluent is expensive, Wisdom said, but regulatory agencies support them because they rechare the ground water.

By all accounts, phrases like cumulative impact, water quality, mitigation, aquatic preserve, gray water and wetland zones will have high impact on golf course planning for the foreseeable future.

Development

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"Golf courses today are hot, they're an item, they're the 'now' product," said Nieman, speaking from the perspective of Floridian whose state has some 400 more courses than in 1970.

Yet while agreeing that the country is in the midst of a golf boom, experts in finance, design and management said there is plenty of room for a developer's project to go sour.

"Too many developers get themselves into trouble simply because they appointed themselves president," said Credel. He added other sources of operating problems include improperly marketing, improper amenity design, market position, improper amenity design, and lack of a sound business plan.

"A number of developers who failed had a false sense of security; they got leaders in the field to sign off on their money could buy. But they still lacked the proper team leader... A team is only as good as its leader," Credel said.

He also said the industry is changing so rapidly that it is "nearly impossible for one person to keep up with the many changes" in laws and regulations controlling the environment, licensing and other areas.

"You can build a pretty fine golf course for $1.5 million, and a lot will cost $10 million to $12 million," said Nicklaus/Sierra Development Corp. Vice President Richard Robbins. "There's a lot of homework to be done up front" in either case.

"The outlook over the next decade is very promising," said Vince Donahue, vice president of Arvida Company, a Boca Raton-based developer, demographics showing the growth in younger players. "The ones (developers) who succeed will be the ones who can deal with the more legal and environmental and land-planning problems," he said.

Donahue said, a shortage of money will restrict golf course development.

Development force

While a number of courses that stand alone are being financed, most courses are being built as the driving force behind real-estate developments.

While saying that lakefront real estate sells for more than golf course frontage, Mark Enderle, director of Realtec Inc. of Atlanta, Ga., said, "God's amenities are a lot better than man's amenities, but if you have to use man's amenities, it's hard to beat a golf course."

Joe Hough, Landmark Land Co. director of consulting and management services, said real-estate land sales increase from 10 to 50 percent with golf course frontage.

Outlining the three types of courses — the core course, single-fairway and maximum frontage course, and a blend of the two — Hank Skowkowsi of Urban Design Studio in West Palm Beach said a golf course can help a development meet 'open space' and recreational land area requirements, satisfy wetland laws, be a donor site for tree preservation, give a project strong immediate impact, and serve as "a focal point for the (project) community, giving it a sense of place and belonging often as important as how good the golf.""

Randy L. Williams, executive vice president of Club Corp. of America, recommended that developers operate by The When Do I Build A Country Club Rule: the 500 Acre Rule and the 2+1+4 Rule:

* The developer, Williams said, should ensure that "the economics of the project equate to economics of the prospects."

* "We have found it difficult to influence more than 500 acres in lot premiums with an 18-hold course," he said.

* Build 27 holes because "you can take an 18-hole course, add nine holes and add to the lot premiums," Williams said.

Hurdzan supported this 2+1+4 Rule, saying, "The very best economy in golf today is 27 holes. You can maximize the frontage (for housing), hire just one pro and one superintendent, and run one maintenance operation."

"It costs 20 percent more but you earn 50 percent more," he said.

Plus, Hurdzan said, "40 percent of all play is nine holes," so "it makes sense to have a 27-hole course that can close nine holes for maintenance.""

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