High-end products said creature of '90s

Land planners predict future

The development of golf course communities was one of the main topics at "Land Planning 90," the 5th annual land planning conference sponsored in January by the National Association of Home Builders in Atlanta, Ga.

David Jensen of Dave Jensen Associates in Denver expects the 1990s to be a time of fewer, but higher-quality projects. Move-up, high-end products will be in greatest demand.

The growth of golf is pushing the market, noted Jensen, pointing to the doubling of golf's participation rate from 5.4 percent of the U.S. population in 1980 to 10.4 percent in 1989. With 26 million golfers in the country, golf is expected to grow from a $20 billion to a $40 billion industry by the end of the decade.

Golf course communities promote lifestyles in total environments, said Jensen. "We are not just selling houses stripped along streets. We are selling places and neighborhoods and villages and places for people to grow old and gentle, with this type of sport," he added.

As for the actual development, Jensen encouraged taking care of the outlying property first. "During the 1950s and 1960s we laid out golf course developments and stripped many lots along the links-type golf holes. By doing so we locked off all the stimulators that can come from the corners of the property. The goal today is to stimulate value and sell space and premiums farthest from the course," he said. The rest of the development then takes care of itself, generating the traditional premiums for golf frontage, central location and so on, he added.

In addition to residential, there is a growing interest in office and mixed-use developments, where golf is the focal point, said Fred Jarvis of Land Design Research International in Columbia, Md. Jarvis sees more opportunities for golf course developers in building new communities in Europe; in reconfiguring existing courses to create new real estate development; in constructing low-density communities in rural settings; and in using golf courses to gain rezoning approvals.

Concord, N.H. land planner George Matarazzo warned about inconsistent interpretations between communities regarding what constitutes open space. He told of a community where the 100 acres he'd set aside for a golf course was viewed by town planners as a commercial activity rather than open space.

"So, we did an overlay and created a bit of open space outside the golf course to ensure that new homeowners had their own, private open space. This is an example of the pitfalls you will encounter. They are all unsolvable," he assured.

Toledo, Ohio golf course architect Arthur Hills, with 175 new courses and renovations to his credit, noted that successful developments convey quality.

"All have excellent maintenance. Every amenity is perfectly kept. And in planned communities, whether the person is paying $1 million or $100,000, he or she feels secure in the investment," Hills said.

Hills also noted that many developments find they need more holes than anticipated. He recommended building 27 holes or at least planning for 27 and initially building 18. The extra holes allow for more flexibility in play and revenue and provide more golf frontage. There is no significant increase in maintenance or operating costs with 27 holes rather than 18.

As for the appeal of shorter-length courses, Hills said: "People want a championship image, not necessarily length. While this means having back tees of 6,500 yards, most people prefer to play at 6,000 to 6,100 yards. For 95 percent of golfers, that's all the challenge they need. The championship image can and should relate to the quality of the playing surfaces, the hazards, design and aesthetics of the golf course and its relationship to the development."

Don Whyte, vice president of development for 9,000-acre Tampa Palms in Tampa, Fla., said one of the best things his company did was "bringing in experts from the start. We hired the best greenkeeper, architect and club management."

A lavish clubhouse increased real estate value without increasing golf frontage. A clubhouse ballroom attracted people for special events who, otherwise, might not have visited the club. Although the club was private, the clubhouse was made available for outside activities on Mondays.

"This helped defray operating costs in the first year and allowed more people to see the course and development. As our membership fills, we are using less and less of the Mondays for outside activities," Whyte said.

Hosting the GTE Suncoast Classic was popular with the members and led to 25 percent of the memberships being sold within the next 30 days, he added.