Unique development plan paves way for

By David K. Wells

Baltimore (Md.) County is preparing to act on its award-winning golf course master plan to develop additional public courses without taxpayer funding.

The plan includes a development schedule of publicly and privately owned sites; innovative management alternatives; and financing and development recommendations that will significantly increase the supply of public courses over the next 10 years.

Using the master plan as a guideline, a county agency is negotiating for a development site for the first of several county-owned facilities. Virginia's Fairfax County is also considering doing a master plan based on Baltimore County's, which has won awards from the National Association of Counties and the plan's developers from the American Society of Landscape Architects.

**THE MASTER PLAN**

By competitive bids, the county selected a consulting team to prepare the Baltimore County Golf Course Master Plan. The winners were Legg Mason Realty Group Inc. (LMRG) of Baltimore, Daft-McCune-Walker Inc. (DMW) and The McLoughlin Group (TMG) of Pleasantville, N.Y.

LMRG, a real-estate advisory subsidiary of a major securities firm, served as project manager with responsibility for demographic, economic and investment analysis.

DMW, a Towson, Md.-based land-planning and environmental firm with golf course development expertise, performed environmental and planning evaluations of proposed sites.

TMG, an international golf course consulting agency, evaluated playability, administration and business potential of proposed courses and the financial analysis of development.

The team evaluated potential sites to determine environmental constraints and playability. Sensitive environmental issues in Maryland include wetland protection, sediment and erosion control, water quality, water supply, pesticide and nutrient management, agricultural preservation, wildlife habitat, air quality, noise, historical and ar-

**BACKGROUND**

Baltimore County is the largest in the Baltimore Metropolitan Statistical Area (MSA). The county's 685,000 people are spread out over 600 square miles.

Yet, just seven of the 319 metropolitan areas surveyed by the National Golf Foundation have fewer public golf holes per capita. Baltimore County has 0.618-hole public courses per 100,000 people, compared to a national average of 2.7.

The county's four 18-hole average 65,000 rounds apiece. Playing time stretches 5-1/2 to 6 hours per round. No new public courses have been built in the last 20 years, despite a 65,000-person jump in population.

County leaders are concerned about the shortage for several reasons. First, golf is a popular and growing form of recreation. Second, golf courses attract businesses. Finally, they generate direct revenue in greens fees, cart rentals, practice range charges, equipment purchases and food and beverage sales.

Like many public agencies, Baltimore County's recreation department has been besieged by firms offering to build courses and developers seeking county support for projects.

But, rather than adopt a piecemeal approach to building public courses, in which the real need for golf might not be addressed or all financing options not be considered, County studies golf

FAIRFAX COUNTY, Va. — Fairfax County's Board of Supervisors approved a $58,000 study on building golf courses for the Park Authority.

The study would measure demand for golf courses in the county and recommend development plans for three vacant sites the Park Authority owns. The county already realizes about $300,000 a year from each of the five 18-hole golf courses it runs.
The recommendation calls for seven new courses during the 1990s — two championship, three standard and two short facilities. Early development focused on publicly owned land to reduce acquisition costs. To finance construction without taxpayer dollars, the team recommended creating a non-profit Baltimore County Golf Corporation that would take over the county’s three existing courses.

The county had been receiving revenue only from greens fees and a small cart rental percentage as specified in contracts with the professionals operating the courses. By taking control of all profit centers (greens and cart fees, practice facilities, pro shops and food/beverage concessions) and managing them in a professional manner, the team estimated revenues would jump 2-1/2 times without raising greens fees.

The corporation could use the extra money to develop new facilities without taxpayer funding, an attractive alternative considering the county’s budget woes.

NEW ALTERNATIVE

With rising concern over municipal deficits and budget constraints, new ways must be developed to build public courses without tax dollars. A county golf corporation uses existing municipal golfers to fund new developments. County participation ensures that new courses address resident needs and are managed in a professional manner.

The Baltimore County Golf Corporation is a quasi-governmental 501 C3 Corporation working outside civil servant guidelines. It functions as a private business solely for the purpose of operating, managing and directing public golf development for the county.

Revenues from new and existing courses are returned to the corporation for future development. The corporation could develop seven new courses over the next 10 years relying solely on golf revenues and limited borrowing, according to projections.

The corporation could participate in public/private joint ventures to speed development. It could solicit proposals from qualified joint venture partners, as do most municipalities. But it should be better equipped than most local governments to negotiate effective development and management agreements because of the experience gained in developing and operating its own facilities.

The plan is under review by the Baltimore County Department of Recreation and Parks and the Baltimore County Executive’s office. They are considering legal and financial action needed for implementation.

David Wells is a research associate with Legg Mason Realty Group Inc. The conference is designed to bring leading financiers of golf developments together with some of the nation’s leading developers, owners and operators to explore financing and investment options.

Financing forums planned East and West

SUN DIEGO, Calif. — A national forum entitled “Financing Golf Course Developments” is slated to take place here March 18-19, and in Washington, D.C., April 9-10.

According to John Ecklein, president of Financial Seminars Inc., it is a well-known fact that there is a demand for new golf course communities. However, all the lip service in the world will not make it happen until we find ways to finance these credit-worthy developments.

The conference is designed to bring leading financiers of golf developments together with some of the nation’s leading developers, owners and operators to explore financing and investment options.

“The good news is that there appears to be some easing of credit,” said Ecklein. “We are by no means out of the woods, but the fact that we have over 20 financial experts willing to strike up a dialogue is an important step in the right direction.”

In addition, attendees will be afforded the opportunity to hear about the investment opportunities in Mexico.

For a detailed brochure on the conference call Financial Seminars Inc. at 800-285-2332.