Landmark named top resort developer

By Peter Blais

While financially it may be in shambles, Landmark Land Co.'s reputation as a premier golf resort developer remains very much intact.

The La Quinta, Calif.-based firm received better than a quarter of the votes for best resort developer in the Golf Course News third annual survey of course architects.

Landmark's vote total was more than twice that of any of its three nearest competitors — Marriott Corp., Woodbine Development Inc. and Arvida Corp.

"A resort golf course should have a sense of integrity," said architect William Newcomb, who did much of the design work at Boyne Highlands and Boyne Mountain near his Ann Arbor, Mich., home.

"You want to see the golf course, not homes and hotel rooms. I get the sense that Landmark strives for that sense of golf course integrity. I'm looking at it as an architect. The company's financial condition has nothing to do with that."

Landmark's holdings include some of the most prestigious courses in the country — Kiawah Island near Charleston, S.C.; Palm Beach Polo & Country Club in West Palm Beach, Fla.; Belle Terre Country Club between Baton Rouge and New Orleans, La.; and Oak Tree Golf Club and Oak Tree Country Club in Edmond, Okla.

Its California properties are Carmel Valley Ranch near Carmel and the Palm Springs area resorts La Quinta Hotel Golf & Tennis Resort, PGA West and Mission Hills Country Club in Rancho Mirage.

Upscale public courses gain popularity

By Peter Blais

Used to be that if you wanted the valet to drop off, preferred tee time, meticulously maintained course and employees who knew you by name, you had to shell out thousands of dollars to join a private country club.

Not anymore. Upscale daily-fee courses with all the amenities of a private club are becoming the rage as developers scurry to fill a market niche many feel has long been under-served.

A new NGF report indicates the total annual expenditure by core golfers is three times greater than occasional golfers. Core golfers is three times greater than occasional golfers. Core golfers

Among other findings:

- While the nation experienced a 23.3-percent growth in Consumer Price Index from 1985 to 1990, the average cost of an 18-hole round of golf at a public facility on a week day rose 42.3 percent over the same period — from $10.36 to $14.75.
- 18-hole green fees at today's new public courses (opened for play since 1985) on average are running 40-45 percent higher than their older counterparts.

Golf Course News

Byline: By Peter Blais

Golf Course News is the leading news source for the private golf industry. It provides in-depth coverage of the business of golf, including news, features, and analysis. The publication also includes industry-specific market research, trends, and commentary. Golf Course News is a valuable resource for golf course owners, operators, and professionals in the industry.
Golfers willing to pay for top quality public courses

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something like $700 a round."

"Still, people want to play top-notch courses. High-quality, daily-fee facilities give them that opportunity without binding them to yearly dues," Collings noted. "There are a lot of people out there who want to play golf on top courses, but don't want to be strapped into yearly dues," said Bob Husband, chairman of GolfCorp, a Club Corporation of America affiliate managing 38 daily-fee courses throughout the United States including Clear Lake Golf Course near Houston, Foothills Golf Course in Phoenix and Upland (Calif.) Hills Country Club.

The growing number of golfers (up 38 percent from 20.2 million in 1986 to 27.8 million in 1990) is driving the demand for upscale, daily-fee courses, according to Kemper Sports Inc. President Steve Lesnik, who oversees Kemper Lakes Golf Course in Long Grove, Ill.

Open in 1979, the Ken Killian/Dick Nugent-designed layout surrounding Kemper Insurance and Financial Services headquarters, was one of the first high-end, daily-fee facilities in the country and is the only public, daily-fee course to ever host a PGA championship (1989). Raymond Floyd called it the best-conditioned course he'd ever played, including Augusta National, Lesnik said. "Economics are working in favor of upscale, daily-fee courses," Lesnik said. "People just picking up the game don't necessarily want to join a private club right away. But they want where they are treated well."

"There are more people playing, but they aren't playing as often as golfers used to. From an economic standpoint, it makes sense for them to play at an upscale, daily-fee course rather than join a club."

Recent Internal Revenue Service rulings threatening the tax-exempt status of private clubs if members conduct business there have also made daily-fee courses more popular, said Raymon Finch, co-owner of Emerald Dunes, an upscale, daily-fee course in West Palm Beach, Fla.

"Belonging to a private club isn't that important anymore," Finch said. "Daily-fee courses are a legitimate place to do business."

Concerned with rising private country club maintenance costs (up more than 50 percent in the past 20 years) and attracted by the potential for daily greens fee income, many club owners have approached the NGF for information on how to convert to a daily-fee facility, Collings said.

New courses in residential developments will increasingly go the daily-fee rather than private route, predicted Finch. "Better private courses were traditionally tied to real estate," Finch said. "Developers started to realize that once the real estate was gone, it would be nice to get income from the course in the form of greens fees."

"We found that something like just one in five people buying lots on a golf course actually ended up playing golf. And one in 10 buys a membership in the course bordering their property. They buy the lot for the aesthetic value of having a course in their backyard. The course ends up under-utilized by the people who live along it. Building daily-fee courses within private residential developments will be the wave of the future."

Finch's view is part of what many see as an even bigger wave, stand-alone daily-fee courses with no real estate.

Eagle's Nest in Silverthorne, Colo., is among the growing number of upscale, daily-fee golf courses.

'A lot of the companies are going with private clubs instead of public courses, but I don't see how you can do that in the Banana Belt," Finch said. "People who live in the Banana Belt just want to play where they are treated well."

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"Many of the new, upscale, daily-fee courses are not real estate oriented," Collings said. "In fact, surrounded by a major industrial park called Vista that will one day include a major hotel, Emerald Dunes is much more like a resort than a private, residential course," Finch said.

The $84 million, Tom Fazio-designed layout is just over 7,000 yards long. Bermudaagrass greens are overseeded with bentgrass for a better winter putting surface. Tifton 328 Bermuda grass collars the greens and Tilton 419 Bermuda grass covers the fairways. Bahia and St. Augustine grasses run through the roughs and between dunes and trees, offering contrasts in colors and saving irrigation water.

Multiple tees allow low- and high-handicap golfers to enjoy the course. A 54-foot wide, an enormous elevation in the generally flat southeast Florida landscape, is home to three tees, three greens, an assortment of bunkers, boulders, bushes, waterfalls and cascades, and a panoramic view of the course. The clubhouse cost $2 million.

The $100 greens fee, Finch said, is slightly lower than the top fees at such well-known Florida resort courses as Doral ($140), Grand Cypress ($130) and PGA National ($125). Memberships are available, but the bulk of play is daily-fee.

Finch and his partners—who include his father, Fazio and the father-and-son accounting team of John C. and John R. Owens—plan to build similar high-end courses throughout the United States. Atlanta, Louisiana and Arizona are likely sites.

Plans to build three more courses in West Palm Beach were scrapped for lack of financing, a common problem facing golf course developers, Finch said. But plans to begin construction of a 27-hole facility in Orlando next year are moving ahead.

Shaker Hills Golf Club in Harvard, Mass., opened this summer and touts itself as "an extraordinary public course that looks, feels and plays like an exclusive private club."

Designed by architects Brian Silva and Mark Mungeam, the 6,850-yard course features multiple tees, wall-to-wall bentgrass, computerized irrigation system, 300-yard practice area, computerized handicapping service, 24-hour automated telephone tee-time reservations and valet bag drop. The top greens fee is $35 with a $20 cart rental.

"As designers, we lean toward upscale, daily-fee courses," Mungeam said. "We have to squeeze our maintenance practices in without interrupting play and still maintain them at a level that keeps people coming back," said Johnson, who classifies about 10 of the company's courses as upscale, daily-fee.

"That means we go out very early in the morning or very late at night for some of the things we do."

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