New publisher opens new era at *GCN*

My name is Jon Whitney, and I'm your new publisher here at *Golf Course News*. I make a point of saying *your* publisher because I believe that a publication belongs to its readers. We at *GCN* cannot call ourselves successful unless we consistently provide you, our readers, with news and information which helps you succeed.


Jon Whitney, publisher

The departure of founding publisher Charles von Brecht opens a new chapter for us. Charlie came on board at the start, in 1988, and did a terrific job for *GCN*. He's now working for Centcom Limited, the sales arm of the American Chemical Society, as eastern regional manager for 31 publications! We hope to build on the record he established here, and we wish him well in his new endeavors.

My primary responsibility as publisher is to do everything I can to deliver to you meaningful content in an attractive package, while working with our dedicated editorial staff to accomplish that mission every day and in every issue.

BUSINESS BACKGROUND

I'm a Maine native who grew up in the Yankee tradition of hard work and straight talk. I learned early on the meaning of the words "a job worth doing is worth doing well." Whatever success I may have had in my working life can be directly attributed to the culture and values instilled during my upbringing.

For 10 years, I worked in advertising sales and management for several suburban Boston newspapers. A dozen years ago I came back to Maine to start my own publishing business and, most recently, started, published and subsequently sold what is now Maine's most widely read business newspaper.

My affinity for publications dedicated to quality editorial content and design, coupled with particular attention to reader and customer service, is what brought me here to *GCN*.

MEETING YOUR NEEDS

As we move forward into this next phase of our publishing life, we will continue to provide stories that are helpful, informative and instructive. A few articles in this issue are typical examples.

The front-page story about Bank of America's lawsuit against Golf Trust of America shows the dangers of carrying a heavy debt load to finance aggressive expansion, especially when business conditions turn negative.

The piece by contributing writer Larry Hirsch about the three ways to value a golf course will be of interest to anyone who owns or manages a course. In the maintenance area, we have a piece about how Salem Country Club superintendent Kip Tyler – despite severe winter damage – got the course ready for the Senior U.S. Open.

In the weeks to come I will be spending most of my time listening – listening to writers, production people, sales reps, advertisers and, most importantly, readers, to determine what we can do better to meet the needs of our audience.

NO RADICAL CHANGES

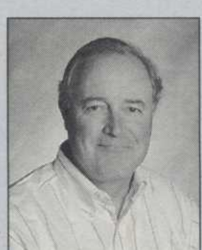
Don't expect any radical changes. Do expect to see every effort made on our part to make *GCN* your primary journal for news and information as you go about the business of developing, managing, maintaining, and supplying goods and services to the thousands of golf courses across the United States and Canada.

I am very proud and happy to be your new publisher and look forward to meeting and talking with many of you. Please feel free to call me anytime at 207-846-0600, or e-mail me at jwhitney@golfcoursenews.com.

Architects 'fighting city hall' for affordable golf

Affordable golf! That will be the rallying cry for Damian Pascuzzo during his term this year as president of the American Society of Golf Course Architects. And not just affordable golf, but also "alternative golf." The idea is to "feed the bottom end" of the golfing public, he says, and Pascuzzo has a plan to make it happen.

In league with fellow designer Michael Hurdzan, the architects hope to create a document, maybe even a book, for municipal officials. They'd like to see more city- and county-owned courses – par-3 layouts, "executive" tracks and short nine-holers – where kids, factory workers, seniors and others can play a quick round for $5 or $10.


Jay Finegan, editor

Pascuzzo grew up playing these small "munis" all over Los Angeles. "Some were only 30 acres," he says, "but the fees were $2 or $3. You might be hitting off a mat, but you'd be hitting to a push-up green of 2,000 square feet. There wasn't a Stimpmeter in sight, and we had a great time. My friends and I could spend four afternoons a week there during the summer, because it was affordable."

20-ACRE LAYOUTS

In the 1960s, '70s and early '80s, he says, municipalities constructed numerous small courses. But then they backed off.

"Somewhere along the line, they realized they didn't have to use their own resources," Pascuzzo says. "They could let somebody else build a course on public land, hire a management company to run it, and take a percentage of the profit. The management firms were happy to oblige, but that $25 green fee went to $30 or $35. The next thing we knew, the cities were totally getting out of it."

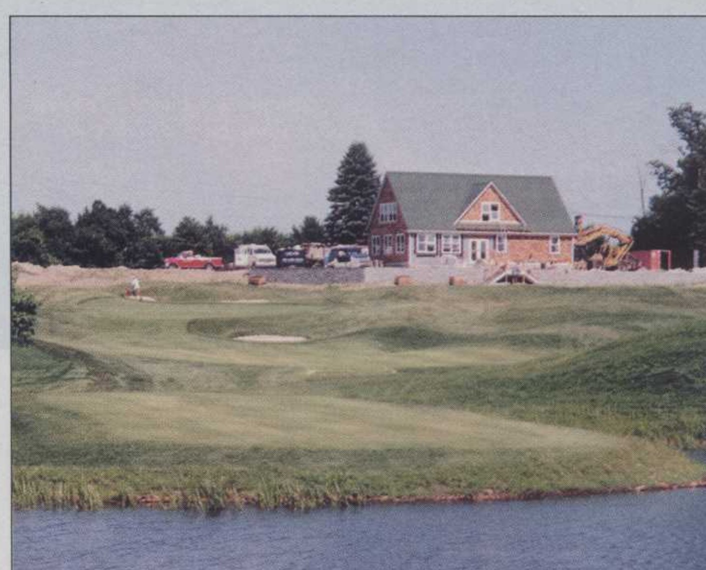
The problem today, he says, is ignorance on the part of local officials. They don't know you can build a nice par-3 course on 20 or 30 acres, for well under $1 million, that kids can play on their allowance.

"In the next year, we'll try to get our document, or guide book, into the hands of park and recreation directors and public works officials," Pascuzzo says. "We'll let them know you can build these things inexpensively, on a small piece of land, and provide a great community asset.

THE MCDONALD'S OF GOLF

Pascuzzo's motivation, of course, is to grow the next generation of golfers. "Kids are just happy to get out to play golf," he says. "Once they learn the necessary skills and can get the ball airborne, they'll move up to the next level – the regulation munis, the daily-fees. And as they get older and start making money, they'll begin supporting the resort courses and the upscale daily-fees.

"It's merely entry level," he adds. "It's the bottom of the pyramid, like McDonald's. You're not supposed to have a career at McDonald's. It's your first employment experience and you move up from there."


View of the ninth hole at the new Rose Hill Golf Club, a par-3 course in Kingstown, R.I. The nine holes are laid out on 20 acres.

Pascuzzo recently went back to one of those small L.A. courses where he learned the game as a kid. The top green fee is $5, and the course sees 50,000 rounds a year.

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Course appraisal can reveal 'highest and best' value

By LAURENCE A. HIRSH

It doesn't take a genius to understand that the valuation or appraisal of a particular golf course property reveals what that facility is worth. What isn't so obvious is this: The very process of appraisal also tells owners how a facility might increase that worth.

The Holy Grail for appraisers is determining the "Highest and Best Use" for the property in question. According to the Appraisal Institute, "Highest and Best Use" is defined as "the reasonably, probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value."

Determining this "highest value" at golf facilities requires a detailed analysis of existing management practices, market position, staffing levels, physical plant and course maintenance practices, among myriad others things.

In the process of examining these factors, there is nearly always a gap between this *status quo* value and the facility's "Highest and Best Use." This gap is where potential value increases are found. Indeed, in the course of a valuation, it's virtually impossible for a skilled golf course appraiser *not* to identify potential efficiencies which, if rectified, serve to increase property value.

CASE STUDY GOLF CLUB

The first critical element in golf property analysis is determining the type of course being appraised. This sounds so rudimentary as to be utterly obvious. But the income characteristics for each property type (daily-fee, municipal, semi-private, resort, private) are unique.

Further, some properties are miscast and warrant a change, because markets change. Sometimes, a course is simply not properly positioned. In the case of one recent assignment – let's call it Case Study Golf Club – we concluded that Case Study GC, then operating as a semi-private club, should be planning for conversion to private club status to take full advantage of future residents of the growing, surrounding community.

We also concluded there were physical and operational issues that needed addressing at this would-be private club. Course conditions at Case Study GC were sub-standard, the food & beverage operation was highly inefficient, and the property had not been effectively marketing itself (bad course conditions not helping here in the word-of-mouth department).

Our inspection resulted in the hire of an agronomic expert and a management consultant to assist Case Study GC in making appropriate decisions on maintenance practices, staff and management, as well as marketing.

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Fighting city hall

Continued from previous page

"They have a 'Skins' game on Fridays," he says. "There's a senior league on Tuesdays and Thursdays. High schools kids come over at 3:30, and they get the plumbers and FedEx guys at 5 o'clock who play a round before going home. By keeping it affordable, they do a strong volume."

UNDEMANDING MARKET

The municipal courses he envisions can be built on 20 or 25 acres and run on a break-even basis.

"Everybody has to check their egos at the door – city officials, architects, operators and builders," he says. "The idea is not to gold-plate these things but to grow grass. You defeat the purpose if you build greens to USGA specs and put in satellite-controlled irrigation systems. This has to be inexpensive, because the market is undemanding."

As an example, he points to the new Rose Hill Golf Club, in South Kingstown, R.I. Owners Tim Conley and Jim Manning built the nine-hole, par-3 layout on 20 acres. The total yardage is 1,250. It's a private course, but they charge only $14 for a round, with $2 discounts for seniors and kids under 16.

"It was an old gravel pit," says Conley, a homebuilder by trade. "There wasn't enough acreage for a full 18, and permitting is a nightmare. So we found a beat up piece of industrial land, and permitting was easy. The city fathers saw that we were going to take something that looked like Chernobyl and turn it green."

Frank O'Dowd, president of Intergolf Construction, said his firm built and grew in Rose Hill for $600,000, complete with a fully automated irrigation system, USGA-spec bunker sand, L-93 bentgrass on the greens and a total course hydro-mulching. "It's not Mickey Mouse golf," O'Dowd said. "There aren't square greens or poor-quality construction. For $600,000, they got a very good, high-quality product."

GOLFERS IN SHORT SUPPLY

Pascuzzo plans to stay the course – he sees no choice. "If we do not nurture the game, we're going to be in big trouble," he says. "We can't continue to rely on kids coming out of college, coming into the game maybe through business contacts, and knowing nothing other than $100 golf at major resorts."

The latest National Golf Foundation report on golf participation bolsters his argument. The NFG saw no big changes in the number of rounds played in 2000 over 1999.

"Over the past six years," the report says, "the nation's supply of golf courses has grown more quickly than the number of golfers. The net increase of 1,718 courses from 1995 to 2000 produced an annual growth rate of 2.1 percent. Golfers during the same period grew at 1.3 percent annually."

No wonder Pascuzzo is concerned.■

MAILBAG

Dear editor,

As an update to your article on Landmark Golf East (July 2001), Landmark Golf Co. no longer has any interest in the properties listed in the story about Landmark Golf East.

These include PGA West, LaQuinta Hotel Golf and Tennis Resort, Mission Hills, Kiawah Island and Carmel Valley Ranch. These are properties previously owned and operated by Landmark Golf.

Tom Sullivan
Senior vice president
Landmark Golf East