Much interest was aroused in the March GOLFDOM article by J. French Paddock on "How Public Courses May Qualify for RFC Loans."

Frankly, Paddock let us in for a mess of detail when he wrote that GOLFDOM would dig up any dope wanted by public courses hoping to employ some of the RFC money in the way this money is supposed to be employed.

There is an amazing but perfectly valid amount of information that must be supplied to the RFC authorities before the golf people can hope to borrow money.

Paddock tells of the major points of this necessary information in this follow-up story.—Editor.

Quoting from a radio address on "The Effect of Public Works in Promoting Trade Recovery," by Martin Dodge, representing The Banking and Industrial committee of the Second Federal Reserve district: "A billion and a half dollars was set aside for loans for self-liquidating projects, that is, projects which would be self-supporting and financially solvent, returning interest and amortization charges from their own revenues and independent of taxation, thereby laying no extra burden upon the taxpayer." This refers to the Reconstruction Finance corporation reservoir of public credit.

Quoting further, he says, "So far 56 projects in 22 states have been approved by the Reconstruction Finance corporation for loans totaling $147,651,000, or about 10 per cent of the available fund. These results are obviously disappointing."

In March GOLFDOM, this writer took the liberty of calling the attention of those interested in the business of golf, that the construction of municipal swimming pools, golf courses, stadia, or other recreational facilities, which will be paid for out of charges for their use, are eligible for R. F. C. loans. It is well to understand that the Reconstruction Finance corporation wants to make these loans.

Primarily, this fund is not available under the section for projects that have been completed, and that desire refinancing at lower rates of interest, or that provide little or no employment and use of new materials. New or partially completed projects that will use materials and employ labor, and that will constitute a positive asset to the community affected, are desired for serious consideration.

For many communities this is the chance to obtain the money at low interest rates for the construction of needed recreational centers. It will take less money to do more work at this particular time, and in the same cause the money expended will do more constructive good than at some time in the vague future.

Clouds of mystery seem to surround the ways and means of evolving needed self-liquidating projects. Fundamentally these requirements are simple.

In the March GOLFDOM article, the writer gave a definition of what constituted the "self-liquidating" clause. Since that time, amendments to the law have made the self-liquidating requirements less drastic, but they still retain self-liquidating qualities—that is, capable of self-liquidation under anything resembling normal circumstances.

The act further requires that all loans made by the corporation shall be fully and adequately secured. That no loans or advances may be made upon foreign securities or foreign acceptances as collateral. That the length of time for which the loan will be made, and the rates of interest or discount, and the terms and conditions, shall be determined by the Board of Directors of the corporation. In this respect, it is well in making the financial setup to allow 6% interest, and provide self-liquidation within ten years.

There are no printed forms for making
applications. There is, however, a required order in which information may be given. It is necessary to have plans, maps, specifications, and all other data and material necessary to a full examination of the project. In the case of a municipal golf course project, it would mean that the report of the appraiser covering the value of the land, the report of the golf course architect, the engineer, the attorney, the accountant, and other experts, would accompany the application. Only a knowledge of circumstances covering the particular project on which money is to be loaned can foretell in advance the possibilities of obtaining the loan.

Apply to Determine Eligibility

There is only one way to find out finally and definitely whether or not your particular project is eligible for an R. F. C. loan, and that is to make a formal application in accordance with the requirements of the act. Pre-knowledge and understanding of the requirements can go far toward determining eligibility in advance, however. Time flies, and it is the purpose of my remarks in GOLFDOM to assist in dispensing and explaining the ramifications of the act, and the procedure necessarily involved.

Golf courses that have been started and left uncompleted for lack of funds may be eligible for a loan sufficient to complete and put in operation. You must have a topographical map of the property. You must have a plan of the layout prepared by competent consultants. You must have sufficient detail plans and specifications to explain definitely the character of work to be performed. If a clubhouse is to be included, you must have plans and specifications for the clubhouse. You must show that you are actually planning to build a definite project. You must have detail estimates of the cost of construction. You must show that you are actually planning to build a definite project. You must determine and set the cost of promotion or management.

You must be able to show that the population in your district is sufficient to patronize your course; that it is economically feasible and needed. You must make an analysis of your competition, if any. You must state what your fees will be, what your cost of maintenance will be, and what net profit you anticipate. This information must be competently compiled and entirely unbiased. You must know how many men you will employ 30 hours per week, and the amount and cost of construction materials that will be delivered on the work in each three month period. You must state known objections that have been made on the project.

Finally, the project must be authorized if it is municipal in character, and if the credit of the community is to be pledged as security for the loan, the condition of outstanding bond issues and rate of tax collections will enter the picture. The loan may be made either through purchase of your securities or indirectly. There is even room for new ideas.

The Reconstruction Finance corporation wants to loan this money.

The organization for dispensation of information regarding R. F. C. activities is the National Committee for Trade Recovery, New York City. This committee has established sub-committees in practically every state in the Union. Space does not permit the printing of this information, but inquiries addressed to GOLFDOM will be gladly answered. Your particular state committee passes on the form of your application and the general feasibility of the project contemplated, and transmits it with its recommendations to the R. F. C. But your state committee cannot in any way promote your project. Its function is purely advisory and supervisory insofar as the form of application and compliance with terms of the act in general are concerned.

Get Busy Now

The local board will give you every assistance within its scope, but in the final analysis, it is up to those interested in the business of golf to evolve the project. If your community needs and wants new or additional golf facilities, including if you like, clubhouse, dining or other concessions, swimming pool, and other recreational facilities, get busy at once. Form your committee. Talk to those interested. Work up the spirit, as well as the fact of the proposed project. If it is positively self-liquidating in character, and security is available, you do not have to be timid about the cost. Only approximately 10% of R. F. C. money has been loaned, and time passes with unemployment on every side.

The following first 10 requirements summarize in order the general information required on the form of application for an R. F. C. loan. All other paragraphs and requirements are but expansions of these fundamental points:

(1) Type of project and location.
What a setting for a clubhouse! It's the Oyster Harbors club on Cape Cod at Osterville, Mass. Able, genial John Fitzgerald is the manager there during the summer. In the winter he's at Mid Pines. A fellow has to be good to have a team of clubs like that, and Johnny is.

(2) Full legal title of applicant, address, law under which organized, and date of organization.

(3) Name, title, and address of the person with whom correspondence should be conducted, and name and address of counsel for the applicant and of consulting engineers, architects, etc.

(4) Summarized total cost of project, with subtotals showing:
   (a) Cost of construction,
   (b) Cost of land, rights of way, etc., and
   (c) Aggregate of other costs.

(5) Amount of loan applied for; proposed time or times of repayment.

(6) Brief statement as to nature and sources of revenue.

(7) Statement that loan will be fully and adequately secured.

(8) Time that will elapse after funds available, if loan granted, before:
   (a) Work can be commenced,
   (b) Project will be completed,
   (c) Project will become fully self-supporting, and
   (d) Construction cost will be fully returned from net revenues.

(9) Condensed estimates of average number of men to be directly employed 30 hours per week and cost of construction materials to be delivered to the work during first three months after the loan is made and for each succeeding quarterly period. Such data may be shown in further detail in the construction schedule.

(10) Statement as to all objections that are known to have been made in respect of the project or the application to the Reconstruction Finance Corporation, together with names and addresses of objectors; if no such objections, so state.

GOLF BALL MOVIE OFFERED FOR CLUB PROGRAMS

New York City.—"The Inside Story of Golf Balls," a 16 millimeter silent film, will be made available for free use at golf clubs April 15, by the Motion Picture dept., United States Rubber Co., 1790 Broadway, New York City.

This film runs about an hour for all five reels. It is considered by experts one of the best industrial pictures ever shot. It tells the picture story of golf ball making from the United States Rubber Co.'s plantations in Sumatra clear through to the testing.

It is an instructive and entertaining picture for clubhouse showing and will provide entertainment committee chairmen and pros with valuable help in solving one of their problems.

Only cost attached to showing of the film is a small transportation charge. Prints of the film will be in lively demand so it is advisable to make reservations for the picture well in advance.