

good move, protecting the town tax base and their neighbors.”

Helping calm any storm is the \$49 fees, which includes a golf cart. “All other places around here are \$30 to \$150 higher than us,” Shroll says. “We think our model will attract a lot of people.”

Municipal courses may be doing better, but

Singer says you have to look at it from the revenue and the expense sides. “On the revenue side, yes, some of them are doing better, although not all,” he says. “On the expense side, particularly with the self-operating munis, it is much more difficult for them to cut costs than the private sector. So the net may not be any better for the public sector.”

So how are municipal courses’ finances comparing to their daily-fee compatriots? “I’ve heard of golf courses that have gone under and been turned into condos,” says Woodward, “but not any municipal structure.” **GCI**

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## PRO/CON

### A cautionary tale

By Charlie Birney

**A**s those who know me can surely attest, I’ve always felt passionately about this topic and about why I believe municipalities should stay out of the golf course business.

From my experience, those who oppose the growth of government-supported golf, or worse, voice their opinions on this subject, are dismissed by many both inside and outside of our industry as not supporting the growth of the game.

This couldn’t be further from the truth.

Now, I could easily launch into an extended treatise on the perils associated with supporting government golf. But I fear that for many of you reading this it’s a tired argument that may do more to encourage you to turn the page than to consider the ramifications I, and many other pretty smart

people in this great profession, believe government-supported golf will have on the long-term sustainability of our industry.

At its base level the argument against is a very simple one: Don’t support the growth of government in the golf business because ultimately everyone loses. Why? Well, I believe the support of this argument needs to have more legs to it than the same old “small business owner opposes government competition in the private sector” story. It hasn’t worked and only turns people off to the big-picture issues.

Ultimately, this is the classic “Death of a Thousand Cuts” and it’s a battle that will only be won if we are all understand that our businesses are truly at stake. We need to look our elected officials in the eye, especially those in county government, and tell them this is a failing business model.

Yes, it’s easier said than done. So humor me for a moment and consider this cautionary tale.

Our company, along with 16 other state groups and associations, opposed the growth of government golf in Maryland by the Maryland Economic Development Corp. (MEDCO), a quasi-governmental institution

which exists to promote economic growth. At the time they had four major golf projects underway – resorts, a conference center and, of course, a 36-hole course which supported someone else’s housing development.

It just didn’t seem to make sense.

The case was simple: MEDCO was supposed to do stuff in the state’s economically depressed areas. More importantly, these were to be development projects that the private sector did not want to do themselves. Well, MEDCO was not operating in an economically depressed area of the state for this golf project. And the private sector had tried to build the project, but MEDCO beat them on financing. I actually had testimony from two individuals who couldn’t get zero-interest



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bond financing like MEDCO.

MEDCO forged ahead and we accused them of acting outside the limits of their founding charter. So in response to our claim they passed legislation to take away any limits whatsoever. Now MEDCO can open a shoe store in downtown Baltimore if they so choose.

We appealed everything we could, but the golf course got built and every day it eats away at our corporate-outing business. In a nutshell, here is the moral to my little story: The golf course was managed poorly and the county had to buy back a \$17-million bond package.

I wish I could say there was a happy ending in this story, but you won’t find one because this isn’t a fairy tale. It’s reality, and in my opinion, it’s typical of what happens when government intervenes in the golf industry, and why municipalities have no place running local golf courses.

To borrow from the Kingston Trio and Charlie on the MTA – “Citizens – This could happen to you!”

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