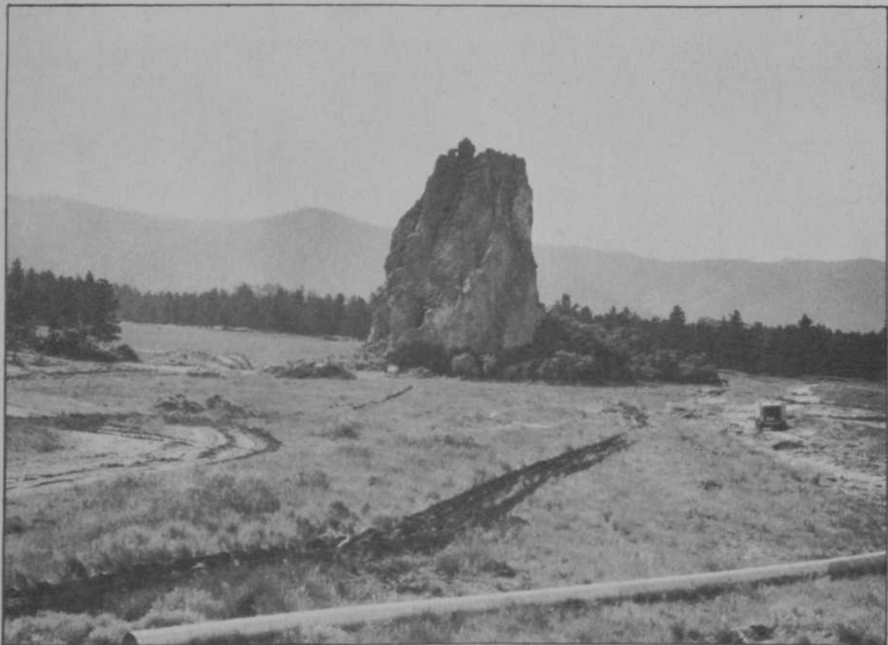
SPREADING OUT

By Jerry Claussen

National Golf Foundation Club Planning Consultant, Lakewood, Colorado

Not only are more new courses needed,
but many older courses should plan to add holes.
Some common guidelines
can be used to help almost any type of course



Number one and 10 fairways at the yet-to-open Perry Park GC near Larkspur, Colo.

Vail, Colo., resort added first nine holes in 1966.

Site of number nine tee at Perry Park.

There seems to be no letup in sight in the demand for more places to play golf. Year after year the National Golf Foundation reports about 300 to 400 new golf facilities. In 1970 the total was 352. Of that number, 110 were additions to existing courses. Another 45 courses were replaced or completely rebuilt.

Many of the same problems and procedures involved in planning a new golf course apply to making an addition. But there are differences. The club or course already in existence has a regular clientele, reputation and policies. There is no problem of reaching new customers, nor usually of choosing a location. The owners or directors must only decide: 1) Is the addition or reconstruction needed? 2) Is the room available? 3) How will the club pay for the addition? 4) Who will design and build it? Some fairly common guidelines and practices can be used to help answer each question for almost any course.

Feasibility

Several factors enter into answering the question: Is it needed? The answer depends on how many persons are using the present course and the average number of rounds being played weekly during the golf season. In a fast-growing community, it is also important to predict the potential play.

Here are some standards to use in common situations. The typical nine-hole private club in a small city has between 150 to 250 family memberships; usually about 75 per cent are golf members, the rest are social. Out of 200 family memberships, 100 men, 35 women and 15 juniors may be considered regular golfers (playing at least once a week). If these and other golfers are playing an average of two to three times a week, the nine-hole course might host 400 rounds weekly, or about 2,000 rounds monthly. Any figures higher than 200 family members, 150 golfers or 2,000 rounds monthly usually crowds a private nine-hole club.

An 18-hole private club can also get too crowded, but on a larger scale. The range of such clubs' rosters is between 200 to 600 members, with the average about 450. Out of these might come 200 men, 75 women and 25 juniors playing regularly, and others occasionally. This can produce nearly 1,000 rounds weekly or 4,000 rounds monthly. More than those numbers usually warrants adding a third nine.

The difficulty with making rules about how many members a country club course can handle is the varying character of these clubs. The most expensive clubs usually limit the membership, charge dues of $50 or more monthly and can offer a plush uncrowded course. But many of the small-city and newer suburban clubs try to accommodate as many members as possible, keeping the dues down to perhaps $15 to $25 monthly. Members are expected to endure a more crowded and lower-quality course.

In summary, if a nine-hole club has more than 200 family golf members or an 18-hole club has more than 450 and the membership is not closed, another nine may be added soon. Before going farther, however, a board must decide whether the roster size should be limited or more members actively recruited to justify a second or third nine. Another consideration is whether the clubhouse, parking, tennis courts, swimming pool and other facilities are adequate to handle additional members.

For a municipal course the feasibility is perhaps easier to determine. A nine-hole public course is quite busy with 800 rounds a week (more than half playing 18 holes) or 3,500 rounds a month. For 18 holes the equivalent or 7,000 18-hole rounds a month (some nines, most 18s) keep a course packed.

If no accurate count is being kept, a registration or starter system should be started. There is a definite saturation point. Even if a foursome starts every seven minutes, beginning at 6 a.m. and speedy play is enforced, an 18-hole course can accommodate only about 350 rounds in a day. Due to slow play, most public courses seldom squeeze in more than 300 18-hole rounds or its equivalent.

If a course has this much business, the city, county or park-recreation district should plan an addition. A town with one nine should add another nine, if possible. A city with one 18 should probably build another 18. Almost every city of 100,000 or more metropolitan population is short of public courses. The recommended ratio is 18 holes per 25,000 population.

Between the private membership club and the municipal public course is a variety of courses owned by individuals, families or corporations. Most are open to the public, operated as profit-motive businesses. Some offer a non-equity annual membership, which pays for certain playing privileges, such as starting times and sometimes for the use of a clubhouse.

This semi-private type has its own criteria for expansion. The operator needs only to satisfy his investment, not a membership board nor a taxpayer public, assuming his customers are getting their money's worth. Where a market exists, however, an 18-hole course can make nearly twice the profit of a nine-hole course. If the ownership has access to the capital and crowded conditions indicate the demand, then expansion is a logical move.

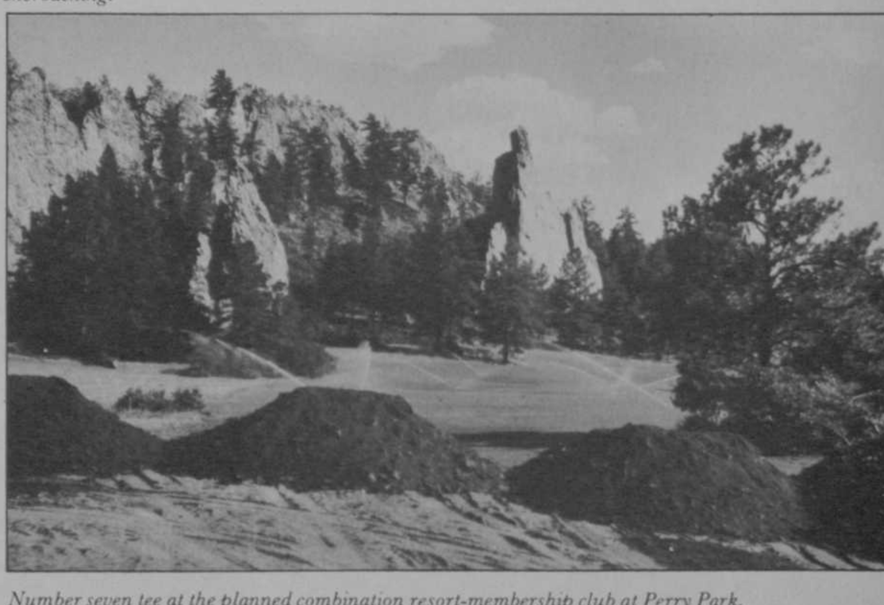
Location

If a course is to be expanded or lengthened, there must be enough available land. But most pre-World War II courses, however, are completely surrounded by homes, industry and highways. Most newer courses built in the 1960s still have an outlet for expansion. Whatever the type of course, there are three common situations in land availability—

- The course is completely boxed in by urban development and owns no unused land;
- The original course planners or developers acquired enough land for future addition, but built only part at first;

(Continued on page 52)

Two holes, one shown here, were abandoned because ski lifts and supporting base facilities were encroaching.



Number seven tee at the planned combination resort-membership club at Perry Park.

Spreading out

continued from page 51

• The course covers all land now owned, but there is a farm, woodland or other open area bordering it.

A surrounded private club still has several choices. It can limit size and rebuild the old course if needed, or move. For an old club that wishes to have a first-class facility and grow, moving is most often the best, but a painful, choice. A very old course is sometimes too short to gain anything by remodeling on a crowded site. Remodeling an old clubhouse can be more expensive than building a new one. Many older, metropolitan-area clubs have sold out and reaped enough from valuable land alone to pay for a larger and more modern plant farther from the city.

The same can happen to a private operator. But more commonly, the owner sells out—period. The profit on land alone in a metropolitan area is sometimes more than a golf course can net in 10 years.

The municipal course if hemmed in presents lesser problems. A city can keep the old one in play, then build a second nine or 18 elsewhere in line with population growth. If the old course is too tight, needs major renovation or is in a run-down part of the city, it might be converted to a park. Or an old nine can be rebuilt into a par-three or short nine.

If adjacent land is available, already owned or not, planning is simplified. Of course the land should be suitable for golf in size (60 to 80 acres for a regulation nine, 15 to 30 for a par-three nine), shape and terrain.
If the extra nine was not designed to match the present layout, a competent golf architect should be called in. The new holes may go off in a different direction from the clubhouse, or be added to the far end of the course.

If the extra land totals less than 50 acres, the ownership might buy more if available or make a trade of some land valuable as potential housing or commercial area for a larger area on another site of the course. Or on a smaller site, a par-three or short (executive) nine is a fine addition to a regulation 18 to accommodate beginners, juniors, seniors and women.

If a course has just nine holes, it is never too soon to begin planning for 18 by acquiring land. It is far easier on the budget to buy land over, say 10 years, then build, than to do it all at once. The price will always go higher later. More important, the land may be open now but taken for other development if let go.

Financing

Without knowing a particular situation, no best way of paying for an addition can be recommended. But several methods are common. Sometimes these have been used in combination.
Member clubs. *Recruiting of additional members to build a fund from initiation fees or stock purchase; assessment of present members; signing of individual notes by members to acquire a bank loan; accumulating a capital expansion fund by operating profits; selling extra land beyond that needed for expansion.*
Municipalities. *Passage and sale of revenue or general obligation bonds; accumulating an "expansion" or capital improvement fund via a surcharge of 25 or 50 cents a round on present golf course green fees; receiving a Federal or state open-space program grant; using income from local sales, cigarette or lodging taxes or utility profits.*
Private operators. *Refinancing of a previous bank loan, or taking out a*

(Continued on page 65)

Tax bite
continued from page 55

this open space land.

The CDGA has written to all 125 state officials and also to Governor-elect John J. Gilligan, pointing out that the country club member is already a three-time tax payer—his home, his business and his share of the country club dues. None of the groups is asking for tax exemption, but only for a "fair and equitable appraisal" for open space land. Otherwise, facilities such as golf courses could be taxed out of existence.

It has been pointed out that in Ohio more than 210 golf clubs pay over $5 million annually in property taxes. They add to the community coffers in other ways too. Henry Meiers, secretary of the Cleveland District which encompasses most of northeastern Ohio, points out, "Taxing the open, strictly recreational land at its 'highest and best value' with an already strained budget may mean the club must move or dissolve. For instance, a golf club contemplating any move knows it will have an outlay of over $1 million immediately. The temptation to dissolve is there.

"Either decision, move or dissolve, has to hurt the community in which the club is located. The community will lose taxes, jobs and purchasing power, and the land which surrounds the club is likely to decline in value. If the golf course is replaced by apartment buildings, it is likely to mean the area will need more schools, more police and fire protection and much higher taxes to the individual."

The Cleveland District GA and the Ohio Outdoor Recreation Assn. know they are in for a long fight, but at least they have started. □

Spreading out
continued from page 52

new loan using the present facility as collateral; getting a Federal Small Business Administration loan; selling stock in the business or other investors.

In any case, much depends on local and national economic conditions at the time. Generally speaking, it is far easier to raise capital for a busy, successful existing club or course than it is to finance a new course.

For any course, the ownership should always be looking ahead five and 10 years. At the present growth rate, what will the demand be? Will courses need more holes? Plan now. □