

Date: 15 August 2017

Tucson City Golf future – public feedback

My name is Dr. Lee Task and I attended the 10 August 2017 community workshop directed primarily at Silverbell Golf Course. By way of introduction I am the President of the Silverbell Golf Club, which was founded in 2009 by Paul Noonan, the Silverbell Golf Course pro at that time, with the specific intent to promote golf at Silverbell. In addition to me, our Vice President/treasurer as well as two other members of our Club attended the workshop. This document has been shared with our membership and those that agree with the analysis and feedback have been encouraged to contact Mr. Greg Jackson, Management Coordinator of the City Manager's Office and City Council to ensure their opinions are known (see our website at: http://www.silverbellgolfclub.org/html/city_courses.html).

In addition, I am also Chief of the Tribe golf club. Between these two organizations our records indicate that we play approximately 3200 rounds of golf on City courses each year, just a bit over 1.5% of ALL rounds played at City courses, corresponding to about \$100,000 per year of revenue. Both of these clubs are primarily based at Silverbell Golf course, even though we play all five City courses.

Before providing the details and analysis that lead to the following feedback position, let me clearly state that we strongly believe that the five golf courses should be kept primarily as is, with perhaps non-interfering periphery development, if possible, to enhance golf-related revenue.

We strongly encourage the Mayor and City Council to adopt a resolution to commit the City to the continuation of the five golf courses and focus their energies on ways to improve the Tucson City Golf experience, thereby increasing revenues and solving the capital improvements problem.

Statement of the Problem

The specific reason as to why the City of Tucson is concerned about the role of golf and the five municipal golf courses owned by the city is unclear. Finances obviously play a role in this concern. The five City courses have produced a positive OPERATING income for the most recent fiscal year (about \$195K for FY2017) but they do not have sufficient revenue to address capital improvements that may be required in the future. The City golf courses are considered an "Enterprise" by the City and are therefore expected to be revenue neutral, even though many other City recreation-based activities, such as parks, community centers, and bike trails, are not expected to pay for themselves. For purposes of this document it will be assumed that the City is looking to either get rid of Tucson City Golf or determine ways in which the City golf courses can be revenue neutral, including capital expenditures. Without the City clearly stating the specific problem to be solved it is difficult to develop solutions. This assumption is based on Slide 9 of the 10 August 2017 Community Workshop presentation provided to the 60 or so attendees at that workshop (see below – bold and underline added).

Financial history (Slide 9)

- Long term challenge is capital needs**
- Critical needs over 5 years - \$1.5M (\$300K/yr)**
- 15 years - \$25M (\$1.7M/yr)
- Surcharge option

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Possible solutions proposed by the City in soliciting public comment

The 10 August 2017 “community workshop” presentation provided notional alternatives for the various municipal courses with the general “options for assets” listed on Slide 14 (below).

Options for Assets (Slide 14)

- Consider existing uses
- Consider alternate uses
- A combination of the two
- Feedback may result in other ideas**

Note that the last bullet on Slide 14 suggested that other ideas MAY result from feedback from the community workshops. Each golf course or combinations of golf courses was then presented with slightly more specific options. The 10 August 2017 workshop was primarily directed at Silverbell Golf Course. Therefore, in order to keep this document to a minimum length, only the Fred Enke/Silverbell combo that was presented with 3 options (A, B, C – see below – **bold** and underline added for emphasis) will be addressed, but similar analyses applies to the other courses where they have proposed options in common.

Options for Assets – **Fred Enke/Silverbell** (Slides 20, 21, 22)

A. Keep as 18-hole golf course

- Consider periphery development**
- Consider additional uses (like Frisbee golf and foot golf – listed on feedback sheet)
- Allow walking in early mornings and evenings

B. Convert to a 9-hole golf course

- 9 hole family learning center
- Redevelop additional acres as a park
- Sell additional acres for private development – **LWCF implications**
- Combination of park and development

C. Eliminate golf

- Use land to develop a park
- Use land for private development
- A combination of both
- LWCF implications**

Option “A” has been put in bold and underlined, including the first sub-bullet under option “A,” indicating that this is the option strongly endorsed by this document and its supporters. Both options B and C involve LWCF issues and include the suggestion of at least a partial redevelopment into a park. Redevelop into a park would not move the City in the correct fiscal direction (see analysis below) if the “statement of the problem” section of this document is correct in assuming the primary issue here is financial. Therefore options B and C are unacceptable to both the City and to resident golfers. It is clear that the City needs to further investigate these options and their likely fiscal impact for 5 and 15 years from now so that the various options, including retaining the 5 courses, can be intelligently compared.

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Analysis of City proposed solutions

Any proposed “solution” that involves converting all or part of any of the five golf courses into a park is not a solution at all. There would be a significant capital expense to convert some or part of these properties into a viable park with the end result there would be essentially NO future revenue generated from the operation of these parks. Any park requires security, continued maintenance and operational expenses (such as mowing lawns, pest control, lighting, security patrols, etc.) and would require periodic capital expenditures (upgrade/replacement of any recreational equipment, walking paths, picnic tables, etc.). Although a quantitative analysis would be required of any park conversion, it is highly likely the end result would be a far worse fiscal situation with respect to financial costs to the City than the current golf situation. The very fact that this option was presented on multiple slides with its obvious negative financial impact to the City, [namely: 1) requiring immediate unfunded capital expenditures to convert to a park, 2) incurring future annual maintenance costs, 3) having essentially no revenue stream, and 4) incurring obligations for future unfunded capital expenditures for the park(s)], suggest that the City is not as concerned about financial issues as one might expect from the Financial History presentation given at the community workshop(s). It is this fact that leads one to believe the Mayor and Council are “waging a war on golf” as was suggested by Larry Pagel in a letter to the editor dated 1 August 2017 in response to the 30 July 2017 article regarding the golf topic in the AZ Daily Star paper (see excerpt from this letter below).

Golf produces a great deal of good in this community, be it for juniors, senior citizens, winter visitor income, jobs, attracting new industry, etc. The real question should be, "Why is mayor and council at war with golf?"

Alternative “co-uses” such as Frisbee golf and foot golf don’t make sense for most of the City golf courses. Someone needs to be charged with doing a quantitative analysis of the impact of adding Frisbee golf and foot golf to any of the City courses. Peoria Pines in Glendale, AZ and the 49’ers here in Tucson have added foot golf to their venue so it should be relatively easy to gather solid data regarding the issues/successes/failures of doing this. There are several obvious problems with foot golf. Specifically, what happens when someone on the number 1 tee or number 9 tee at Silverbell kicks the soccer ball into the water? A soccer ball is more expensive and bulkier than a golf ball so it would be difficult to carry a lot of soccer balls with you during a round of foot golf. The soccer ball would, of course, float on the water. I doubt that many players playing with their own soccer ball would want to leave an \$8 to \$30 soccer ball floating in the water. So how does one get their ball back? If there is a wind, the ball would certainly eventually float to the downwind side of the pond. Are players going to wait for it to float there? Are they going to bring out another soccer ball and continue the round? What if the ball goes out of bounds such as over the right hand fence on hole number 2 at Silverbell? Does the player climb over the fence to get his/her ball? Issues such as water hazards, out of bounds, balls stuck up in trees and whatever other unforeseen events need to be evaluated.

The foot golf “holes” are much larger than the golf holes on the greens. How often do these holes need to be moved so that the grass around the hole does not get worn down excessively? Where would these 21” diameter holes be located so that they would not interfere with normal golf? If a golf ball ends up in one of these holes would there be a local rule that the player would have a free drop? How far from the greens would these foot golf holes be located? What are the increased maintenance costs associated with maintaining/moving/refilling these foot golf holes? Finally, is the extra revenue produced by the foot golf or Frisbee golf worth the extra maintenance, equipment, and labor costs?

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Someone needs to do a proper quantitative analysis of this option and get some actual data from organizations that have gone this route...including the possibility of Frisbee golf or foot golf causing a **reduction** in the number of regular golf players that will play the course.

One "sub option" that might have some merit is symbiotic peripheral development, if possible. If there is land that is owned by City Golf that is not actually part of the golf course then perhaps it could be sold or leased to entities for business activities that might be synergistic with golf. This might be a possible way to enhance the City Golf experience depending on the peripheral development.

Positive aspects of retaining all 5 City courses

From the AZ Daily Star letter writer: *Golf produces a great deal of good in this community, be it for juniors, senior citizens, winter visitor income, jobs, attracting new industry, etc.*

City taxes paid on revenues will be lost if all the courses were to be sold (2.0% of \$7,236,282 is \$144,726 that the city got in FY2017; for FY2018 it will be 2.5% of revenue with the temporary 5 year sales tax increase)

There ARE revenues from golf (and sales tax income), unlike a park

City golf provides excellent recreation for a wide range of residents (age, income level, etc.)

City golf brings in revenue AND tax revenue from **outside** the City (visitors and non-residents)

The courses provide protected green space – reduced heat island effects

The courses provide habitats for many animals

It is possible to IMPROVE revenue from golf, unlike parks

Potential for POSITIVE cash flow, even including projected capital expenditures, IF Mayor and City Council get behind Tucson City Golf

Alternatives will cost more money NOW and/or involve legal issues such as restrictions on the land (LWCF)

The City courses provide residents with good, reasonably priced alternatives to more expensive courses during high season

Potential for significant revenue enhancement IF food/beverage concessions are improved

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Possible actions to increase revenues or reduce costs

If it is too expensive to properly maintain the current inventory of sand bunkers on the City courses (see pictures below), then make the sand bunkers into modest grass bunkers, which will reduce maintenance costs, improve appearances, and most likely speed up play (allowing more players during peak times and an improved golf experience).



Improve and properly market the food concessions at Silverbell. Fred Enke and El Rio could also use some improved marketing/pricing/upgrade of the food/drink offerings.

Contact the various golf club representatives/presidents/treasurers (such as the undersigned) to generate ideas that would benefit both the golf courses and the golf clubs. This document is already too long to include specifics here, but if there is an interest in pursuing this avenue please contact the undersigned.

Recommended course of action

We strongly encourage the Mayor and City Council to adopt a resolution to commit the City to the continuation of the five City golf courses and focus their energies on ways to improve the Tucson City Golf experience, thereby increasing revenues and solving the capital improvements problem, instead of continuing this incessant uncertainty about these golf courses.

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Mr. Butch Hughes, SGC Vice President, Treasurer