

# **Tucson City Golf Community Workshop**



**THURSDAY, AUGUST 10, 2017**

# Tucson City Golf Community Workshop



## **Agenda for tonight**

- Golf overview
- Financial history
- Options for all courses
- Community feedback-verbal and/or written

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- Mayor and Council have not provided any direction to pursue any of the options
- Community feedback is important
- We want to hear from you

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## Golf Overview

- Rollercoaster the past 10 years
- Revenues and rounds fluctuate
- Competition, weather, economy
- Golf building boom – late 1980s/early 1990s

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## Golf Overview

- Locally 40 golf courses
  - 9 private
  - 6 semi-private
  - 15 public
  - 9 resort
  - 1 military
- Equates to 41 - 18 hole golf courses
  - 34 – 18 hole courses
  - 4 – 27 hole courses
  - 2 – 9 hole courses

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## Golf Overview

- 18 holes of golf per population
- Metro Tucson – 18 holes per 24,500 residents
- National Golf Foundation – for every 20,000 (55)
- NRPA – for every 50,000 (22)

Every community must determine their own standard

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## Golf Overview

- Ancillary benefits of golf
- Winter tourism and residents
- Economic impact
- Use of reclaimed water
- Reduce heat island effect

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## Financial history – Tucson City Golf

	<b>FY 14</b>	<b>FY 15</b>	<b>FY 16</b>	<b>FY 17*</b>
<b>Operating Revenues</b>	\$ 6,125,375	\$ 7,139,282	\$ 7,508,666	\$ 7,431,758
<b>Operating Expenses</b>	\$ 6,150,106	\$ 7,544,570	\$ 7,546,879	\$ 7,236,282
<b>Net Operating Income</b>	(\$ 24,731)	(\$ 405,288)	(\$ 38,213)	\$ 195,476
<b>Year-end General Fund loan</b>	\$7,906,447	\$8,554,615	\$1,626,413	Preliminary results in Aug.
<b>Rounds of golf played</b>	215,945	218,907	226,534	211,212
<b>Revenue/round</b>	\$ 28.37	\$ 32.61	\$ 33.15	\$ 35.19



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## Financial history

- 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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## Financial history – El Rio

	<b>FY 15</b>	<b>FY 16</b>	<b>FY 17</b>
<b>Operating Revenues</b>	\$ 991,160	\$ 1,108,500	\$ 1,162,184
<b>Operating Expenses</b>	\$ 1,498,021	\$ 1,577,034	\$ 1,467,659
<b>Net Operating Income</b>	<b>(\$ 506,861)</b>	<b>(\$ 468,534)</b>	<b>(\$ 305,475)</b>
<b>Rounds of golf played</b>	39,707	40,390	39,834

5 year CIP estimated at \$1.1M-netting, fencing, equipment, fuel tank, bunkers and cart paths

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## Financial history – Fred Enke

	<b>FY 15</b>	<b>FY 16</b>	<b>FY 17</b>
<b>Operating Revenues</b>	\$ 1,094,923	\$ 1,115,218	\$ 1,178,193
<b>Operating Expenses</b>	\$ 1,523,678	\$ 1,584,674	\$ 1,494,617
<b>Net Operating Income</b>	<b>(\$ 428,755)</b>	<b>(\$ 469,456)</b>	<b>(\$ 316,424)</b>
<b>Rounds of golf played</b>	36,767	38,739	35,098

5 year CIP estimated at \$1.4M-parking lot, equipment, bridges, tees and cart paths

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## Financial history – Randolph

	<b>FY 15</b>	<b>FY 16</b>	<b>FY 17</b>
<b>Operating Revenues</b>	\$ 3,770,577	\$ 4,007,466	\$ 3,816,108
<b>Operating Expenses</b>	\$ 3,161,328	\$ 2,996,278	\$ 2,891,999
<b>Net Operating Income</b>	\$ 609,249	\$ 1,011,188	\$ 924,109
<b>Rounds of golf played</b>	99,161	105,457	97,576

5 year CIP estimated at \$2.7M-parking lot, equipment, fencing, netting, and cart paths

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## Financial history – Silverbell

	<b>FY 15</b>	<b>FY 16</b>	<b>FY 17</b>
<b>Operating Revenues</b>	\$ 1,282,621	\$ 1,277,482	\$ 1,275,273
<b>Operating Expenses</b>	\$ 1,361,542	\$ 1,388,893	\$ 1,382,006
<b>Net Operating Income</b>	<b>(\$ 78,921)</b>	<b>(\$ 111,411)</b>	<b>(\$ 106,733)</b>
<b>Rounds of golf played</b>	43,272	41,948	38,704

5 year CIP estimated at \$1.1M-cart barn, equipment, fuel tank, and cart paths

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## Options for Assets

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

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## Options for Assets – El Rio

- Facility use agreement with First Tee
- 15 year agreement through 2018
- Option for 5 year renewals (2)

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## Options for Assets – El Rio

### A. Keep as 18-hole golf course

- Consider periphery development
- Consider additional uses
- Allow walking in early mornings and evenings



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## Options for Assets – El Rio

### 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
- Combination park and development

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## Options for Assets – El Rio

### C. Eliminate golf

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

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## Options for Assets – Fred Enke/Silverbell

- City used LWCF to build the courses
- If changing use, two options
  - Convert property to other recreational use
  - Move restrictions to other properties for recreational use - Requires NPS approval

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## Options for Assets – Fred Enke/Silverbell

### A. Keep as 18-hole golf course

- Consider periphery development
- Consider additional uses
- Allow walking in early mornings and evenings

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## Options for Assets – Fred Enke/Silverbell

### 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

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## Options for Assets – Fred Enke/Silverbell

### C. Eliminate golf

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

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## Options for Assets – Randolph

- Self-imposed restriction from M&C Resolution #904 in 1925...land will be “forever dedicated as and for a municipal golf course and public park.”
- Dell Urich is part of Arroyo Chico Wash FEMA regulated flood plain
- Different options for consideration

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## Options for Assets – Randolph

- Excess open space at Randolph Golf Complex
- Reconfiguring could make the courses more profitable
- Improvements could make the courses viable for professional level golf tournaments



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## Options for Assets – Randolph

### A. Keep operating as 36 hole golf course

- Reduce the golf course footprint
- Commercial development
- Open space and recreational amenities
- Combination of the two

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## Options for Assets – Randolph

### B. Convert to 27 hole golf course (3 nine-hole)

- Reduces the golf course footprint
- Commercial development
- Open space and recreational amenities
- Combination of the two

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## Options for Assets – Randolph

### C. Lease courses/partnerships

- Tucson Conquistadores Classic
- UA golf and tennis programs
- Commercial development
- Open space and recreational amenities
- Combination

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- Mayor and Council have not provided any direction to pursue any of the options
- Community feedback is important
- We want to hear from you

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- Public comments tonight
- Comment sheets are available
- [Greg.Jackson@tucsonaz.gov](mailto:Greg.Jackson@tucsonaz.gov)

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- **Option A.** Keep operating as an 18-hole golf course and consider development opportunities around the perimeter; implement other facility uses such as foot golf (soccer ball) and disc golf (Frisbee) and walking in the early morning and evenings.
- **Option B.** Convert the course to a nine-hole family learning center and consider alternate use options with remaining acreage such as a park, private development or combination of the two.
- **Option C.** Completely eliminate the golf course and redevelop the entire property as private development, a park, or a combination of both.

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What happens now?

- Additional community workshops
- Summarize community feedback
- Provide feedback to M&C at future study session

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## Additional workshops:

- **August 24. PCC – East**, 8181 E. Irvington Rd, Room L 101. First room to the right in the main entrance.
- **August 31. Randolph Golf Complex**, 600 S. Alvernon Way, Copper Room.
- **September 7. Tucson Convention Center**, 260 S. Church Ave., Apache-Cochise Room. Free parking in lot A off of Church Street.
- All workshops are 6-8 pm.

**Thank you for participating!!**