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**Halifax Regional Council**  
**November 8, 2005**

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:** Carol Macomber  
Carol Macomber / Director - Recreation, Tourism & Culture

**DATE:** October 28, 2005

**SUBJECT:** Municipal Golf Course

## INFORMATION REPORT

### ORIGIN

Halifax Regional Council meeting of June 17, 2003, Item 4, Residents Presentation re: Proposal for a Municipal Golf Course. The item was referred to staff for a report.

### BACKGROUND

In 2002, a member of the Northwest Community Council requested a report on the feasibility of the municipality opening and operating a golf course. In response to the request, a report on this issue was prepared by staff of the former HRM Parks and Recreation Business Unit and submitted to that Community Council in October 2002. In June 2003, the issue resurfaced because of a residents' presentation which proposed that HRM pursue the development of a municipal golf course. However, the original Community Council report was not brought before Council at that time.

**DISCUSSION**

In response to the 2002 request from Northwest Community Council, the attached report was prepared on the feasibility of opening a municipal golf course. At that time, HRM was home to a variety of courses with a variety of rates to suit individuals with different financial abilities. Therefore, the report indicated that there was little need for HRM to invest municipal dollars in building a golf course. This suggestion was based on the number of public courses available to residents, the availability of tee times, and the number of courses in and around the municipality with reasonable green fees. The report did suggest that a full feasibility study would be required should Council wish to explore the possibility of developing a municipal course. The estimated cost for a phase one marketing study to explore the feasibility of a municipal golf course was placed at approximately \$40,000, with further study and design required. Since 2002, a significant number of new golf courses have been added to the varied inventory of courses available to residents, both in HRM and within a reasonable driving distance of the municipality. Therefore, staff recommend that the findings and proposed directions presented in the 2002 report are still relevant.

**BUDGET IMPLICATIONS**

There are no financial implications associated with this report.

**FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

**ALTERNATIVES**

None

**ATTACHMENTS**

October 21, 2002 report to Northwest Community Council regarding a Municipal Golf Course.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by :

  
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Financial Review :

Barb Palmeter / Financial Consultant / 490-7221



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Northwest Community Council  
October 21, 2002

**TO:** Members of Northwest Community Council

**SUBMITTED BY:** \_\_\_\_\_  
Karen MacTavish, Director Parks and Recreation

**DATE:** October 21, 2002

**SUBJECT:** Municipal Golf Course

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## INFORMATION REPORT

### ORIGIN

Councilor - requested a report on the feasibility of a municipal golf course.

### BACKGROUND

There are three primary reasons for a municipality to own and operate a golf course;

- 1) To provide low cost access to golf for the general public in areas where the cost of accessing other public/private courses may be prohibitive. Municipal courses generally provide access for an average of \$20 for adults and \$10 for junior players.
- 2) To provide a golf course where there are no other public courses available. These courses tend to be in smaller communities away from larger centers. They also tend to be lower end and smaller courses.
- 3) To provide revenues to subsidize other recreation or municipal programs. Many successful municipal courses were built in the early to mid twentieth century on what is now very central locations. They started out providing low cost access to the sport or filled a need for golf where private industry did not. Due to their location and maturity of the courses they have since evolved

into revenue generating ventures with fees commensurate with other public courses. Greens fees for these courses can range from a low of \$30 to \$75 to over \$100 for a PGA course.

There are many levels and combinations of course levels within the golf course industry. The basic levels are;

- championship course - 18 hole with full size fairways
- executive course -shorter 18 hole courses
- nine hole course - nine holes with either full length fairways or executive length links
- pitch and putt - generally on 45 to 65 yard fairways used for practice, introduction to the game and family activity
- Driving ranges and putting centers - for practicing long and short aspects of the game

The choice of which area of the industry a municipality participates in is dependant on the primary goal of the municipality.

## **DISCUSSION**

There are sixteen golf courses in the metro region of HRM with at least two more courses currently under construction. Of these sixteen courses, four are private courses, however three of these private courses do accept non-members for a premium green fee. There are seven other courses outside the municipality but within a one hour drive of Metro.

A survey of courses within HRM demonstrates a variety of courses to meet a variety of market needs. These include nine hole pitch and putt with fees of \$9.00, full nine hole courses with access fees of \$12 - \$16, executive courses with greens fees of \$27- \$50 and championship courses with access rates of \$60 - \$115. These prices are commensurate with the majority of municipal courses in Canada and the US.

Based on the number of courses and the availability of tee times there are a good number of public courses available to the public. There does not seem to be a need for HRM to build a golf course to fill a lack of courses within the municipality. These courses provide a variety of rates to suit different financial abilities. The one area not covered by private industry is a full 18 hole executive or championship style course with subsidized green fees in the \$7 to 15\$ range. Staff's examination of other municipal courses revealed very few municipalities that provided the level of subsidisation necessary to create such a course. This type of subsidized course would be in direct competition with privately owned courses and would likely draw criticism for unfair business practices.

In terms of creating a municipal course to generate revenues towards other programs; such a plan would require a comprehensive feasibility and market study. In the early 1990's there was a plan prepared for an 18 hole executive style golf course on municipal land at Ragged Lake Business Park. That plan called for a private partner to build and operate the facility. That plan still is in existence

however before that were to proceed the municipality must be clear about its objectives for owning and operating a municipal golf facility. A full feasibility study would be necessary. That study would have to pay special attention to the market niche for such a course. Overwhelmingly staff found that municipal courses were built before or at the beginning of the golf boom. HRM would need to satisfy itself that that they would be not be getting into this business too late.

### **BUDGET IMPLICATIONS**

A phase one marketing study to explore the feasibility of a municipal golf course would cost approximately \$40,000 and would have to be included in HRM's budget deliberations. Further study and design would be required if that study came back positive.

Additional copies of this report and information on its status can be obtained by contacting the Office of the Municipal Clerk at 490 4210, or Fax 490 4208.  
Report prepared by: Peter Bigelow, Manager, Parks and Open Spaces - 490 6047.