




**MONTGOMERY COUNTY DEPARTMENT OF PARKS**  
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

MCPB  
Agenda #  
4/3/08

March 20, 2008

MEMORANDUM

TO: Montgomery County Planning Board

FROM: Gene Giddens, Acting Deputy Director 

SUBJECT: Presentation by the Montgomery County Revenue Authority on its Operation of the Commission's Four Golf Courses – Sligo, Needwood, Northwest, and Little Bennett

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Attached, for your review and approval, is a copy of the Montgomery County Revenue Authority's Annual Report on the operation of the Commission's four golf courses during the 2007 calendar year.

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Attachment



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**Montgomery County Revenue Authority**

*2008 Annual  
Montgomery County  
Planning Board Briefing*

### **Purpose and Background:**

As required by section 7.2.6 of the lease between the Montgomery County Revenue Authority (MCRA) and Maryland-National Capital Park and Planning (MNCPPC), the tenant shall appear before the Montgomery County Planning Board. The Tenant shall make a presentation of its operation of the Golf System during the preceding calendar year, including (1) significant activities conducted by Tenant in support of its obligations under this Lease, including (i) a schedule of fees charged at each Park Golf Course with a comparison to the market, (ii) number of rounds played at each Park Golf Course, and (iii) community outreach activities and programs to meet its commitments with regard to accessibility, including the participation rates; (2) a summary and representation of its compliance with the terms of this Lease; (3) any updates to the Golf Master Plan; (4) current capital improvement plan; and (5) any other information reasonably requested by Landlord.

On April 15, 2006 the MCRA began operating four golf courses owned and operated by Maryland-National Capital Park and Planning Commission. As such, the Montgomery County Golf system became nine golf courses. Initially, the four golf courses were operated under a Letter of Intent and an Operating Agreement. Then, the parties entered into a long term lease agreement for the operation of the M-NCPPC golf courses in Montgomery County.

### **Structure of the Report:**

This report and accompanying presentation will provide an overview of the key operational items from the previous year. The items covered will satisfy the requirements of paragraph 7.2.6 of the lease as well as other items that the MCRA may feel are relevant. The report will flow in the same order as the items listed in the lease beginning with operational details and ending with updates on the Golf Master Plan and current capital improvement plan. We are happy to follow up with any additional requests the Landlord may request during the presentation.

### **Activities in support of its lease obligations**

The MCRA has continued to work and improve the overall operational efficiencies of the golf system. In 2007 we have realized more than \$68,000.00 in savings of key fertilizers and pesticides and significant other savings were realized in additional areas. Vendor partnerships were established with leading maintenance equipment and cart suppliers to provide state of the art equipment with extensive savings off market pricing. In total the MCRA expended over \$740,000 in new maintenance equipment purchases. Additionally, we have developed a detailed plan for cart fleet rotation and replacement and a 5 year plan for maintenance equipment replacement. This will ensure that the equipment used by our patrons and our staff to maintain the facilities will continue to be industry leading.

The primary agronomy objectives in 2007 were to improve golf course conditions system-wide, become more operationally efficient at our facilities, and find ways we can

improve our environmental footprint. Two of these three objectives have seen good progress with the help of our soil consultant, M&M Consulting. M&M Consulting provides site-specific nutrient recommendations to promote turf health and ultimately reduce pesticide fertilizer inputs. Soil testing is performed on every green, tee, and fairway at all nine of our golf courses. Samples are analyzed at an independent lab, and returned with results on which M&M bases their nutrient recommendations. Depending on the type of grass microclimate where it is growing, and the nature of the growing medium, recommendations are given to our superintendents to provide inputs to each specific area of the golf course that will result in increased turf health and nutrient utilization by the plants. In doing this, we are avoiding blanket applications of fertilizers and amendments, such as lime or gypsum, on the golf courses. Instead, we pinpoint exactly which fairways, greens, or tees, need certain inputs to bring the soil chemistry into the desired ratios of primary and secondary nutrients vital to turf health. The specific nature of these targeted applications reduces the potential for runoff and nutrient leaching. This consultant also performs tests on our irrigation water, so the superintendents are able to see what nutrients are actually going into solution from our water source. Using this information, superintendents who manage sand-based greens, for example, can “spoon feed” nutrients over the course of the season and monitor nutrient levels, rather than simply guessing what a typical green would need according to a text book.

A big part of our attention to course conditions has to do with the maintenance of our greens, since they are historically the most scrutinized part of any golf course, and where the majority of strokes are accounted for. In our quest for the “best” greens in the market, certain cultural programs have been standardized at our facilities. Frequent needle-tine aeration is performed about every two weeks through the growing season in addition to our semi annual core aerification. This core aeration is important to the vitality of our golf courses. However, with the Revenue Authority’s investment in the latest developments of equipment technology, it is becoming easier and more efficient for our golf course managers to continue this important process throughout the season in a way that reduces the impact on playability. With the addition of this new equipment, MCRA courses were able to begin a program of “needle-tine” aeration every couple weeks, followed with an ultra-light topdressing sometimes on a weekly basis. This allows greens to be vented and remain firm and smooth, and typically goes unnoticed by the golfers. In fact, the developments in equipment even allow for the greens to roll smoother AFTER being aerated in this manner. The benefit for both superintendent and the golfer is mutual and there is also an environmental benefit. When soil is aerated, microbial activity is stimulated which results in the release of nitrogen as plant material is broken down. This nitrogen is readily available to the grass, and can be monitored through soil tests. If a buildup of soil organic matter allows for more nitrogen to be released, the superintendents can apply less nitrogen to the golf courses, and everybody wins.

Revenue Authority agronomy programs continue to be analyzed and revised throughout the season with our ultimate goal of having the healthiest turf with minimal amount of input and impact on the environment. Another great benefit to the close monitoring we

do of turf nutrition is that we are increasing the drought tolerance of turf on our golf courses. Even if this means just an extra day without irrigation, the cumulative effect of this is the savings of hundreds of thousands of gallons of water across our system.

Golfers will also be sure to notice an increase in the amount of native areas on our golf courses in the past year. Increasing so-called “no mow” areas reduces the cost of maintenance, i.e. less mowing, less wear and tear on equipment, less labor, and also provides a more welcome habitat for native wildlife.

### **Pricing**

In 2007 the Revenue Authority adapted a supply and demand pricing structure. We implemented a system that monitors tee sheet utilization by 2 hour segments by day of the week. This information allows us to adjust pricing to maximize utilization and the revenue potential of each property. As a result we are able to offer greater discounts during “off-peak” times to golfers than in the past while still creating more revenue for the property. However, under this system we do not establish posted rates at the facilities but in 2007 we did see a decrease of .29 per round at the Park and Planning facilities while still increasing the total revenues by over 6%.

### **Rounds Played:**

Overall, there were 382,927 rounds played at M-NCPPC and MCRA courses in 2007 versus 371,671 rounds in 2006, which represents a 3% growth in total rounds. There were 185,737 rounds in 2007 versus 172,865 rounds in 2006 played at the four M-NCPPC golf courses, which represents a 7.45% increase. There were 197,190 rounds in 2007 versus 198,806 rounds in 2006 played at MCRA courses, which represents a .8% drop in rounds. According to National Golf Foundation the total rounds nationally for 2007 decreased by .5%. Golf Datatech, who provides data for PGA of America and National Golf Course Owners Association, shows a -1.7% drop in rounds for the regional market of DE, DC, and MD and in the local DC and Baltimore market an increase of .5% in 2006. In conclusion the 3 % increase of rounds played in the entire system beat the national, regional, and local trends of rounds played. Park and Planning courses were able to realize a greater increase of rounds through improved conditions and programming while the MCRA courses were more consistent with the national and regional trends in golf course rounds. Attachment 1 provides a detail listing of rounds played by golf course.

### **Community Outreach Activities:**

In 2007, the Revenue Authority continued to brand Montgomery County Golf (MCG) as the standard bearer for the golf course system with the ambitious aim to provide the best possible service and value to our guests. In association with this effort, the Revenue Authority re-launched its website for Montgomery County Golf at [www.MontgomeryCountyGolf.com](http://www.MontgomeryCountyGolf.com), created an email communication system with over 20,000 participants and engaged in an array of marketing and promotional activities.

The branding of Montgomery County Golf has been crucial to position MCG for long-term success in an increasingly competitive golf market in the region. Throughout 2007 many additions were added to this website. Interactive course maps were designed to give visitors to the site a “feel” of the courses along with playing tips. This site is continually upgraded with the most recent information and golf schedules for the complete portfolio of courses. In addition to the website, the email database of over 20,000 golf participants is utilized to promote specials, reserve advance tee times and to promote the numerous events that are held at the golf courses throughout the year.

A centerpiece of the marketing of Montgomery County Golf has been the Montgomery County Golf (MCG) Tour, which was launched in 2000. The concept of the Tour has been to increase exposure to MCG golf courses and to build strong loyalty to the MCG brand. To participate in the Tour, one simply signs up for a free “Tour Card” and gets the card punched at each of five courses for a paid 18-hole round. After completing the “Tour” of five golf courses, the golfer is treated to a free round of golf at the MCG course of the golfer’s choice. Over 7,000 tour cards were issued last year, and more than 30 percent of cards were completed. All of the golfers who completed the Tour and played their free round of golf were entered into a year-ending prize drawing at Northwest Golf Course. Over 200 participants attended this event which included specially discounted golf merchandise, golf demonstrations, contests, lunch and a raffle of over 75 prizes. Also, a grand prize of a full year of free golf that can be used at any of the 9 MCG golf courses throughout 2008 was awarded to one participant. Tour 2008 is scheduled to be launched in March 2008.

Since 2002, to increase public awareness and encourage new golfers in the sport, the Revenue Authority has published the annual Montgomery County Golf Program Guide that lists innumerable learning opportunities, programs, and tournaments for golfers of all skill levels. The Revenue Authority’s golf professional staff provides a large number of learning opportunities. In 2007, MCG instructed in excess of 7,000 golfers in camps, clinics, groups, and individual sessions.

The Revenue Authority has made a significant commitment to junior golf in the form of clinics and camps designed to expose young people to the game of golf. In all, the Revenue Authority had over 4,000 participants in a broad range of camps or clinics in 2006 and exceeded this number in 2007. In addition, the Revenue Authority provides extensive support to the Montgomery County Public Schools golf program. In 2006, there were 29 public high schools whose members played nearly 3,000 free rounds of golf in practice sessions. The Revenue Authority increased this commitment to the Montgomery County Schools in 2007 by providing access to over 5,000 free rounds.

The Revenue Authority is also significantly committed to and involved in The First Tee of Montgomery program. This program is different from our other Junior Golf initiatives because the First Tee emphasizes the teaching of “Life Skills”. The First Tee program teaches these “Life Skills” that young people use and apply to everyday life while providing an opportunity to be exposed to the game golf. Laytonsville, one of the

original First Tee sites in the County, provides weekly First Tee classes taught by the professional staff. In 2006, there were well over 2,000 participants in First Tee sessions at Laytonsville and Sligo Creek Golf Courses. Due to the continued commitment and the success of the program a third course, Needwood Golf Course, was added in 2007 and was host to over 140 additional young people. The First Tee mentoring program matches students with volunteers who will help them further develop an understanding of the sport and enhance their skill levels. The Revenue Authority provides a 50 percent discount on rounds of golf for the mentors and students. Another significant contribution to First Tee is the Revenue Authority's donation of Laytonsville Golf Course for a major First Tee fundraising event, providing one of the most significant single revenue generators for First Tee on an annual basis.

Revenue Authority facilities also provide an opportunity for golfers to participate in league and tournament play, providing both recreation and a bit of friendly competition. The Revenue Authority has continued to see the participation in these programs grow. In 2007 there were over 48 different leagues across the golf system, which accounted for over 18,000 rounds of golf. Also in 2007, the Revenue Authority held the fourth annual Montgomery County Golf Summer Amateur Tournament, which is a low cost event that allows golfers of all ages and handicaps to compete against one another for prizes and awards. The Revenue Authority hosted over 200 outings in 2007, with over 12,000 participants and donated rounds of golf to nearly 100 local charities, including schools and church groups, at a value of over \$15,000.

In 2007, all of the golf courses participated in the First Annual Patriots Golf Day. This was a joint initiative with the PGA of America and the United States Golf Association that raised contributions for the Wounded Warriors. This organization supports families of those who have become disabled or lost their lives in the line of military duty. The Revenue Authority courses collected and matched contributions of all golfers that played that day. The Revenue Authority donated \$1 for each green fee that was processed on Saturday, September 1st and including golfer donations contributed over \$7,000 for this outstanding cause. Many of the courses also had decorated military personnel on hand acting as Ambassadors for the event.

Poolesville Golf Course held a Bleed Fore Golf event which was a huge success. This event combined golf and the giving of blood to the Red Cross. The Red Cross supplied their staff and 2 Bloodmobiles for the event. In all over 25 pints of blood were donated which accounted for the maximum that could be collected within the time frame of the event. Due to the success of the event, the Red Cross has committed 3 additional Bloodmobiles for the event in 2008.

The Revenue Authority golf courses also participated in the First Annual Take Your Daughter to the Golf Course Day. The golf professionals donated their time for clinics, instruction and a fun atmosphere to expose many of participants to the game of golf. Over 80 participants enjoyed the activities and 135 complimentary rounds of golf were distributed.

## Awards

Although this is not a required section we felt it was appropriate to list the awards the MCRA has received in 2007.

The following awards were presented based on the voting of the readers of Pros and Hackers Magazine:

### **Most Playable**

Falls Road, Hampshire Greens, Needwood

### **Best Pro Shop**

Little Bennett

### **Best Finishing Hole**

Little Bennett

### **Best Value**

Falls Road

### **Best Practice Facility**

Little Bennett

In addition to the above awards, the National Golf Foundation recently announced the winners of its 6<sup>th</sup> Annual Customer Loyalty Awards.

### **Winners of the Most Improved Loyalty Scores were:**

- Little Bennett for Standard Facility Category
- Sligo Creek for Value Category.

## Compliance with Lease

The Revenue Authority believes it is and has been in compliance with the details and overall intent of the lease. The above information outlines the operational initiatives that have taken place over the past year to satisfy our lease obligations. Additionally, we have submitted all required reports and continue to move towards creating a financially sustainable golf system.

## Golf Master Plan Update

In March of 2007, the Revenue Authority presented to the Planning Board its initial concept for a golf master plan. The plan included phase 1 changes to Needwood, Sligo Creek, and Northwest Golf Courses. During the past year we have remained focused on the project at Sligo Creek. We have spent time reaching out to the community and trying to address their concerns. On January 9, 2008 the Revenue Authority conducted a public meeting to discuss the findings of consultant reports regarding the potential impacts of our concept. Over 200 residents were present and expressed their concerns regarding the potential changes to the property. Since that meeting the Revenue Authority has



withdrawn, from its FY09-14 CIP, its request to expend their funds for the Sligo Creek Project with the exception of expending up to \$100,000 for additional studies and/or plans if it deems them necessary. Additionally, we are in the process of forming a Stakeholders Advisory Group made up of representatives of the affected parties. We are hopeful that this group will provide the advice and recommendations necessary to make Sligo Creek environmentally and economically sustainable with a positive impact on the golf system.

The Revenue Authority has spent the last year focused on the Sligo Creek project because it represents the largest potential impact to the golf system. Additionally, we agreed with the County Executives recommendation of not funding Northwest and Needwood projects until the Sligo Creek issues are resolved. We agreed because the final plan for Sligo may impact the timing and or scope of the other projects which we need to fully understand before moving forward. During 2008 it is our goal to find an amenable solution to the Sligo Creek Project and finalize our planning for Sligo, Needwood, and Northwest.

#### Capital Improvement Plan

During 2007 the Revenue Authority leased a new fleet of golf carts at Little Bennett Golf Course, installed new carpeting at Little Bennett, repaired large windows at Needwood, and purchased over \$740,000 of new maintenance equipment for the Park and Planning facilities.

In 2008, we will invest over \$250,000 at Little Bennett on irrigation upgrades and building improvements, over \$50,000 in new HVAC units, carpeting and other clubhouse items at Needwood, \$20,000 in small improvement items at Northwest, \$60,000 in landscaping improvements around the clubhouses at several properties, and we are planning on purchasing an additional \$130,000 worth of equipment for the Park and Planning facilities.

#### Other Information Requested

At the time of this report there were no additional items requested.

**Attachment 1**  
**Year over Year Rounds Comparison Detail**

<b>Golf Course System</b>	<b>2006</b>	<b>2007</b>	<b>Variance</b>	<b>% Growth</b>
<b>Total Rounds</b>	371,671	382,927	11,256	3.03%
<b>MNCPPC Golf Courses</b>	<b>2006</b>	<b>2007</b>	<b>Variance</b>	<b>% Growth</b>
<b>Total Rounds</b>	172,865	185,737	12,872	7.45%
<b>MCRA Golf Courses</b>	<b>2006</b>	<b>2007</b>	<b>Variance</b>	<b>% Growth</b>
<b>Total Rounds</b>	198,806	197,190	-1,616	-0.81%
<b>Sligo Creek</b>	<b>2006</b>	<b>2007</b>	<b>Variance</b>	<b>% Growth</b>
<b>Total Rounds</b>	25,242	28,815	3,573	14.15%
<b>Little Bennett</b>	<b>2006</b>	<b>2007</b>	<b>Variance</b>	<b>% Growth</b>
<b>Total Rounds</b>	25,106	28,086	2,980	11.87%
<b>Needwood</b>	<b>2006</b>	<b>2007</b>	<b>Variance</b>	<b>% Growth</b>
<b>Total Rounds</b>	61,124	67,581	6,457	10.56%
<b>Northwest</b>	<b>2006</b>	<b>2007</b>	<b>Variance</b>	<b>% Growth</b>
<b>Total Rounds</b>	61,393	61,255	-138	-0.22%
<b>Falls Road</b>	<b>2006</b>	<b>2007</b>	<b>Variance</b>	<b>% Growth</b>
<b>Total Rounds</b>	53,663	52,022	-1,641	-3.06%
<b>Poolesville</b>	<b>2006</b>	<b>2007</b>	<b>Variance</b>	<b>% Growth</b>
<b>Total Rounds</b>	34,347	35,159	812	2.36%
<b>Laytonsville</b>	<b>2006</b>	<b>2007</b>	<b>Variance</b>	<b>% Growth</b>
<b>Total Rounds</b>	44,509	44,675	166	0.37%
<b>Hampshire Greens</b>	<b>2006</b>	<b>2007</b>	<b>Variance</b>	<b>% Growth</b>
<b>Total Rounds</b>	31,615	30,311	-1,304	-4.12%
<b>Rattlewood</b>	<b>2006</b>	<b>2007</b>	<b>Variance</b>	<b>% Growth</b>
<b>Total Rounds</b>	34,672	35,023	351	1.01%