

This story is taken from Sacbee / Community News / El Dorado County News.

Hopes fall short for golf course

Study finds revenue would cover costs but not offset debt.

By Cathy Locke - Bee Staff Writer Published 12:00 am PDT Thursday, June 21, 2007

Fans of the El Dorado Hills Golf Course received disappointing news last week from a consultant hired to assess the economic prospects for reopening the links under the auspices of the El Dorado Hills Community Services District.

"We hate to see any golf course close," said Ed Getherall, a consultant with the National Golf Foundation, an organization noted as a golf proponent.

Though some involved in the regional golf scene said they believe the operation could be resurrected in some form, Getherall said more golf courses closed than opened in the United States last year, and the El Dorado Hills course has a number of factors working against it.

Parker Development Co. closed the 18-hole, executive-length course in January, citing financial losses and competition.

But at the public's urging, the community services district board and the county Board of Supervisors ordered the \$28,000 study to determine the feasibility of reviving the operation.

Because El Dorado Hills is a short course, it doesn't appeal to everybody, Getherall said, and has always operated as a low-fee course.

It also has fallen victim to increased competition from a golf course building boom in the Sacramento area during the past decade.

Activity at the course peaked in the late 1980s with about 91,000 rounds a year, but play had dwindled to about 35,000 rounds last year.

The study assumed that the course would operate under an agreement with a private management firm.

Getherall said the findings indicated that improving the existing course and expanding the clubhouse to include banquet facilities with seating for up to 300 people could boost revenue to more than \$3 million annually and increase play to about 56,000 rounds a year. About a third of the revenue would be generated by non-golf food and beverage services.

Though the revenues would cover operating costs, they would not be sufficient to offset the estimated \$8 million debt, Getherall said.

In addition, the district likely would pay about \$350,000 to lease the property from Parker Development, which has indicated it is not interested in selling the land. And any improvements the district made would revert to the owner when the lease expired.

"The big problem is the debt service and the lease payments make this untenable," Getherall said.

Several people attending the presentation during the June 14 board meeting bemoaned the loss of a course that they said is ideal for youths learning the game and for seniors who prefer a shorter course.

Some suggested keeping improvements to a minimum to reduce costs, but Getherall said that likely would produce revenues similar to the last year of operations.

But Jack O'Camb questioned whether figures provided to the consultant reflected the actual costs of

1 of 2 6/21/2007 6:22 PM

operating the course in its latter years.

O'Camb, a Cameron Park resident, said he had worked in the pro shop for the past 16 years.

"It was hard to figure out what the costs were," he said, adding that in some cases, non-course-related expenses were billed to the operation.

The El Dorado Hills course has not been aggressively marketed, even within the community, O'Camb said, arguing that the influx of seniors to developments such as Four Seasons could boost patronage.

Keith Lyford, director of golf at Auburn Country Club, suggested the course's future may lie in a modified operation.

Lyford said he has been talking to Parker Development's William Parker about converting the site to a nine-hole course, and using the other nine holes as a learning center for junior golfers.

Named by Golf Magazine as one of the top 100 instructors in the nation, Lyford said people travel up to two hours to take lessons from him.

An instructional center combined with an expanded pro shop could be profitable, he said, adding that Sacramento's Haggin Oaks Golf Course is "making tremendous money" on its golf shop and driving range.

"This is something I would love to do, if we could work together where I could own it and maybe the community could help," Lyford said.

The report is available on the district's Web site at www.edhcsd.org and at the district office, 1021 Harvard Way, El Dorado Hills.

Go to: Sacbee / Back to story

This article is protected by copyright and should not be printed or distributed for anything except personal use. The Sacramento Bee, 2100 Q St., P.O. Box 15779, Sacramento, CA 95852 Phone: (916) 321-1000

Copyright © The Sacramento Bee

6/21/2007 6:22 PM