

## Special Report

# Golf Course Redevelopment or Repurposing in Florida

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#### Introduction

This background paper on golf course redevelopment and repurposing in Florida, prepared on behalf of 1000 Friends of Florida, has the primary purposes of stating the current conditions of golf course development within the state of Florida, the issues with these conditions, and possible policy, development, and legal responses to these conditions. This is a critical issue to the land use and economic development patterns in the state, which have historically been geared towards tourism and touristrelated activities, which made the state amenable to golf course development. This position paper has as its secondary purpose the goals of explaining why there has been a decrease in the popularity of golf, explaining the impact of this decrease on golf courses and surrounding communities, encouraging developers to turn to alternative forms of development other than golf courses, encouraging developers and local governments to redevelop golf courses into formats and amenities more amenable to the current generation (including alternative golf courses), encouraging the conversion of golf courses into open space and spaces suitable for wildlife, and discussing methods of attaining community input so that communities can decide on practices that will direct golf course redevelopment in the future (these methods would include, but would not be limited to, charettes, local planning meetings, zoning hearings, and other types of public meetings, using a variety of channels including in-person and Internet conference meetings). This paper will use various terms like redevelopment, repurposing, reusing, and redesign to mean the same thing; different sources cited here use may use different terms but they largely have the same meaning within the context of real estate development.

1000 Friends of Florida gratefully thanks Spring 2021 Intern Joshua Gloster, a a second-year law student at the University of Florida Levin College of Law in Gainesville, Florida, for preparing this report.

#### Overview

There has been a decline in golfing activity all across the country, which has resulted in diminishing value of golf courses. As of 2019, there remained approximately 1,200 golf communities nationwide<sup>1</sup> and some 16,000 golf courses<sup>2</sup> but this number has been declining rapidly. Florida itself has about 1,300 golf courses, which by some counts, is more than any other state in the nation.<sup>3</sup> Within Florida in the last decade, there has been a decline in golf residential construction and new course construction, as well as a decline in the number of professional tournaments played in Florida.<sup>4</sup> This is particularly problematic given that Florida's economy continues to be strongly tourist-based, with many attractions in the state intertwined to some degree with the usage of golf courses. Fortunately, in the last decade, despite the decline in overall golfing activity, there has been a continued increase in golf-related tourism, golf facility operations, and golf-related manufacturing.<sup>5</sup> There was a marginal decrease, 0.4 percent, in Florida's golf economy as a whole between 2007 and 2013, after adjusting for inflation.<sup>6</sup> Given these Florida-specific factors at play, policy measures should address these factors directly.

There are also dramatic effects on housing values when a golf course closes. When a golf course closes, the values of homes in an associated subdivision usually drop 25 percent — but may decline 40-50 percent if a legal battle ensues.<sup>7</sup> On the other hand, when a golf course opens, the surrounding properties do not necessarily increase in value. With this in mind, there are certain economic, social, and environmental issues to be addressed in the context of dealing with closing golf courses and repurposing them for other purposes.

#### Brief history of golfing and reasons for closure

Why do golf courses close? If one is looking from a purely economic or development point of view, one would ask if the owner or developer failed to ask the following questions in the context of the operation or development of the golf course property:

- Does the market support the business model?
- Do the club's physical characteristics support the business model?

<sup>&</sup>lt;sup>1</sup> Robert Steutville, *Failing golf communities not on par with neighborhoods*, CONGRESS FOR NEW URBANISM (Jan. 22, 2019), https://www.cnu.org/publicsquare/2019/01/22/failing-golf-communities-not-par-neighborhoods.

<sup>&</sup>lt;sup>2</sup> Jared Green, *Ace Idea: Transforming Defunct Golf Courses into Parks*, THE DIRT (Jun. 2, 2019), https://dirt.asla.org/2019/06/04/ace-idea-transforming-golf-courses-into-public-parks/.

<sup>&</sup>lt;sup>3</sup> Ship Golf Clubs to Florida, SHIP STICKS, https://www.shipsticks.com/ship-golf-clubs-to-florida.

<sup>&</sup>lt;sup>4</sup> SRI International, *Florida Golf Economy: Full Report*, THE FLORIDA GOLF IMPACT TASK FORCE (Jan. 2015), at 1, http://wearegolf.org/wp-content/uploads/2019/01/Florida-Golf-State-Report-2013.pdf.

<sup>&</sup>lt;sup>5</sup> *Id.* at 1.

<sup>&</sup>lt;sup>6</sup> Findings on Golf Course Conversions and Recommended LDC Amendments (2016), www.colliergov.net > home > showdocument at 1.

<sup>&</sup>lt;sup>7</sup> See Steutville (citing the Wall Street Journal).

<sup>&</sup>lt;sup>8</sup> Larry Hirsh, *When do golf courses close and what happens then?*, GOLF PROPERTY ANALYSTS (Sept. 12, 2018), https://golfprop.com/blog/why-do-golf-courses-close-and-what-happens-then/.

Does the club's location support the business model?

If the answer to any of these three questions is no, the property is not properly being used for its highest and best use. With increasing suburbia, lower density, a lack of transit to golf sites, and overall economic issues, more and more courses are failing to answer "yes" to all of these questions.

However, the closings could also be due to the changing social climate. American society is a long way from the 1950s, when we had the original golf course construction boom,<sup>9</sup> and we are entering an era where most people prefer other, less time-consuming recreation and entertainment, frequently in digital forms. Additionally, longer working hours have reduced Americans' leisure time to an average of 2.5 hours per day, not enough time for many to play "a sport that takes between 3 and 1/2 and five and 1/2 hours to play."<sup>10</sup>

Prior to coming to America, golf was generally believed to have originated in Scotland or Ireland in medieval times.<sup>11</sup> The golf courses in Scotland were built on land called linksland, sandy-type ground covered by coarse grass near the ocean.<sup>12</sup> The equipment the early golfers used was primitive by modern standards. By the time golf courses were being developed in America for public use in the late 1800s, the design and style of golf courses had changed significantly, with shorter grasses, fewer roughs (the part of the golf course with higher grass), more fairway (the part with shorter grass), and now with paths allowing for mobility of golf carts.<sup>13</sup>

As traveling became easier, and more conducive to a growing middle-class interested in travelling long distance for leisure, designers sought land similar to the early linksland in the United States. In the central part of middle America in the Sand Hills of Nebraska, sandy-based soil with natural hills and hummocks was found and a private club was built, despite the fact that the nearest major population center was 250 miles away. Further west on the Southern Oregon Coast, an owner of a greeting card company discovered linksland there in the early 1990s, and has since built two world-class public golf courses. These courses represent the closest American approximations of the authentic form of the game as it was played in Scotland. For the same as it was played in Scotland.

The game that started out on low-quality land in Scotland on the fringes of town has become the central focus of many wealthier communities throughout the United States and especially in the state of Florida. Within the American psyche, particularly from the 1950s up until the Great Recession, there has been a strong connection between the middle-class's (particularly the upper-middle class's) ability to vacation at

<sup>&</sup>lt;sup>9</sup> Bill Love, *An Environmental Approach to Golf Course Development*, AMERICAN SOCIETY OF GOLF COURSE ARCHITECTS, https://asgca.org/wp-content/uploads/2016/07/environmental-course-development.pdf.

<sup>&</sup>lt;sup>10</sup> F. Kaid Benfield, *Could Placemaking Become New Golf? Repurposing Obsolete Courses*, SMART CITIES DIVE (updated Mar. 16, 2015), https://www.huffpost.com/entry/could-placemaking-become\_b\_6873934.

<sup>&</sup>lt;sup>11</sup> See Love at 4.

<sup>&</sup>lt;sup>12</sup> Id.

<sup>&</sup>lt;sup>13</sup> William G. Smith, Fore!: Teaching Golf Course Design in a Landscape Architecture Curriculum, UNIVERSITY OF GEORGIA (2005), at 19, https://getd.libs.uga.edu/pdfs/smith\_william\_g\_200505\_mla.pdf.

<sup>&</sup>lt;sup>14</sup> See id. at 30.

<sup>&</sup>lt;sup>15</sup> *Id*.

<sup>&</sup>lt;sup>16</sup> *Id*.

resort destinations, residential and resort development for a burgeoning aspirational suburban middle class, and golf courses.<sup>17</sup> This connection may be dying, however. While many of the moderate to highwealth consumers of the golfing amenities continue to enjoy the sport much as they used to, newer generations of players are picking up the game at a slower rate and spend less time engaged in the activity.<sup>18</sup> The 25 million golfers in the U.S., or about 8% of the population, have an average annual income of \$95,000 and average age of 54, according to industry group American Golf.<sup>19</sup> They spend an average of \$2,776 per year on the sport, making them a wealthy target demographic for luxury home builders.<sup>20</sup> But even with golf's formerly mass appeal, those within the industry acknowledge that many golf aficionados are retiring and reducing their amount of time on the course.

A report commissioned by GOLF 20/20 identified there was "a decline in golf residential and new course construction, as well as a decline in the number of professional tournaments played in Florida." According to research conducted by the National Golf Foundation (NGF) in 1988, Baby Boomers were projected to play more frequently as they aged and were expected to buy premium golf course lots in master-planned communities. However, the golf industry experienced a significant decline in many key golf-related economic variables from the year 2000 on, particularly after 2009. Thus, the Baby Boomer generation did not behave as expected, while younger generations did not make up for the decline, both contributing to the decline in revenues for golf courses, and the incentives for developers to develop them.

According to NGF, more than 40% of the golf courses built in the 1990s were tied to planned communities; therefore, real estate developers played an influential role in promulgating the development of upscale golf courses that served as amenities in selling real estate at elevated prices. <sup>24</sup> Typically, the golf courses' operations were subsidized, because developers' primary concern was selling the surrouding real estate. Golf course construction was then slowed by the bursting of the tech stock bubble in the early 2000s. <sup>25</sup> As golf developers struggled to secure the financing to develop golf courses, it also became more difficult to attract regular golfers and homeowners who wanted golfing options, and consequently, developers struggled to sell off golf course properties once the surrounding residential property was sold. <sup>26</sup>

<sup>&</sup>lt;sup>17</sup> See generally Love and Smith, and see John L. Crompton, *Implications of the Rise and Decline of Golf,* PARKS & RECREATION, THE NRPA'S MONTHLY MAGAZINE (Jun. 25, 2020), https://www.nrpa.org/parks-recreation-magazine/2020/july/implications-of-the-rise-and-decline-of-golf/.

<sup>&</sup>lt;sup>18</sup> Is Golf Really a Dying Sport – A Look at the Future of Golf, SOUTH HAMPTON GOLF CLUB (2021), https://southamptongolfclub.com/is-golf-really-a-dying-sport/.

<sup>&</sup>lt;sup>19</sup> Scott Sowers, *Are Golf Communities A Thing of the Past?*, BUILDING (Nov. 6, 2018), https://www.builderonline.com/building/are-golf-communities-a-thing-of-the-past\_o.

<sup>&</sup>lt;sup>20</sup> See id.

<sup>&</sup>lt;sup>21</sup> SRI International at 1.

<sup>&</sup>lt;sup>22</sup> Blake Jeffrey Conant, *Bankrupt Golf Courses: An Historical Analysis and Strategies for Repurposing*, UNIVERSITY OF GEORGIA (2009), https://getd.libs.uga.edu/pdfs/conant\_blake\_j\_201305\_mla.pdf at 11.

<sup>&</sup>lt;sup>23</sup> See id. at 12

<sup>&</sup>lt;sup>24</sup> David Hueber, *The Changing Face of the Game and Golf's Built Environment*, CLEMSON UNIVERSITY (Aug. 2012), https://tigerprints.clemson.edu/cgi/viewcontent.cgi?article=1972&context=all\_dissertations at 2.

See id. at 2.Conant at 10.

During the golf course construction boom period of the 1990s, there appears to have been little concern among many of the golf course real estate developers for environmental issues as evidenced by the type of golf courses that have been built.<sup>27</sup> During the golf course redevelopment process it may be necessary to address these environmental concerns.

There were 30 million golfers in 2005, the peak number of people playing the sport.<sup>28</sup> By 2016, the number had gone down to 23.8 million, according to the National Golf Foundation.<sup>29</sup> Local governments continue to spend money on golf course improvements; here in the state of Florida alone, Martin County has lost \$6.6 million on a private golf course it took over in 2015, but the county still intends to spend \$12.3 million to build a clubhouse and to partially redesign the course; Fort Myers spent \$7.8 million on improvements to a municipal golf course, despite the course losing \$960,000 over the last five years.<sup>30</sup>

The last decade has been marked by a decline in the popularity of golf.<sup>31</sup> This is in spite of projections of possible increase in golf participation.<sup>32</sup> This is perhaps partly due to the tough economic times during the late 2000s, and the decline in performance by golf's chief ambassador, Tiger Woods. According to the US Golf Association, 107 golf courses around the country closed in 2010.<sup>33</sup> In 2011, 157.5 courses closed versus only 19 courses opened.<sup>34</sup> That number was expected to go up to between 150 to 180 closures annually versus 20 openings.<sup>35</sup> The year 2012 marked the seventh straight year with more closures than openings, and has been deemed a market correction to the excessive supply of golf courses, which has forced clubs to reduce costs or increase revenue sources.<sup>36</sup>

<sup>&</sup>lt;sup>27</sup> David Hueber, *Code Blue" for U.S. Golf Course Real Estate Development: "Code Green" for Sustainable Golf Course Redevelopment*, JOURNAL OF SUSTAINABLE REAL ESTATE (Aug. 2010), http://www.josre.org/wp-content/uploads/2012/09/Sustainable\_Golf\_Courses-Hueber-JOSRE1.pdf at 3.

<sup>&</sup>lt;sup>28</sup> See Crompton.

<sup>&</sup>lt;sup>29</sup> Lisa Broadt. *Many of Florida's public golf courses struggle with declining participation and revenues*, FORT MYERS NEWS-PRESS, https://www.news-press.com/story/news/2018/04/23/many-floridas-public-golf-courses-struggle-declining-participation-and-revenue/537882002/ (last updated Apr. 23, 2018, 7:30 AM).

<sup>&</sup>lt;sup>30</sup> USA Today Sports (Apr. 19, 2018, 3:36 PM), https://golfweek.usatoday.com/2018/04/19/florida-municipal-golf-courses-lose-nearly-100-million-in-past-5-years/

<sup>&</sup>lt;sup>31</sup> Kathleen Burke, *Playing Golf Has Gone the Way of the 3-Hour Martini Lunch—Trump Being the Exception*, MARKETWATCH (Mar. 29, 2017, 7:53 PM), https://www.marketwatch.com/story/why-golf-has-gone-the-way-of-the-three-martini-lunch-2016-07-13.

<sup>&</sup>lt;sup>32</sup> Joseph F. Beditz and James R. Kass (2010), *Golf Participation in America, 2010-2020*, NATIONAL GOLF FOUNDATION, https://cdn.cybergolf.com/images/1867/Golf-Part-Future-in-Am-2010-20--99MR2051-NGF.pdf.

<sup>&</sup>lt;sup>33</sup> Club & Resort Business, *Golf Course Closure Outpace Openings Fifth Straight Year, Reports NGF,* (Jan. 21, 2011), https://clubandresortbusiness.com/golf-course-closures-outpace-openings-for-fifth-straight-year-reports-ngf/.

<sup>&</sup>lt;sup>34</sup> Scott Hollister, *NGF: Course Closings Outpace Openings in* 2011, FROM THE DESK OF GCM: THE OFFICIAL BLOG OF GCSAA'S GOLF COURSE MANAGEMENT MAGAZINE (Mar. 15, 2012, 12:15:18 PM),

https://gcm.typepad.com/gcm/2012/03/ngf-course-closings-outpace-openings-in-2011.html.

<sup>&</sup>lt;sup>35</sup> Carol A. Barr and Mary Hums, Principles and Practice of Sport Management, GOOGLE BOOKS https://books.google.com/books?id=XhKDBAAAQBAJ&pg=PA499&lpg=PA499&dq=150+to+180+golf+course+closur es&source=bl&ots=7s3gwY40K\_&sig=ACfU3U3FkoSy7Udu7tiyquKs0dDzjcGJIQ&hl=en&sa=X&ved=2ahUKEwjD9Zql h\_nxAhUNa80KHYXTDaQQ6AEwBXoECAkQAw#v=onepage&q=150%20to%20180%20golf%20course%20closures&f =false (accessed July 23, 2021).

<sup>&</sup>lt;sup>36</sup> Robert Edsforth, *Golf Course Property Restoration*, UNIVERSITY OF WASHINGTON (2013), https://depts.washington.edu/uwbg/research/theses/Robert\_Edsforth\_2013.pdf at 9.

The core demographic of golfers (defined as those individuals ages 6 and up who play at least eight rounds of golf during the year<sup>37</sup>) drive the industry through their rounds played and merchandise bought. By 2011, the number of golfers in the U.S. had dropped to 25.7 million, a 16% decrease in participation over an eight-year span.<sup>38</sup> Even more alarming, core golfer participation dropped to 14.4 million, a 23.8% decrease in participation over the same eight-year span. Occasional golfers remained consistent with 11.3 million participants.<sup>39</sup> Although the NGF believes golf participation is leveling off near 25-26 million participants, a significant chunk of core golfers stopped playing or reduced their playing frequency due to the Great Recession of 2008.<sup>40</sup>

This has created a negative impact on property values. When a course fails, homeowners who have paid a premium to locate adjacent to it lose a substantial portion of their equity in the property. <sup>41</sup> The challenge is worsened by many failing courses being built on land that is limited from development either by local zoning ordinances seeking to preserve open space or by deed restrictions intended to protect owners who paid a premium to live near a golf course. <sup>42</sup>

#### Types of golf courses and alternative golf courses

A golf facility is defined as a business location where golf can be played on one or more golf courses. <sup>43</sup> Six types of golf facilities exist: Municipal, Daily-fee, Private, Real Estate-Related, Resort, and Real Estate/Resort. <sup>44</sup> Municipal golf courses are generally supported by tax dollars drawn from property owners in a particular jurisdiction, although they may take some fees from members with memberships. <sup>45</sup> Daily-fee golf course facilities, as the name implies, are privately owned but give public access to their courses. <sup>46</sup> Private golf courses take their funding from memberships, which are often paid on a yearly basis. <sup>47</sup> All six golf facility types can be found in Florida, and care should be taken to address the unique problems of each type of facility.

The last three mentioned types, real estate-related, resort, and real estate/resort are usually developed for homeowners or individuals or families who intend to stay at a certain location for a period of at least a day.<sup>48</sup> Redeveloping these properties might require some additional considerations, given the concern

National Golf Foundation, *Golf Participation in the U.S. 2016 Edition* (2016), https://cdn.cybergolf.com/images/1867/2016-Golf-Participation-in-the-US.pdf at 2.

<sup>&</sup>lt;sup>38</sup> Conant at 12.

<sup>&</sup>lt;sup>39</sup> *Id.* at 8.

<sup>&</sup>lt;sup>40</sup> *Id.* at 11.

<sup>&</sup>lt;sup>41</sup> John L. Crompton, *Implications of the Rise and Decline of Golf,* PARKS & RECREATION, THE NRPA'S MONTHLY MAGAZINE (Jun. 25, 2020), https://www.nrpa.org/parks-recreation-magazine/2020/july/implications-of-the-rise-and-decline-of-golf/.

<sup>&</sup>lt;sup>42</sup> *Id*.

<sup>&</sup>lt;sup>43</sup> Conant at 31.

<sup>&</sup>lt;sup>44</sup> Id.

<sup>&</sup>lt;sup>45</sup> *Id.* at 31.

<sup>&</sup>lt;sup>46</sup> *Id.* at 31-32.

<sup>&</sup>lt;sup>47</sup> Id.

<sup>&</sup>lt;sup>48</sup> See generally Conant at 21-22, 31-32.

of surrounding residential property values, or commercial properties which may all be under the ownership of single owner.<sup>49</sup> These types of development may also result in conflicts between landscape architects and land use planners on how to adequately site living spaces versus the golf courses; unfortunately, the siting may result in the golf course having uninteresting topographic features such that the interesting ones are placed closer to the residential or resort hotel area.<sup>50</sup> But this may make repurposing the golf course easier.

There are different types of topography that are typically offered for golf courses, including links, parklands and desert.<sup>51</sup> Parklands may be most favorable for redevelopment as a park or open space. Within these types of courses, there are different design options: Core, single-fairway continuous, single-fairway returning nines, double-fairway continuous, and double-fairway returning nines.<sup>52</sup> Double-fairways, as the name implies, have two fairways, and these may be more easily developed into various open space recreational areas, although this is dependent on a number of different factors.

Golf courses are also categorized by length. The categories of length include Regulation, Executive, and Par 3.<sup>53</sup> Regulation courses consist of a variety of par 3, par 4, and par 5 holes with a cumulative total par between 70 and 72 over 18 holes.<sup>54</sup> Executive courses are shorter versions of regulation courses with cumulative par ratings typically between 60 and 66 for 18 holes.<sup>55</sup> These courses tend to be built on a more compact tract of land as compared to regulation courses. Finally, Par 3 courses consist solely of par 3 holes with a cumulative total par of 54 over 18 holes.<sup>56</sup> Total size for a golf course is usually around 170 acres, not including any surrounding residential or resort development, which usually requires a minimum of 300 acres.<sup>57</sup>

Amongst real estate-related golf courses, there are three additional sub-types of courses based on how they are developed: Planned Community Courses, Common Ownership Courses, and Third-Party Courses. These three different types of courses have different land covenants on the golf course property. 59

Land use covenants restrict what landowners can do with their property, or require them to do something with it.<sup>60</sup> For example, a developer of a golf course could restrict the land to only golf course use in perpetuity.<sup>61</sup> Or, the developer could record a restriction requiring that the course be preserved as open

https://collegeofgolf.ke is eruniver sity. edu/types-golf-courses-links-parkland-desert/.

<sup>&</sup>lt;sup>49</sup> Id.

<sup>&</sup>lt;sup>50</sup> *Id* at 40.

<sup>&</sup>lt;sup>51</sup> Types of Golf Courses: Links, Parkland and Desert, KEISER COLLEGE,

<sup>&</sup>lt;sup>52</sup> Conant at 34.

<sup>&</sup>lt;sup>53</sup> *Id.* at 33.

<sup>&</sup>lt;sup>54</sup> *Id*.

<sup>&</sup>lt;sup>55</sup> *Id*.

<sup>&</sup>lt;sup>56</sup> *Id*.

<sup>&</sup>lt;sup>57</sup> Conant at 36.

<sup>&</sup>lt;sup>58</sup> James Todd, *Trouble in Paradise*, JDSupra (May 22, 2019), https://www.jdsupra.com/legalnews/trouble-in-paradise-redevelopment-of-74942.

<sup>&</sup>lt;sup>59</sup> *Id*.

<sup>&</sup>lt;sup>60</sup> Id.

<sup>&</sup>lt;sup>61</sup> *Id*.

green space whether people play golf on it or not.<sup>62</sup> There have also been court cases regarding whether successive owners can change the use of the property, including Foxfire Properties, LLC v. Foxfire Owners Ass'n, Inc., which held that successors in interest did not waive their right to redevelop a golf course given a provision in covenant stating the golf course could be redeveloped when economic factors required a change in use (a lower court had held that the economic status of the golf course did not permit redevelopment).<sup>63</sup> Different kinds of land covenants can be associated with the three distinct types of golf courses mentioned in the previous paragraph in various way. Which category an individual course is may impact whether it can be redeveloped.<sup>64</sup>

There may be various legal actions and remedies that communities can take to remove those covenants that prevent highest and best usage of a property.<sup>65</sup> Removal of these varying types of restrictions are the part of the basis of how golf courses should be re-developed going forward. Third-party courses are usually the easiest to redevelop, because a third-party developer (one who did not develop the community) developed the course, and usually does not have the same contractual obligations based on reliance to the community members to keep the golf course as it is.<sup>66</sup> Planned community developers may have to re-develop courses in coordination with an HOA.<sup>67</sup> Common ownership golf course development usually lie somewhere in between the other two in terms of development possibility, because while the course is owned by the developer of the planned community or homeowners' association, the restrictions or covenants to keep the course as a golf course do not exist or were not recorded, for either intentional or unintentional reasons.<sup>68</sup> All of these course types can found in Florida and designers should recognize the challenges involved with each of them.

According to Brent Baker, Pulte's Southeast Florida division president, "Only two kinds of golf courses will stay open in the future. The first is the one that requires membership fees [note: these are also known as private golf courses, as mentioned previously], and the second is a public golf course that is subsidized by taxpayers, though even those — as seen with the Boca Raton municipal course — have great difficulty staying afloat. The math usually doesn't add up. To keep a golf course operating you're talking hundreds of thousands of dollars, sometimes millions of dollars a year." Designers in Florida should keep this in mind when investigating redevelopment options going forward.

Additionally, non-traditional entertainment options are becoming popular that directly compete with traditional golf courses. Topgolf is now increasing in popularity, along with similar types of golfing amenities, which do not feature traditional golf courses with fairways and greens, but rather climate-

<sup>&</sup>lt;sup>62</sup> Id.

<sup>&</sup>lt;sup>63</sup> Foxfire Properties, LLC v. Foxfire Owners Ass'n, Inc., 15 So.3d 2034 Fla. L. Weekly D936 (2009).

<sup>64</sup> Id

<sup>&</sup>lt;sup>65</sup> Repurposing Golf Courses and Other Amenities That Burden the Land: Covenants Running Forever -- A Transactional Perspective, JOHN MARSHALL LAW REVIEW (2019)

https://repository.law.uic.edu/cgi/viewcontent.cgi?article=2791&context=lawreview <sup>66</sup> Todd.

<sup>&</sup>lt;sup>67</sup> Id.

<sup>&</sup>lt;sup>68</sup> Id.

<sup>&</sup>lt;sup>69</sup> Amanda Rabines, *Golf anyone...anyone? Developers reimagine SoFla's money-losing* courses, THE REAL DEAL (Mar. 29, 2018, 12:30 PM), https://therealdeal.com/miami/2018/03/29/golf-anyone-anyone-developers-reimagine-south-floridas-money-losing-courses/.

controlled facilities with a party atmosphere, food, and courses that look more like driving ranges, in addition to other recreational activities. Topgolf's developer is based out of England, but has built more than 50 facilities in the United States since its founding in the year 2000.<sup>70</sup> With the increasing popularity and lucrativeness of these types of facilities throughout the state of Florida, with Topgolfs in Orlando, Jacksonville, Tampa, Miami Gardens, and Lake Mary, Florida, and soon in Fort Myers,<sup>71</sup> other golf courses may have to provide more amenities that compete with Topgolf's services.

Golf courses with other amenities are increasingly common, and in the discussion below on redevelopment options, those amenities will be discussed further. Practice facilities and fitness facilities are now commonplace at most golf facilities, as are activities for children.<sup>72</sup>

#### Benefits of golf courses

The United States Golf Association (USGA), golf's governing body, has determined eight benefits that golf courses offer. They include providing wildlife habitat, protecting topsoil from water and wind erosion, improving community aesthetics, absorbing and infiltrating rain, improving health and reducing stress, improving air quality, capturing and cleansing runoff in urban areas, and making substantial contributions to the community's economy. Consequently, the question at issue then becomes: How can bankrupt or financially unstable golf courses be sustainably redeveloped or repurposed so that they can continue providing these benefits to the community? Additionally, the state of Florida has unique ecological concerns that should be taken into account in the context of golf course development.

One benefit that golf courses may not have is improving surrounding property values, even though many people still mistakenly believe golf courses improve property values of residential properties. In fact, most golf courses have a neutral or negative effect on the surrounding property values. This may become an increasing trend in the years ahead. The market correction of 2006 was long overdue because the decrease of golfers and number of rounds played was not sufficient to support the abundance of supply. Redeveloping golf courses in many of Florida's wealthier communities may not have the effect of hurting property values in the surrounding community as it does in lower income communities. When trying to determine policy regarding golf course repurposing, policy makers should keep the differential impacts of golf courses based on the varying average incomes of differing communities in mind.

 $<sup>^{70}</sup>$  https://topgolfentertainmentgroup.com/about/history/#:~:text=As%20of%20December%2029%2C%202019,one %20franchised%20venue%20in%20Australia.

<sup>&</sup>lt;sup>71</sup> Topgolf (2021), https://topgolf.com/us/locations/, see also Greg Hardwig, Topgolf announces expected opening in Fort Myers late this year, NAPLES DAILY NEWS (Mar. 2, 2021, 10:50 AM),

https://www.naplesnews.com/story/sports/golf/2021/03/02/topgolf-announces-expected-opening-fort-myers-late-year/6885032002/.

<sup>&</sup>lt;sup>72</sup> Conant at 5.

<sup>&</sup>lt;sup>73</sup> Id.

<sup>&</sup>lt;sup>74</sup> Sowers, https://www.builderonline.com/building/are-golf-communities-a-thing-of-the-past o.

<sup>&</sup>lt;sup>75</sup> Larry Hirsh, Why Do Golf Course Close and What Happens to Them?, GOLF PROPERTY ANALYSTS (Sept 12, 2018), https://golfprop.com/blog/why-do-golf-courses-close-and-what-happens-then/. <sup>76</sup> Id.

Prior to making a decision to close and/or redevelop a golf course, policy makers should undertake an analysis to determine public benefits associated with maintaining golf courses or their lands as open space. These may include protecting wildlife habitat, conserving important natural areas, maintaining or enhancing water quality and similar environmental contributions. Golf courses or significant portions of their land may also be converted to meet public parks and recreations needs, especially in more urbanized areas where larger swaths of undeveloped land may no longer be available.

When a golf course closes, there are many negative side effects; some of these include declining aesthetics due to a lack of maintenance and lawn care of golf property, the loss of a major community focal point for events and activities, and loss of a meeting place for community members of all ages.<sup>77</sup> There are also public costs involved in improving public services and infrastructure in order to provide them after redevelopment has occurred, and in dealing with the loss of recreational area for the community.

#### Redevelopment options and benefits

Many communities throughout the country, and particularly in the state of Florida, have dying or defunct golf course developments. More specifically, these dying or defunct courses are failing to make a profit (if they are privately-held profit-generating enterprises), or costing the municipality or the county tax funds they cannot afford to spend given other spending needs (if publicly held).<sup>78</sup> Private landowners want to develop the defunct golf course land to make a profit and will struggle to sell the land, while government stakeholders do not have the means for redeveloping, acquiring and maintaining a park or open space.<sup>79</sup> As far as the public golf courses, even though many of them are set up as what are called enterprise funds, or special funds intended to be self-sufficient, they are still losing money.<sup>80</sup> Public entities these days do not appear to have the funding sources to redevelop closed golf courses on their own unless they happen to be in one of the wealthier municipalities throughout the country.<sup>81</sup>However, there are private donation sources that may help with these funding issues.

Public golf courses also tend to be less economically sustainable than private or semiprivate clubs, and shorter courses tend to be less popular than longer ones. 82 Counties and municipalities may favor the approval of these redevelopments because they will add to the tax base and because of a desire to avoid litigation over property rights issues. 83

<sup>&</sup>lt;sup>77</sup> Id.

<sup>&</sup>lt;sup>78</sup> Lisa Broadt. *Many of Florida's public golf courses struggle with declining participation and revenues*, FORT MYERS NEWS-PRESS, https://www.news-press.com/story/news/2018/04/23/many-floridas-public-golf-courses-struggle-declining-participation-and-revenue/537882002/ (last updated Apr. 23, 2018, 7:30 AM).

<sup>&</sup>lt;sup>79</sup> Id.

<sup>&</sup>lt;sup>80</sup> Id.

<sup>&</sup>lt;sup>81</sup> *Id*.

<sup>82</sup> Patricia E. Salkin, Ensuring Continuing Community Amenities Through Golf Course Redevelopment, https://digitalcommons.tourolaw.edu/cgi/viewcontent.cgi?referer=https://en.wikipedia.org/&httpsredir=1&article=1553&context=scholarlyworks at 629.

<sup>83</sup> See Salkin.

The three main options for redeveloping golf courses, adapted from a Collier County position paper on the issue, are as follows:

- No change. This alternative will identify the anticipated scenario should no action be taken by the developer. This alternative may also include the current and future financial state of the golf course and whether any other uses allowed in the golfing zoning district (if the jurisdiction has such a thing) are viable.
- Public purchase. This alternative will identify whether a municipal, county or other government entity is interested in purchasing land for a public use, whether a park or other facility. Coordination with the public entity will be required. In some instances, a not-for-profit could purchase or facilitate acquisision of the land.
- Development alternative(s) that are compatible with the surrounding community. This alternative will identify development proposals for the subject property, taking into consideration the input provided through the community participation meetings.<sup>84</sup>

In short, nothing could be done, a government entity or not-for-profit could purchase the land, or the developer could identify an alternative use through meetings with the surrounding community.

If no overall development changes are made to golf courses, a few changes in design can still be made. Many ideas have been offered over the years to reduce the time commitment of golf courses to make them more enticing to newer generations, including promoting the play of nine-holes versus eighteenholes.85 Designers, when working with communities, should distinguish between "redevelopment", "repurposing", "redesign", "restoration", and "non-development" when discussing design and development changes with stakeholders.<sup>86</sup>

Regardless of which of the three options from above are chosen, green space is probably one of the best development decisions if one is trying to repurpose a golf course. Green spaces are sustainable from an economic, environmental, and social perspective. Additionally, many communities suffer from a dearth of green space and natural areas, particularly in Florida, but given that the average golf course is about 150 acres, this may be a suitable amount of space for a municipal park or preserve area.<sup>87</sup> Most municipalities are unlikely to have that much green space elsewhere all together in one area. Equestrian uses, environmental restoration, and trail and bicycle use are possible development options.

There have already been examples of such conversions in Florida. Back in 2006 the owner of Florida's Wildflower Golf Club, an 18-hole course located between the Southwest Florida cities of Sarasota and Fort Myers in a small town called Englewood, had been preparing to sell the unprofitable private course to a

<sup>&</sup>lt;sup>84</sup> Findings on Golf Course Conversions and Recommended LDC Amendments (2016), www.colliergov.net > home > showdocument.

<sup>85</sup> Conant at 32.

<sup>&</sup>lt;sup>86</sup> Jason Lusk, *The golden age of golf course renovation and restoration*, USA TODAY (Jan. 18, 2021, 9:00 AM), https://golfweek.usatoday.com/2021/01/18/golf-course-renovation-restoration/.

<sup>&</sup>lt;sup>87</sup> Conant at 3, see also Nolan Gray, Dead Golf Courses Are the New IMBY Battlefield (June 8, 2018, 9:21 https://www.bloomberg.com/news/articles/2018-06-08/dead-golf-courses-are-the-new-nimby-PM). battlefield.

developer.<sup>88</sup> Before the club could do so, the **Lemon Bay Conservancy** stepped in to buy it.<sup>89</sup> The non-profit organization secured \$750,000 in 15 months from private donations — more money than it had ever raised before — to take on the project of redeveloping the golf course. Eva Furner, the conservancy director stated, "Over the years we've acquired some small properties. We had never taken on anything like trying to buy an 80-acre golf course and turn it into a preserve."<sup>90</sup> The organization had to get rid of invasive Brazilian and other non-native species that often take over natural areas in Florida, but now the former nature preserve is a beautiful park and environmental center.<sup>91</sup>

Other examples of repurposing throughout the United States include the Trophy Lake and Casting golf courses in Seattle, which provided water areas where people can fish in ponds. <sup>92</sup> Other repurposing examples include golf courses with nature and wildlife observation walking paths around the course boundaries, such as what has been done at the Jackson Park and Chambers Bay golf courses in Seattle. <sup>93</sup> Boardwalks and other pathways could be constructed that complement the golf course, and provide free observation and word of mouth advertising. <sup>94</sup> These golf courses provide examples where only part of the golf course area was converted to nature preserve areas, or areas or recreation in a park setting. In Florida, environmental options could involve our vast environmental diversity, which includes the proximity of several courses to the ocean, beachfronts, and other points of natural uniqueness.

Developers buying bankrupt golf courses could potentially save hundreds of thousands of dollars if they choose to retrofit existing structures, reuse existing infrastructure, and strategically repurpose the existing open space and graded land.<sup>95</sup>

So how does one fund these different options? Most of the time funding is done through a government's general fund or with a large private donation. Taxation and money-raising schemes could also be used to fund them.<sup>96</sup>

#### Community involvement and the planning and zoning process

Any golf course redevelopment should involve robust citizen engagement, including community meetings, charettes and other methods of public input. Charrettes are one of the most commonly used techniques in community planning and urban design; charrettes are an intensive planning session, in which the public, stakeholders, and designers collaborate on ideas and concepts for the proposed project. Charettes are an

<sup>&</sup>lt;sup>88</sup>Susan Collier, Bye Bye Golf Courses, Hello Nature, AUDOBON SOCIETY (Sept.-Oct., 2013),

https://www.audubon.org/magazine/september-october-2013/bye-bye-golf-courses-hello-nature.

<sup>&</sup>lt;sup>89</sup> Id.

<sup>&</sup>lt;sup>90</sup> Id.

<sup>&</sup>lt;sup>91</sup> Visit Sarasota Beaches and Beyond (2021), https://www.visitsarasota.com/parks/lemon-bay-park-and-environmental-center.

<sup>&</sup>lt;sup>92</sup> Robert Edsforth, *Golf Course Property Restoration*, UNIVERSITY OF WASHINGTON (2013), https://depts.washington.edu/uwbg/research/theses/Robert\_Edsforth\_2013.pdf at 44.

<sup>&</sup>lt;sup>93</sup> *Id.* at 18

<sup>&</sup>lt;sup>94</sup> Id.

<sup>95</sup> Conant at 30.

<sup>&</sup>lt;sup>96</sup> Margaret Walls, *Private Funding of Public Parks: Assessing the Role of* Philanthropy, https://recpro.memberclicks.net/assets/Library/Parks/private\_funding\_for\_public\_parks\_jan2014.pdf

inclusive method for exchanging ideas among stakeholders, and provide direct input to designers regarding the interests of the community. In the Collier County golf course redevelopment process, at each meeting the design team produced a revised conversion plan based on the input received from the stakeholders at the last meeting.<sup>97</sup> The process produced a multi-use plan that reflected various stakeholder interests. The use of visuals and maps to designate the exact area where different types of recreation or land uses will be placed in a golf course development would be helpful if there is a desire for multiple use types on a golf course property. When there are multiple competing interests, such visuals are helpful. Public notices should be given of these hearings to members of the surrounding community.

Amendments to Comprehensive Plans and Zoning Codes may also be required. Zoning codes may need to be updated to allow new uses and structures within the golf zoning district (if such a specific type of zoning exists in the county) that will allow for the redevelopment of the golf course. This would require review of local ordinances, future land use plans, and zoning codes on a jurisdiction-by-jurisdiction basis. Other more specialized zoning and land use techniques like overlay areas, special use permits, and conditional use permits may also need to be reviewed in charettes meetings discussing repurposing or redeveloping golf courses.<sup>98</sup>

There is recent case law precedent allowing for permits for development and amendment to planning and zoning plans in the State of Florida even without the direct express permission of adjacent residents. <sup>99</sup> In the case *Vale v. Palm Beach County*, where a golf course owner in a planned unit development sought and received zoning and development approvals despite opposition from surrounding neighbors, courts interpreted the golf course redevelopment not to be in violation Bert J. Harris Jr. Private Property Rights Protection Act in 1995, which provides a specific process for landowners to seek relief when their property is unfairly affected by government action. Under the act, a claim exists if a governmental entity inordinately burdens an existing use of real property or a vested right to a specific use of real property. <sup>100</sup> Generally, courts in Florida have set a high bar for plaintiffs attempting to prove that their use or vested rights were inordinately burdened, and only two development actions have been overturned due to the act. <sup>101</sup>

Given the difficulty of redress for those who may be opposed to redevelopment, and the need to hear all voices, it is in the interest of all stakeholders, including developers, local governments and residents, to collectively make decisions regarding the redevelopment of golf courses and other large acreage areas, whether they are privately or publicly owned, instead of unilaterally making decisions regarding the use of these properties. It is up to individual jurisdictions throughout the state to determine what methods are best for collectively deciding on the use of these spaces. Various types of stakeholder meetings, which will necessitate some form of public noticing, public hearings with public comment, and voting could all be used.

<sup>&</sup>lt;sup>97</sup> Findings on Golf Course Conversions and Recommended LDC Amendments (2016), www.colliergov.net > home > showdocument.

<sup>&</sup>lt;sup>98</sup> Taking the Mulligan: Land Use Regulatory Hurdles in Golf Course Repurposing, Art Anderson, JD SUPRA (Nov. 3, 2020), https://www.jdsupra.com/legalnews/taking-the-mulligan-the-land-use-17390/.

<sup>&</sup>lt;sup>99</sup> Vale v. Palm Beach County, 259 So.3d 951 (2018).

<sup>&</sup>lt;sup>100</sup> See id.

<sup>&</sup>lt;sup>101</sup> See id.