

spotlight

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THOMASVILLE TEES OFF

The city government has no business being in the golf business

S U M M A R Y : Over the past six years, Thomasville's city owned and operated golf course experienced operational losses of over \$3.6 million. With its course, the city engages in unfair competition with 18 private courses in the area. Private golf courses pay taxes that support government services; the city golf course does not. Unlike police and fire protection, golf is not an essential city service. If the course were sold, city taxpayers would gain the amount of the sale and avoid paying its average annual losses of over \$600,000 per year. Also, a privately owned golf course would contribute to the tax base of the city and county.

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Thomasville is the home of Thomasville Furniture Industries and the Big Chair historic landmark. But given the city's spending habits, Thomasville could also be known as the home of the Big Golf Club. The city owned and operated Winding Creek Golf Course lost more than \$3.6 million over the last six years. That's right, city taxpayers paid more than \$3.6 million to subsidize the recreation of a small minority of golfers. Perhaps the Big Chair monument on Main Street should be replaced by a Big Golf Club?.

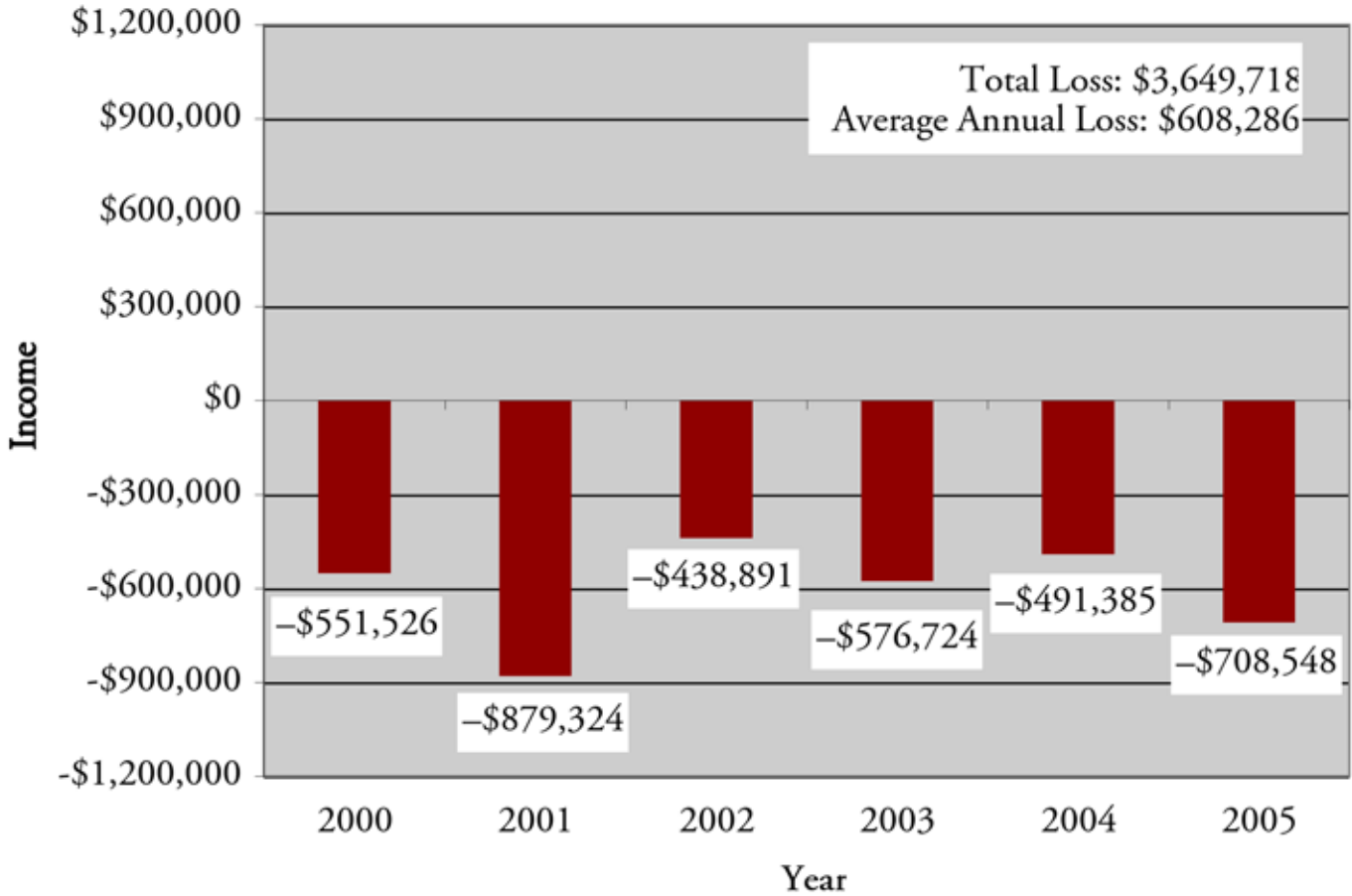
Many cities consider it more important to spend money on police and fire protection and improving the streets than paying for the recreational activities of a small minority of golfers. Think of it this way: what would happen if the mayor suggested that the city devote 165 acres of city land and spend over \$600,000 per year for a polo field that benefits a very small number of Thomasville polo players? I don't think he would be reelected. But the mayor and city council are doing just that for Thomasville golfers.

In addition, the taxpayer-subsidized golf course competes with 18 private golf courses in the area. Several of these courses offer green fees that are competitive with the city golf course's even without the taxpayer subsidy. In fact, when the taxpayer subsidy is added to the green fee at Winding Creek, the true cost of a round of golf there is about double the green fee charged — nearly \$48 for 18 holes. This higher fee is comparable with some of the more exclusive courses in the area.

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Annual Losses, Winding Creek Golf Course of Thomasville, NC, 2000-05



Source: Thomasville Comprehensive Annual Financial Report

Private golf courses pay taxes that support essential governmental services. The 165-acre city golf course is not on the tax rolls, unlike the six private golf courses in Davidson County. Imagine how would you feel if you owned a sporting goods store and you were being made to support a city-owned competitor that offered sporting goods at lower prices because it receives over \$600,000 per year in tax subsidies. The city golf course is unfairly competing with private courses in the area.

The city council should follow the advice of the great Oklahoma humorist Will Rogers: "When you find yourself in a hole, first stop digging." It seems clear that the city should cut its losses. Since the golf course is built on a landfill, it would seem that disposing of it would be problematic, but there are three viable options: (1) Selling the golf course to the private golf company, (2) selling it to the private sector for another use, or (3) shifting it to another public use such as a multi-purpose park.

Selling the golf course seems to be the better option because it would benefit the taxpayers in three ways. First, the city would gain funds from the sale that could be used for essential city services such as hiring more police officers and filling potholes. Next, the city budget would be increased by over \$600,000 per year because the city would no longer have to cover the golf course's operating deficit. Finally, by transferring the land to the private sector, the land would be returned to the tax rolls, and the new owners would pay taxes, boosting the city budget and perhaps preventing a future tax increase.

Environmental engineering firms specialize in stabilizing closed landfills and preparing them for commercial use. Just a few examples of commercial development on reclaimed landfills in California include an 810,000-square-foot shopping mall in Carson, an office park in Redwood City, a 400-room Sheraton hotel in Industry City, and an 8,000-patron amphitheater in Mountainview.

Many cities are using their closed landfills for multipurpose parks that the vast majority of citizens can use. Boston is converting its closed landfill into a 98-acre park with canoe and paddleboat rentals, ball fields, a children's playground and a nature path. San Mateo California and New York City are making similar conversions. In fact, New York City is converting the closed Fresh Kills landfill, the world's largest, into a 2,200-acre park — two and a half times larger than Central Park. Like Central Park, this new park will be for the use of the vast majority of New Yorkers, not for a few privileged golfers.

Selling or converting the Winding Creek Golf Course could be a hard choice for the city council. City bureaucrats who operate the golf course would have a vested interest in keeping their city jobs. Furthermore, a small group of golfers who receive a taxpayer subsidy of \$23 for every round of golf would presumably be more motivated to apply political pressure on the council than the vast majority of citizens who pay the tax bills.

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