

Evaluation of River Run Golf Links City of Bradenton, FL

Prepared For:

City of Bradenton

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General Limiting Conditions

This report is based on information that was current as of summer, 2023. The assessment is based on conditions at the time of the analysis (e.g., economic and market conditions) and significant changes in those conditions may affect the relevance of the assessment.

Although we believe that the expectations in this report are reasonable, any of the estimates contained herein could prove to be incorrect. To the extent possible, the NGF has attempted to verify and confirm all estimates and assumptions used in this analysis. However, some assumptions may not materialize due to known or unknown risks and/or unanticipated events. Consequently, actual results achieved by any golf facility during the period covered by NGF projections may vary from our estimates and these variations may be material. As such, the National Golf Foundation accepts no liability in relation to the estimates provided herein.

Every reasonable effort was made to ensure the data and information contained in the written report are accurate, timely, and reliable. However, NGF assumes no responsibility for inaccuracies in reporting by the client, client's agents, or any other data source used in preparing the report.

The Client ("City") agrees that the report is not to be used in conjunction with any public or private offering of debt or equity securities or to otherwise induce investment without the prior written consent of NGF Consulting which may be conditioned upon client agreeing to pay an additional fee in an amount to be reasonably determined by NGF Consulting.

This study is qualified in its entirety by, and should be considered in the context of, these limitations and conditions.

Executive Summary

This section comprises NGF Consulting’s summary of key findings related to the analysis of the City of Bradenton’s 18-hole municipal golf facility, River Run Golf Links. Findings and conclusions are based on the consulting team’s analysis conducted in the late spring and summer of 2023. *Full detail, along with supporting narrative and exhibits, is found in the body of the report and appendices.*

INTRODUCTION AND PURPOSE

The City of Bradenton, Florida (“City”) retained NGF Consulting (“NGF”) to help assess operations, current conditions, capital needs, and utilization of the City’s 18-hole municipal River Run Golf Links (alternatively referred to in report as “River Run” or “RRGL”). The City sought an independent consultant to provide a comprehensive analysis of the City’s golf asset, including an evaluation of facility operations, identification of opportunities to enhance golfer experience and revenue performance, and capital needs assessment. Of particular concern is that most of the golf course’s infrastructure is well past its expected useful life, as few significant capital improvements have been made since the course opened in the late 1980s.

NGF conducted a comprehensive study that included an operations review, market analysis, and physical review of the golf facility. The operations review component comprised an analysis of elements such as: recent historical performance; operating structure; golf playing fees; budgeting; and use of technology. The results and conclusions of the study will be used by the City to develop strategies going forward.

The NGF Consulting study was managed by Ed Getherall, MBA, Director of Consulting, with assistance from Research and Consulting Administrator Jodi Reilly. Richard Mandell, ASGCA, owner of Richard Mandell Golf Architecture (RMGA), conducted the golf course site analysis, physical evaluation, and capital improvement planning.

Key consultant activities undertaken in completion of this effort included, but was not limited to:

- ▶ Collection and analysis of golf facility information and data, including recent historical rounds played, revenues, and expenses, fee structure, staffing levels, etc.
- ▶ On-site kick-off meetings with RRGL General Manager, Superintendent, and Assistant Golf Professional, as well as the City Administrator and Director of Public Works. NGF also conducted several phone meetings with the City’s Finance Director.
- ▶ Golf course tour with City and golf facility staff.
- ▶ Competitive market analysis, including visits to key competitors of RRGL follow up phone calls with area golf operators.
- ▶ Regional benchmarking of key golf operational metrics.
- ▶ Interim progress meetings via phone or videoconference with the City Administrator.
- ▶ Collection of materials to aid in understanding the local market area, including economic, demographic, and climatological data.

SITUATION SUMMARY

The City of Bradenton's 18-hole River Run Golf Links opened in 1987 and is located along 27th Street East and adjacent to Pirate City in north Bradenton. The golf course - with peak winter green/cart fees topping out at only \$54 - is positioned as a "value" provider in the Bradenton/Manatee County market. The City is taking a proactive approach to preserving and enhancing its golf course asset for the future, and thus brought in NGF Consulting to assess the aging infrastructure of the golf course, provide capital improvement recommendations, and evaluate operations in the context of industry best practices.

River Run Golf Links is fully self-operated with City employees - a structure that is becoming less common in municipal golf. The operation is accounted for as an Enterprise Fund that is intended to be self-sustaining through user fees. The facility had been operating at close to a breakeven basis in the three years leading up to the pandemic. Like many golf facilities in the U.S., River Run subsequently experienced a surge in rounds played and overall facility economics since reopening after the pandemic-related temporary closure in the winter/spring of 2020. (More below).

RECENT OPERATING RESULTS

Below are highlights of RRGL's operating results, based on data provided by the City.

- ▶ After averaging just under 47,900 total rounds played in FY19 and FY20, rounds increased by 16.7% in FY21 and another 15.5% in FY22, finishing with more than 65,600 starts.
- ▶ **Total facility gross revenue** has been on a significant upswing along with rounds played, increasing by 18.5% in FY21 and another 22.6% in FY22, when revenues reached \$2.055 million. **Green + cart rental revenue** increased by ~ \$564,000, or 45.6%, over the two-year span. Impressively, total **FY23 revenue** reported by the City as of July 21, 2023 was \$2.13 million, surpassing FY22 numbers by more than \$76,000 with more than two months left in the operating year.
- ▶ Annual **total operating expenses** have been erratic due to variations in retirement-related benefits. For example, FY22 showed a year-over-year increase of 65.6% in total operating expenses, including a 35.2% increase in salaries, wages, and non-retirement benefits.
- ▶ **Personnel-related costs** (including benefits or "burden") consistently accounted for between 65% and 70% of total expenses (closer to 75% in FY22), which is moderately higher than the industry norm of 60% to 65% that NGF typically observes.
- ▶ **Other operating expenses** at River Run grew by only 4% to about \$471,500 between FY18 and FY22, and barely at all between FY21 and FY22. This finding is in stark contrast to what the industry has experienced in the high-inflation environment of the last several years.
- ▶ **Net Operating Income** (before capital contributions and transfers): Excluding depreciation and amortization, River Run Golf Links operated at close to break-even for the FY18 through FY20 operating years. On a cash basis, the facility generated about a \$10,000 profit in FY18, while losing ± (\$13,000) in FY19 and ± (\$18,000) in FY20. NGF notes that these three years showed rather large pension-related expenses.
- ▶ As rounds played began to ramp up with the pandemic, the facility turned a profit of about \$284,500 in FY21, even after depreciation and amortization charges totaling more than \$102,000. However, the FY21 accounting showed (\$1,257) for the Pension Collective line item and (\$59,228) for OPEB/ LIFE/HEATH Insurance, contributing to the strong outcome.

MARKET ANALYSIS - SUMMARY FINDINGS

To assess market positioning and potential opportunities for RRGL, it is necessary to understand the environment in which the facility operates. In the body of the report, NGF provides a summary of key "external" trade area factors that have the potential to affect demand for golf. The overview includes

NGF's macro perspective of the U.S. golf industry. On a local/regional basis, we analyzed area demographic and economic factors, as well as golf supply and demand indicators and competitive factors that characterize the trade area for River Run Golf Links. Following are key NGF takeaways from the national overview and local / regional market analysis:

National Overview:

- ▶ The game remains popular and is fortunate to have a deep well of interested prospects. Since spring 2020, golf has received a strong boost in interest and demand resulting from the Covid-19 pandemic. It is too soon to tell what the pandemic's lasting effects on golf participation and demand will be. Retaining new golfers by successfully engaging them and giving them a reason to continue playing will be critical for operators.
- ▶ **Participation** - Golf participation is one of the core measures of golf's vitality. The national golfer number (people age 6+ that had played at least one round of golf the prior 12 months) has been on a positive trend over the last half decade plus, increasing from 23.8 million people in 2017 to 25.1 million in 2021. When we consider both on-course and off-course participation, 37.5 million Americans age 6+ played golf in 2021. Total **off-course participation** (27.9 million) has for the first time eclipsed those who play on the course. Overall, golf's U.S. consumer base is now a record 41.1 million.

Local / Regional Market:

- ▶ River Run's **10-mile defined primary trade area** has about 453,000 residents, projected to grow to 493,000 by 2027. The 15-mile market has about 610,000 residents, growing to 661,000 by 2027. Projected growth rates in the defined RRGL submarkets are 3 to 4 times the national growth rate through 2027.
- ▶ **Median Household Income:** Median Household Incomes in the 2- and 5-mile radial submarkets around RRGL are about 19% lower than the national median of \$70,666, while the 10-mile market median income is about \$1,000 lower than the US figure, and 15-mile market about \$2,000 higher than the national number. However, **median ages** in most of the market area are much higher than the national median of 37.9 years. There is a strong positive correlation between both median age and income levels to golf participation.
- ▶ **Golf Participation Rate:** The golf participation rates (defined as having at least one golfer in the household) in the submarkets range from 18% lower (2-mile market) to 27% *higher* (15-mile) than the national benchmark rate of 8.1%.
- ▶ **Average Rounds Played per 18 Holes:** Based on facility self-reported and NGF-modeled activity levels, average annual rounds played per 18 holes of golf within the 10-mile submarket is about 49,000, or ***about 66% higher than the national average of about 29,500.***
- ▶ **Golf Supply:** The 10-mile market for RRGL is home to a robust 32 golf facilities, including RRGL and 22 other public access golf courses. Due to the large supply of golf courses, the 10-mile primary trade area for RRGL has 36% fewer golfing households per 18 holes of public golf than the national benchmark. However, imported demand from visitors and seasonal residents is very substantial in this market and is not considered in this metric.

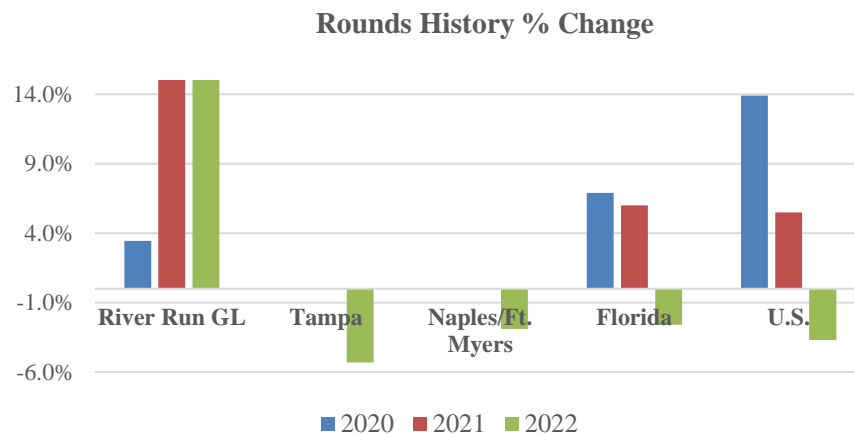
Competitive Golf Market:

NGF Consulting research indicates the following significant findings for the competitive market that River Run Golf Links operates in:

- ▶ There is a variety of golf courses at different price/quality levels for consumers to choose from in River Run's primary trade area. Based on feedback from River Run management staff, interviews with golfers and other area golf operators, and NGF market analysis, NGF has identified the following facilities as the most relevant competitors to RRGL:
 - The two Manatee County facilities - Manatee GC and Buffalo Creek GC - appeared to be in average to good condition during NGF's visit. The two hosted almost identical number of rounds played in 2022, at just over 50,000. This activity level is well below that of River Run, though the two County courses are positioned at higher price points.
 - The Links at Greenfield Plantation is a well-conditioned and aesthetically pleasing course featuring lakes, wetlands, and abundant wildlife.
 - Peridia G&CC is a quality golf course that is in good condition and is only a few miles from River Run GL. Though an executive layout, it is positioned at higher price points than RRGL, at least during the summer season.
 - The Preserve Golf Club, located within a gated community of the same name, is a family-owned facility that features an appealing layout and a nice modern clubhouse. The club has had recent trouble with its 23-year-old greens due to a variety of reasons.
- ▶ NGF has also identified some key **secondary** competitors to RRGL, based on proximity, quality, and/or price point: The River Club, Moccasin Wallow Golf Club, Terra Ceia Country Club, and Pinebrook Ironwood Golf Club.
- ▶ The use of dynamic or demand-based pricing is now common among public courses in this market. At the top of the local public fee spectrum - \$80 to \$90 for prime time, **peak season** tee times - are River Wilderness, IMG Academy Golf Club, and the Manatee County golf courses. At just \$54 for peak riding green fees in the winter season, RRGL is the "value" provider in the local market and is priced lower than even executive length golf courses Peridia and Pinebrook Ironwood. Fees are even further below "market" rate during the summer season: RRGL's riding morning rates are \$26, compared to a range of \$37 to \$45 for Buffalo Creek, \$34 to \$40 for Manatee GC, and \$40 for Links at Greenfield Plantation.
- ▶ Based on prior NGF market research and our review of online rates in May 2023, we observe that green & cart fees at Bradenton / Sarasota area public golf facilities have increased by about ±15%, on average, since late 2020. This mirrors two national trends – increased pricing power and the necessity to keep up with rising input costs.
- ▶ Though the privately-owned competitive courses did not share actual rounds played data, NGF research indicates that most local and regional golf facilities continued to benefit from the surge in golf participation and demand that resulted from the pandemic. Overall, NGF estimates that annual rounds played among the public golf courses in this market remain about 10% to 15% higher, on average, compared to pre-pandemic levels.

BENCHMARKING

River Run Golf Links has significantly outperformed the Tampa and Naples/Ft. Myers regional markets (data available for 2022 only), the State of Florida, and the overall U.S. in terms of **rounds played growth**, with year-over-year increases of 16.7% and 15.5%, respectively, in 2021 and 2022. Note: Rounds figures for regions, state, and U.S. are calendar year vs. fiscal year for RRGL.



As part of our market analysis, NGF also collected data from regional municipal golf operations (all but one from west-central Florida region) for the purpose of providing a benchmarking comparison to River Run GL for FY22. All are 18-hole regulation courses, with exception of the City of St. Petersburg's 27-hole Mangrove Bay, which includes a 9-hole par-3 course that was excluded from the analysis. NGF summary observations regarding the FY22 data:

- ▶ River Run's 65,646 **rounds played** in FY22 exceeded the average rounds played per 18 holes from the referenced subset by 10.4%. RRGL, which trailed only Mangrove Bay's 86,000+ rounds in FY22, hosted about 30% more rounds than each of the Manatee County courses (Manatee GC and Buffalo Creek GC), though these facilities have higher average fees.
- ▶ **Growth in RRGL rounds** played for FY21 and FY22 was 16.7% and 15.5%, respectively, compared to respective averages of 12.2% and 5.1% for the comparable subset.
- ▶ **Total operating revenues:** Excluding three outliers that had more \$3 million in annual revenue – Coral Oaks GC at \$3.2 million, Eagle Harbor GC (\$3.8 million), and Mangrove Bay (\$3.7 million), RRGL is in a group with the Manatee County and City of Fort Myers courses that generated between \$2.05 million and \$2.3 million in revenue in FY22. NGF concludes that River Run compares favorably to the group, given the absence of a driving range, as well as the small scale of the pro shop and food & beverage operations.
- ▶ **Total operating expenses:** Excluding the same three outliers, which had expense budgets ranging from \$2.9 million to \$3.5 million, RRGL is again grouped with the Manatee County and City of Fort Myers courses, with total operating expenses in the range of \$1.84 million to \$2.22 million.
- ▶ Average **golf course maintenance** budget: NGF obtained maintenance expense data for five facilities, not counting RRGL and the three lower-end City of Tampa courses:
 - Average **total maintenance expense** was \$1.13 million, or 51% higher than RRGL's **estimated** \$750K budget.
 - **Maintenance labor expense** ranged from ±\$250,000 at the Manatee County courses, to about \$500,000 for River Run budget (excl. retirement benefits), and an average of about \$710,000 for Coral Oaks, Eagle Harbor, and Mangrove Bay.

- **Labor cost as a percentage of the total maintenance budget** ranged from just $\pm 23\%$ at the privately run Manatee County courses to about 67% for River Run and Coral Oaks, and an average of $\pm 60\%$ for Eagle Harbor and Mangrove Bay.
- Total **non-labor maintenance expense** averaged \$608,000 for the five facilities, or about 59% higher than RRGL. The average **Chemicals** expense, including fertilizers, pesticides, herbicides, seed, sod, and sand, averaged \$231,000, or nearly three times RRGL's \$81,378.

RIVER RUN GOLF LINKS - PHYSICAL ASSESSMENT

The NGF Consulting team conducted a physical assessment of River Run Golf Links on May 30, 2023, led by ASGCA golf course architect, Richard Mandell, President of Richard Mandell Golf Architecture (RMGA). Findings and recommendations summarized below and presented in full in the body of the report are based on the evaluation, as well as discussions with RRGL's General Manager and Superintendent, and the City's City Administrator and Public Works Director. The report of conditions and recommendations comprises three main components:

1. Summary of Recent and Planned Improvements to River Run Golf Links.
2. Golf Facility Condition Assessment - after a brief synopsis of the history of River Run Golf Links, we provide assessment, discussion, and recommendations related to RRGL:
 - Design – Routing and Features
 - Infrastructure and Conditions
3. Golf Course Improvement Recommendations:
 - Improvement Recommendations Summary
 - Renovation Phasing Discussion and Recommendation
 - Construction Considerations
 - NGF Preliminary Improvement Cost Estimates

Golf Course Assessment Summary Findings

Most golf facilities must plan on completely rebuilding golf courses to current standards every 25-30 years. For economic reasons, many courses extend the lifespan of their infrastructure, but eventually it becomes a losing battle. The USGA/ASGCA "Life Cycle" chart, shown in [Appendix E](#), is a good general guide to the life expectancies of various golf course features. Studies repeatedly show that good maintenance conditioning (both overall and in specific detail of greens first, then tees and fairways, then bunkers) is the biggest factor in golfers deciding where to play. Good infrastructure is a prerequisite for good maintenance conditions and investment has multiple benefits - keeping the golf product fit for business, allowing resources to be deployed efficiently, and providing better playing conditions.

While River Run Golf Links has enjoyed recent success with positive net income and rounds played increasing significantly to 65,000+ in FY22, the age of the golf course's component parts will soon necessitate a major overhaul of the course. Current conditions are sub-par by industry standards, especially in terms of the turfgrass from tee to green. The NGF team believes that, as years pass, it will become increasingly difficult for maintenance staff to provide a sufficient amount and quality of turf to play from. This dynamic will eventually result in golfing customers seeking other places to play, despite River Run's affordability.

Improvement Recommendation

While NGF recommended some improvements to the River Run clubhouse and other structures, the golf course was the focus of our recommendations. The design character of River Run Golf Links is a subjective matter that may appeal to some but not to others. Therefore, the character of the golf course is not a single reason to renovate the golf course, especially one that now logs 65,000 rounds annually. However, the age of the golf course infrastructure is a very objective metric that fully justifies the reconstruction of the golf course. NGF and RMGA recommend that the City of Bradenton begin planning to rebuild River Run Golf Links because all the golf course features and construction components (drainage pipe, irrigation, etc.) have significantly exceeded industry standard life cycles. Because the facility is profitable now, it could be an ideal time to begin putting a funding plan together. (NGF has observed that there has been a large pent-up demand for golf course builders for major renovation projects, so planning well ahead is even more critical in today's environment).

While we cannot definitively predict when one or more key components of infrastructure will give out, experience tells us that a piecemeal, triage approach to addressing problems can work for only so long. There is also an opportunity cost in terms of product quality when maintenance resources and staff time are frequently diverted to making emergency, stop-gap repairs. At some point in the relative near term, it will become evident that it is time to undertake a full facility renovation that will keep River Run Golf Links viable for the next 30 to 40 years. The “trigger point” could be a catastrophic failure (e.g., irrigation system no longer viable, greens lost to disease) or, more likely, a downward spiral in rounds and revenue.

Redesign Considerations

In the report, RMGA provides narrative related to the outdated design character and lack of strategic interest of River Run Golf Links. Playing just 6,318 yards from the back tees, River Run is not known for attracting many of the better golfers despite its relative narrowness, a key marker for the better players in determining challenge. Yet the primary strategy of the golf course is to hit straight down those narrow fairways or be penalized by trees on both sides. This strategy becomes a problem for players with higher handicaps, who tend to hit stray shots to both sides of a golf hole. River Run fairways average only 28 yards in width and should attract lower handicappers (i.e., more skilled golfers), but the limited length and relatively uninteresting course features constrain demand from this cohort.

The NGF team believes that the necessity to rebuild the entire golf course also offers an opportunity to undertake a re-design and re-branding of the golf layout to provide a modern aesthetic appearance and increase strategic variety. A new, modern layout should appeal to a broader range of golfers while not increasing the golf course's difficulty. Rather, the enhanced design would provide lesser-skilled and new golfers a chance to experience the architectural interest found at higher-quality facilities. An effect of this enhancement is broader appeal and retaining golf customers after their abilities improve to the point of desiring more challenge. Adding design interest and features *will not result in an increase in renovation cost versus rebuilding everything in place.*

Preliminary Cost Estimates for Renovation

In the body of the report, we present line-item detail representing preliminary estimated costs for a golf course renovation of River Run Golf Links, based on RMGA's expertise and experience, as well as conditions observed during late May 2023. The estimated total is about **\$7.25 million**, including mobilization and golf course design / engineering fees. It does **not** include costs related to repairs to structures, such as the clubhouse, maintenance building, cart barn, nor contingency (~ 10% of construction costs), lost revenues during closure, or interest / carry cost.

The NGF team's intent was to provide a “concept budget” for the recommended improvements at River Run Golf Links that will serve to generally inform the City of current golf course development costs. The numbers provided represent the mid-range of estimates prepared by RMGA. Cost estimates assume a one-year total renovation. Costs are in 2023 dollars; a general rule of thumb would be for the City to add at least 3.25% to the expected budget per year.

Short-Term Capital Improvement Priorities

The NGF team has also identified some short-term, high-priority improvements that, except for the clubhouse exterior, are “mission-critical” and/or related to potential safety/liability issues at the golf course. These items, presented below, will not need to be replicated in a full golf course renovation, so the expense for each will be an investment that will not need to be undertaken again.

1. **Rebuild all bridges** on the golf course.

COST: \$440,000

2. **Create no-mow areas of native grasses** to minimize daily weekly mowing. These areas only require mowing once a year. RMGA has identified approximately 11.02 acres of no-mow area. (See [Appendix G](#))

COST: \$44,000

3. **Clear trees and invasive vegetation** to increase playability and improve views. RMGA has identified approximately 6.04 acres of clearing to widen fairways to approximately forty yards.

COST: \$60,000

4. **Paint the clubhouse exterior** a contrasting color from cart barn and change facade facing the parking lot to include a new entrance and windows.

COST: \$25,000

5. **Remove some sand bunkers** to increase maintenance efficiency and likely increase pace of play. RMGA has identified several sand bunkers that can be removed without negatively affecting strategy or the overall quality of the golfer experience at River Run. These include a fairway bunker on hole #9 and greenside bunkers on #4, #11, #15, #17, and #18. Though we believe the project can be done in-house by RRGL staff, we have estimated the following “retail” costs to fill in bunkers, remove sand and drainage, clean up the ground, and sod over:

- Right side of #4 Green: \$4,750
- Left fairway bunker on #9: \$5,050
- Front left greenside bunker on #11: \$4,800
- 2 bunkers behind green on #15: \$4,500
- Right greenside bunker on #17: \$4,100
- Back greenside bunker on #18: \$4,200

OPERATIONAL CONSIDERATION AND RECOMMENDATIONS

NGF Consulting completed an operations review of River Run Golf Links, focusing on best business practices and including recommendations intended to help the City improve the bottom-line performance of the facility. In the body of the report, NGF provides a broad overview of best practices related to areas such as marketing, customer service, merchandising, food & beverage operations, and utilization of technology. Below, we present summary findings and recommendations for several of the most important operational elements covered in this report, including playing fees, management structure, and the potential addition of a driving range at RRGL.

Golf Playing Fees

As one of the lowest priced 18-hole regulation golf courses – with a peak riding green fee of only \$54 + tax for peak season, prime time play, River Run attracts cost-conscious players from the local area. RRGL management has raised green fees each of the last four years by \$1 to \$2. Starting in November 2023,

non-summer 18-hole rates will increase by \$5, with 9-hole categories increasing by \$3. Increases for the summer season are to be determined but will be less than those for the peak season.

NGF's market analysis showed that, while RRGL's relative market positioning makes sense, its fees appear to be significantly below "market" rates. For example, River Run is priced similarly to even executive length golf courses Peridia and Pinebrook Ironwood in terms of the highest peak season rate. River Run's fees are even further below "market" rate during the summer season: summer morning riding rates are \$26, compared to a range of \$37 to \$45 for Buffalo Creek, \$34 to \$40 for Manatee GC, and \$40 for Links at Greenfield Plantation.

In consideration of these market factors, NGF makes the following observations and best business practice considerations for green/cart fee pricing at RRGL:

- ▶ Preserving affordable golf fees is an understandable element of public policy for some municipalities. However, keeping pace with the rising "cost of production" - especially in today's hyper-inflationary environment – is often the difference between self-sustainability and requiring general fund subsidy (i.e., taxpayer support). NGF surveys show that most public golf courses have increased fees over the last couple of years as both demand and inflation surged, and "pricing power" increased.
- ▶ At least for the short term, the City should continue with annual green/cart fee increases to catch up with 'market rate'. Even considering the planned \$3/\$5 increases set to kick in this fall at River Run, we believe green/cart fees may have more "room to run". The key will be to closely monitor rounds and revenues after fee increases are implemented to determine how elastic demand is. It would not be a negative scenario for RRGL to experience fewer rounds, but more playing fee revenue, given the current stress on turf conditions.
- ▶ NGF is observing more municipalities allowing golf management more flexibility for golf staff to practice yield management / demand-based pricing to take advantage of pricing power during peak demand times. This practice is very common among RRGL's competitors and may be a consideration for the City in the future.
- ▶ Revenue from rental clubs was an impressive \$15,344 in FY22. Though the incremental revenue would be nominal, management should consider charging more for rental clubs during the winter season, when many tourists – including Pirates spring training visitors - are coming without shipping their clubs.

Management Structure – Common Municipal Models

River Run Golf Links' current management structure is full self-operation with City employees, some of which are unionized. In the report, we provide descriptions of the most typical management / operational models for public agency golf courses, including relative advantages and disadvantages. In our experience, there is no ideal operating scenario that fits all situations, and each public entity must arrive at its own unique approach to operation and maintenance. The most common management options are:

- Self-Operation with Public Employees (status quo for River Run Golf Links)
- Full-Service Management Contract
- Operating Lease
- Concession Agreements
- Privatized Golf Course Maintenance

While about 45% of municipal golf courses in the U.S. are self-operated, NGF's Golf Facility Database (every facility updated annually), supplemented by extensive periodic survey research of municipal golf facilities, shows that the percentage of municipal golf facilities managed by third-party vendors (*excluding* full-facility leases) steadily increased from less than 15% in 2010 to about 25% in 2020.

On the revenue side of the equation, it is difficult to precisely quantify the benefit of hiring an expert outside management company. However, NGF has found, through many years of working with municipal clients, that in most cases the cost of the annual management fee more than pays for itself through advantages such as the expertise of the large national operators, savings on labor costs, the benefits of access to regional / national marketing and purchasing programs, procurement advantages, etc. On the expense side, savings can be considerable with respect to the labor budget, though the degree is variable depending on market and local labor laws. Similarly, maintenance-only agreements can result in significant labor cost savings, but there is no guarantee that golf course conditions will improve.

There is no “one size fits all” solution to choosing a management structure. Each municipality must weigh the various pros, cons, and other variables related to factors such as desired level of control over day-to-day operations, operating expense differences, ease of hiring / firing, how “nimble” the City is with respect to procurement of goods and services, public policy objectives, potential revenue advantages of outside professional management, etc.

The optimal management structure for municipal golf assets depends on several considerations unique to the individual City, including:

- ▶ Public policy – some municipalities fundamentally value having public employees run publicly-owned facilities.
- ▶ The City’s internal analysis of potential cost savings with conversion away from public labor and benefits.
- ▶ In the case of conversion to a privatized structure, would existing facility employees get jobs elsewhere in the City or have the option of becoming employees of the private management / maintenance company?
- ▶ There are no guarantees regarding how golf course conditions, customer service levels, financial results, etc. would change under a structure other than full self-operation.
- ▶ For Bradenton, the strong likelihood of large-scale investment in River Run GL during the next 3 to 5 years or so will be a factor in determining operating structure.

Potential Revenue Growth Opportunities

Because of the minimalist, basic nature of the RRGL golf operation, where most revenue is generated from golf playing fees, NGF did not identify many areas that offered opportunity for revenue growth. Short of undertaking the major golf course renovation that the NGF team has recommended, the “low hanging fruit” with respect to generating higher revenue is raising green & cart fees each year to get closer to “market rate”, while also preserving River Run’s positioning as the most affordable 18-hole regulation course in the market. There may also be potential to increase food & beverage sales through expanded offerings, introduction of a beverage cart during peak demand periods, utilizing an outside barbecue grill during busy times, etc.

Possibility of Adding a Driving Range

The primary potential revenue growth area, other than raising fees, appears to be the possible addition of a driving range at RRGL. While we determined there was no space to accommodate a driving range while maintaining a regulation 18-hole golf course, NGF was told there is the possibility of the City obtaining additional land (part of adjacent Mixon Property) for a possible driving range that would be accessible past the #9 green. The subject site is approximately 150 feet wide by 300 yards deep and appears to be physically feasible to safely accommodate about 15 teeing stations. However, it would require netting on both sides and the back of the range, the cost of which could be considerable.

Another consideration may be that a driving range at RRGL might not be conducive to positioning it as a practice or a practice/entertainment-only destination, based on location (surrounding land uses, demographics, traffic on 27th St. East) and other factors. Rather, it might likely get its most use as a

warm-up / practice venue for golfers already on site for a round of golf. Still, it would generate revenue and could also generate demand for rounds of golf, food & beverage, etc.

The key to determining financial feasibility, other than potential demand, are the acquisition and construction costs. Other start-up costs would include a range ball machine, supplies (mats, balls, etc.), landing area turf, target greens, etc. Ongoing operating expenses would include nominal labor (e.g., ball-picking, mowing, maintenance), replacement balls, mats, etc. In summary, the NGF team believes the site is physically feasible but would require extensive netting. So, a dedicated financial feasibility would be the next step if the Mixon owners make a formal proposal to the City for the property. Another consideration for the City would be to issue a Request for Expression of Interest (RFI) for an alternative golf entertainment-oriented use (e.g., modern-style upscale miniature golf) on the site via a lease arrangement with the City.

PROJECTED FINANCIAL PERFORMANCE

NGF Consulting has created a five-year cash flow model for River Run Golf Links for the period of FY 2024 through FY 2028. The pro forma model was developed in consideration of actual recent facility performance of RRGL in FY22 and partial year FY23, as well as current and expected subject facility and market conditions. This “As Is” model assumes no significant capital improvements preceding, or during, the referenced period. While we fully expect the City of Bradenton to invest significantly in River Run GL in the short-term future, we present the Base Case to illustrate the potential “cost of doing nothing” in terms of replacing infrastructure.

Utilizing the assumptions and activity/revenue/expense inputs detailed in the report, NGF’s 5-year pro forma financial model for River Run Golf Links for the period of FY 2023/24 through FY 2027/28 shows total gross operating revenues of about \$2.09 million in FY24, falling to \$2.05 million by FY28 as rounds played decline due to worsening course conditions. Based on preliminary expense projections prepared by NGF, RRGL is projected to generate a positive cash flow (before depreciation and amortization; excluding any capital items) of about \$424,000 in FY24, declining throughout the period to about \$145,000 in FY28, as expenses increase and revenues remain stagnant due to lack of facility investment.

SUMMARY STATEMENT

River Run Golf Links is a popular and well-loved golf course that is an important part of the City of Bradenton’s recreational offerings. NGF has observed a well-run, basic municipal golf operation that generates most of its revenue from golf playing fees. The facility lacks a driving range, has modest clubhouse operations in terms of merchandising and food & beverage service, and offers minimal player development and programming. As an established “value” golf provider in the market, RRGL enjoys a loyal and growing clientele that precludes the need for robust marketing efforts. Finally, the technology platform is essentially “turnkey” and provided by an outside vendor.

While the financial bottom line of the golf operation has been improving over the last several years, due in large part to the pandemic surge, NGF does not believe this trend is sustainable unless the City invests significantly in replacing facility infrastructure. The lack of investment over the years means that all golf course infrastructure is past its expected useful life, resulting in maintenance inefficiencies and inconsistent conditions, and forcing RRGL to compete largely on affordability, rather than quality of golf experience. In the short term, River Run Golf Links should be able to raise fees moderately, continue to host a high volume of rounds, and generate profits for the City. However, the key to positioning River Run GL for long-term success and sustainability is to improve the product through major capital investment, while also making some operational enhancements to improve golfer experience.

River Run Golf Links Overview

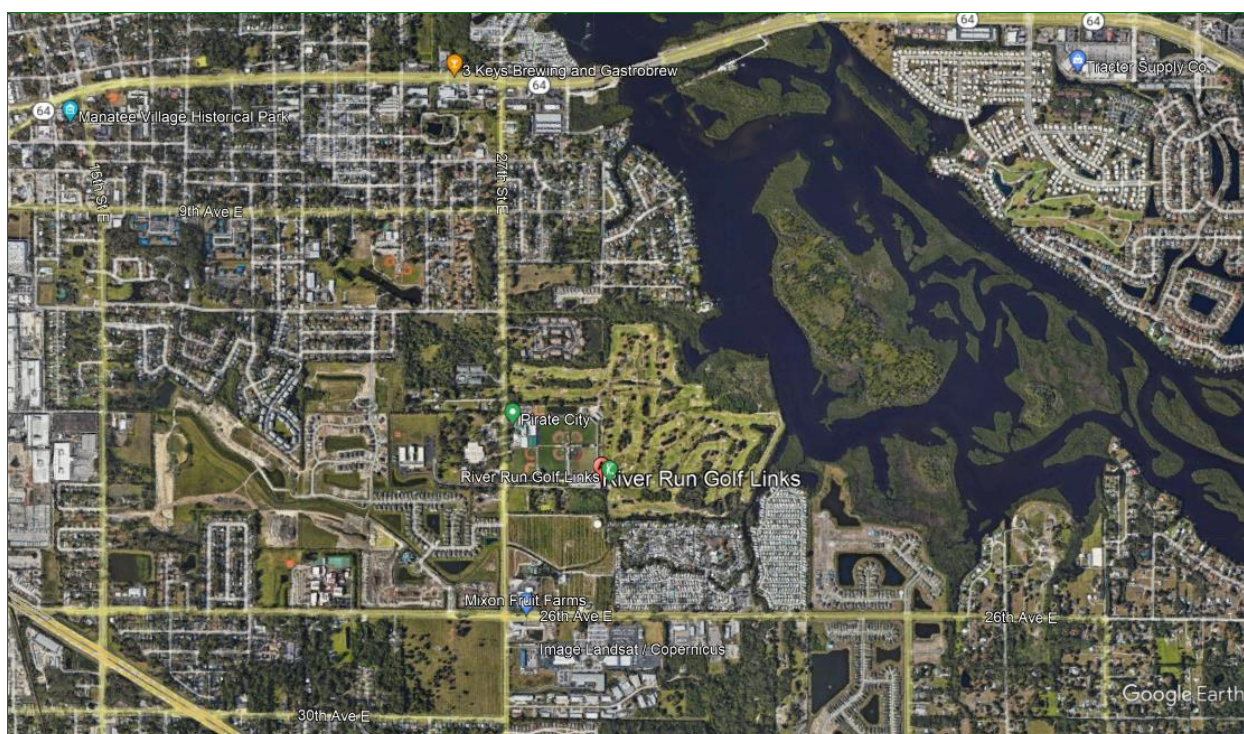
In this section, NGF provides a summary situation analysis of the City of Bradenton's 18-hole River Run Golf Links that is intended to provide the appropriate background and context for the analyses and discussions in this report. All findings are based on the NGF team's review and analysis in the spring of 2023. This overview of RRGL includes a synopsis of how the golf course is operated and a summary of the golf course and support amenities. Later in the report, we provide an assessment of current conditions, capital needs, and recommended investment, as well as NGF operational recommendations aimed at improving the financial performance of the golf course.

RIVER RUN GOLF LINKS

Property Location

River Run Golf Links is located at 1801 27th Street East in north Bradenton. The golf course is adjacent to Pirate City and bordered by Sugarhouse Creek / Braden River to the east. River Run is about .8 miles south of SR60, 2.5 miles north of SR70/53rd Av East, and 3 miles southeast of downtown Bradenton. Bradenton is easily accessible via other major arterials, including I-75 (nearest interchange about 3.5 miles to the east) and US 301/1st Street West (2 miles to the west). The Google Earth image below illustrates surrounding land uses.

Google Earth Image



Google Earth image of River Run Golf Links, showing location in North Bradenton adjacent to Pirate City and bordered by the Braden River to the east and Mixon Farms directly to the south. Surrounding uses include primarily residential to the north, two schools and mixed commercial & residential to the west, and a mix of residential and commercial to the south.

Facility Overview

River Run Golf Links was designed by Ward Northrup and opened in 1987 as a City of Bradenton golf course. Part of the golf course sits on a former City garbage dump that closed in the 1970's. The current popularity of the golf course is not in question as annual rounds played increased by about 35% between FY20 and FY22, when the club hosted 65,646 rounds. Since the pandemic, an increasing percentage of those rounds have come from players new to the game, many of them unskilled and unfamiliar with golf course etiquette and protocols. The main attractions to River Run are the affordability of the green fees and relative flatness of the golf course, providing a great entry point for beginners and the lesser-skilled.

River Run GL Scorecard Summary			
Tees	Rating	Slope	Yardage
Blue	70.5	124	6,318
White	68.1	119	5,836
Gold	66.5	112	5,331
Red	66.2	116	4,709

River Run GL includes the following basic amenities and support structures:

- Golf course – 18 regulation holes;
- Two warm-up / practice nets;
- Practice putting green;
- Clubhouse with golf pro shop, snack bar; meeting room, offices, restrooms;
- Golf maintenance building and cart barn;
- On-course Port-o-Potties (2);
- Parking lot – ±140 spaces (shared with Pittsburgh Pirates).

Clubhouse

The original single-story clubhouse at RRGL, sitting on a footprint of about 3,500 sf, dates to the original opening of River Run GL in 1987. The building is frame construction.



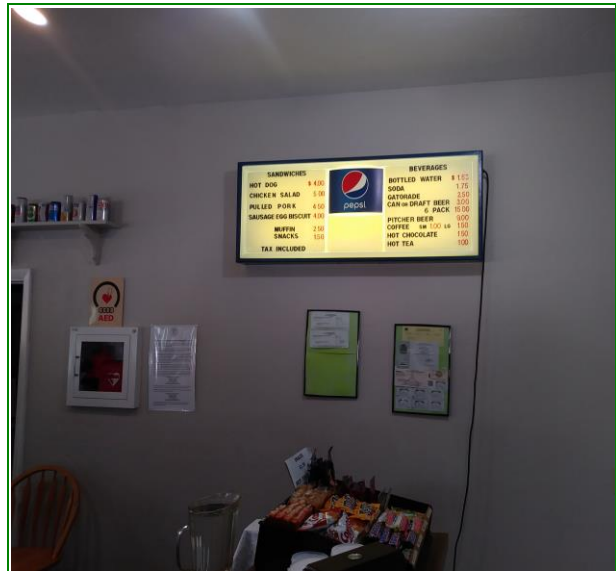
Front entrance of River Run Golf Links clubhouse.



Rear view of building shows dated appearance that needs refreshing.



Lightly stocked RRGL pro shop that has been recently refreshed.



F&B beverage service is limited to snacks, hot dogs, basic sandwiches, and beverages, including beer.

Management and Oversight Structure

River Run Golf Links is self-operated by the City of Bradenton, and Golf is one of eleven divisions within the City's Public Works Department. The Director of Public Works has direct oversight responsibility for RRGL and reports to the City Administrator. The golf course is operated by a staff comprising both part-time and full-time City employees. Key staff positions include the General Manager, Assistant Golf Professional, and Superintendent. The Head Golf Professional position was vacant as of the NGF study. Significant policy changes must be approved by City Council.

Golf course finances are accounted for within an Enterprise Fund, a common structure for municipal golf that requires a golf facility/system to be self-sustaining through user fees, without taxpayer (general fund) support. Enterprise funds are also intended to provide an extra level of accountability and transparency to taxpayers and other stakeholders. NGF consulting experience and survey research has established that the annual subsidies are not unusual for municipal golf operations accounted for as enterprise funds. However, we have noted a distinct trend of municipalities that are experiencing these enterprise losses converting to general fund accounting.

Operating Results: Rounds Played, Revenues, and Expenses (FY18 – FY22)

The following are summary findings regarding the recent operating performance of River Run Golf Links during the FY 2017-18 to FY 2021-22 period, according to information supplied by the City. We also discuss year-to-date revenue numbers through July 21. [See Appendix A.](#)

Rounds, Revenues, and Expenses – FY18 – FY23 (YTD thru 7/21)						
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Total Rounds Played	42,948	47,059	48,685	56,813	65,646	
Operating Revenue						
Green Fees	\$895,657	\$977,835	\$997,859	\$1,133,968	\$1,408,264	\$1,550,424
Cart Rentals	151,164	196,186	239,450	327,285	392,810	327,172
Pro Shop	58,049	54,746	56,704	76,809	81,730	82,047
Snack Bar / Food & Beverage	82,653	91,865	86,970	106,747	136,835	125,517
Miscellaneous Revenue	26,574	38,291	34,212	31,750	35,384	46,544
Total Operating Revenue	\$1,214,097	\$1,358,923	\$1,415,195	\$1,676,559	\$2,055,023	\$2,131,704
Cost of Goods Sold						
Pro Shop (Merchandise)	\$31,767	\$27,360	\$28,766	\$39,820	\$40,084	\$39,108
Snack Bar (Food & Beverage)	52,991	52,685	48,279	55,585	64,951	65,272
Total Cost of Goods Sold	\$84,758	\$80,045	\$77,045	\$95,405	\$105,035	\$104,380
Adjusted Gross Revenue	\$1,129,339	\$1,278,878	\$1,338,150	\$1,581,154	\$1,949,988	\$2,027,324
Operating Expenses						
Payroll & Benefits	\$809,355	\$958,406	\$1,037,160	\$827,583	\$1,370,473	\$860,955
Other Operating Expenses	427,219	453,391	440,021	469,144	471,486	420,870
Total Operating Expenses	\$1,236,574	\$1,411,797	\$1,477,181	\$1,296,727	\$1,841,959	\$1,281,825
Profit / Loss	\$-107,235	\$-132,920	\$-139,032	\$284,428	\$108,029	\$745,499
Other Income (Loss)	\$2,157	\$7,400	\$6,067	\$2,955	\$-36,165	\$22,198
Net Income (Loss) before Capital & Transfers	\$-105,078	\$-125,519	\$-132,965	\$287,383	\$71,864	\$767,697

Rounds Played:

- ▶ As with many golf courses in Florida and nationwide, River Run Golf Links has experienced a surge in play since reopening after the pandemic shutdown in early 2020. After averaging just under 47,900 total rounds played (includes complimentary) in FY19 and FY20, rounds increased by 16.7% in FY21 and another 15.5% in FY22, finishing that year with more than 65,600 starts. (Later in the Benchmarking section, we compare this growth to U.S. figures).
- ▶ The City does not compile detailed rounds breakdown summaries by category. NGF reviewed a POS printout for FY22 and found some of the following details (presented as % of total rounds) across RRGL's reported 65,646 rounds:
 - Paid rounds were 63,547, with Complimentary rounds (predominantly Golfnow) totaling about 2,100, or about 3.2%.
 - Riding rounds were about 92.5%.
 - Rounds discounted off 'rack' rates accounted for about 10.9%.
 - 9-hole and league play equaled 20.4% of total.
 - Percentages by season were not possible to calculate accurately as some rounds categories were generic, and others were not accurate (e.g., '18 H Ride May' totaled 13,582 rounds).

Operating Revenues:

- ▶ **Total facility gross revenue** has been on a significant upswing along with rounds played, increasing by 18.5% in FY21 and another 22.6% in FY22, when revenues reached \$2.055 million. **Green + cart rental revenue** increased by ~ \$564,000, or 45.6%, over the two years.
- ▶ More impressively, total **FY23 revenue** reported by the City as of July 21, 2023 was \$2.13 million, surpassing FY22 numbers by more than \$76,000 with more than two months left in the operating year.
- ▶ In terms of percentage of **revenue by type**, golf playing fee revenue (green + cart fees) consistently accounted for between about 86% and 88% of total facility revenue over the 5-year period. Pro shop sales generally account for 4% to 4.8% of total revenue, and food & beverage 6.1% to 6.8%.

Revenue per Round:

- ▶ **Total facility gross revenue** per round has grown consistently, if modestly, each year from FY18 to FY22. The latter year showed the highest one-year increase, at 6.1%.
- ▶ While **green fee revenue** increased by less than 3% from FY18 to FY22, **total playing fee revenue** (green fees + cart rentals) grew by 12.6% over that time, including an increase of 6.7% in FY22.
- ▶ **Pro shop revenue** per round has been relatively steady over the 5-year period, ranging from \$1.16 in both FY19 and FY20, to a high of \$1.35 in FY18. Similarly, **snack bar revenue** per round fell within a tight range of \$1.79 in FY20 to \$1.95 in FY19, before increasing by 10.9% to \$2.09 in FY22.

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Total Rounds Played	42,948	47,059	48,685	56,813	65,646
Operating Revenues					
Green Fees	\$895,657	\$977,835	\$997,859	\$1,133,968	\$1,408,264
Cart Rentals	151,164	196,186	239,450	327,285	392,810
Pro Shop	58,049	54,746	56,704	76,809	81,730
Snack Bar / Food & Beverage	82,653	91,865	86,970	106,747	136,835
Miscellaneous Revenue	26,574	38,291	34,212	31,750	35,384
Total Operating Revenue	\$1,214,097	\$1,358,923	\$1,415,195	\$1,676,559	\$2,055,023
Revenue per Round					
Green Fees	\$20.85	\$20.78	20.50	\$19.96	\$21.45
Cart Rentals	3.52	4.17	4.92	5.76	5.98
Green + Cart Fees	\$24.37	\$24.95	\$25.41	\$25.72	\$27.44
Pro Shop	1.35	1.16	\$1.16	1.35	1.25
Snack Bar / Food & Beverage	1.92	1.95	\$1.79	1.88	2.08
Miscellaneous Revenue	0.62	0.81	0.70	0.56	0.54
Total Operating Revenue	\$28.27	\$28.88	\$29.07	\$29.51	\$31.30

Operating Expenses:

- ▶ **Total operating expense** (excluding cost of goods for resale in pro shop and snack bar but including depreciation and amortization) has been erratic over the 5 years due to variations in retirement-related benefits. However, FY22 showed a year-over-year increase of 65.6% in total operating expenses, including a 35.2% increase in salaries, wages, and non-retirement benefits.
 - As noted, stark variations in some benefits make it somewhat difficult to discuss trends in labor expenses. For example, FY22 showed a \$264,464 charge for Pension Expense – Collective, while FY21 had **(\$1,257)** for this line item. Similarly, FY22 had for OPEB/ LIFE/HEATH Insurance charge of \$84,494 vs. **(\$59,228)** the prior year.
- ▶ **Personnel-related costs** (including benefits or “burden”) consistently accounted for between 65% and 70% of total expenses (closer to 75% in FY22), which is moderately higher than the industry norm of 60% to 65% that NGF typically observes.
- ▶ The City provided information that showed maintenance labor + benefits (including FICA, Health, Life and Worker’s Compensation, but excluding retirement/ pension-related City contributions) totaled \$474,000 for River Run GL in FY22. Though the City does not segregate its operating budget by Maintenance vs. Operations, NGF reviewed individual line items and estimated total **non-labor related Maintenance Expense** to be about \$210,000 in FY22. This total equates to ±31% of the total maintenance budget.
- ▶ **Other operating expenses** at River Run grew by only 4% to about \$471,500 between FY18 and FY22, and barely at all between FY21 and FY22. This finding is in stark contrast to what the industry has experienced in the high-inflation environment of the last several years. Isolating the line item, Chemical Supplies (includes fertilizer, fungicides, herbicides, pesticides, sand, seed, dirt), we observe that the total budget in FY22 - \$81,378 – was 3.7% lower than in FY18.

Net Operating Income:

- ▶ **Net Operating Income** (before capital contributions and transfers): Excluding depreciation and amortization, River Run Golf Links operated at very to break-even for the FY18 through FY20 operating years. From a cash basis, the facility generated about a \$10,000 profit in FY18, while losing ± **(\$13,000)** in FY19 and ± **(\$18,000)** in FY20. NGF notes that these three years showed rather large pension-related expenses.
- ▶ As rounds played began to ramp up with the pandemic, the facility turned a profit of about \$284,500 in FY21, even after depreciation and amortization charges totaling more than \$102,000. However, the FY21 accounting showed **(\$1,257)** for the Pension Collective line item and **(\$59,228)** for OPEB/ LIFE/HEATH Insurance, contributing to the strong outcome.
- ▶ **YTD 2023:** Based on River Run data supplied by the City through July 21, 2023, the golf facility has already surpassed FY22 revenues, with more than \$2.13 million. Expenses through the same time totaled about \$1.39 million, including \$35,328 in depreciation, and just under \$28,000 in a machinery & equipment capital outlay. **The result is that River Run GL is running in the black by more than \$745,000 through the third week of July 2023.** (We note that not all expenses are fully accrued as of this date).

Market Analysis

To assess potential market opportunities and threats for River Run Golf Links, NGF Consulting has analyzed the local Bradenton / west Manatee County market area relative to demographic profile and trends, golf demand/supply dynamics, key competitors to RRGL, and economic factors that have the potential to affect golf operations (e.g., demand, fee tolerances). Key findings are summarized below, following a discussion of national golf industry trends.

NATIONAL GOLF INDUSTRY OVERVIEW

Below NGF provides a summary of important national trends for the golf industry that may have direct or indirect effect on the operations of facilities such as River Run Golf Links.

Prior to the pandemic year of 2020, the golf industry was healthy and was continuing a macro trend toward stabilization in terms of participation and demand. Total spending on golf will always be vulnerable to outside forces such as the economy, but the game remains popular and is fortunate to have a deep well of interested prospects. Chief challenges include retention of new beginning golfers and *getting more non-golfers who express interest in playing ('latent demand') to give golf a try and converting more beginners into committed participants.*

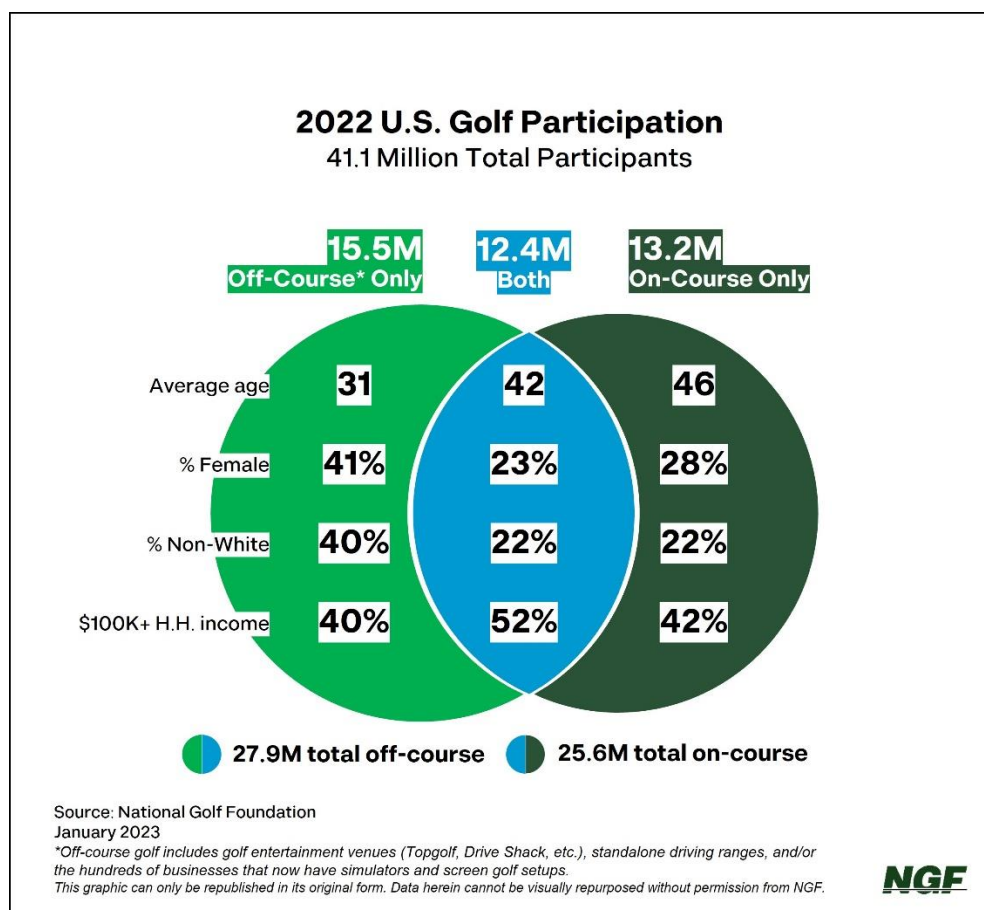
Since spring 2020, golf has received a strong boost in interest and demand resulting from the Covid-19 pandemic (more below). This was due to many factors, not the least of which is the fact that golf is an outdoor activity that is conducive to social distancing.

Key Trends in Demand

Participation - Golf participation is one of the core measures of golf's vitality. The national golfer number (people age 6+ that had played at least one round of golf the prior 12 months) showed net attrition between 2012 and 2017 but has generally been on the rise over the last half decade plus, increasing from 23.8 million people in 2017 to 25.1 million in 2021. When both on-course and off-course participation are considered, 37.5 million Americans age 6+ played golf in 2021.

Traditional, on-course participation was up again in 2022, with a net increase of 500,000 golfers to 25.6 million in total. While there's been a net gain of 1.3 million on-course golfers over the past three years, 2022 marked the fifth straight year overall of green grass participation increases. That hadn't happened in two decades.

Gains away from the golf course are more significant, with a 13% year-over-year jump compared to the 2% rise in on-course participation. As anticipated, total off-course engagement (27.9 million) has for the first time eclipsed those who play on the course. Overall, golf's U.S. consumer base is now a record 41.1 million, with three distinct participant groups (see graphic).



Rounds Played 2020-2023 – Nationally, 2020 rounds played (year-over-year) finished up by 13.9% (about 60 million rounds) over 2019, with Florida up by 6.9% despite Covid-related shutdowns for much of March and April. For 2021, national rounds were up by another 5.5%, while Florida saw an increase of 6%. National rounds declined by 3.7% in 2022, though part of that was due to weather. Florida saw a more modest decrease of 2.6%, while the Tampa submarket was down by 5.3%.

Through June 2023, national rounds are up by 5.5% YOY, despite terrible winter weather in some key golf markets such as Los Angeles and the San Francisco Bay Area. Florida rounds are down by 0.3% for the first six months of the year, while the Tampa market saw a modest *increase* in play of 1.6%.

([Appendix B](#))

Baby Boomer Effect and Generation G (the “Golf Generation”) – As Baby Boomers age and retire over the next 15 years or so, we expect to see a measurable increase in total rounds played in the U.S. Boomers - born between 1946 and 1964 - are currently 58 to 77 years old. About 6 million of them are golfers; that’s approximately 1/4 of all golfers, and they currently play about 1/3 of all rounds. While not technically a generation, the 46-65 age cohort is the most vital group for the golf industry, accounting for the most golfers, rounds and spend in the industry – more than \$9 billion in total annually. Generation G includes younger Boomers and older members of Gen X.

Golf Course Supply

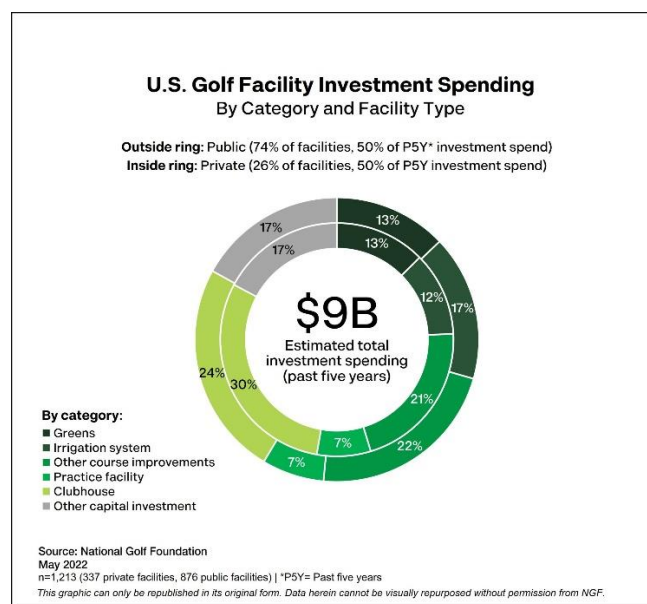
The number of course closures has outweighed new openings for 14 consecutive years during the ongoing balancing of supply and demand. According to NGF data, since the market correction in golf course supply began in 2006, there has been a 10% cumulative reduction of U.S. golf courses in terms of 18-hole equivalents (18HEQ). In 2019 there were 279.5 permanent closures, about 40% higher than the level experienced in the prior two years. (For perspective, golf supply grew by 44% from 1986-2005). The rate of permanent closures slowed over the last two years, despite the pandemic, with 193 18HEQ shutting their doors in 2020 and 130.5 in 2021, down 53% from its peak two years ago, prior to the pandemic. In 2022, there were 105.5 18HEQ closures – the fewest in more than a decade.

The demand for land to develop residential and commercial real estate is influencing the supply correction in golf. Closures tend to be more value-oriented, public facilities in the best-supplied areas: Florida, Texas, Ohio, California, and New York had the most closures in 2019 and all rank among the top six states with the most golf courses.

Other Measures of Health

Other metrics to consider when measuring the health and trajectory of golf include:

Investment in Facilities: Investment in major renovation projects has replaced new construction as the largest source of U.S. golf course development activity. A recent NGF study with more than 1,200 responding facilities indicated total investment of more than \$9 billion over the prior 5 years. In terms of *new construction*, NGF is currently tracking 61 new courses (or additions) that are under construction, and another 51 that are in planning across the U.S. The former represents an increase of 74% compared to the three-year pre-pandemic average.



Increasing Diversity: A closer look at on-course participants (golfers) in 2022 shows a continuing trend towards diversification – spurred in some respect by the heightened interest and engagement being generated by off-course forms of golf. Overall, the number of non-White golfers has increased by about 1 million since 2017, while the number of women golfers grew by more than 400,000 over that time:

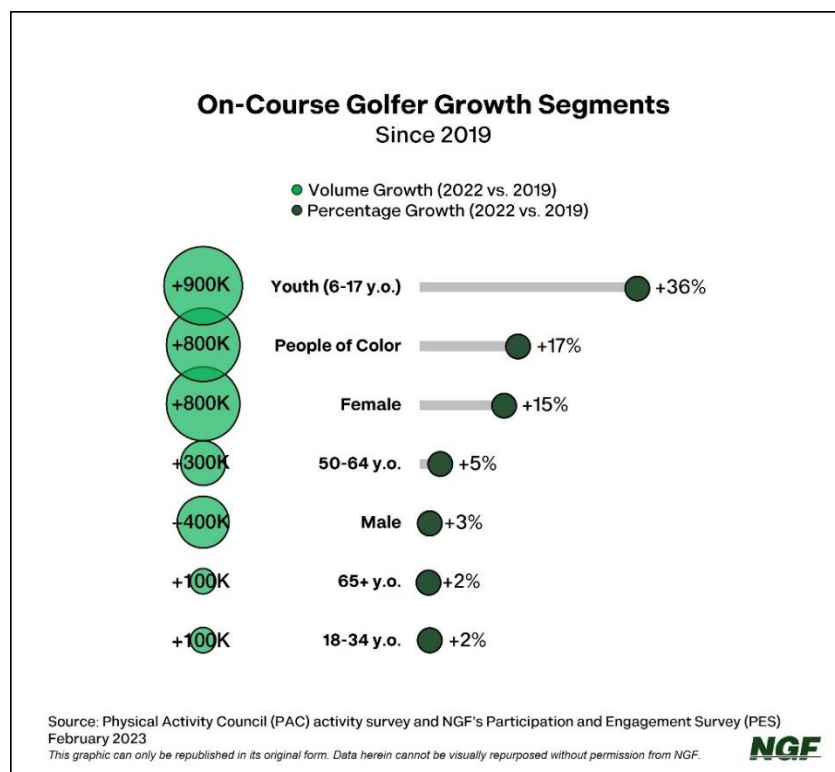
- ▶ Females are up 4% to 6.4M – Has risen three straight years, with net gains of 800K (+14% since 2019). Women now comprise 25% of all on course golfers – a new high mark in representativeness.
- ▶ Non-White golfers are up 9% to 5.6M – Up 32% since 2018 (+1.4M) This segment now represents 22% of all on-course golfers – also a new high mark in representativeness.

Beginners: The number of beginners rose to 3.3 million in 2022, surpassing the record of 3.2 million set in 2021 and representing an annual increase of about 1 million since 2014. The last two years have set records and exceeded the year 2000, when Tiger Woods was in his prime and drawing newcomers to the game in unprecedented numbers. Nearly 37% of beginning golfers are women, and the percentage of non-Caucasian beginners is significantly higher than the percentage of non-Caucasians in the total golf population.

Juniors: According to NGF's Graffis Report: "In addition to the largest-ever recorded increase in beginners (+23%), 2020 saw the most significant gain for youth golfers (+24%) since 1997." 3.4 million Juniors played golf on a course in 2022, an increase of nearly 10% over prior year. The population of junior golfers is more diverse than the overall participation base: females comprise 34% of junior golfers, compared to 24% of all golfers, while non-Caucasians are 28% of junior golfers and 20% of all golfers.

Young Adults: the category of young adults (18 to 34-year-olds) is among the sport's biggest customer age segments, with 6.1 million on-course participants and another 4.8 million off-course participants. Ongoing NGF survey research indicates that interest in playing among non-golfing young adults is high, with more than 5 million saying they are "very interested" in taking up the game. The fun and entertainment aspects of golf – especially when consumable in relatively short time windows - are particularly salient to this cohort.

Off-Course Participation: Driven primarily by the popularity and growth of Topgolf, a non-traditional form of golf entertainment, there were an estimated 23 million off-course participants (only those activities that involve hitting a ball with a golf club) in 2019, up by 2 million from 2017. In 2020, the number grew to 24.3 million, nearly half of whom did not play on a golf course.



The net gain of almost 1 million juniors (ages 6-17) is the most significant of any on-course participation segment. At just over 3.4 million in total, the youth golfer pool is now at its highest level since 2006, just prior to the Great Recession.

Juniors account for about 13% of the on-course golfer population. That representation is even greater at off-course venues: more than one quarter of off-course golf participants are under the age of 18. As

impactful as the various junior golf organizations continue to be in the industry, when it comes to introductions – and swinging a golf club in a fun, non-intimidating environment – it’s hard to downplay the important role places like Topgolf are clearly having in spurring interest and encouraging more on-course trials among the youth ranks.

And while [female on-course representation](#) has matched an all-time high, at one-quarter of all golfers, it’s even higher in the junior ranks. More than 36% of junior participants are girls.

Latent Demand: Overall interest in playing golf remains very high. NGF survey research indicates that the number of non-golfers who say they are “very interested” in taking up golf – which had doubled between 2014 and 2018 (CAGR of $\pm 15\%$), has continued to steadily rise to about 17 million in 2022. The biggest cohort when it comes to latent demand is juniors. Whether it’s golf programs in schools, high energy golf entertainment venues, likeable young pros or golf being perceived as “cool” again, it’s notable that another 5 million+ kids – non-golfers – say they’re very interested in playing on a course.

National Golf Industry Overview Summary – Potential Implications for RRGCL

Golf facilities – both nationally and in the Bradenton / Sarasota market - appear to be in a healthy place in early 2023, with quality public golf courses continuing to experience strong rounds activity and pricing power. Continued growth in beginning golfers, increasing player diversity, surging “off-course” participation, and the presence of a large cohort of non-golfers that have expressed strong interest in playing golf (“latent demand”) all bode well for the near-term future of facilities such as River Run. Popular and successful onboarding programs such as PGA of America’s Get Golf Ready and NGF’s “Welcome2Golf” should continue to cultivate new golfers.

While demand for golf remains strong, the Covid “dividend” may wane at some point, so operators must be vigilant to keep golfers engaged – especially those that are relatively new to the game. Aside from the possibility of decreasing demand, headwinds for golf course operators largely center around rapidly rising input costs – especially labor. This can be especially acute for a facility such as River Run Golf Links, which employees unionized public labor. As long as pricing power remains in place, quality golf facilities should be able to at least mitigate increasing expenses and maintain operating margins.

LOCAL / REGIONAL MARKET OVERVIEW

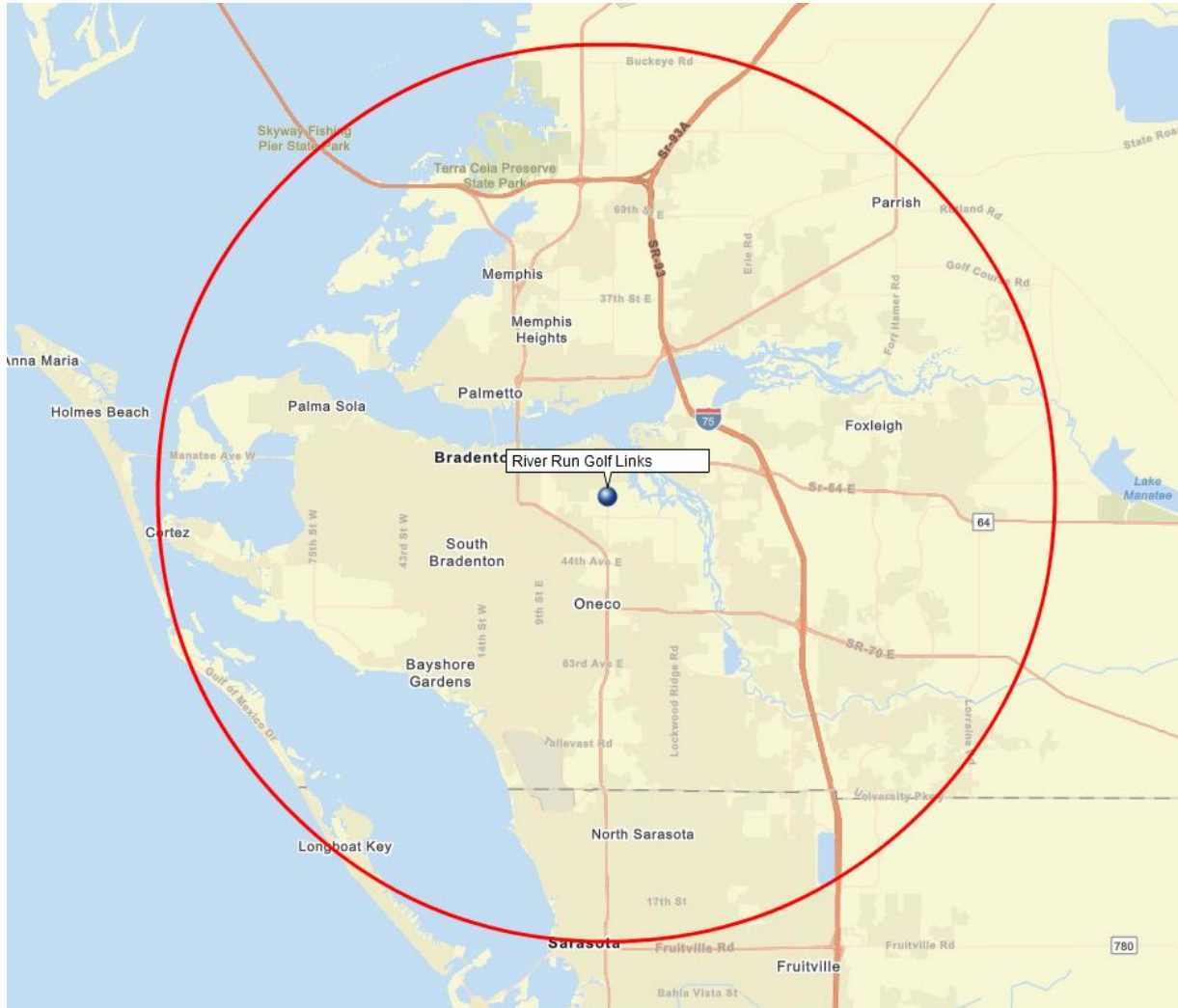
To assess potential market opportunities to increase rounds and/or fees at River Run, it is helpful to examine local economic and demographic factors that have the potential to impact rounds played and fee tolerances. Below we provide a review of the Bradenton / Manatee County area’s demographics and economy, as well as an overview of key golf market demand and supply indicators.

NGF Consulting utilizes predictive models – primarily the NGF Demand Model based on ongoing NGF golf participation research as benchmarks for estimating potential market strength. Other proprietary NGF resources utilized in this section include the NGF U.S. Golf Facilities Database, and NGF Golf Market Analysis Platform (GolfMAP). [See Appendix C.](#)

Defining the Primary Trade Area for River Run Golf Links

Several factors assist in determining the expected market area for a golf facility. In addition to the quantity, quality, and nature of the subject facility and competitive facilities in the area, the availability of highway and major thoroughfare infrastructure, traffic patterns, and economic factors all play a role in establishing the primary market area for a golf facility.

Based on NGF’s analysis of RRGL in the context of the factors cited above, we expect that River Run draws most of its customers from a market comprising a 10-mile radius of the golf course (though less from some higher-income eastern subdivisions). This radial extends north to include areas such as Palmetto and Memphis, west to the barrier island communities of Anna Maria, Holmes Beach, and Longboat Key, and south to North Sarasota. Due to its affordable pricing and relatively easy accessibility via major thoroughfares, the facility also likely draws some play from beyond 10 miles.



Demographics

Below and in [Appendix C](#), NGF provides key observations regarding the population, median age, and median household income trends for the 2-, 5-, 10- and 15-mile market radials around River Run Golf Links. (NGF consumer research has long shown a strong positive correlation between both age and income with golf participation).

- ▶ The population of **Bradenton** is about 57,000 as of 2022, while the population of the **Sarasota-Bradenton metro area** was about 750,000. Median household income is just over \$50,000, or about 28% below the national median of \$70,666. However, incomes are muted due to the high number of retirees in the area, as evidence by the median age of 45.3 years (U.S. median age is 37.9).
- ▶ **2-Mile Market (“Fall out of bed”):** There were about 32,000 residents residing in River Run’s immediate local market in 2022, a number projected to grow to about 35,200 by 2027. The **median household income** is about 18.9% lower than the national median, while the **median age** of 41.7 years is moderately higher than the corresponding U.S. figure of 37.9 years. The overall percentage of White Americans in the local market is 50.8%, compared to 62.5% nationally. (Ongoing NGF participation research has long shown that Caucasians have the highest golf participation rate).

- ▶ The **10-mile defined primary trade area** is much more populated, with about 453,000 residents, projected to grow to 493,000 by 2027. The 15-mile market has about 610,000 residents, growing to 661,000 by 2027.
- ▶ **Population growth rates** between 2010 and 2022 show the Bradenton / Manatee County area to be one of the fastest growing in high-growth Florida. Projected growth rates in the submarkets are 3 to 4 times the national growth rate through 2027. Manatee County's growth rate is projected to be 63% higher than the State of Florida during that time, equating to an addition of about 43,000 net new residents by 2027.
- ▶ **Median Household Income:** Median Household Incomes in the 2- and 5-mile radial submarkets around RRGL are about 19% lower than the national median of \$70,666, while the 10-mile market median income is about \$1,000 lower than the US figure, and 15-mile market about \$2,000 higher than the national number. For Manatee County overall, median household income is 6.2% higher than the national median. As noted above, there is a strong positive correlation between income levels and golf participation rates.
- ▶ **Median Age:** Except for the 2-mile “fall out of bed” market, all the radial submarkets show median ages much higher than the national median of 37.9 years. These figures range from 47.2 years within 5 miles to 50.4 years within 15 miles. Golf participation and frequency of play are positively correlated with age, except among the elderly.

Local Golf Demand and Supply Indicators

Below is a summary of key findings regarding the public golf demand and supply profiles in the trade areas for River Run Golf Links. This information derives from the NGF Demand Model (based on ongoing NGF golf participation research), NGF U.S. Golf Facilities Database, and NGF Golf Market Analysis Platform (GolfMAP).

- ▶ **Golf Participation Rate:** The golf participation rates (defined as having at least one golfer in the household) in the submarkets range from 18% lower (2-mile market) to 27% *higher* (15-mile) than the national benchmark rate of 8.1%. Higher ages and incomes in the broader markets primarily account for the higher participation rates.
- ▶ **Number of Golfers and Average Rounds Played per 18 Holes:** The 10-mile primary market for RRGL is home to an ±42,600 golfers. Based on facility self-reported and NGF-modeled activity levels, average annual rounds played per 18 holes of golf within the 10-mile submarket is about 49,000, or ***about 66% higher than the national average of about 29,500.***
- ▶ **Latent Demand:** Non-golfers who express an interest in playing golf comprise former golfers and those who have never tried. The demographic profile of latent demand tends to be more female and younger than the overall population. Surveys show these golf-interested non-golfers cite several barriers to entry into golf, including the cost and social aspects (no one to play with). NGF research projects about ±26,000 interested non-golfers living within the defined 10-mile primary trade area for RRGL. These interested non-golfers represent a well of prospects, some of whom can be activated with creative programming aimed at inviting and “onboarding” them into the game.
- ▶ **Golf Supply:** The 10-mile market for RRGL is home to a robust 32 golf facilities, including RRGL and 22 other public access golf courses. The 15-mile market has 43 total golf facilities, 28 of which are open to the public.
- ▶ **Golf facility closures** in the primary market area for River Run over the last 10 years include three public facilities, 18-hole Palm View Hills GC in Palmetto (closed 2015), Rolling Green GC in Sarasota (2021), and 27-hole Palmetto Pines GC (2017-18).
- ▶ **Supply-Demand Ratios (per capita supply):** Due to the large supply of golf courses, the 10-mile primary trade area for RRGL has 36% fewer golfing households per 18 holes of public

golf than the national benchmark. However, imported demand from visitors and seasonal residents (the 10-mile radial market has more than 3,000 seasonal golfing households) is very substantial in this market and is not considered in this metric.

- ▶ **New Courses in Planning or Under Construction** – The NGF Golf Facility Database shows no new golf facilities currently in planning or under construction in RRGL’s trade area. *Absent further golf course development, the market supply-demand dynamics will become more favorable for golf operators as population growth continues.*

Summary Golf Demand Measures – Local Markets					
River Run Golf Links	2-mile market	5-mile market	10-mile market	15-mile market	Manatee County
Golf Participation Rate	6.7%	8.2%	9.8%	10.1%	10.0%
Part. Rate Index (US = 100)	82	101	123	127	125
Number of Golfers	2,004	15,447	42,600	59,235	40,411
Interested Non-Golfers (latent demand)	2,017	11,688	25,687	34,377	24,066
Estimated Rounds per 18 holes	56,959	44,883	48,779	47,775	48,855
Golfers per 18H Index-Public (US=100)	74	142	64	74	69

Local Economic Factors with Potential to Affect Demand for Golf

Following is a summary of key economic factors that have the potential to affect demand for golf in the Bradenton / Manatee County area. **Sources:** City of Bradenton, including 2021 Annual Comprehensive Financial Report; miscellaneous online.

- ▶ The City of Bradenton is centrally located on the west (Gulf) coast of Florida, approximately forty miles south of Tampa. Bradenton encompasses 14.55 square miles and has a population of 56,442. Bradenton is the largest municipality in fast-growing Manatee County and serves as the County seat.
- ▶ Bradenton’s top 5 employers as of 2021 are Manatee County School District (5,632 employees), Beall’s Inc. (2,336), Manatee County Government (2,032), Publix (1,924), and Manatee Memorial Hospital (1,651). Other large private employers include Tropicana Products, Inc., and IMG Academy, each with about 1,000 workers. These and other mid-size and large businesses, along with organizations such as civic groups, churches, schools, etc., are candidates to hold outings at area golf courses.
- ▶ The recession years of the late 2000s had a large negative effect on the local economy, especially in the construction and real estate sectors. However, the City of Bradenton and Manatee County rebounded strongly and continue to boast a diversified economic base that relies on service, retail, light manufacturing, agriculture and particularly tourism.
- ▶ Recent economic indicators point to a stable local economy, including successive years of 5%+ increases in total taxable assessed values, declining unemployment rates now under 3% and, as of late 2022, a dozen private development projects within 15 miles of the city.
- ▶ Development and branding strategies primarily implemented by the City’s three CRAs and *Realize Bradenton* resulted in a surge in interest in downtown Bradenton, which features new parks, restaurants, a recently completed 130-room hotel, and a new 500-space parking garage.
- ▶ The City is upgrading all street lights in the City to LED lamps to provide enhanced lighting. An expansion of Riverwalk started construction in March 2021 to double the size of the park and tie its east end to a redevelopment of Mineral Springs Park.

- ▶ Bradenton officials reportedly are considering the potential sale of City Hall, which could bring a mix of retail, hotel, office space, condominiums, and multifamily housing to the Manatee River waterfront. A consulting group found the development of the property would generate \$656 million in regional economic output and about \$4.8 million in city tax revenue.
- ▶ Tourism - Bradenton, along with Manatee and Sarasota counties, have enjoyed two consecutive years of record-breaking travel:
 - Sarasota County saw \$1.5 million visitors that generated more than \$1.7 billion in spending in fiscal year 2022, according to the Visit Sarasota County annual report.
 - The Bradenton Area Convention Center reports more than 3.5 million visitors took an overnight stay, day trip, or family visit to the county in 2022, an increase of 12% over 2021. The county's occupancy rates increased by about 6%.
 - Tourist Development Tax Revenue for the County has grown steadily from \$14.7 million in FY19-20 to \$22.8 million in FY21 and \$28.5 million in FY22.
 - Approximately 3,500 new hotel rooms have been added across the Suncoast region in the past two years.
 - The Bradenton Area Convention and Visitors Bureau expects to see up to 6% growth in tourism in 2023 for the county, with Bradenton, Longboat Key and Anna Maria Island the key draws.
- ▶ The City finished the first phase of Riverwalk in the middle 2010s and it has become a very popular and successful destination along the Manatee River. City attractions in addition to the downtown corridor and Riverwalk include a "world-class" museum and "world-class" performing arts center.
- ▶ Bradenton has served as the southern home to Major League Baseball's Pittsburgh Pirates since 1968, providing a big boost to the local economy, especially in late February through March. The Pirates' practice facility is contiguous to River Run Golf Links.
- ▶ The Florida State League's Bradenton Marauders – a Single A affiliate of the Pirates - have played locally since 2010 and are another popular attraction; a Bradenton area CVB research study from 2019 showed the team's total economic impact to the community of \$44 million dollars, mostly from the spend of out-of-town visitors.
- ▶ The Bradenton Area Convention Center is undergoing an expansion that will add a multipurpose ballroom to accommodate up to 900 guests and connect directly to a 252-room Marriott Hotel under construction. The hotel, slated to open in January 2024, will feature a rooftop restaurant and lounge, upscale accommodations, a resort-style pool that features an outdoor tiki bar and grill, and an open-concept lobby with restaurant and bar space.
- ▶ The Sarasota-Bradenton International Airport finished 2022 with a record-breaking annual passenger total of nearly 3.85 million, an increase of more than 21% over 2021. The steady increase in demand for flights and routes into the region has led to a \$165 million expansion that is already underway.
- ▶ **Climate** – Bradenton, FL is a year-round golf market. The summers are long, hot, and wet, while the winters are short, cooler, windy, and generally partly cloudy. Over the course of the year, the temperature typically varies from 53° to 89° and is rarely below 40° or above 93°. About ±40 inches of precipitation fall annually, and the wet season is June through September.
 - The hot season lasts for roughly 5 months (mid-May to about October 10), with an average daily high temperature above 86°. August is the hottest month of the year, with an average high of 89° and average low of 76°.

- The cool season lasts for 2.7 months, from about December 10 to March 1, with an average daily high temperature below 74°. The coldest month of the year in Bradenton is January, with an average high of 71°.
- The length of the day in Bradenton varies from 10 hours, 24 minutes of daylight on December 21, to 13 hours, 53 minutes on June 21.

COMPETITIVE GOLF MARKET

Based on market knowledge, discussions with River Run's Golf Manager, the results of the NGF golfer surveys, and feedback from area golf operators, NGF has identified a representative subset of public golf courses (18-hole or greater regulation length) that comprises the primary – as well as a few secondary – competitors to RRGL. The competitor list is not intended to be exhaustive. Summary information regarding these competitors is shown in the tables below the facility map.

Competitive Facilities Map



Facility Summary Information – Key River Run Golf Links Competitors							
Golf Facility	Location	Type	Year Open	Par / Slope	Front Tee/ Back Tee	Miles Distant to River Run GL	Range Stations
River Run Golf Links	Bradenton	MU-18H	1986	70 / 124	4,709 / 6,293	-	0
Buffalo Creek Golf Course	Palmetto	MU-18H	1988	72 / 129	5,234 / 6,926	7 NE	75
The Club at River Wilderness	Parrish	DF-18H	1984	72 / 133	4,720 / 6,934	6.5 NE	40
Greens of Manatee Golf Course	Bradenton	DF-18H(E)	1963	61 / -	3,521	2.5 SW	10
IMG Academy Golf Club	Bradenton	DF-18H	1973	72 / 135	5,091 / 6,842	6 SW	14
Links at Greenfield Plantation	Bradenton	DF-18H	1998	72 / 130	4,944 / 6,719	5.5 E	20
Manatee Golf Course	Bradenton	MU-18H	1977	72 / 125	4,823 / 6,433	6 SW	25
Moccasin Wallow Golf Club	Palmetto	DF-18H	1987	72 / 136	4,590 / 7,089	8 N	10
Peridia Golf & Country Club	Bradenton	DF-18H(E)	1987	60 / -	2,749 / 3,373	2.5 SE	2
Pinebrook Ironwood Golf Club	Bradenton	DF-18H(E)	1970	61 / 101	3,122 / 3,752	5 SW	0
The Preserve Golf Club	Bradenton	DF-18H	2001	72 / 144	4,870 / 7,000	5.5 SE	5
The River Club	Bradenton	DF-18H	1988	72 / 147	3,880 / 6,830	7.5 SE	25
Terra Ceia Bay Country Club	Palmetto	DF-18H(E)	1985	62 / 111	2,915 / 3,905	5 NW	15
*Air miles from subject site, rounded to half-mile; actual driving distances will likely be greater. Type: DF – Daily Fee; MU – Municipal; E - Executive							

Summary Green Fee Pricing (Summer 2023) – Competitive Subset						
Golf Facility	Peak Season Highest 18H Riding Rate	18H Prime Time Green Fee (Walk/Ride)	18H Midday Green Fee (Walk/Ride)	18H Twilight Green Fee (Walk/Ride)	9H Prime Time Green Fee (Walk/Ride)	Membership Program
River Run Golf Links	\$50	\$21/\$26	\$17/\$24	\$17/\$24	\$14/\$19	n/a
Buffalo Creek Golf Course	\$80	-\$37-\$45	-\$33-\$37	-\$27-\$29	n/a	Buffalo Pass \$3,250/\$4,750 +500 per dependent +\$15 per round Creek Pass \$4,250/\$6,250 +750 per dependent Senior Pass \$3,000 per person
The Club at River Wilderness	\$89	-\$49	-\$39	-\$28	n/a	Initiation / Single / Family Full Golf \$5,000 / \$495 /\$600 per month ¹ Young professional \$2,500 / \$335 / \$435 per month Social \$2,500 / \$125 / \$160 per month
Greens of Manatee Golf Course	\$33	Facebook only	no website	no rates advertised		
IMG Academy Golf Club	\$95	-\$37	-\$37	-\$23 (rounds after 3pm are all 9H)	-\$23	Platinum - Unlimited golf: Age 40+ \$5,341, Age 31-39 \$4,131, Age 23-30 \$3,405 / Family \$6,676 Gold - Wkdays unlimited & Wkends >12pm \$4,131 Silver - Wkdays only \$3,305 Bronze - 20% off rack rate \$844 / \$1,105 Seasonal membership is based on membership level and the number of months
Links at Greenfield Plantation	\$65	-\$40	-\$35	-\$35	n/a	n/a
Manatee Golf Course	\$90	-\$34-\$40	-\$25-\$29	-\$19-\$22	na	\$2,695* Includes Manatee County & Buffalo Creek GCs
Moccasin Wallow Golf Club	\$56	\$40	\$33	\$28	n/a	\$2,700 +\$600 F/B min. / \$5,150 + \$1,200 F/B Limited >11am Jan-April & Nov.- Dec. \$2,400 + \$600 F/B min. / \$4,400 + \$1,200 F/B 6 month \$1,900 + \$300 F/B / \$3,225 3 month \$1,125 / \$2,350 1 month \$425

Peridia Golf & Country Club	\$55	\$35/\$45	\$28/\$35	\$28/\$35	Open- 12pm \$22/\$30 12pm-5pm \$18/\$22	Full Associate \$3,370 +\$450 annual F/B min. (includes spouse) Seasonal \$295 + \$40 F/B per month (6 months max.)
Pinebrook Ironwood Golf Club	\$58	\$25/\$34	\$22/\$31	\$20/\$26	\$22/\$26	Annual \$1,739
The Preserve Golf Club	\$75	-\$40	-\$30	-\$30	n/a	not advertised online
The River Club	\$65	-\$40	-\$35	-\$35	n/a	not advertised online
Terra Ceia Bay Country Club	\$45	\$30	\$30	\$30	n/a	Walking/Riding - Single / Couple Annual \$1,850/\$2,500 / \$2,550/\$3,850 6 Months \$1,525/\$3,850 / \$2,150/2,950 Also offers tennis, fitness, pool, social, & pickleball memberships
Fees as presented on website; some may include tax, others not; rounded to nearest half-dollar. 1. Additional annual fees include Trail Fee: Full Golf & Young Professionals - \$1,820/\$2,300; Cart Lease: Full Golf & Young Professional \$1,920/\$2,400; F/B Minimum: Full Golf \$600/\$1,200, Young Professional \$600/\$800, Social \$600/\$1,200						

Significant Findings – Competitive Public Golf Market

NGF Consulting research indicates the following significant findings for the competitive market that River Run Golf Links operates in:

- ▶ There is a variety of golf courses at different price/quality levels for consumers to choose from in River Run’s primary trade area. Most of the public facilities in the competitive subset are decades old, with the most modern ones being The Preserve, opened in 2001, and Links at Greenfield, which opened in 1998. Except for Greens of Manatee GC (1963), the rest of the clubs opened in the 1970s and 1980s, including River Run in 1986.
- ▶ Based on feedback from River Run management staff, interviews with golfers and other area golf operators, and NGF market analysis (including visits to key competitors), NGF has identified the following facilities as the most relevant competitors to RRGL:
 - The two Manatee County facilities - Manatee GC and Buffalo Creek GC - appeared to be in average to good condition during NGF’s visit. The Ron Garl-designed Buffalo Creek is the more highly regarded of the two, with Manatee GC appealing more to beginners and higher-handicap golfers. The two hosted almost identical number of rounds played in 2022, at just over 50,000. This activity level is well below that of River Run, though the two County courses are positioned at higher price points.
 - The Links at Greenfield Plantation – due to both its quality and proximity to River Run – is a key competitor. It is a well-conditioned and aesthetically pleasing course featuring lakes, wetlands, and abundant wildlife. The facility boasts a very nice bar/grill area, grab-n-go gazebo (staffed during peak demand times), aqua range, practice green, and two warmup nets.
 - Peridia G&CC is a quality golf course that is in good condition and is only a few miles from River Run GL. Though an executive layout, it is positioned at higher price points than RRGL, at least during the summer season.
 - The Preserve Golf Club, located within a gated community of the same name, is a family-owned facility that features an appealing layout and a nice modern clubhouse. The club has had recent trouble with its 23-year-old greens due to a variety of reasons, such as weeds and disease resulting from irrigation issues. Heavy play during peak demand (~ 235 rounds/day) also contributed. Management recently made the decision to go to 9-minute tee time intervals (previously was 7/8 like River Run) and to go back to posted pricing instead of dynamic pricing.
- ▶ NGF has also identified some key **secondary** competitors to RRGL, based on proximity, quality, and/or price point: The River Club, Moccasin Wallow Golf Club, Terra Ceia Country Club, and Pinebrook Ironwood Golf Club.
- ▶ The use of dynamic or demand-based pricing is now common among public courses in this market. At the top of the local public fee spectrum - \$80 to \$90 for prime time, **peak season** tee times - are River Wilderness, IMG Academy Golf Club, and the Manatee County golf courses. A second tier includes The Preserve (\$75 peak fee) and The River Club (\$65), while River Run’s peak winter riding fees are in a similar range to facilities such as Moccasin Wallow, Pinebrook Ironwood, and Peridia G&CC. At just \$54 for peak riding green fees in the winter season, RRGL is the “value” provider in the local market and is priced lower than even executive length golf courses Peridia and Pinebrook Ironwood.
 - River Run’s fees are even further below “market” rate during the summer season. For example, RRGL’s riding rates during the morning were \$26, compared to a range of \$37 to \$45 for Buffalo Creek, \$34 to \$40 for Manatee GC, and \$40 for Links at Greenfield Plantation.

- ▶ Based on prior NGF market research and our review of online rates in May 2023, we observe that green & cart fees at Bradenton / Sarasota area public golf facilities have generally increased by about $\pm 15\%$, on average, since late 2020. This mirrors two national trends – increased pricing power and the necessity for golf operators to keep up with rising input costs. Area golf operators, including management at RRGL, have also told NGF that the peak season has pushed further into May.
- ▶ While several golf courses we visited appeared to be in better overall condition than River Run GL, the greens at RRGL compare favorably to those of the competing facilities and the City of Bradenton golf course's overall price/value proposition is strong, as evidenced by its high rounds played.
 - Most of River Run GL's competitors are better equipped to draw events such as larger charity outings and tournaments due to larger event spaces, more extensive food & beverage offerings, and presence of a driving range.
- ▶ Though the privately-owned competitive courses did not share actual rounds played data, NGF research indicates that most local and regional golf facilities continued to benefit from the surge in golf participation and demand that resulted from the pandemic. Overall, NGF estimates that annual rounds played among the public golf courses in this market remain about 10% to 15% higher, on average, compared to pre-pandemic levels.
- ▶ There is a relative lack of driving ranges proximate to River Run GL. The only public facilities with ranges within 6 miles of RRGL are Greens of Manatee GC (10 tee stations), IMG Academy GC (14 tees), Links at Greenfield (20-tee aqua range), The Preserve (aqua greens and only 5 stations), and Terra Ceia Bay CC (15).
- ▶ Several market public / semi-private golf facilities offer memberships that allow for unlimited green fees and other benefits:
 - Manatee County golf courses - as of July, 2022-23 season passes were available only to current passholders. \$2,695 + tax is for both facilities and includes unlimited green and cart fees, small range basket (day of play), and 14-day advance tee times.
 - Peridia G&CC – Full Associate is \$3,370 plus \$450 annual food & beverage spend. Seasonal monthly memberships are also available for \$295 + \$40 F&B (6-month max.)
 - Club at River Wilderness - \$5,000 initiation fee; single dues \$495/month, family \$600.
 - Moccasin Wallow - \$2,700 single + \$600 F&B minimum; \$5,150 couple + \$1,200 F&B. Variety of other programs available.
- ▶ The NGF Golf Facility Database shows no new golf facilities either in planning or under construction in the primary market area. The City of Sarasota's Bobby Jones Golf Club, now managed by Troon, is currently under reconstruction and will ultimately reopen this fall as a greatly enhanced golf facility comprising 27 holes (18-hole championship course plus 9-hole adjustable par-3 course), 67-bay driving range / practice facility / driving range starter house, and two on-course restrooms. Bobby Jones will also feature a 15,000 square foot clubhouse with full-service restaurant and outside veranda. Golf course architect Richard Mandell is managing the redesign with the intent of restoring the 18-hole course to include much of its original Donald Ross design. Total investment by the City of Sarasota will approach \$30 million, including more than \$9 million for the clubhouse.

BENCHMARKING

Area Municipal Golf Facilities

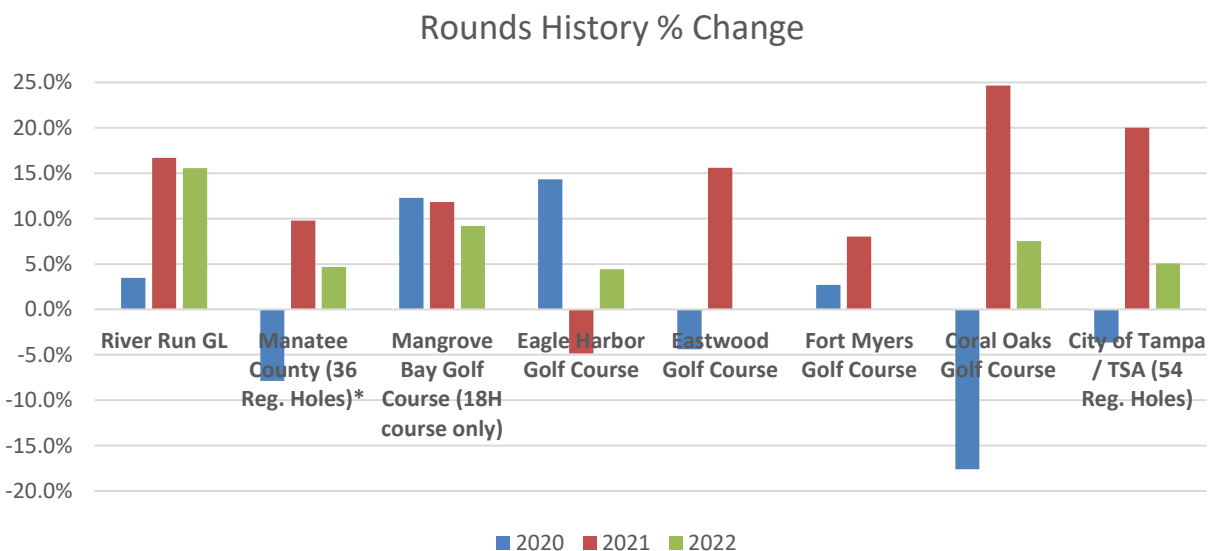
As part of our market analysis, NGF collected data from regional municipal golf operations for the purpose of providing a benchmarking comparison to River Run Golf Links. All the facilities are 18-hole regulation courses, with exception of the City of St. Petersburg's 27-hole Mangrove Bay, which includes a 9-hole par-3 course that was excluded from the analysis. Also, all the clubs are in the west-central Florida region except for Eagle Harbor Golf Club, which is in the Jacksonville market. Finally, all results are from FY 2022 other than the Fort Myers' facilities, Fort Myers CC and Eastwood GC (FY21).

We believe the results are instructive; however, the effort is not intended to provide direct apples to apples comparisons, as the sample size is relatively small and there are too many variables at play, including green fee price point, level of rounds played, operating structure (e.g., public vs. private labor), size of maintainable turf, etc. NGF summary observations regarding the FY22 data follow. The **full operations benchmarking table** can be found in [Appendix D](#).

Rounds Played – FY20 – FY22:

	2020	2021	2022
River Run Golf Links	48,685	56,813	65,646
Manatee County (36 regulation holes)*	87,246	95,788	100,267
Mangrove Bay Golf Course (18H course only)	70,763	79,131	86,391
Eagle Harbor Golf Course	44,977	42,792	44,680
Eastwood Golf Course	51,938	60,044	n/a
Fort Myers Golf Course	65,260	70,502	n/a
Coral Oaks Golf Course	44,268	55,186	59,329
City of Tampa / TSA (54 Reg. Holes)	92,012	110,400	116,000

*18-hole equivalent rounds



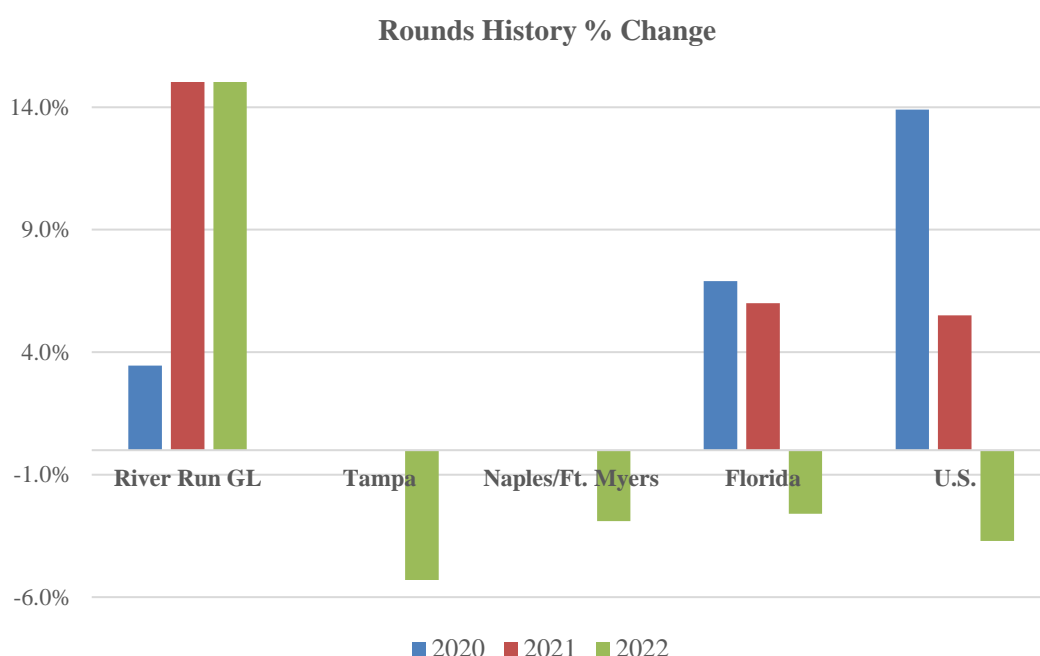
- ▶ River Run's 65,646 **rounds played** in FY22 exceeded the average rounds played per 18 holes from the referenced subset by 10.4%. RRGL, which trailed only Mangrove Bay's 86,000+ rounds in FY22 (Ft. Myers CC rounds were for FY21), hosted about 30% more rounds than each of the Manatee County courses (Manatee GC and Buffalo Creek GC), though these facilities do have higher average price points.
- ▶ **Total operating revenues:** Excluding three outliers that had more \$3 million in annual revenue – Coral Oaks GC at \$3.2 million, Eagle Harbor GC (\$3.8 million), and Mangrove Bay (\$3.7 million), RRGL is in a group with the Manatee County and City of Fort Myers courses that generated between \$2.05 million and \$2.3 million in revenue in FY22. The lower tier of performers comprises the City of Tampa (TSA) three municipal golf courses, which averaged \$1.89 million in revenue in FY22. Overall, NGF concludes that River Run compares favorably to the group, given the absence of a driving range, as well as the small scale of the pro shop and food & beverage operations.
- ▶ **Total operating expenses:** Excluding the same three outliers - Coral Oaks GC, Eagle Harbor GC, and Mangrove Bay GC, which had expense budgets ranging from \$2.9 million to \$3.5 million, RRGL is again grouped with the Manatee County and City of Fort Myers courses, with total operating expenses in the range of \$1.84 million to \$2.22 million. The lower tier again comprises Tampa's three facilities, which averaged \$1.24 million in expenses in FY22.
- ▶ Average **golf course maintenance** budget: NGF obtained maintenance expense data for five facilities, not counting RRGL and the three lower-end TSA courses (ave. budget of \$574K):
 - Average **total maintenance expense** was \$1.13 million, or 51% higher than RRGL's **estimated** \$750K budget. Tampa courses averaged only \$574K.
 - **Maintenance labor expense** ranged from ±\$250,000 at the Manatee County courses, to about \$500,000 for River Run budget (excl. retirement benefits), and an average of about \$710,000 for Coral Oaks, Eagle Harbor, and Mangrove Bay.
 - **Labor cost as a percentage of the total maintenance budget** ranged from just ±23% at the privately run Manatee County courses to about 67% for River Run and Coral Oaks, and an average of ±60% for Eagle Harbor and Mangrove Bay.
 - Total **non-labor maintenance expense** averaged \$608,000 for the five facilities, or about 59% higher than RRGL. The average **Chemicals** expense, including fertilizers, pesticides, herbicides, seed, sod, and sand, averaged \$231,000, or nearly three times RRGL's \$81,378 in FY22.

Rounds Played – River Run Golf Links vs. Regional and National Results

- ▶ As the table and chart below illustrate, River Run Golf Links has significantly outperformed the Tampa and Naples/Ft. Myers regional markets (data available for 2022 only), the State of Florida, and the overall U.S. in terms of rounds growth, with year-over-year increases of 16.7% and 15.5%, respectively, in 2021 and 2022. **Note:** Rounds figures for regions, state, and U.S. are calendar year vs. fiscal year for RRGL.
- ▶ River Run also performs very favorably against a subset of Florida municipal comparable facilities that NGF has recent experience with. As noted, the growth in RRGL rounds played for fiscal years 2020-21 and 2021-22 was 16.7% and 15.5%, respectively. These figures compare to respective averages of 12.2% and 5.1% for the regional comparables.

Rounds History % Change 2020 - 2022

	2020	2021	2022
River Run GL	3.5%	16.7%	15.5%
Tampa	N/A	N/A	-5.30%
Naples/Ft. Myers	N/A	N/A	-2.90%
Florida	6.90%	6.00%	-2.60%
U.S.	13.90%	5.50%	-3.70%



LOCAL / REGIONAL MARKET SUMMARY

Following are summary NGF takeaways from the Bradenton / Manatee County area market analysis:

- ▶ While the demographic profile in immediate proximity to River Run GL is not predictive of high golf participation and demand, the primary 10-mile trade area shows participation rates that are 23% higher than the national benchmark of 8.1%. Higher ages and incomes in the broader markets account for the higher participation rates.
- ▶ Due to the robust supply of golf courses, the 10-mile primary trade area for RRGL has 36% fewer golfing households per 18 holes of public golf than the national benchmark. However, imported demand from visitors and seasonal residents is very substantial in this market and not captured in this demand-supply metric.
- ▶ Public golf courses in this regional market are very active compared to the national benchmark. Average annual rounds played per 18 holes of golf within the 10-mile submarket is about 49,000, or **about 66% higher than the national average of about 29,500.**

- ▶ Like most golf courses across the nation, River Run and other regional facilities have experienced a significant increase in rounds played resulting from societal changes during and after the Covid-19 pandemic. While some of the demand uptick may ultimately prove to be transitory, proactive operators across the country are identifying new customers and finding ways to engage them in the golf experience with the intent to turn many of them into committed golfers.
- ▶ At just \$54 for peak riding green fees in the winter season, RRGL is positioned as the “value” provider in the local market and is priced lower than even executive length golf courses Peridia and Pinebrook Ironwood (fees). River Run’s fees are even further below “market” rate during the summer season. RRGL appears to have room to increase green/cart fees to keep up with increasing input costs, especially labor.

Golf Course Physical Assessment

This section presents findings and recommendations relative to the NGF Consulting team's evaluation of the River Run Golf Links. The physical evaluation was conducted on May 30, 2023 by NGF and ASGCA golf course architect, Richard Mandell, President of Richard Mandell Golf Architecture (RMGA). Findings and recommendations presented in this section are based on the evaluation, as well as discussions with RRGL's General Manager and Superintendent, and the City's City Administrator and Public Works Director. This report of conditions and recommendations comprises three main sections:

1. Summary of Recent and Planned Improvements to River Run Golf Links.
2. Golf Facility Condition Assessment - after a brief synopsis of the history of River Run Golf Links, we provide assessment, discussion, and recommendations related to RRGL:
 - Design – Routing and Features
 - Infrastructure and Conditions
3. Golf Course Improvement Recommendations:
 - Improvement Recommendations Summary
 - Renovation Phasing Discussion and Recommendation
 - Construction Considerations
 - NGF Preliminary Improvement Cost Estimates

NGF Director of Consulting, Ed Getherall, and Golf Course Architect, Richard Mandell, visited River Run Golf Links on Tuesday, May 30th to review the golf course and ancillary facilities, including the clubhouse and maintenance facility. The NGF team met with River Run's General Manager, Superintendent, and Assistant Golf Professional, as well as Bradenton's Public Works Director and City Administrator, to gain their perspectives on the golf facility and golf operations. Mr. Mandell toured the course with the Golf Course Superintendent, while Mr. Getherall toured the property with the G.M.

Playing just 6,318 yards from the back tees, the course does not attract many of the better golfers despite its relative narrowness, a key marker for the better players in determining challenge. (This narrowness does result in a Blue tee slope rating of 124, compared to the average of 113). Yet the primary strategy of the golf course is to hit straight down those narrow fairways or be penalized by trees on both sides. Ironically, this strategy becomes a problem for players with higher handicaps, who tend to hit stray shots to both sides of a golf hole. The fairways average approximately 28 yards in width. The narrow fairways at River Run should attract lower handicappers (i.e., more skilled golfers), but the limited length and relatively uninteresting course features constrain demand from this cohort.



Hole #3: Narrow fairway creates penal strategy.

RECENT & PLANNED IMPROVEMENTS

While no large-scale infrastructure-related projects have been undertaken at River Run GL, the City plans two major improvements for 2025 – construction of new greens and installation of a new irrigation system. In terms of maintenance equipment, the goal is to replace two pieces per year, though NGF was told there is currently a backlog. The improvements (not exhaustive) below have been made to RRGL since 2016:

Golf Course:

- Replaced Tifdwarf Bermuda turf on #8 green with Diamond Zoysia (2016).
- Restructured, filled and sodded bunkers on hole numbers 1, 4, 8, and 9 in 2022.
- Trimmed back Brazilian Peppers on hole numbers 2, 3, 4, 11, 12, 13, 14, 17, 18 fairways (ongoing).
- Trimmed large trees on hole numbers 2, 4, 7, 9, 11, 12, 14 (2021).
- Planted 50 new trees (Olive, Palm, Pine) in 2020.
- Fixed drainage issues on hole #10 (right side), #12 tee, #17 (2020).
- Built new tee on holes #11 and #18 (2019).
- Replaced bridge on #16 (2021).

Other:

- Replaced golf cart fleet with 80 new (leased), high-quality Yamaha vehicles in 2022.
- Replaced pro shop flooring in 2022.
- Installed new air conditioning unit in clubhouse (2022).
- Installed new hitting nets (2021).

CONDITION ASSESSMENT - STRUCTURES / AMENITIES

While NGF's scope did not include an evaluation of the structural integrity of the RRGL clubhouse or other structures, we provide a high-level assessment of conditions.

Clubhouse Area

The River Run clubhouse is a single-story frame construction building of approximately 4,000 square feet that dates back to the opening of the club in the middle 1980s. The golf facility shares parking with the Pittsburgh Pirates practice facility; there are approximately 130 spaces, with room for expansion. While some updating to the building interior, such as replacement of the pro shop flooring, has recently been done and more is planned, the exterior of the building gives an “outdated” impression and needs refreshing. Other thoughts on the clubhouse building:

- There is a lack of curb appeal and no sense of entrance when one arrives. Also, the building entrance is not well-defined.
- The entrance is subdued and doesn't stand out.
- It is difficult to distinguish the clubhouse from the cart barn upon arrival.
- The cart staging area seems to be of sufficient size.

Maintenance Building and Cart Barn

The River Run maintenance building was built in 1993, while the cart barn dates to the opening of the club. While the facilities seem generally sufficient to perform their functions and do not need short-term reconstruction, they could certainly be improved. The interiors of each building, including the roofs, need repairs. Additionally, the employee area of the maintenance building is very substandard – NGF has found that having a clean, modern “lunch room” can boost employee morale and one that is in poor condition can convey that the employer does not appropriately value them, potentially detracting from work effort and motivation. Upgrades to the maintenance building were on the list of planned improvements provided to NGF for this study.



Roof in need of repair in River Run maintenance building.



Superintendent office in River Run maintenance building.



Roof in need of repair in River Run cart barn.



Roof in need of repair in River Run cart barn.

Practice Amenities:

River Run Golf Links has a practice putting green but not a driving range. The putting green appeared to have some dead areas. There are two warm-up hitting nets (replaced in 2021) between the practice green and the first tee.

On-Course Amenities:

There are no permanent on-course restrooms at River Run GL. There are Port-o-Potties right of hole #7 green and right of #14 fairway. The absence of clean, permanent restrooms is a deterrent for some golfers when choosing a golf course. Having only port-o-potties is a factor that suppresses play from female.

CONDITION ASSESSMENT – GOLF COURSE

The NGF team, including Richard Mandell Golf Architecture, has observed that all elements of the golf course infrastructure of River Run Golf Links have outlived their expected life cycle. All features on a golf course eventually break down from the effects of nature and maintenance practices. The length of their life cycles is directly related to the quality of materials used in construction, proper installation, and original construction specifications directing that installation.

Below is a list of golf course features at River Run, along with their respective ages and expected life spans as determined in a joint-venture study by the USGA Green Section, Golf Course Builders Association of America, and the American Society of Golf Course Architects in parentheses (Life Cycle Chart, [Appendix E](#)). Following the table is an assessment of some of River Run's key components as observed in spring 2023.

Component	Age	Life Expectancy
Tee Boxes (1986):	37 years	(15 - 20 years)
Irrigation Control System (2005):	18 years	(10 - 15 years)
Irrigation Mainline PVC (1986):	37 years	(10 - 30 years)
Irrigation PVC Laterals (1986):	37 years	(10 - 30 years)
Irrigation Heads:	1-37 years	(10 - 15 years)
Irrigation Pump System (1994):	29 years	(15 - 20 years)
Asphalt Cart Paths (1994):	29 years	(15 - 30 years)
Golf Course Drainage (2005):	18 years	(5 - 15 years)
Sand Bunker Drainage (2005):	18 years	(5 - 15 years)
Sand Bunker Liner:	N/A	(5 - 15 years)
Putting Greens (2005):	18 years	(15 - 30 years)
Putting Green Turf (2005):	18 years	(15 - 30 years)

Greens

All the greens currently have Tifdwarf Bermuda surfaces except for hole #8, which has Diamond Zoysia due to shade issues. While most of the greens were in relatively good condition during our visit in spring 2023 (especially given that very little rainfall occurred in the previous 4 months), several issues will require that they soon be reconstructed. Although the greens were rebuilt to USGA specifications and re-grassed in 2005, heavy salt issues resulting from the reclaimed water that irrigates the course have sped up the relative age of the turf and drainage quicker than if salt was not a problem.

Turfgrass (fairways, tees, etc.)

The condition of turf elsewhere is fair to poor due to factors such as aging infrastructure, tree encroachment, and drainage issues. Poor turf growth on tee boxes and in fairways will only increase over time as the life cycle of turf is similar to that of greens (15-30 years). In addition, new turf varieties have been developed that require fewer fertilizers, pesticides, and less water. Future addition of new turfgrasses at River Run must be accompanied by tree removal to minimize shade issues evident throughout the course.



Poor turf conditions due to lack of chemicals.



Poor turf conditions from shade cast from tree encroachment.

Bunkers

River Run GL features many large, artificial looking sand bunkers that add little strategic value and are inefficient to maintain. Bunker drainage is also an issue as some show signs of water-holding in the bottoms. Although many bunkers appear to have new sand added, investment in new sand for the remaining bunkers is inadvisable until drainage is updated. In addition, bunker faces and edges show signs of erosion. Those same edges create mowing challenges due to the steep rise from fairway to bunker edge and should be redesigned to minimize such steepness.

Drainage

A variety of drainage issues must be addressed. There is an overall lack of internal drainage on the golf course resulting from the initial construction process. Although drainage has been added over the years, nothing of significance has been added since 2005. In the intervening years, settling has created numerous isolated water-holding pockets that limit the ability to mow daily and create undesirable playing conditions.

Cart Paths

In addition to exceeding their expected life cycle, the cart paths are just five to six feet wide. They should be re-built to industry standards of eight feet wide (one-way traffic) and twelve feet (two-way traffic). Re-design of the cart paths to minimize their visual impact should also be undertaken because they cross the fairway in front of the tees on thirteen of eighteen holes.



Cart path crosses hole in front of fairway on 13 holes.

Irrigation System

The City has slowly been converting the existing irrigation heads from Rainbird to Toro as material has become available. Despite this conversion, RMGA recommends replacing the entire system, as all of the other components (control system, pipe, pump system) have outlived their life cycles and to eliminate the piece-meal nature of the irrigation heads and control boxes (both Rainbird and Toro). The City plans to replace the irrigation system in 2025.

LACK OF STRATEGIC INTEREST

Ten of the fourteen par-4 and par-5 holes at River Run are of a penal strategy defined as having only a single route from tee to green. Golfers must play straight down each fairway and, if they fail, shots will go into trees on both the left and right sides of the fairway. There is no other option for the golfer. This strategy contributes to slow play and increases the difficulty of play for the lesser-skilled despite the relative flatness of the property. Both par-5 tee shots (9 & 11) are included in this assessment. While each par-5 is a dogleg-right, which presents some strategic choice, they are carbon-copies of each other.

The remaining holes do provide some strategic options. Dogleg par-four holes, such as #1 and #7, are designed to allow golfers to cut the corner to gain an advantage. Other holes, such as #12 and #14, would be more strategically challenging if the fairways were widened enough for players to experience an advantage by playing down one side or the other to avoid a hazard.

Despite the penal or strategic nature of the golf holes at River Run Golf Links, fairways average only 28 yards in width, or a similar width to that of PGA TOUR sites that challenge the best golfers in the world on a weekly basis. RMGA recommends that any improvements to River Run include widening of the fairways (35-45 yards wide) and increased strategic variety from hole to hole.

Finally, there is some repetitiveness to hazard locations from hole to hole. Specifically, both par-five holes have the same pond located in the corner of the dogleg. Also, many greens have a single bunker blocking the front left quadrant of the putting surface, such as Hole numbers #1, #4, #6, #8, #12, #13, #15, and #16.



The penal nature and subsequent slow play of #14 is mostly a result of encroaching trees from the left side forcing golfers to chip out because they can't carry the ditch.

OUTDATED DESIGN CHARACTER

Designed and built in the late 1980s, River Run Golf Links' golf course features resemble a specific era of golf construction that was characterized by utilizing large machines to create what are called large-scale golf course features. They are large enough to seem out of scale with the golfers as well as their existing surroundings. These are also described as features that have the same smooth slopes at the same angle with very little variation from feature to feature. In other words, they are very geometric forms that lack visual interest.



Characteristic design aesthetic of the era (#16 green)

In addition, the same features are replicated from hole to hole. For instance, many greens complexes are characterized by the same exact single mound as a focal point to the back right of the putting surface. This feature can be found on Holes #1, #5, #8 through #13, #15 (although a second mound is back left), #16, and #18. The mound behind #17 is in the middle but has the same dimensions as the others. Hole by hole design notes can be found in [Appendix F](#).

Another characteristic of this era of construction is the tendency to build sand bunkers completely above grade. The prevailing thought was that the bunkers will drain if the floors were above existing grade. The resulting architecture makes these bunkers less than effective as hazards because only golf balls specifically hit into these hazards on a fly will be penalized. Rolling shots will be deflected back into the fairway or rough. At River Run, the result is a lot of bunker maintenance and only a handful of bunkers adding to strategic value. Finally, most bunkers appear to not fit properly into the ground (i.e., as if they're lying on top).

CONCLUSION - COMPLETE RECONSTRUCTION

While River Run Golf Links has enjoyed recent success with positive net income and rounds played increasing significantly to 65,000+ in FY22, the age of the golf course's component parts will soon necessitate a major overhaul of the course. Current conditions are sub-par by industry standards, especially in terms of the turfgrass from tee to green. The NGF team believes that, as years pass, it will become increasingly difficult for maintenance staff to provide a sufficient amount and quality of turf to play from, despite River Run's affordability.

The design character of River Run Golf Links is a subjective matter that may appeal to some but not to others. Therefore, the character of the golf course is not a single reason to renovate the golf course, especially one that now logs 65,000 rounds annually. However, the age of the golf course infrastructure is a very objective metric that fully justifies the reconstruction of the golf course. NGF and RMGA recommend that the City of Bradenton begin planning to rebuild River Run Golf Links because all the

golf course features and construction components (drainage pipe, irrigation, etc.) have significantly exceeded industry standard life cycles. Because the facility is profitable now, it could be an ideal time to begin putting a funding plan together. (NGF has observed that there has been a large pent-up demand for golf course builders for major renovation projects, so planning well ahead is critical).

While we cannot definitively predict when one or more key components of infrastructure will give out, experience tells us that a piecemeal, triage approach to addressing problems can work for only so long. There is also an opportunity cost in terms of product quality when maintenance resources and staff time are frequently diverted to making emergency, stop-gap repairs. At some point in the relative near term, it will become evident that it is time to undertake a full facility renovation that will keep River Run Golf Links viable for the next 30 to 40 years. The “trigger point” could be a catastrophic failure (e.g., irrigation system fails, greens lost to disease) or, more likely, a downward spiral in rounds played and revenue.

Redesign Considerations

The NGF team believes that the necessity to rebuild the entire golf course also offers an opportunity to undertake a re-design and re-branding of the golf layout to provide a modern aesthetic appearance and increase strategic variety. A new, modern layout should appeal to a broader range of golfers while not increasing the golf course’s difficulty. Rather, the enhanced design would provide lesser-skilled and new golfers a chance to experience the architectural interest found at higher-quality market facilities. An effect of this is broader appeal and retaining golf customers after their abilities improve to the point of desiring more challenge. Adding design interest and features will not result in an increase in renovation cost versus rebuilding everything in place.

A re-design should include the following specific design tasks:

- Re-design of the ninety-degree dogleg thirteenth hole.
- Clear trees along the left side of the fourteenth hole to improve playability by allowing golfers to play their second shot to the green from that side rather than lay up to in front of the crossing hazard and consideration of a permit to pipe the crossing hazard.
- Re-design both par-five holes so they are different.
- Seek out places to increase length to attract additional golfers, such as holes #1 and #2. (This should not be interpreted as making the course more difficult for the core River Run golfers).

In addition, the following improvements can be realized through the process:

- Clearing of trees to widen playing corridors and improve pace of play.
- Removal of invasive species such as Brazilian Pepper.
- Reduction in sand bunker square footage as most existing bunkers are unnecessarily large.
- Elimination of the repetitiveness of each green complex, with each new green having its own character.
- If possible, replace rip rap around water features with native grasses for erosion control.
- All golf course features can have a more natural appearance.

Preliminary Cost Estimates for Renovation – River Run Golf Links

The following table summarizes preliminary estimated costs for a golf course renovation of River Run Golf Links, based on RMGA’s expertise and experience, as well as conditions observed during late May 2023. We note that the numbers shown represent the mid-range of estimates prepared by RMGA. The City should also note that we have *not* included a contingency line item. For preliminary planning purposes, the City should figure on contingency to be about 10% of construction costs.

The estimated total is about **\$7.25 million**, including mobilization and golf course design / engineering fees. It does *not* include costs related to repairs to structures, such as the clubhouse, maintenance building, or cart barn, nor the addition of on-course restroom(s). The table on the following page comprises a line-item cost estimate to completely rebuild the River Run Golf Links, with additional clearing (costs in 2023 dollars). The NGF team has observed that there has been a large pent-up demand for golf course builders for major renovation projects. Should the City decide to go forward with a renovation of RRGL, we recommend that it begin lining up the funding for the project and initiate the planning process as soon as possible, especially if the goal was to undertake the project during the next several years.

River Run Golf Links Construction Costs
Rebuild In Place or Re-Design Richard Mandell Golf Architecture City of Bradenton, Florida
6-19-2023

				Item	
PROJECT PREPARATION					
Layout/Staking	\$ 50,000.00	LS	1.00	\$ 50,000.00	\$ 50,000.00
CLEARING/DEMOLITION					
Spray and Rotovate Existing Turf (AC)					\$ 1,525.00
Clearing & Grubbing (AC)					\$ 12,375.00
Clearing & Grubbing of Vegetation (AC)					\$ 7,333.33
Selective Clearing					\$ 450.00
Removal of Bridges					\$ 4,500.00
Removal of 6' Cart Path (Onsite LF)					\$ 2.03
Removal of 12' Cart Path (Onsite LF)					\$ 4.06
EROSION CONTROL					
Erosion Control (LS)					\$ 100,000.00
Tree Protection					\$ 170,000.00
BULK EARTHWORK/SHAPING					
Bulk Earthwork					\$ 3.74
Golf Course Feature Shaping					\$ 250,000.00
DRAINAGE					
Storm Drainage (LS)					\$ 175,000.00
TEE CONSTRUCTION (41)					
Tee Complex Construction (SF)					\$ 0.48
GREENS CONSTRUCTION (19)					
USGA Greens Construction (SF)					5.66
SAND BUNKER CONSTRUCTION (34)					
Better Billy Bunker Complete Project (SF)					\$ 6.78
Bunker Sumps					\$ 600.00
IRRIGATION					
Irrigation System/Pump Station Improvements (LS)					\$ 2,000,000.00
BRIDGES (4)					
Bridges					\$ 75,000.00
Bridge Abutments (Set of 2)					\$ 35,000.00
CART PATH CONSTRUCTION					
8' Asphalt Cart Path Const. (LF)					\$ 43.00

TOTAL ESTIMATED CONSTRUCTION COSTS

1. **Rebuild all bridges** on the golf course.
COST: \$440,000
2. **Create no-mow areas of native grasses** to minimize daily weekly mowing. These areas only require mowing once a year. RMGA has identified approximately 11.02 acres of no-mow area. (See [Appendix G](#))
COST: \$44,000
3. **Clear trees and invasive vegetation** to increase playability and improve views. RMGA has identified approximately 6.04 acres of clearing to widen fairways to approximately forty yards.
COST: \$60,000

4. **Paint the clubhouse exterior** a contrasting color from cart barn and change facade facing the parking lot to include a new entrance and windows.

COST: \$25,000

5. **Remove some sand bunkers** to increase maintenance efficiency and likely increase pace of play. RMGA has identified several sand bunkers that can be removed without negatively affecting strategy or the overall quality of the golfer experience at River Run. These include a fairway bunker on hole #9 and greenside bunkers on #4, #11, #15, #17, and #18. Though we believe the project can be done in-house by RRGL staff, we have estimated the following “retail” costs to fill in bunkers, remove sand and drainage, clean up the ground, and sod over:

- Right side of #4 Green: \$4,750
- Left fairway bunker on #9: \$5,050
- Front left greenside bunker on #11: \$4,800
- 2 bunkers behind green on #15: \$4,500
- Right greenside bunker on #17: \$4,100
- Back greenside bunker on #18: \$4,200

POTENTIAL OPPORTUNITY – NEW DRIVING RANGE (MIXON PROPERTY)

NGF was told there is the possibility of the City obtaining additional land (part of adjacent Mixon Property) for a possible driving range that would be accessible past the #9 green. The subject site is approximately 150 feet wide by 300 yards deep and appears to be physically feasible to safely accommodate about 15 teeing stations. However, it would require netting on both sides and the back of the range, the cost of which could be considerable.

Another consideration may be that a driving range at RRGL might not be conducive to positioning it as a practice or a practice/entertainment-only destination, based on location (surrounding land uses, demographics, traffic on 27th St. East) and other factors. Rather, it might likely get its most use as a warm-up / practice venue for golfers already on site for a round of golf. Still, it would generate revenue and could also generate demand for rounds of golf, food & beverage, etc.

The key to determining financial feasibility, other than potential demand, are the acquisition and construction costs. Other start-up costs would include a range ball machine, supplies (mats, balls, etc.), landing area turf, target greens, etc. Ongoing operating expenses would include nominal labor (e.g., ball-picking, mowing, maintenance), replacement balls, mats, etc. In summary, the NGF team believes the site is physically feasible but would require extensive netting. So, a dedicated financial feasibility would be the next step if the Mixon owners make a formal proposal to the City for the property. Another consideration for the City would be to issue a Request for Expression of Interest (RFI) for an alternative golf entertainment-oriented use (e.g., modern-style upscale miniature golf) on the site via a lease arrangement with the City.

Operational Considerations and Recommendations

Below, NGF provides summary overviews and recommendations for key facets of the River Run Golf Links operation. We have observed that RRGL is a basic operation that generates a very high percentage of its revenues through golf playing fees, as there is no driving range and only small-scale merchandising and food & beverage revenue centers. Additionally, over the last couple of years, River Run has been near capacity during its peak demand times, obviating the need for vigorous marketing, direct selling, and programming campaigns. As such, NGF has focused its review on ‘big picture’ issues, supplemented by discussion of ‘best practices’ in other areas.

MANAGEMENT ALTERNATIVES

River Run Golf Links’ current management structure is full self-operation with City employees, some of which are unionized. Below are descriptions of the most typical management / operational options for public agency (i.e., “City” as referred to below) golf courses. In our experience, there is no ideal operating scenario that fits all situations, and each public entity must arrive at its own unique approach to operation and maintenance. The most common management options are shown below (these are not intended to be exhaustive, as there are hybrids and variations thereof).

Self-Operation: In this form of management, the municipality is in direct control of the golf operation, and all golf course staff are public employees, with on-site management reporting to a City staff member (Director of Public Works in the case of Bradenton; often the Director of Parks & Recreation). The municipality earns all revenues and is responsible for all expenses and capital improvements.

The **primary advantage** is that the City has control of the day-to-day operation of the golf course for maximum benefit to the community. Also, there is no obligation to pay an annual management fee. The chief potential **disadvantages / challenges** include:

- ▶ The potential lack of expertise in overseeing and operating a golf course.
- ▶ Finding, hiring, and / or retaining qualified personnel can be a cumbersome and time-consuming process.
- ▶ The City retains all risk associated with low revenue and / or high expense.
- ▶ The cost of labor (including benefits) is typically higher in the public sector, often by a considerable amount.
- ▶ There will be less of a “buffer” between golf course patrons and the City (in contrast to having a private operator on site).

Full-Service Management Contract - Fixed Fee: This option involves the municipality hiring an independent third-party to manage all aspects of the golf course in exchange for a pre-determined fixed management fee – typically in the range of 4-6% of facility gross revenue. The municipality earns all revenues, is responsible for all expenses, funds capital improvements, and pays a management fee to the operator.

- ▶ **Advantages** to this strategy include potential savings with a private labor vs. public labor expense structure; the benefit of expert, professional management; ease of procurement of goods and services, and access to national purchasing, marketing programs, etc. if a larger national firm is chosen.

- ▶ The potential disadvantages include some loss of City control over day-to-day operations; lack of a performance-based financial incentive for the operator under a fixed-fee arrangement (we note, however, that public employees may not have financial incentive in the operation either, beyond job retention); and, the obligation of the fixed management fee, regardless of yearly variations in performance.

Full-Service Management Contract - Fixed Fee + Variable Component (i.e., “Hybrid”):

Increasingly, NGF Consulting has been observing management agreements in which total compensation to the contractor comprises both a fixed fee component and an additional incentive-based, or variable, component (most typically gross revenue-based) that allows the operator and municipality to share in the risk of the operation. The basic structure of the management agreement is the same – the municipality earns all revenues, is responsible for all expenses, and pays a management fee. However, the principal potential advantage of this “hybrid” scenario is financially incentivizing the operator with respect to the revenue performance of the golf facility. The variable part of the compensation may also be tied to meeting other performance standards, such as those related to customer service, etc.

Operating Lease: Some municipalities lease their entire golf facilities to a private operator in exchange for an annual (or monthly / quarterly) lease payment and / or capital improvement considerations. (This is the structure in place for the Manatee County golf courses). NGF experience tells us that for these agreements to be sustainable through good years and bad, they must be win-win arrangements in which the operator has a chance to recoup investment in the golf course, equipment, and structures, *and* make a yearly profit.

- ▶ The **advantages** of this option from the City perspective are the avoidance of financial subsidy of the golf course (at least in theory – we have seen many an operator vacate a lease prematurely), the collection of rent / lease payments each year, and, depending on the length of the contract and rent terms, having an outside party pay for some or all needed capital improvements.
- ▶ The key **disadvantage** for a City is that it has very little control on the day-to-day operations, including policies, procedures, and fees. However, these agreements can be crafted to preserve some public purpose for the golf facility (e.g., accommodations for local high school teams) and to ensure certain quality and conditions are met by the operator.

Concession Agreements: These are similar to lease agreements and can come in several types or combinations. The typical areas of operation for concession agreements include Pro Shop and Food & Beverage, the latter of which is by far the most common concession at municipal golf courses.

- ▶ Concessions allow a municipality to shift some risk and payroll to one or more private entities that also have specialized expertise in a particular service area.
- ▶ A potential disadvantage of this structure is that there may be a misalignment of interests between concessionaires, or between a concessionaire and the municipality operating the golf course.

Privatized Golf Course Maintenance: A contract with a private company for only the golf course maintenance function can be thought of as a type of concession. Within this framework, there are several variations for how the rest of the facility is operated (e.g., public employees, other concessionaires). An example in this regional market is the City of Dunedin, which recently entered into a three-year private maintenance agreement for Dunedin Golf Club for \$2.37 million (with annual CPI adjustments), including all equipment.

- ▶ The main advantage of private maintenance is cost savings, as a municipality may experience significant savings over the cost of public labor and benefits. Additionally, private entities may have efficiencies and specialized expertise that result in improved course conditions, though this is far from a guarantee.

- ▶ A potential disadvantage of this structure is that a municipality may be given an “all-in” bid for services (such as in Dunedin) and the vendor may need to cut corners in a rising cost environment to preserve their profit.

NGF Commentary

While about 45% of municipal golf courses in the U.S. are self-operated, NGF’s Golf Facility Database (every facility updated annually), supplemented by extensive periodic survey research of municipal golf facilities, shows that the percentage of municipal golf facilities managed by third-party vendors (*excluding* full-facility leases) steadily increased from less than 15% in 2010 to about 25% in 2020.

On the revenue side of the equation, it is difficult to precisely quantify the benefit of hiring an expert outside management company. However, NGF has found, through many years of working with municipal clients, that in most cases the cost of the annual management fee more than pays for itself through advantages such as the expertise of the large national operators, savings on labor costs, the benefits of access to regional / national marketing and purchasing programs, procurement advantages, etc. On the expense side, savings can be considerable with respect to the labor budget, though the degree is variable depending on market and local labor laws. Similarly, maintenance-only agreements can result in significant labor cost savings, but there is no guarantee that golf course conditions will improve.

There is no “one size fits all” solution to choosing a management structure. Each municipality must weigh the various pros, cons, and other variables related to factors such as desired level of control over day-to-day operations, operating expense differences, ease of hiring / firing, how “nimble” the City is with respect to procurement of goods and services, public policy objectives, potential revenue advantages of outside professional management, etc.

The optimal management structure for municipal golf assets depends on several considerations unique to the individual City, including:

- ▶ Public policy – some municipalities fundamentally value having public employees run publicly-owned facilities.
- ▶ The City’s internal analysis of potential cost savings with conversion away from public labor and benefits.
- ▶ In the case of conversion to a privatized structure, would existing facility employees get jobs elsewhere in the City or have the option of becoming employees of the private management / maintenance company?
- ▶ There are no guarantees regarding how golf course conditions, customer service levels, financial results, etc. would change under a structure other than full self-operation.
- ▶ In the case of Bradenton, the strong likelihood of large-scale investment for River Run during the next 3 to 5 years or so will be a factor in determining operating structure.

GOLF PLAYING FEES

As the fee table below and our earlier competitive market analysis illustrate, River Run Golf Links is positioned as a “value” provider in this public golf market. As one of the lowest priced 18-hole regulation golf courses – with a peak riding green fee of only \$54 + tax for peak season, prime time play - River Run attracts cost-conscious players from the local area. RRGL management has raised green fees each of the last four years by \$1 to \$2. Starting in November 2023, non-summer 18-hole rates will increase by \$5, with 9-hole categories increasing by \$3. Increases for the summer season are to be determined but will be less than those for the peak season.

River Run Golf Links – Fee Schedule (5-1-23 thru 4-30-24)				
Green Fees	May-Oct	November	December	Jan-Apr
18-Hole Ride	\$26.17	\$38.32	\$43.93	\$54.21
18H Ride (after 1 pm)	\$24.30	\$33.64	\$35.51	\$41.12
9-Hole Ride*	\$18.70	\$23.36	\$26.17	\$29.91
Junior Ride	\$19.63	\$22.43	\$22.43	\$24.80
18-Hole Walk	\$20.56	\$31.78	\$35.51	\$42.99
18-Hole Walk (after 1 pm)	\$16.83	\$27.10	\$29.91	\$36.45
9 Hole Walk*	\$14.02	\$19.63	\$20.56	\$25.23
Junior Walk (ages 6-17)	\$12.15	\$14.02	\$14.95	\$14.95
Playbooks (20 plays)	\$635.51			\$728.97
Other Charges				
Rental clubs	\$28.04	\$28.04	\$28.04	\$28.04
Pull cart	\$5.61	\$5.61	\$5.61	\$5.61
GHIN Handicap (yearly)	\$23.36	\$23.36	\$23.36	\$23.36
Walker fee (non-player)	\$4.67	\$4.67	\$4.67	\$4.67
Rider fee (non-player)	\$7.48	\$12.15	\$12.15	\$12.15

Notes:

*9H times are available before 8:30 and after 2:30 only.

Rates as shown do not include 7% sales tax.

Riding rates assumed shared carts.

NGF Observations and Recommendations:

We noted earlier in the market analysis / competitive section that River Run Golf Links is positioned as the “value provider” among the regulation length public 18-hole courses in its competitive subset. NGF’s analysis shows that RRGL’s relative market positioning makes sense, the fees appear to be significantly below “market” rates. For example, River Run peak season fees are similar to even executive length golf courses Peridia and Pinebrook Ironwood. River Run’s fees are even further below “market” rate during the summer season. For example, RRGL’s riding rates during the morning were \$26, compared to a range of \$37 to \$45 for Buffalo Creek, \$34 to \$40 for Manatee GC, and \$40 for Links at Greenfield Plantation.

In consideration of these market factors, NGF makes the following observations and best business practice considerations for green/cart fee pricing at RRGL:

- ▶ Preserving affordable golf fees is an understandable element of public policy for some municipalities. However, keeping pace with the rising “cost of production” - especially in today’s hyper-inflationary environment – is often the difference between self-sustainability and requiring general fund subsidy (i.e., taxpayer support). NGF surveys show that most public golf courses have increased fees over the last couple of years as both demand and inflation surged, and more and more golf courses found they had “pricing power” during certain demand times.
- ▶ At least for the short term, the City should continue with annual green/cart fee increases to catch up with ‘market rate’. It is an industry best practice to adjust fees modestly at least biennially to reflect a higher cost of producing rounds of golf and / or market competitive dynamics. Even considering the planned \$3/\$5 increases set to kick in this fall at River Run, we believe green/cart fees may have more “room to run”. The key will be to closely monitor rounds and revenues after these fee increases are implemented to determine how elastic demand is. It would not be a negative scenario for RRGL to experience fewer rounds but more playing fee revenue given the current stress on turf conditions.
- ▶ NGF is observing more municipalities allowing golf management more flexibility for golf staff to practice yield management / demand-based pricing to take advantage of pricing power during peak demand times. This practice is very common among RRGL’s competitors and may be a consideration for the City in the future.
- ▶ Conversely, we also see municipal golf courses offer periodic ‘package’ specials (e.g., combining green/cart fee with a beverage and hot dog for a specified price) during traditionally slow demand periods, as tee times are worth selling at a discount if they would otherwise ‘perish’ and the variable cost of the packaged items is recovered.
- ▶ Revenue from rental clubs was an impressive \$15,344 in FY22. Though the incremental revenue would be nominal, management should consider charging more for rental clubs during the winter season, when many tourists – including Pirates spring training visitors - are coming without shipping their clubs.

GOLF COURSE STAFFING

NGF has reviewed the staffing and budget for the River Run GL operation for the period of FY18 through FY22. Documentation provided by the City shows a total facility labor expense ranging widely over this time, from about \$809,000 in FY18 to \$1.37 million in FY2022. This large divergence from year to year reflects highly variable retirement and pension benefits charged to the Golf Fund each year. The total labor budget as a percentage of the total operating budget has ranged from 64.2% in FY21 to 73.4% in FY22 and averaged 69.4% over the 5-year period. This compares to an industry ‘standard’ of $\pm 60\%$.

City of Bradenton golf staffing is divided into two primary divisions of service – clubhouse/ pro shop operations and golf course maintenance. All staff are employed directly by the City, including both full-time and part-time employees. Full-time (FT) positions include salary and benefits (insurance, holidays, retirement/pension, vacation, etc.), as do part-time (PT) positions that are 30 hours or more. Staffing for River Run GL, as of May 1, 2023, is summarized in the table below.

River Run GL – 2023 Staffing	
Golf Course Maintenance	Operations / Service
F/T- Superintendent	Golf Course Manager
F/T- Asst. Superintendent	Head Golf Prof. (vacant)
F/T- Mechanic	Asst. Golf Professional
6 F/T Groundskeepers	7 P/T Cashiers
1 P/T Groundskeeper	13 P/T Cart Attendants

Comparison to National Standards

While there are no industry standards that can be referenced to determine the appropriate staffing levels for a golf operation, averages based on recent NGF research are presented below. The size of the staff needed for a particular golf operation depends on several factors, including budget considerations, maintainable acreage, size and structure (e.g., concession vs. self-operated) of food & beverage operation, etc. Personnel costs typically represent the largest single expense item in a golf operation, as is the case for River Run GL. The NGF data on public golf operations in 2023 show averages for full-time staffing at 18-hole public golf courses nationwide (table below).

River Run Golf Links Total Facility Staffing – 2023			
Facility	Operations (FT / PT)*	Maintenance Staff (FT / PT)	Total Staff (FT / PT)
River Run GL (18H)	3.0 / 20.0	9.0 / 1.0	12.0 / 21.0
NGF “Standard” (per 18 holes)			
U.S. Average (per 18 Holes)	4.0 / 12.0	4.0 / 9.0	8.0 / 21.0
*The industry standard for operations staff includes administration and F&B.			

NGF Observations:

NGF makes the following observations regarding RRGL staffing, with recognition that realities such as budget constraints and difficulty hiring and retaining labor in today's environment, affect many municipal golf staffing decisions.

- ▶ Golf course **Maintenance** staffing at **River Run GL** seems sufficient given the nature of the golf course and the price point at which it competes. RRGL's staffing is almost entirely full-time, which is counter to national trends that show a shifting toward more part-time and seasonal staff. The size of the maintenance staff needed for a particular golf operation depends on factors such as budget considerations, maintainable acreage, age and condition of infrastructure components, etc.
- ▶ River Run GL **Operations** staffing, which comprises both pro shop/snack bar and outside services personnel, is robust compared to NGF's national standard and appears to be sufficient to manage the facility, especially given the absence of a driving range, minimal food & beverage service, lack of programming, and the fact that no marshals/rangers or starters are employed.
- ▶ NGF's general guideline is that operations / clubhouse staff size should be sufficient in terms of shop attendants, starters, rangers, cart attendants, etc. to ensure an enjoyable golfer experience.

MARKETING AND DIRECT SELLING

The City has traditionally done little in terms of marketing or direct selling for River Run Golf Links, especially over the last couple of years with the surge in play that has resulted from the pandemic. RRGL's two primary avenues of marketing have been word-of-mouth (most affordable public golf course in area), Instagram and Twitter accounts, and the facility's presence on Golfnow.com.

While the City does not seem to be inclined to actively market RRGL, we offer general commentary and some best practices below, based on our experience.

NGF Commentary and Best Practices:

A marketing emphasis can be critical for a golf course to create awareness, increase activity levels, and correct misperceptions in the market. Strategies can include advertising to raise awareness and forge a brand image, developing a public relations campaign to tout facility improvements, and increasing utilization of web, print, and social media. Following are some NGF 'best practice' marketing and direct selling considerations for potential implementation at RRGL in the future, especially if a facility renovation is completed and the golf course is no longer competing primarily on price/value:

- ▶ **Marketing Plan and Focus** – An effective and comprehensive marketing plan incorporates research, planning, strategy, market identification, budget, advertising, timetable, and follow-up, such as tracking to adequately gauge effectiveness of various campaigns and vehicles. Management should, at least every couple of years, refine the marketing plan, including a synopsis of prior year results, review of the competitive landscape, proposed rates and programs, and marketing strategies. Plans should also include defined goals and a tracking mechanism to gauge the effectiveness of the various strategies and marketing vehicles.
- ▶ **Focus on Key "Differentiators"** – For example, facility/conditioning improvements, new golf carts, aesthetic value, walkability, etc. After a large-scale renovation of RRGL, there would be a compelling story to communicate.
- ▶ **Direct Sales** – Direct selling to recruit outside leagues and golf outings, as well as non-golf events such as corporate meetings, small banquets / receptions, and events is an important tool for today's proactive golf operator. (Clubhouse and scale of food & beverage service at RRGL precludes the latter). Outings, leagues, and other group play events can provide a

supplemental income source and result from active outreach to local organizations, such as businesses, churches, civic organizations, chambers of commerce, etc.

- ▶ **Community Engagement** – For example, exploring marketing and networking opportunities with community organizations, such as the Manatee Chamber of Commerce. For example, there may also be opportunity to host Chamber events, such as golf outings.
- ▶ **Website** – See discussion under ‘Utilization of Technology’.
- ▶ **Email Database** - Improve customer data capture. See discussion under ‘Utilization of Technology’.
- ▶ **Social Media** – In today’s marketing environment, maintaining a strong social media presence is important in increasing engagement, especially among younger golfers, though it does require staff time and dedication to provide updates and keep content fresh (e.g., specials/promos, events/contests, tournaments, news about facility improvements, etc.) for Facebook, Instagram, Twitter, etc. RRGL has a Facebook page and a Twitter account.
- ▶ **Loyalty / Frequent Player Program** - A loyalty / frequent player program could be developed for River Run, perhaps integrated with a mobile app. These programs involve a low-fee (generally in range of \$50 - \$125 annually) or no-fee “membership” that entitles the holder to green fee and pro shop discounts or allow them to accumulate points that can later be applied toward purchases. These programs cultivate a group of loyal customers you can communicate with and, including when it is necessary to fill holes in the tee sheet on short notice. Periodic discounts to this “inner circle” do not act to degrade the perception of the public or ‘rack’ rate structure.
- ▶ **Grand Reopening (after renovation)** – see [Appendix H](#)

UTILIZATION OF TECHNOLOGY

River Run Golf Links, by today’s standards, is lagging the industry when it comes to utilization of technology, as discussed below. For example, there is no email database (management may have access to emails collected through Golfnow during tee time bookings) because RRGL customers “don’t want emails or texts”. This precludes any kind of email marketing or yield management.

NGF Commentary and Best Practices:

Like virtually all aspects of society and business, golf continues to undergo a digital transformation. As such, it is a best business practice to take advantage of today’s technology tools to help efficiently manage and market a golf facility. Appropriate application of technology tools can help a golf course management team to build market share, create customer loyalty, and boost revenue. NGF offers the following high-level observations and recommendations regarding some of the most common and effective ways that technology is utilized at successful public golf courses.

Email Communications – Other than word-of-mouth and free advertising, E-mail marketing is the most cost-effective advertising possible for a golf course and is an effective way to practice yield management to sell tee time inventory that might otherwise go unfilled. NGF recommends that the RRGL staff begin building a customer email database by soliciting addresses when golfers come into the shop and when they book tee times via phone. Addresses can also be collected through an ‘eClub’ section on the website (in return for a customer perk).

Website and Internet – The Internet is the most cost-effective form of advertising for golf facilities. NGF recommends that all public golf courses have a website (<https://www.riverrungolflinks.com/>) that includes essential elements such as: current rates; tee time reservation portal; course layout/scorecard (and perhaps virtual tour); separate tab for the bar and grill (if applicable); news on instruction and programs; calendar of events; online store; place to capture email addresses (e.g., an E-Club); and, high-quality pictures of the golf course and support amenities. The River Run GL website has many of these elements.

Also very important is search engine optimization (SEO), as many golfers – especially those visiting / new to an area – turn first to Google or another search engine to locate a place to play. For the phrases the phrases ‘Golf Bradenton, FL’ and ‘Golf in Manatee County’, River Run Golf Links shows up among the three choices under Google’s “Places” at the top of the page.

Mobile App – NGF has observed that municipal golf courses are increasingly utilizing smartphone mobile applications that include yardage guides and allow golfers to receive text alerts broadcast from the email system. The average person checks their cell phone 150 times per day. Mobile applications facilitate connecting with customers and are increasingly popular even among golfers age 55+.

Point-of-Sale System – The City has a multi-year agreement with SportsNEXT as its technology provider. The full-service Golnow *Plus* technology platform provided on-line tee time reservation system (booking engine), electronic tee sheet, website design/hosting, point-of-sale system (POS), and email marketing. The City, as of August 1, 2023, has purchased new hardware to facilitate reporting and has upgraded to SportsNEXT’s EZSuite package.

Services provided are in exchange for two trade tee times (up to 8 players, cart included) daily, with no exclusions for time of day. In FY22, River Run’s average green + cart fee revenue per round was \$27.44, and Golnow trade rounds totaled 2,093. We can use these two numbers to estimate a theoretical cost of the trade time in terms of lost revenue that is equivalent to about \$57,000. However, the analysis of whether services provided are worth the ‘opportunity cost’ has several moving parts:

- ▶ Each individual municipality must compare the non-trade retail price for the services provided (or similar) to the estimated opportunity cost of acquiring these services via “barter”.
- ▶ This estimated opportunity cost may be overstated because it assumes the golf course would have otherwise sold all the trade tee times on its own.
- ▶ Aside from the technology services provided, there are additional, less definable, benefits that platforms such as SportsNEXT confer, such as providing the golf facility exposure to local and visiting golfers.

Comprehensive utilization of a quality, golf-oriented point-of-sale (POS) system helps golf course management understand customer profile segments, target marketing, and customer tracking. The efficiency of software for tee time reservations, operations / accounting reporting, retail point-of-purchase reporting, and overall management information systems has advanced dramatically in recent years and can help improve overall performance. Some key features of industry leading POS systems - often underutilized by operators – are summarized in the bullets below.

- ▶ Creation of customer profile segments, including play and spending patterns, to help effectively practice yield management and implement targeted email marketing campaigns (i.e., data mining), rather than one-size-fits-all email blasts.
- ▶ Integrate social media tools into email marketing. This can be done automatically through delivery tools that automatically integrate to the leading social media forums, such as Facebook, Twitter, Instagram, etc.

There are also vendors that do not provide POS but offer comprehensive services that manage all aspects of online marketing efforts. For example, they may provide software that integrates information collected from the POS, tee sheet, website, mobile applications, booking engine, and social media networks to help general managers better understand and market to their customers.

PLAYER DEVELOPMENT / PROGRAMMING AND ORGANIZED PLAY

River Run Golf Links offers on-course golf lessons but is otherwise inactive with respect to instruction and programming.

- ▶ **Tournaments / Outings** - River Run GL is very active with daily fee play and does not have facilities conducive to hosting large outside tournaments such as corporate and charity events. Management reports hosting about 12 tournaments per year, ranging in size from 10 to 120 players. In 2022, these events accounted for 1,034 rounds.
- ▶ **Leagues** - Regular league and other group play can be the lifeblood of an active municipal golf course, especially during weekday afternoons and during the off-peak season. RRGL is active with respect to league play, which accounted for nearly 2,000 rounds in 2022.

Junior Golf

River Run GL does not have a Junior Golf program, which are very common at municipal golf courses. Aside from individual and group lessons and clinics, many facilities offer one or more of the prominent national programs, such as The First Tee; Drive, Chip and Putt; LPGA*USGA Girls Golf; and PGA Junior League. Other common player development activities aimed at young people include offering programs and/or discounted course access during slow demand times to area schools.

NGF Commentary and Best Practices:

Cultivating new golfers is not only key to the future of golf but has also proven to be an immediate generator of revenues for facilities. PGA of America data shows that a successful player development program produces at least 200 new golfers per facility. NGF has found that the public golf facilities that are most successful tend to be active in adult player onboarding and development, as well as other “grow-the-game” initiatives. Creative programming is especially effective in onboarding new players from segments (e.g., women and millennials) that represent strong latent demand for the game but that may not prefer to be introduced to the game in traditional ways, such as individual lessons.

NGF recognizes that the lack of a driving range constrains player development and programming activities at River Run. However, below we summarize some of industry best practice recommendations for enhancing player development, onboarding new players, and overall programming.

- ▶ **Junior Golf Program:** Hosting an active junior program is an industry best practice and a key to success for most public golf courses. In addition to offering individual and group lessons and clinics, NGF believes that programs like PGA Junior League, First Tee STEM Links, and Drive, Chip & Putt are an integral part of municipal golf.
- ▶ **Increasing Women’s Participation:** Having strong participation from women is necessary if a municipal golf course hopes to maximize rounds and revenues. Females are strongly represented among the latent demand (i.e., interested non-golfers) cohort, and presently account for about 25% of golf participants, but about 37% of beginners. There are many reasons why female golf participation is low; the most common issues relate to golf course difficulty, retail selection, on-course services (**clean, permanent restrooms**, drinking fountains), food / beverage selection, and customer service.
- ▶ Recent NGF studies related to women and golf revealed several facets that were key in their consideration of where and how much to participate in golf. Both the PGA and NGF have found through experience that adding a food and beverage component to female-oriented programming can significantly improve traction. Most important, it is crucial to listen to what they want and incorporate it into instructions, programming, and events. Creating leagues is another effective strategy, as is having a regular calendar of events.

- ▶ NGF identified several common characteristics that female-friendly golf facilities exhibit:
 - Golf courses that are not too overly difficult and have a most forward tee of between 4,000 and 4,400 yards, with no “forced carries” of over 60 to 80 yards.
 - Permanent restrooms (cleaned several times a day) at least every six holes on the golf course; features and items should include mirror, soap, lotion, sunscreen, Band-Aids, etc.
 - Ball washers on the forward tees.
 - At least one female instructor and a golf staff that takes a consistent approach to all players regardless of gender.
 - Help with selecting equipment and even women-only demo days and/or women-only custom fitting days.
 - The availability of women’s club rental sets.
 - The availability of a variety of women’s apparel.
 - Programs that allow more social and / or family involvement.
- ▶ **Lessons and ‘Onboarding’:** Operators should work directly with the PGA of America, LPGA, and First Tee on programs that have a proven track record, and how to best implement and promote them. Examples include Get Golf Ready; Drive Chip and Putt; First Tee; PGA Junior League; LPGA*USGA Girls Golf; and LPGA’s Teaching Her. Of course, a critical element to success is transitioning new players from learning to playing.
- ▶ **Golf Events:** Creative golf-themed events, on both the golf course and the driving range, are becoming more and more popular with operators looking to make golf more fun for less committed golfers. One of the major initiatives to grow activity that NGF recommends is specialized programming and events aimed at onboarding or simply increasing the patronage of young adults. National NGF research (*Golf and the Millennial Generation*) has shown this to be a demographic segment that favors “experiential” events that combine golf, fun, and a social component.
- ▶ Examples of actual events that NGF has observed recently:
 - A weekly 9-hole Thursday Scramble that routinely had 13 teams (52 participants) and generated ±\$2,500 in fees plus additional bar revenue before and after the event. In this market, Olympia Hills does a weekly 9-Hole Thursday Night Scramble with an entry fee of \$30 pp for 2-person teams (5:30 pm during daylight saving time).
 - ‘Balls and Beers’ at the driving range. Participants paid a small fee for the event, which featured a craft beer truck, music, contests, unlimited range balls for an hour, and a golf professional providing quick lessons and tips.
 - Weekly (or even daily) contests, such as longest drive, hole-in-one, or closest to the pin can be very popular, especially when combined with food and beverage and music.
 - ‘9 and Wine’ golf training programs for women’s groups are a particularly popular and effective way to engage beginning women golfers and non-golfers.
- ▶ **Events for Non-Golfers** – Many municipalities desire to engage more of the non-golfing community in their golf facilities. Special or regular events such as scavenger hunts, movie nights, Karaoke night, Green Market, etc. are just a few of the events NGF has observed at municipal golf courses over the years.
- ▶ **Miscellaneous** - Additional thoughts to increase participation through programming.
 - With junior programming, encourage mothers to come out to the course.
 - Make sure older, used golf equipment is available free of charge for beginners, and possibly for other needy prospects via donation or at a deep price discount.

- Consider offering reduced fee lessons (perhaps limited to one per person, subsidized by City) for residents as a means of increasing golf participation.
- Encourage participants to bring a friend.

FOOD AND BEVERAGE SERVICES

F&B beverage service at River Run is limited to snacks, hot dogs, basic sandwiches, and beverages, including beer. There is no kitchen and no beverage cart. Still, RRGL generated about \$138,000 in snack bar revenue, or close to \$2 per round, in FY22, with beer sales accounting for more than 53% of the total. Cost of goods sold has been about $\pm 52\%$ in recent years, higher than the industry standard of $\pm 40\%$.

NGF Commentary:

Food and Beverage service at a public golf course is not necessarily intended to be a profit center, but rather to support the primary business of selling green and cart fees. For instance, food and beverage carts, in isolation, are often money losers for a golf course, but this is a service that is expected by golfers, who might otherwise play elsewhere.

Most successful food and beverage operations at public golf courses offer simple, quick, and inexpensive service that is convenient for golfers. NGF experience has shown that public golfers – especially at value-oriented golf courses such as RRGL - are satisfied if they can sit down with friends or playing partners and get a sandwich, hot dog, or hamburger, along with a beverage of choice. Many operators that we've spoken to during the pandemic period have found that "less can be more" in terms of food and beverage profitability. In other words, forced to operate with reduced staff and limited take-out menus, many were able to still make a profit while continuing to sell rounds of golf.

In recognition of RRGL's constraints to offering full F&B service, NGF offers the following for consideration:

- ▶ Explore the potential costs and revenues of adding a beverage cart, at least during high-demand periods.
- ▶ Expand the selection of grab-and-go items, such as fresh premade sandwiches, snacks, etc. Similarly, coffee, juice, Danish, etc. can be made available for early morning golfers.
- ▶ Run an outside barbecue grill during busier times, league play, etc., with items such as hamburgers, hot dogs, and grilled chicken at the ready.

PRO SHOP RETAIL OPERATION / MERCHANDISING

During our visit, NGF observed a lightly stocked pro shop with a preponderance of soft goods (gloves, hats, other apparel), as well as golf balls and a few bags. Pro shop revenue totaled about \$82,000 in FY22 and has averaged \$1.30 per round over the last two fiscal years, trailing NGF's industry benchmark of about \$2.70 per round. The total at RRGL included more than \$15,000 in rental club revenue in FY22. Balls accounted for 40% of merchandise sold in FY22. Cost of Goods Sold data has averaged about 50% over recent years, considerably lower than the observed industry benchmark of $\pm 65\%$. RRGL has a price sensitive clientele; as such, moving much merchandise beyond "impulse" items will likely continue to be a challenge.

NGF Commentary and Best Business Practices:

'Green grass' merchandising has been under considerable stress in recent years, due to changing consumer preferences and buying patterns, evidenced most noticeably by the accelerating growth of on-line retail. As a result, many on-course shops have gotten away from selling 'hard goods' such as clubs and bags and turned their focus to impulse items such as tees, balls, and gloves, as well as apparel. Still, NGF believes there remains an opportunity for many golf courses to increase sales by implementing some of the following strategies:

- ▶ Focus on selling affordable logoed apparel as well as the impulse items noted above.
- ▶ Increase the selection of women's apparel.
- ▶ Host 'Demo' days from leading manufacturers.
- ▶ Offer professional golf instruction, special clinics and lesson programs that bundle merchandise to enhance value.
- ▶ Add an online store to the facility website.
- ▶ Consider adding a financial incentive, based on sales, for Golf Shop employees (if permissible).
- ▶ Sales and inventory management strategies should include:
 - Beginning-of-year sale to close out discontinued merchandise.
 - End-of-season sale to reduce unwanted inventory.
 - Periodic specialty sales during the season.

CUSTOMER SERVICE

NGF did not field a River Run golfer survey for this study, so customer satisfaction levels with customer service are not known. However, customer service for virtually any business can always be improved and is often a key differentiator in building customer loyalty. High-level service at a golf course begins the moment the golfer sets foot on the property, beginning with a friendly welcome (especially for faces that staff may not have seen before). NGF recommends continual staff training and establishment of customer service standards and measurable metrics – monitored through periodic NGF GolfSAT or other survey and occasional secret shoppers - to make sure that the standards are consistently met or exceeded.

COMMUNICATION

A strong culture of communication correlates with strong customer service at a municipal golf course. At municipal golf courses, this is multi-faceted and includes communications among golf course staff members (e.g., between the Superintendent and Manager), between staff and customers (i.e., about rules, etiquette, policies), and between City/golf course staff and the Golf Advisory Board.

NGF Commentary and Recommendation

In terms of communications between golf course staff members, as well as between staff members and facility customers, continued staff training is the key. If there is a project scheduled that may disrupt play, the most important thing staff can do to mitigate dissatisfaction is to communicate with patrons ahead of time. Some things cannot be avoided, but customers will generally be understanding if “surprises” are kept to a minimum and they are made to feel they are vested partners in the golf course. Communication with customers during a renovation (see email example in [Appendix I](#)) that closes the golf course temporarily is especially critical and is one of many reasons to build a robust customer email database.

OTHER OPERATIONAL ISSUES

Golf Carts

The presence of “fresh”, clean, reliable carts is an important part of a successful public golf operation, and a selling point in the market. Additionally, it is critical to have sufficient carts to service daily fee demand, as well as the occasional larger tournament. For RRGL, the City leased a fleet of 80 new Yamaha electric golf carts, featuring upgraded seats, in January.

Maintenance Equipment Move

River Run has a generally older fleet of maintenance equipment, with some key pieces dating back 15 to 20 years. Though a good mechanic with the appropriate tools and parts can stretch the life of equipment, NGF generally recommends that vital pieces of maintenance equipment be replaced (lease or purchase) every 5 to 10 years, depending on type. The City currently tries to replace a couple of pieces of maintenance equipment per year, though there is reportedly a backlog.

NGF Commentary and Recommendation:

Good-quality maintenance equipment and a reliable irrigation source are the lifeblood of the golf course operation. Having poorly conditioned equipment that is in continual need of repair and under threat of breakdown results in inefficiencies and poor playing conditions, a dynamic that makes it difficult to compete for market share. (NGF golfer surveys consistently show that course conditions – especially greens - are the most important factor for golfers when choosing a place to play). NGF considers it an industry best practice to contribute to a Capital Fund earmarked for equipment replacement, with the goal of at least partially funding the cost of equipment replacement. If RRGL undergoes a facility renovation, the golf course will need a significant upgrade in equipment to preserve the investment and maintain better playing conditions.

Pace of Play Management

Pace of play is very important to golfers, as evidenced by responses to tens of thousands NGF GolfSAT golfer surveys completed over the years that show it is an important factor for golfers in choosing one course over another. Based on our conversations with management, slow pace of play appears to be an issue at RRGL during heavy demand periods, and especially since the pandemic-fueled surge in demand, which includes many inexperienced golfers. In response, management converted from 7-minute tee time intervals to alternating 7/8- minute intervals. Ideally, pace of play should be a constant that can be relied upon by golfing consumers at any day or time.

NGF Commentary:

RRGL management is reportedly in the process of developing best practices to facilitate increasing demand while also maintaining a reasonable pace so that customers can enjoy their round. While there is no magic bullet that can be pressed at a busy municipal golf course that has customers with all manners of skill levels, there are some things that can be tried to speed up play and mitigate the occasional pace issue, such as golf course marshal / player assistant training programs and retention of paid player assistants.

If slow play worsens, the City should consider obtaining a USGA Pace Rating. The rating calculates a target completion time (time par) for each golf hole, accounting for the length and difficulty of the hole, as well as and other attributes of play. Other things the golf courses can implement to improve pace of play include lengthening tee time interval during traditionally slow-play periods (drawback is reducing capacity), as RRGL has done, and bringing in a pace of play consultant to study play patterns, layout, etc.

Recordkeeping and Reporting

Ideally, reporting to City staff for a municipal golf course will provide baseline measures of how the golf course is performing and trending with respect to key metrics, while also facilitating more informed decision-making by City staff and officials when it comes to funding operational and physical enhancements at the golf course in the future. Most important, the accounting and reporting system should have appropriate protocols, redundancies, and safeguards in place to ensure accuracy in numbers reported to the City.

NGF Commentary and Recommendations

Following are some NGF best practice recommendations related to recordkeeping and reporting for a municipal golf course:

- ▶ Accurate categorization and recording of all rounds played by type (e.g., member, daily fee ‘rack’, loyalty program, ‘trade’ (e.g., Golfnow), discount categories, complimentary, tournament / event) – along with the attendant revenue – will provide an accurate baseline for facility activity levels and per-round revenue center trends, as rounds played are the most fundamental unit of measure at a public golf course.
- ▶ Protocols should be established for recording of transactions; i.e., how payments are recorded, how inventory is received and expensed, etc.
- ▶ All staff involved in golf course finances – at both the golf course and the City – should learn the ins and outs of the POS system. NGF suggests a half-day or day-long training session to understand the capabilities, functionalities, and utilities of the POS system vis a vis recording of transactions, voiding of transactions, reporting, inventory management, etc. (Ongoing training of golf course staff, as needed, to make sure the system is being used correctly).
- ▶ Create weekly, monthly, quarterly, and annual reporting templates - some with intent of reconciling numbers, others aimed at providing concise and useful ‘at-a-glance’ summaries for City staff and officials. For an example of one of these useful “dashboard” type reports, see [Appendix J](#).

Golf Course Marshal / Player Assistant Program

With the influx of new players since the pandemic began, many operators – including River Run GL management - have reported to NGF consultants that a lack of etiquette and course knowledge among some players has become more pervasive, resulting in inappropriate and/or unsafe behavior on the courses, as well as unreasonably long round times. In response, some golf facilities have instituted a formal course marshal / player assistant program to help educate players and enforce order on the golf courses. RRGL presently does not have a player assistant program.

While rarely a panacea, a program with “teeth” (i.e., well-trained marshals with perceived “clout”) can be helpful in maintaining order and moving players along at an appropriate pace. It is critical that the marshals have full back-up and support from management so that golfers know that marshals have the authority to enforce the rules. A marshal training program can be complemented by a golfer education campaign that provides instructions on etiquette, course layout, etc. The education begins in the pro shop (or with a starter), and can be supplemented by printed rules sheets placed on carts, above urinals in the restrooms, in the pro shop, etc., and by digital messaging on cart GPS screens, etc.

Accessibility

While NGF does not profess to have comprehensive knowledge of the latest protocols regarding compliance with ADA regulations, the general guideline that golf courses operate under is that all areas of a course that must be “accessible” must be such by a *standard* golf cart. These areas include in and around the clubhouse and the practice tees (e.g., via wheelchair along paths to access a portion of the tee). There must be a point of entry into a practice bunker and green, and the putting green itself. On the course, all restrooms, rain shelters, and at least one of the two most forward tees on every hole must be accessible from a cart path. There must be curb openings of 4-5 feet every 100 feet or less at 4-5 feet, or no curbs at all.

The following article should be helpful: <https://www.usga.org/content/usga/home-page/course-care/forethegolfer/2018/accommodating-golfers-with-disabilities.html>

Excerpted from this article are suggestions to make a golf facility more inclusive and accessible to people with disabilities:

- ▶ Develop a written plan of how your facility will accommodate golfers with disabilities.
- ▶ Work towards developing a training program for staff members who will assist disabled golfers.
- ▶ Evaluate the facility for accessibility, identifying potential barriers to access and creating a continuous pathway throughout the golf course.
- ▶ Produce a map of the accessible routes provided through the golf course.
- ▶ Prioritize work to remove existing barriers and to provide access to all putting greens, the practice facility, and at least one teeing surface on each hole.
- ▶ Develop a written policy regarding the use of single-rider assisted mobility vehicles and golf carts during inclement weather.
- ▶ Make available a mobility-assisted cart.

Projected Financial Performance

NGF Consulting has created a five-year cash flow model for River Run Golf Links for the period of FY 2024 through FY 2028. We developed the pro forma model in consideration of actual recent facility performance of RRGL in FY22 and partial year FY23, as well as current and expected subject facility and market conditions. This “Base Case” or “As Is” model assumes no significant capital improvements preceding or during the referenced period. While we fully expect the City of Bradenton to invest significantly in River Run GL in the short-term future, we present the As Is case to illustrate the potential “cost of doing nothing” in terms of replacing infrastructure.

‘AS IS’ MODEL

General Assumptions

- ▶ The overall regional and national economic condition – especially as it relates to labor and input cost inflation – begins to stabilize. Population growth continues in Bradenton and surrounding areas, but otherwise there is no substantive change in the Bradenton / Manatee County area economy, employment, visitation, etc.
- ▶ Golf participation and demand, from a macro perspective, will remain strong throughout the subject period, though likely moderated from that experienced in from 2020-2023.
- ▶ The golf facility will continue to operate with City employees, with budget increases as necessary to maintain the current standard of course conditions and service.

Rounds Played and Revenues

- ▶ **Rounds Played:** For the as is / base case scenario, which presumes no significant capital investment in RRGL, NGF projects some attrition in rounds due to declining conditions and a reduced capability to compete on an even playing field. Total rounds played project to 64,000 in FY24 (down from 65,600+ in FY22), declining over 5 years to 56,000 by FY28.
- ▶ Average **Green + Cart** revenue per round is \$28.55 for FY24, representing a 4% increase over actual results in FY22. Annual growth through FY28 is 3%.
- ▶ Other per Round (all growing at 2% annually through FY28):
 - **Pro Shop Sales** – FY24 projected figure of \$1.35 matches the figure from FY21, which was a recent high for RRGL.
 - **Snack Bar / Food & Beverage** – FY24 projection represents a 3% increase over actual FY22 per round.
 - **Miscellaneous Revenue** – FY24 figure of \$0.65 equals a 5-year average through FY22.
- ▶ **Cost of Goods Sold (COGS):**
 - **Pro Shop** – held steady at 55% of sales (including club rentals) through FY28, based on recent history.
 - **Snack Bar / Food & Beverage** – held steady at 52% of sales through FY28, based on recent history.

- ▶ **Operating Expenses** (*excluding* Depreciation, Amortization, and Capital):
 - **Labor** – based on recent historical spending, labor expense is projected at \$1 million for FY24, growing at 4.0% annually through FY28. *NGF notes that retirement/pension expenses were highly variable over the FY18 through FY22 period, so the \$1 million estimate for FY24 may be considerably low.*
 - **Non-Labor** - based on recent historical spending, non-labor operating expense is projected to be \$450,000 in FY24, growing at 3% annually through FY28.
- ▶ NGF Consulting has utilized these assumptions to create the cash flow statement shown in [Appendix K](#). Each category of revenue has been listed separately. All figures have been rounded to the nearest \$100 for simplicity.

Financial Model Summary Results: Base Case Scenario - FY24 – FY28

Utilizing the above assumptions and activity/revenue/expense estimates for the ‘Base Case’ scenario, NGF’s 5-year pro forma financial model (see [Appendix K](#)) for River Run Golf Links for the period of FY 2023/24 through FY 2027/28 shows total gross operating revenues of about \$2.09 million in FY24, falling to \$2.05 million by FY28 as rounds played decline due to worsening course conditions.

Based on preliminary expense projections prepared by NGF, RRGL is projected to generate a positive cash flow (before depreciation and amortization; excluding any capital items) of about \$424,000 in FY24, declining throughout the period to about \$145,000 in FY28, as expenses grow and revenues remain stagnant due to lack of facility investment.

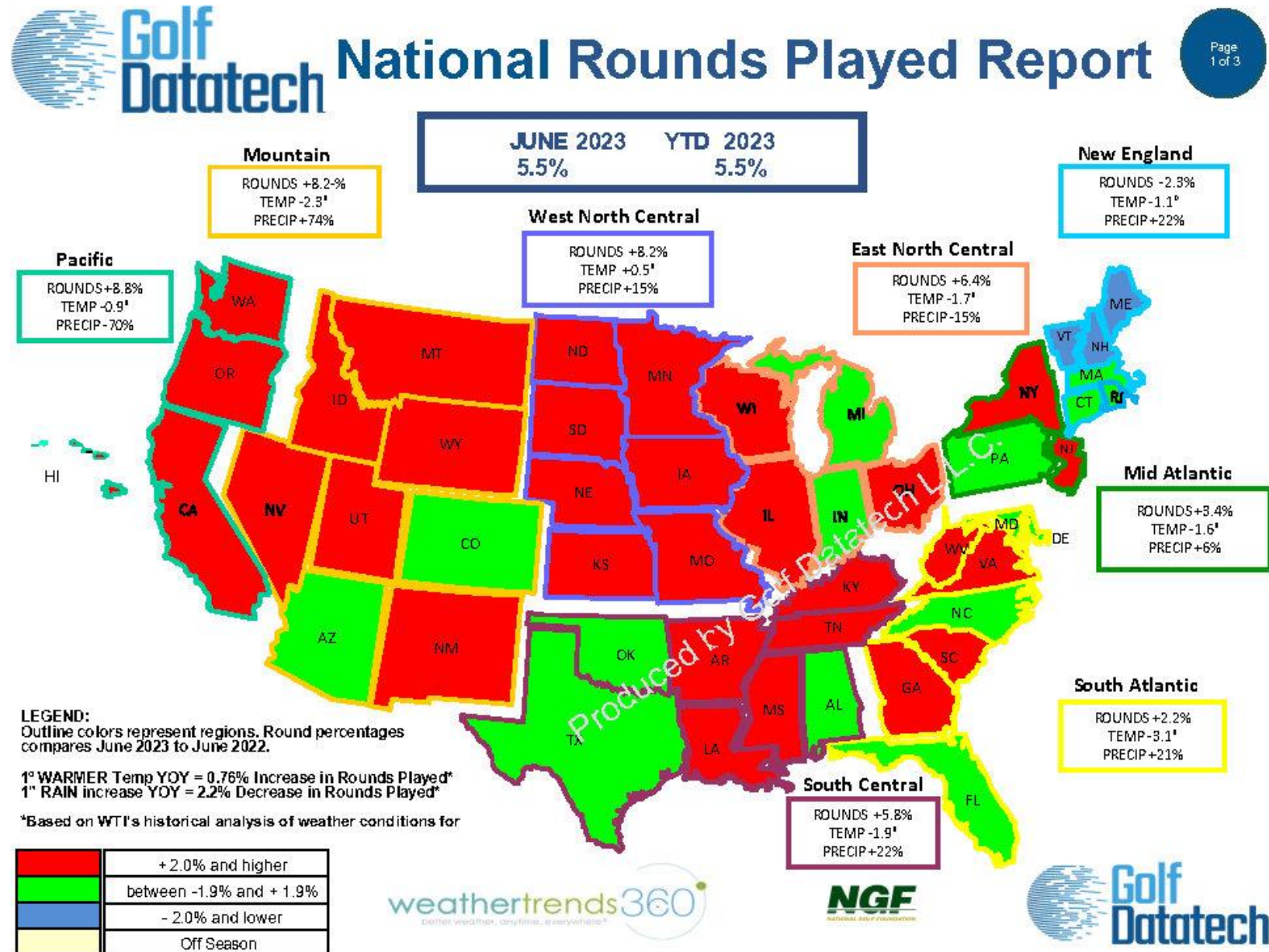
Appendices

- A: Recent Historical Rounds, Revenues and Expenses - FY18 thru FY23
- B: National Rounds Played Report
- C: Local Demographic, Demand and Supply Data
- D: Benchmarking - Regional Municipal Golf Facilities
- E: ASGA Life Cycle Chart
- F: Hole by Hole Design Notes
- G: Illustration of No-Mow Areas and Bunkers for Removal
- H: Grand Re-Opening
- I: Sample Communication to Customer Database
- J: Staff Reporting - Example of “Dashboard” Progress Report
- K: NGF Financial Projections for River Run Golf Links - FY2024-FY2028

APPENDIX A – HISTORICAL ROUNDS, REVENUES AND EXPENSES

	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 ACTUAL
Operating Revenues						
Green Fees	895,657	977,835	997,859	1,133,968	1,408,264	1,550,424
Cart Rentals	151,164	196,186	239,450	327,285	392,810	327,172
Pro Shop	58,049	54,746	56,704	76,809	81,730	82,047
Snack Bar / Food & Beverage	82,653	91,865	86,970	106,747	136,835	125,517
Miscellaneous Revenue	26,574	38,291	34,212	31,750	35,384	46,544
Total Operating Revenue	1,214,097	1,358,923	1,415,195	1,676,559	2,055,023	2,131,704
Cost of Goods Sold						
Pro Shop (Merchandise)	31,767	27,360	28,766	39,820	40,084	39,108
Snack Bar (Food & Beverage)	52,991	52,685	48,279	55,585	64,951	65,272
Total Cost of Goods Sold	84,758	80,045	77,045	95,405	105,035	104,380
	64.1%	57.4%	55.5%	52.1%	47.5%	52.0%
Adjusted Gross Revenue	1,129,339	1,278,878	1,338,150	1,581,154	1,949,988	2,027,324
Operating Expenses						
PAYROLL:						
Salaries (incl. sick/vac/overtime) & Wages	584,641	596,701	634,858	627,444	725,896	622,692
Benefits	131,487	221,239	209,697	108,350	268,660	138,228
Pension / Retirement Costs	79,677	126,842	177,965	77,421	359,763	85,667
Worker's Compensation and Unemployment	13,549	13,624	14,639	14,368	16,153	14,369
Total Payroll & Benefits Expenses	809,355	958,406	1,037,160	827,583	1,370,473	860,955
	65.5%	67.9%	70.2%	63.8%	74.4%	
OTHER OPERATING:						
Contractual Services	28,361	48,488	33,633	21,935	31,911	21,981
Bank Fees	22,989	27,035	30,675	37,657	47,765	52,651
Insurance & Bonds	54,876	54,876	54,876	54,876	70,057	41,122
Materials & Supplies (excl. goods for resale)	102,489	94,197	109,890	116,155	101,023	132,251
Office Expenses (incl. printing/binding, travel)	8,546	8,173	9,415	13,962	9,614	6,347
Promotional Activities	9,926	14,280	8,319	7,595	8,379	10,176
Vehicle Fuel	22,971	22,917	19,843	22,656	36,525	22,523
Rentals & Leases	466	471	460	452	381	12,776
Repairs and Maintenance	45,557	48,357	37,563	79,911	63,628	76,138
Utilities	13,487	15,181	14,094	11,539	14,041	9,578
Depreciation and Amortization (Lease)	117,551	119,417	121,253	102,408	88,162	35,328
Total Other Operating Expenses	427,219	453,391	440,021	469,144	471,486	420,870
Total Operating Expenses	1,236,574	1,411,797	1,477,181	1,296,727	1,841,959	1,281,825
Net Operating Income	-107,235	-132,920	-139,032	284,428	108,029	745,499
Other Income (Loss)	2,157	7,400	6,067	2,955	-36,165	22,198
Net Income (Loss) before Capital & Transfers	-105,078	-125,519	-132,965	287,383	71,864	767,697

APPENDIX B – NATIONAL ROUNDS PLAYED REPORT - THROUGH JUNE 2023



June 2023

	JUN	YTD
PACIFIC	8.8%	-3.8%
CA	7.6%	-7.5%
Los Angeles	5.1%	-6.2%
Orange County	1.8%	-3.4%
Palm Springs	16.9%	-3.1%
Sacramento	9.9%	-11.2%
San Diego	3.9%	-0.8%
San Francisco/Oakland	7.0%	-12.3%
HI	15.5%	-1.2%
OR	5.9%	2.3%
Portland	13.8%	1.6%
WA	12.5%	8.9%
Seattle	9.7%	7.9%
MOUNTAIN	8.2%	-3.0%
AZ	12.4%	-3.5%
Phoenix	15.5%	-3.6%
CO	0.5%	3.1%
Denver	-2.8%	3.7%
ID, WY, MT, UT	8.6%	-8.7%
NM	26.9%	17.4%
NV	8.6%	0.8%
Las Vegas	9.1%	3.1%
WEST NORTH CENTRAL	8.2%	13.6%
KS, NE	5.5%	19.6%
ND, SD	4.1%	-5.4%
MN	7.7%	14.7%
Minneapolis/St. Paul	3.6%	8.0%
IA, MO	12.4%	15.3%
St Louis	8.1%	16.9%
Kansas City	16.3%	18.9%

	JUN	YTD
UNITED STATES	5.5%	5.5%
Public Access	6.2%	5.9%
Private	2.4%	4.0%

EAST NORTH CENTRAL	6.4%	14.1%
IL	9.3%	24.0%
Chicago	11.2%	24.3%
IN	1.4%	10.6%
MI	1.4%	5.7%
Detroit	2.7%	10.1%
OH	9.3%	17.6%
Cincinnati	8.5%	15.0%
Cleveland	4.8%	14.1%
WI	9.3%	12.1%

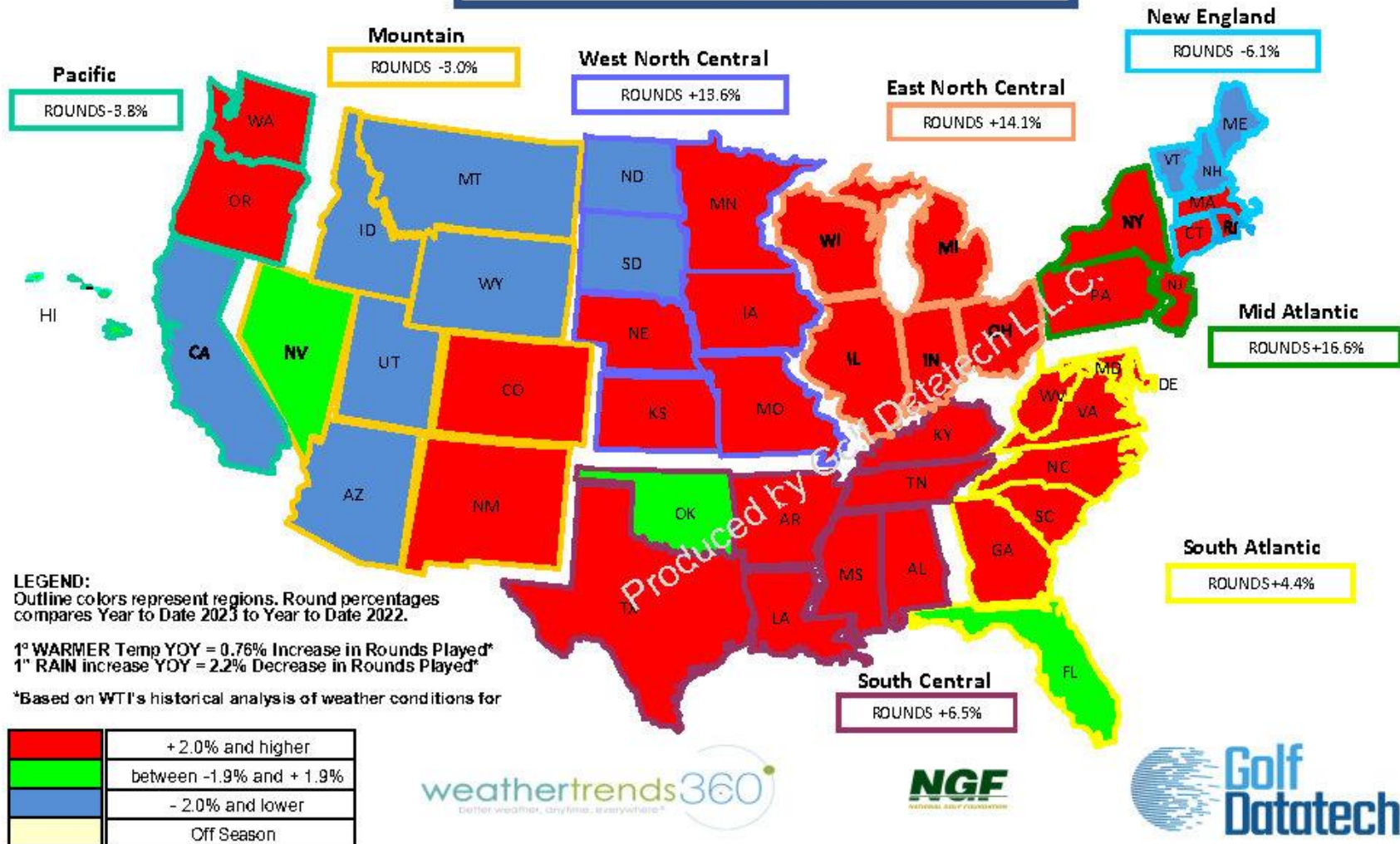
SOUTH CENTRAL	5.8%	6.5%
AL	1.2%	12.8%
AR, LA, MS	14.4%	16.7%
OK	-0.2%	-1.1%
KY, TN	8.6%	4.9%
TX	1.8%	3.7%
Dallas/Ft. Worth	-1.0%	3.2%
Houston	1.3%	-1.3%
San Antonio	1.5%	-5.6%

SOUTH ATLANTIC	2.2%	4.4%
DE, DC, MD	1.6%	16.7%
Washington/Baltimore	0.9%	17.1%
FL	1.0%	-0.3%
Jacksonville	-4.0%	5.3%
Orlando	5.8%	-4.0%
Tampa	1.7%	1.6%
Palm Beach	4.0%	-3.3%
Naples/Ft. Myers	5.5%	6.1%
Miami/Ft. Lauderdale	15.9%	2.9%
GA	4.3%	7.3%
Atlanta	3.4%	3.4%
NC	0.0%	4.9%
Greensboro/Raleigh	0.7%	4.1%
SC	4.9%	4.4%
Charleston	12.2%	15.0%
Hilton Head	7.7%	5.2%
Myrtle Beach	3.7%	4.2%
VA, WV	3.9%	14.9%
MID ATLANTIC	3.4%	16.6%
NJ	5.7%	10.3%
NY	5.7%	20.7%
New York City	2.6%	20.6%
PA	0.0%	15.6%
Philadelphia	4.0%	15.3%
Pittsburgh	2.4%	17.6%
NEW ENGLAND	-2.3%	-6.1%
CT, MA, RI	-1.0%	3.5%
Boston	-0.5%	2.0%
ME, NH, VT	-5.7%	-29.4%

The percentages represent the differences in number of rounds played comparing June 2023 to June 2022.

For more information contact Golf Datatech golfroundsplayed@golf-datatech.com

US 2023 vs. 2022 YTD through JUNE
5.5%



APPENDIX C – LOCAL DEMOGRAPHIC, DEMAND AND SUPPLY DATA

River Run Golf Links	2-Miles	5-Miles	10-Miles	15-Miles	Manatee County	State of Florida	U.S.
Summary Demographics							
Population 2000 Census	25,050	147,895	301,530	429,222	263,997	15,982,288	281,398,967
Population 2010 Census	27,231	162,640	357,663	489,912	322,831	18,801,299	308,745,560
CAGR 2000-2010	0.84%	0.95%	1.72%	1.33%	2.03%	1.64%	0.93%
Population 2022	31,796	199,788	453,030	610,252	421,227	22,032,327	333,609,568
CAGR 2010-2022	1.30%	1.73%	1.99%	1.85%	2.24%	1.33%	0.65%
Population 2027 Projected	35,188	217,703	493,099	661,152	464,060	23,387,562	342,845,536
CAGR 2022-2027	2.05%	1.73%	1.71%	1.62%	1.96%	1.20%	0.55%
Median HH Income (2022)	\$57,303	\$57,445	\$69,509	\$72,775	\$66,262	\$63,159	\$70,666
Median Age (2022)	41.7	47.2	50.0	50.4	48.8	41.7	37.9
Ethnicity							
White	50.8%	65.4%	72.4%	75.2%	74.0%	58.2%	62.5%
African American	21.7%	13.1%	10.4%	8.8%	9.3%	17.2%	13.7%
Asian	1.4%	2.0%	2.6%	2.5%	2.4%	3.5%	6.9%
All Other	26.0%	19.4%	14.5%	13.5%	14.2%	21.0%	16.8%
Hispanic Population							
Hispanic	31.2%	23.6%	17.0%	15.7%	16.7%	26.0%	18.4%
Not Hispanic	68.8%	76.4%	83.0%	84.3%	83.3%	74.0%	81.6%
CAGR = Compound Annual Growth Rate							
River Run Golf Links	2-Miles	5-Miles	10-Miles	15-Miles	Manatee County	State of Florida	U.S.
Golf Demand Indicators							
Total Households	11,689	81,774	192,704	261,615	176,741	8,722,916	127,994,353
Number of Golfing Households	1,429	11,952	33,520	46,746	31,299	1,180,826	18,505,952
Seasonal Golfing Households	89	972	3,074	4,363	2,767	77,606	471,648
Interested Non-Golfers	2,017	11,688	25,867	34,377	24,066	1,332,210	20,751,417
Golfer Participation Rate	6.70%	8.20%	9.80%	10.10%	10.00%	7.50%	8.10%
Number of Golfers	2,004	15,447	42,600	59,235	40,411	1,573,617	25,551,350
Number of Projected Golfers	2,315	17,078	46,377	63,849	44,475	1,682,616	26,252,196
Projected Annual Growth Rate	3.10%	2.10%	1.80%	1.60%	2.00%	1.40%	0.50%
Rounds Potential (resident golfers)	30,441	249,864	727,818	1,017,152	687,110	24,865,448	387,542,767
Estimated Course Rounds (in-market supply)	85,438	359,066	1,804,841	2,387,233	1,783,209	41,962,430	387,542,486
Demand Indices							
Golfer Participation Rate	82	101	123	127	125	93	100
Seasonal Golfing Households	206	323	433	453	425	242	100
Interested Non-Golfers	102	94	92	91	92	97	100
Rounds Potential per capita (resident golfers)	82	108	138	143	140	97	100
Est. Course Rounds per capita (in-market supply)	231	155	343	337	364	164	100

River Run Golf Links	2-Miles	5-Miles	10-Miles	15-Miles	Manatee County	State of Florida	U.S.
Golf Supply							
<i>Golf Facilities</i>							
Total	2	8	32	43	33	895	13,946
Public	1	4	23	28	22	528	10,268
Public: Daily Fee	0	3	20	25	19	433	7,707
Public: Municipal	1	1	3	3	3	95	2,561
Private	1	4	9	15	11	367	3,678
<i>Public Golf Facilities by Price Point</i>							
Premium (>\$70)	0	0	10	12	9	166	1,958
Standard (\$40-\$70)	1	3	10	12	10	247	4,212
Value (<\$40)	0	1	3	4	3	115	4,098
<i>Golf Holes</i>							
Total	27	144	666	900	657	18444	237,084
Public	18	72	441	531	387	10197	169,339
Public: Daily Fee	0	54	387	477	333	8388	126,835
Public: Municipal	18	18	54	54	54	1809	42,504
Private	9	72	225	369	270	8247	67,745
Non-Regulation (Executive & Par-3)	9	45	117	153	117	2685	18,753
<i>Net Change*</i>							
Net Change in Holes past 5 years	0	0	-27	-18	45	-1092	-10,731
Percentage Total Holes Past 5 Yrs	0.0%	0.0%	-4.1%	-2.0%	6.9%	-5.9%	-4.5%
Net Change in Holes past 10 Years	0	0	-45	-18	27	-2319	-25,077
Percentage Total Holes Past 10 Yrs	0.0%	0.0%	-6.8%	-2.0%	4.1%	-12.6%	-10.6%
*Numbers may include courses under construction and temporarily closed at the end of the year.							

River Run Golf Links	2-Miles	5-Miles	10-Miles	15-Miles	Manatee County	State of Florida	U.S.
Supply-Demand Ratios							
<i>Population per 18 Holes</i>							
Total	21,198	24,973	12,244	12,205	11,540	21,502	25,328
Public	31,796	49,947	18,491	20,686	19,592	38,892	35,461
Public: Daily Fee	0	66,596	21,071	23,028	22,769	47,280	47,345
Public: Municipal	31,796	199,788	151,010	203,417	140,409	219,227	141,280
Private	63,593	49,947	36,242	29,768	28,082	48,088	88,641
Premium (>\$70)	0	0	36,242	42,086	44,340	108,623	144,978
Standard (\$40-\$70)	31,796	66,596	45,303	50,854	42,123	82,006	76,346
Value (<\$40)	0	199,788	226,515	203,417	210,614	231,919	121,894
<i>Golfers per 18 Holes</i>							
Total	1,336	1,931	1,151	1,185	1,107	1,536	1,940
Public	2,004	3,862	1,739	2,008	1,880	2,778	2,716
Public: Daily Fee	0	5,149	1,981	2,235	2,184	3,377	3,626
Public: Municipal	2,004	15,447	14,200	19,745	13,470	15,658	10,821
Private	4,009	3,862	3,408	2,890	2,694	3,435	6,789
Premium (>\$80)	0	0	3,408	4,085	4,254	7,758	11,104
Standard (\$50-\$80)	2,004	5,149	4,260	4,936	4,041	5,857	5,847
Value (<\$50)	0	15,447	21,300	19,745	20,206	16,564	9,336
<i>Population Indices (National 100)</i>							
Total	84	99	48	48	46	85	100
Public	90	141	52	58	55	110	100
Private	72	56	41	34	32	54	100
Premium (>\$70)	0	0	25	29	31	75	100
Standard (\$40-\$70)	42	87	59	67	55	107	100
Value (<\$40)	0	164	186	167	173	190	100
<i>Golfers Indices (National = 100)</i>							
Total	69	100	59	61	57	79	100
Public	74	142	64	74	69	102	100
Private	59	57	50	43	40	51	100
Premium (>\$80)	0	0	31	37	38	70	100
Standard (\$50-\$80)	34	88	73	84	69	100	100
Value (<\$50)	0	165	228	211	216	177	100
<i>Rounds per 18 Holes</i>							
Rounds Potential (resident golfers)	20,294	31,233	19,671	20,343	18,825	24,267	29,423
Estimated Course Rounds (in-market supply)	56,959	44,883	48,779	47,745	48,855	40,952	29,423

APPENDIX D – BENCHMARKING - REGIONAL MUNICIPAL GOLF FACILITIES

Municipality	Facility	Management Structure	# Holes/ Type	Rounds Played	Peak Green Fee	Total Revenue	Total Operating Expenses	Total Maint. Expense	Total Maint. Labor Expense	Total Maint. Non-labor Exp.	Chemicals Budget ¹
Manatee County ³	Manatee GC	Operating Lease	18 Reg.	50,875	\$90	\$2,218,669	\$1,836,429	\$1,083,556	\$247,216	\$836,340	\$288,161
Manatee County ³	Buffalo Creek GC	Operating Lease	18 Reg	50,439	\$80	\$2,221,928	\$1,937,329	\$1,136,661	\$249,589	\$887,072	\$344,868
City of Bradenton	River Run Golf Links	Self-Operated	18 Reg	65,646	\$54	\$2,055,023	\$1,946,994	\$750,000 ²	\$500,000 ²	\$250,000	\$81,378
City of Cape Coral	Coral Oaks GC	Self-Operated	18 Reg	55,186	\$79	\$3,200,000	\$2,901,321	\$1,122,503	\$746,308	\$376,195	\$171,616
City of Fort Myers ⁵	Eastwood GC	Self-Operated	18 Reg	60,044	\$90	\$2,266,302	\$2,221,317				
City of Fort Myers ⁵	Fort Myers CC	Self-Operated	18 Reg	70,502	\$99	\$2,298,437	\$1,932,448				
Crossings at Fleming Island CDD	Eagle Harbor GC	Mgmt. Contract	18 Reg	44,686	\$85	\$3,765,915	\$3,152,330	\$1,300,000	\$750,000	\$550,000	\$161,697
City of St. Petersburg	Mangrove Bay GC ⁴	Self-Operated	18 Reg	86,391	\$54	\$3,700,000	\$3,500,000	\$1,028,234	\$636,617	\$391,617	\$189,227
City of St. Petersburg						\$5,431,313	\$4,745,728	\$1,494,020			
City of Tampa ⁵	Rocky Point GC	Mgmt. Contract	18 Reg	45,101	\$48	\$1,872,599	\$1,669,900	\$774,987			
City of Tampa ⁵	Rogers Park GC	Mgmt. Contract	18 Reg	29,696	\$47	\$1,152,689	\$1,027,916	\$477,047			
City of Tampa ⁵	Babe Zaharias GC	Mgmt. Contract	18 Reg	35,605	\$38	\$1,136,044	\$1,013,072	\$470,159			
City of Tampa⁵				110,402		\$4,161,332	\$3,710,888	\$1,722,193			

Table Notes:

1 Chemicals include fertilizers, pesticides, herbicides, seed, sod, and sand.

2 River Run maintenance and maintenance labor budgets are NGF estimates based on expense data provided by the City.

3 Manatee County's lease agreement with Pope Golf originated in 2011; the latest amendment (June 6, 2023) increases the annual lease payment by 7.7% to \$355,472 (original amount \$275K)

4 Mangrove Bay numbers include 9H par-3 Cypress Links; Maintenance Expense does not include allocated expense from Irrigation Repairs and Vehicle Maintenance subdivisions of City Golf Fund.

5 Data for Fort Myers and Tampa are for FY21; all others FY22.

General Notes:

City of Dunedin - Three-year private maintenance agreement for Dunedin Golf Club is for \$2.37 million (with annual CPI adjustments); includes all equipment.

GCSAA Survey: U.S. Average (2022) maintenance budget for 18H muni course was \$621,190; labor average = \$349,839; labor averaged 56.75% of total maintenance budget.

APPENDIX E – ASGCA LIFE CYCLE CHART

GOLF COURSE ITEMS EXPECTED LIFE CYCLE

HOW LONG SHOULD PARTS OF THE GOLF COURSE LAST?

No two golf courses are alike except for one thing: deferring replacement of key items can lead to greater expense in the future, as well as a drop in conditioning and player enjoyment. The following information represents a realistic timeline for each item's longevity.

Component life spans can vary depending upon location of the golf course, quality of materials, original installation and past maintenance practices. The American Society of Golf Course Architects (ASGCA) encourages golf course leaders to work with an ASGCA member, superintendents and others to assess their course's components.

ITEM	YEARS
Greens (1)	15 – 30 years
Bunker Sand	5 – 7 years
Irrigation System	10 – 30 years
Irrigation Control System	10 – 15 years
Pump Station	15 – 20 years
Cart Paths – asphalt (2)	5 – 10 years (or longer)
Cart Paths – concrete	15 – 30 years (or longer)
Practice Range Tees	5 – 10 years
Tees	15 – 20 years
Corrugated Metal Pipes	15 – 30 years
Bunker Drainage Pipes (3)	5 – 10 years
Mulch	1 – 3 years
Grass (4)	Varies

NOTES: (1) Several factors can weigh into the decision to replace greens: accumulation of layers on the surface of the original construction, the desire to convert to new grasses and response to changes in the game from an architectural standpoint (like the interaction between green speed and hole locations). (2) Assumes on-going maintenance beginning 1 - 2 years after installation. (3) Typically replaced because the sand is being changed – while the machinery is there to change sand, it's often a good time to replace the drainage pipes as well. (4) As new grasses enter the marketplace – for example, those that are more drought and disease tolerant – replanting may be appropriate, depending upon the site.

ASGCA thanks those at the USGA Green Section, Golf Course Builders Association of America, Golf Course Superintendents Association of America and various suppliers for their assistance in compiling this information.

The materials presented on this chart have been reviewed by the following Allied Associations of Golf:



For more information, contact ASGCA at (262) 786-5960 or visit www.ASGCA.org

DATA COMPILED BY ASGCA, 125 NORTH EXECUTIVE DRIVE, SUITE 302, BROOKFIELD, WI 53005

APPENDIX F – HOLE BY HOLE DESIGN NOTES

Note: Yardages shown are of Blue, White, Gold, Red tees in descending order.

Hole 1: 361-330-300-265 (Par 4)

- One long tee box provides tee flexibility.
- There are two small forward tees split by the cart path that crosses the fairway in front of the back tee to the left of the hole.
- Cart path crosses fairway to avoid pond in the corner of the dogleg.
- Tree and pond in the dogleg corner require only a 260-yard tee shot to carry from the tips.
- Strategy is to cut the corner on the right to gain a shorter approach shot.
- A 260-yard tee shot from the tips will run through the dogleg on the other side if hit straight.
- Rip-rap around pond is visually distracting.
- Cart path runs over the top of mounds to left of the fairway.
- Bunker in front limits run-up approaches.

Hole 2: 423-378-353-328 (Par 4)

- Narrow landing area (25 yards) surrounded by Brazilian Pepper and other invasives on both sides. Invasives on the right have grown up from nothing since golf course was built. Invasives on the left have been there since at least 1995 but have been cut and then grown back at times since.
- View of pond to the right is blocked by invasives.
- Strategy is to hit the ball straight down the center or be in the trees.

Hole 3: 357-328-280-238 (Par 4)

- Hole appears even narrower off the tee than #2 with invasives encroaching on both sides. Invasives lining ditch on right side for the first 75 yards off the tee block the right side of the fairway beyond.
- Cart path on left appears to be in middle of the fairway. Fairway can expand left if cart path moves farther left.
- Strategy is to hit the ball straight down the center or be in the trees.

Hole 4: 388-349-325-289 (Par 4)

- Invasives lining the pond to the right off the tee block the view of the landing area.
- View off the tee is of the cart path as it crosses in front of the tees.
- Although invasives along the right side appear to encroach on the fairway, they are actually further away from the hole near the green than in 1995. The invasive pinch point is still the same but is beyond the landing area.
- Strategy is to hit the ball straight down the center or be in the trees.

Hole 5: 148-130-112-93 (Par 3)

- Rip-rap around pond dominates view.
- Bunker to right of green is too big. Right half of it provides penalty only for those who hit too far to the right anyway. Bunker is almost the same square footage as the putting surface (15% smaller).
- Cart path crosses hole between pond and green but is hidden by elevation.

Hole 6: 368-343-318-292 (Par 4)

- Cart path dominates view of hole from the tees.
- Straight hole but the fairway shape makes it appear as a dogleg-left.
- Strategy is to hit the ball straight down the center or be in the trees.
- Front left greenside bunker is the same position as the first and fourth greens.

Hole 7: 352-336-292-263 (Par 4)

- Dogleg-right is a carbon-copy of the first hole except without the tree to the right of the landing area.
- 268-yard tee shot off the back tee needed to carry pond in the inside corner of the dogleg.
- Strategy is to cut the corner off the tee for a shorter approach. Fairway runs out 280 yards off the back tee so long hitters must shape a shot off the tee.
- Far corner of the dogleg is 20 yards further out than the far corner on the first hole.
- Cart path crosses the fairway in front of the tees and is in the corner of the dogleg.

Hole 8: 194-164-134-99 (Par 3)

- Oaks on left side block view of the left side of the green.
- Cart path crosses the fairway in front of the tees.

Hole 9: 523-500-477-411 (Par 5)

- Cart path crosses the fairway in front of the tees.
- Cart path runs along right side of pond on the right side of fairway.
- Many drainage potholes.
- Strategy is to cut the right-side corner on the second shot to reach the green in two or play as close to that side as possible for as short a third shot as possible.

Hole 10: 351-333-315-297 (Par 4)

- Strategy is to hit the ball straight down the center or be in the trees.

Hole 11: 550-525-470-432 (Par 5)

- Routing-wise, this is the same hole as #9 with a pond in the corner of the dogleg to challenge the golfer to cut the right-side corner on the second shot to reach the green in two or play as close to that side as possible for as short a third shot as possible.
- Bridge from tees to fairway is in terrible shape.
- A fairway bunker on the right of the first landing area does not challenge the golfer to gain any advantage. If the golfer plays over it, the golfer will be in rough and behind trees.
- Invasives block the right side of the bunker from view off the tee.
- Cart path again crosses the fairway in front of the tees.

Hole 12: 398-377-356-326 (Par 4)

- Cart path crosses the fairway in front of the tees.
- Trees along right side block approaches from that side.
- Strategy is to hit down the left side of the tee for an open approach to the green from that side. If one plays down the right side, approach will need to play over greenside bunker on that side.

Hole 13: 382-367-352-282 (Par 4)

- Cart path dominates view of hole from the tees.
- Sharp dogleg-right that forces all golfers to hit to the end of the fairway and play their approach from there. Fairway ends 235 yards from the back tee.
- Trees in corner of the fairway block any approaches from that side or any approaches hit 210 yards or less from the back tees, short of the turn.
- Added tee to the left in 2005 does allow for a heroic tee shot (206 yards over the tree) to cut the corner.
- Strategy is to hit past the corner of the dogleg. The closer one plays to the trees and far enough, the shorter the approach.

Hole 14: 377-351-325-287 (Par 4)

- Fairway runs out at cart path 250 yards from the back tee.
- A tee shot of 270 yards with a slight hook off the tee can carry a crossing creek but the trees encroach on both sides. Any tee shot down the left side without reaching creek (most tee shots) will force a lay-up before the creek.
- Most golfers can't carry the creek with their second shot, requiring an additional lay-up for a third shot approach into this par four. This hole creates pace of play issues more than any other hole because it has a forced carry for the second shot.
- Clearing trees along the left side corner of the dogleg will eliminate most needs to lay up, speed up play, and allow for a heroic tee shot strategy. Right now, the strategy is to hit it straight down the

middle off the tee far enough to avoid trees on the left side from blocking any approaches from that side.

- Left side of the green is blocked from view from the left side on the tee side of the creek.

Hole 15: 194-160-145-123 (Par 3)

- This hole looks just like the 8th hole and plays the exact same distance (194 yards) from the back tees (similar distances from the other tee boxes as well).
- The bunkers behind the green are different than on #8 but are visually the same because they are blind from the tee.
- Cart path crosses the fairway in front of the tees.

Hole 16: 381-351-300-261 (Par 4)

- Strategy is to hit the ball straight down the center or be in the trees.
- Cart path crosses the fairway in front of the tees.
- Ditch past the tees has widened due to erosion over the years.
- Carry over the ditch off the tees is not long (177 yards from the tips; 43 yards from the forward tees).
- Green is a replica of one and four with front right greenside bunker blocking any approaches from that side.

Hole 17: 150-134-117-100 (Par 3)

- Tee shot requires a manageable carry over a pond with the green sixty yards past the water.

Hole 18: 421-380-360-323 (Par 4)

- Cart path crosses the fairway in front of the tees.
- There is an area of roughly one-half acre to the left of the hole past the ditch that can be converted to no-mow area without affecting playability for any level of golfer.
- Strategy is to hit the ball straight down the center or be in the trees.
- Bridge from tees to fairway is in terrible shape.
- Yet another bunker at the front right corner of the green (this happens on twelve holes).

Totals: 6,318 / 5,836 / 5,331 / 4,709 (Par 70)

APPENDIX G – ILLUSTRATION OF POTENTIAL NO-MOW AREAS AND BUNKERS FOR REMOVAL



RIVER RUN GOLF LINKS
BRADENTON, FLORIDA
JULY 28, 2023



APPENDIX H – GRAND RE-OPENING

Prior to Reopening

Once commitment to the renovation is made, the City of Bradenton should communicate to the community – via emails, press releases, etc. - what the project components will be, why the renovation is being undertaken, what the expected timeframe is, etc. Messaging should emphasize that the renovation will result in essentially a new golf course that will remain affordable for city residents and others.

The City can begin creating “buzz” early, with periodic updates on construction progress sent to the golfer database, as well as to regional golfers (email databases are available through NGF and other sources). City staff, perhaps working in tandem with the Chamber of Commerce, should send periodic press releases to regional and national golf media (your architect will help with this effort by providing updates to the American Society of Golf Course Architects for inclusion in their trade publications).

The months leading up to reopening are also a good time to get larger outings (e.g., charities, businesses, civic organizations, etc.) on the books; either someone on staff or a part-time incentive-based (if permissible by City) direct salesperson can aggressively target these groups. The City may also choose this pre-opening time, and the first few days after opening, to sell memberships at a small discount (to new, updated pricing).

Also prior to grand reopening, focus should be on strategic initiatives surrounding the grand re-opening. Examples include updating and communicating the golf course’s brand, perhaps creating a new logo, and building a new dedicated website (separate from City website). In some cases, the facility can also benefit from a name change, even if subtle. Finally, it is important to extend these branding evolutions across all marketing and communication platforms, including the website.

The City may wish to consider retaining an outside Marketing / Public Relations firm to manage all of these activities. This firm could develop an extensive PR strategy, including a press kit for communicating grand opening events and facility improvements to media and affinity groups. The chosen company could deploy tactics across print, digital and paid social channels and, as the grand-reopening date approaches, manage direct email marketing efforts for VIPs, media and other special guests.

Whether the City or an outside company manages the publicity, news coverage leading up to the reopening event(s) should include announcements in local weekly newspapers and business magazines, television/radio programs, social media accounts, and online outlets.

Soft Reopening

A common strategy NGF has observed is hosting a “soft” opening / reopening anywhere from days before to a month or more before the grand reopening to the general public. The soft opening is typically restricted to media, golf writers, noted area golfers, and local golf dignitaries (e.g., City Council) and celebrities. Festivities may begin with opening remarks and include a welcoming toast for attendees, food service, and a ribbon-cutting ceremony. The day would conclude with a golf outing (e.g., shotgun start, 9-hole scramble) featuring contests (closest to the pin, hole-in-one, etc.), raffle prizes, music, etc.

Grand Reopening

Following the soft reopening event or other “VIP preview”, the official Grand Reopening celebration can be either a single-day or two-day event featuring a 9-hole or 18-hole shotgun outing, complete with the elements noted above. The golf would be followed by food and refreshments, perhaps preceded by a ribbon-cutting ceremony by the Mayor or full City Council. The following days, with the course officially opened to the public, may include more tournament-style play or simply regular play.

APPENDIX I – SAMPLE COMMUNICATION TO CUSTOMER DATABASE



WHAT YOU NEED TO KNOW

A new replacement irrigation system is planned for the 27-hole Fox Hollow Golf Course.

The primary goals of the irrigation replacement include improved playing conditions, electrical and water saving and increased system longevity. Anticipated efficiencies result in a 20% savings compared to the existing system. Timing estimates of early February, 2021 to October, 2021 are weather dependent.

How will this impact you? Some holes may be modified during construction, including temporary hole and practice facility closures. This will ensure everyone's safety. If applicable, discounts for greens fees will be applied at the time of payment for your round.

Thank you for your patience while we work to improve your golf experience.



FOX HOLLOW CANYON HOLE 5 RENOVATION

Estimated early March, 2021 to May, 2021

CANYON NINE No. 5 RENOVATION



CANYON HOLE NO. 5

Fox Hollow Canyon hole no. 5 will be renovated between early March, 2021 and May, 2021 (weather dependent).

The primary goals of the renovation of Fox Hollow's Canyon hole no. 5 include playability, improved pace of play, course efficiencies and overall enjoyment of Fox Hollow.

How will this impact you? The hole may be closed at times or played as a 3 par. This will ensure everyone's safety. If applicable, discounts for greens fees will be applied at the time of payment for your round.

Again, thank you for your patience while we work on this additional 2021 improvement.

APPENDIX J – EXAMPLE OF “DASHBOARD” PROGRESS REPORT

Current Year - September '2016				
Rounds	September '2016		Monthly Revenue by Category	YTD Avg Rd/Day 366 Days
	2016	YTD		
Member	290	4,724	5,800	13
Member Guests	19	624	654	2
Rack Rate	282	5,433	28,351	15
MB Residents	424	8,592	21,420	23
So FL Residents	135	2,085	11,297	6
Tournament	258	4,171	30,480	11
9-Hole Member	153	2,105	1,836	6
Canadian Golf Pass	3	496	230	1
Promotions-High School	42	125	840	0
Premier Summer Member	1,790	14,328	57,915	39
Total	3,396	42,683	158,823	117

Range	1,508	20,853
Annual Members Sold	0	145

Prior Year - September '2015				
Rounds	September '2015		Monthly Revenue by Category	YTD Avg Rd/Day 365 Days
	2015	YTD		
Member	249	4,358	4,980	12
Member Guests	31	593	1,300	2
Rack Rate	367	6,618	39,962	18
MB Residents	308	7,227	15,705	20
So FL Residents	163	2,130	14,060	6
Tournament	164	4,572	19,680	13
9-Hole Member	134	2,513	1,608	7
Canadian Golf Pass	2	554	144	2
Promotions-High School	48	77	0	0
Premier Summer Member	1,600	14,397	51,810	39
Total	3,066	43,039	149,249	118

Range	1,434	18,160
Annual Members Sold	0	135

Actual			Budget		Variance	
Golf Revenue	September '2016	YTD	September '2016	YTD	+/- Var	+/- Var - YTD
Greens Fees	71,227	1,957,495				
Cart Fees	87,596	1,005,998				
Membership @ 1/1	64,154	587,224				
Sub-Total Golf Revenue	222,977	3,550,717	235,675	4,024,000	-12,698	-473,283
Other Revenue						
Range	12,333	169,454				
Lessons @ 20%	3,200	107,009				
ProShop Lease @ 5%	2,442	38,295				
Miscellaneous	0	0				
Food & Bev Lease @ 5%	3,840	51,969				
Sub-Total Other Revenue	21,815	366,727	23,500	326,000	-1,685	40,727
Totals	244,792	3,917,444	259,175	4,350,000	-14,383	-432,556

Ttl Merch YTD	765,900
Ttl Lessons YTD	535,045
Ttl F&B YTD	1,039,380

Deferred Income	
Membership Fees (recognized & unrecognized)	0

Prior Year - September '2015			Budget		Variance	
Golf Revenue	September '2015	YTD	September '2015	YTD	+/- Var	+/- Var - YTD
Greens Fees	70,986	2,166,576				
Cart Fees	78,263	1,009,768				
Membership @ 1/1	64,585	574,373				
Sub-Total Golf Revenue	213,834	3,750,717	239,000	3,997,000	-25,166	-246,283
Other Revenue						
Range	12,553	163,780				
Lessons @ 20%	3,764	65,131				
ProShop Lease @ 5%	2,308	41,642				
Miscellaneous	0	0				
Food & Bev Lease @ 5%	3,014	47,734				
Sub-Total Other Revenue	21,639	318,287	22,500	340,000	-861	-21,713
Totals	235,473	4,069,004	261,500	4,337,000	-26,027	-267,996

Ttl Merch YTD	832,840
Ttl Lessons YTD	325,655
Ttl F&B YTD	954,680

Deferred Income	
Membership Fees (recognized & unrecognized)	0

APPENDIX K – FINANCIAL PROJECTIONS – RIVER RUN GOLF LINKS

RIVER RUN GOLF LINKS - "As Is" – FY2024 – FY2028

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Total Rounds Played	64,000	62,000	60,000	58,000	56,000
Operating Revenues					
Green + Cart Fees	\$1,827,200	\$1,823,200	\$1,817,300	\$1,809,400	\$1,799,500
Pro Shop	86,400	85,400	84,300	83,100	81,800
Snack Bar / Food & Beverage	137,600	136,000	134,200	132,300	130,300
Miscellaneous Revenue	41,400	40,900	40,400	39,800	39,200
Total Operating Revenue	\$2,092,600	\$2,085,500	\$2,076,200	\$2,064,600	\$2,050,800
Cost of Goods Sold					
Merchandise	\$47,500	\$47,000	\$46,400	\$45,700	\$45,000
Food & Beverage	71,600	70,700	69,800	68,800	67,800
Total COGS	\$119,100	\$117,700	\$116,200	\$114,500	\$112,800
Adjusted Gross Revenue	\$1,973,500	\$1,967,800	\$1,960,000	\$1,950,100	\$1,938,000
Operating Expenses					
Labor (incl. benefits)	\$1,100,000	\$1,144,000	\$1,189,800	\$1,237,400	\$1,286,900
Other Operating (excl. Depr./Amort.)	450,000	463,500	477,400	491,700	506,500
Total Operating Expenses	\$1,550,000	\$1,607,500	\$1,667,200	\$1,729,100	\$1,793,400
Net Oper. Inc. (before Depr./Amort.)	\$423,500	\$360,300	\$292,800	\$221,000	\$144,600
INPUTS:					
Revenue per Round					
Green + Cart Fees	\$28.55	\$29.41	\$30.29	\$31.20	\$32.13
Pro Shop	1.35	1.38	1.40	1.43	1.46
Snack Bar / Food & Beverage	2.15	2.19	2.24	2.28	2.33
Miscellaneous Revenue	0.65	0.66	0.67	0.69	0.70
Total Operating Revenue	\$32.70	\$33.64	\$34.60	\$35.60	\$36.62