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# SALT LAKE CITY COUNCIL STAFF REPORT

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**DATE:** March 2, 2010

**SUBJECT:** **Rose Park Golf Course – Public Process for sale of open space property – 1385 North 1200 West**

**STAFF REPORT BY:** Lehua Weaver

**COUNCIL DISTRICT:** District 1

**ADMINISTRATIVE DEPT. AND CONTACT PERSON:** Department of Public Services and Capital Asset Management  
Rick Graham and Sam Guevara

**CC:** David Everitt, Rick Graham, Sam Guevara, Vicki Bennett, Emy Storheim, Gordon Hoskins, David Terry, Ed Rutan, John Spencer, Duran Lucas, Frank Gray, Mary De La Mare Schaefer, Wilf Sommerkorn, Janice Jardine

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## OPTIONS:

The Council's role, under *Salt Lake City Code*, is to hold a public hearing, with the option of holding an advisory vote on the issue.

Closing the hearing:

- a. Close the hearing, or
- b. Continue it until after the Administration selects a buyer. That would allow residents another forum to comment on the specific use of the property if it's sold.

Advisory Vote:

- a. Do not hold a vote, or
- b. Hold a vote indicating the Council's position on the sale, or
- c. Defer a vote until after the Administration selects a buyer.

## BRIEFING NOTES:

During the Council's February 2<sup>nd</sup> briefing, the Council discussed:


- Bid Process for Purchasers:
  - The Administration intends to conduct an RFP process soliciting all interested buyers in the property.
  - The Guadalupe Schools is one potential purchaser who has already been in conversation with the City about the property.
  - The RFP would clearly indicate that interested applicants should comply with existing zoning for the property.
- Decision to sell open space land:
  - From a general policy point of view, the Council might choose to discuss the best or acceptable use of the land, rather than focusing on how the money from the sale would be used.

- However, in this case, it might be useful to know that the Golf Fund Manager intends to use the money toward the purchase of other property for open space purposes.
- In general, the Council might consider that the Golf Fund's capital needs and funding sources should be a broader issue than the sale of open space land.
- A few Council Members raised the concern of setting a precedent of selling open space land in order to meet capital improvement needs.
- Consistency with area master plans:
  - The Administration responded to questions about compliance with the master plans by confirming that the property would be used in accordance with the existing zone.
  - In this case, other building structures are allowed in the open space zone. According to the Planning Commission Meeting minutes, the permitted and conditional uses in an open space zone are:
    - cemeteries and accessory crematoriums,
    - community and recreation centers,
    - pet cemeteries,
    - country clubs,
    - golf courses,
    - natural open space conservation areas,
    - nature preserves,
    - accessory uses to other allowed uses, and
    - public or private utility buildings, transmission lines or wires
  - Although master plans for the area do not necessarily contemplate the loss of open space uses, the change in use of this land may be minimized if the money is used toward the purchase of other property and its conversion to open space land.

Note: If the Council would like another copy of the original staff report from the February 2<sup>nd</sup> briefing, a copy will be made for you or emailed to you.

## MEMORANDUM

**TO:** Salt Lake City Council  
J.T. Martin, Chair

**FROM:** Mayor Ralph Becker 

**DATE:** January 8, 2010

**RE:** Proposal for Removal of Lands from the Open Space Programs

### Description of the Land to be Sold or Transferred

3.16 acres of Rose Park Golf Course property located at 1200 West between 1300 North and 1400 North. *Attached is a map and legal description.*

### Purpose of the Proposed Sale

The Golf Enterprise Fund has over \$20M in deferred capital improvement priorities that cannot be funded with projected operational budgets. The proceeds generated from the sale of the 3.16 acres of Rose Park Golf Course property near the 17<sup>th</sup> teeing area will be earmarked for some of these projects including the expansion of the practice range, construction of new tees, and related improvements to the Rose Park Golf Course.

### Proposed Purchaser of the Land

The Guadalupe Charter School is interested in purchasing the 3.16 acres of Rose Park Golf Course property from the City.

### The Anticipated Future Use of the Land

The board and staff of the Guadalupe School have notified the City that they plan to build a new school at this location if they are successful in acquiring the property.

### Anticipated Change in Zoning Required to Implement Proposed Future Use

No zoning change is anticipated. State law states that charter schools shall be considered a permitted use in all zoning districts within a municipality. State law requires such projects to comply with open space zoning regulations relating to setback, height, bulk and massing regulations, off-site parking, curb cut, traffic circulation, construction staging, as well as any other regulation needed to avoid unreasonable risks to health and safety.

**The Amount of the Proposed Purchase Price**

In November 2008, The Cook Group appraised this Rose Park Golf Course property at \$476,000. A downward adjustment to the selling price may be appropriate given the need for an odor easement and utility easements. To prepare this land for sale, the Golf Fund will need to make adjustments to the golf course irrigation system including but not limited to rerouting a main line, installing new lateral lines, and relocating sprinkler heads. The Golf Fund also will need to realign an open storm water drainage corridor including the connection into the Public Utilities system. The Golf Fund will attempt to negotiate a cost-sharing agreement with the Guadalupe School for the completion of these projects.

**Mayor Becker's Explanation Why the Proposed Sale is in the City's Best Interest**

As stated above, the Golf Enterprise Fund has over \$20M in deferred major capital improvement project needs that cannot be funded in the foreseeable future with the limited dollars available for operating capital budgets. The 3.16 acres can be deemed surplus property without negatively impacting the playability of the Rose Park Golf Course.

On December 9, 2009, the Salt Lake Planning Commission voted in favor of surplus and subdividing the property.

While this property is zoned open space, golf course property does not come under the jurisdiction of Salt Lake City's Open Space Lands Program. Rather, the golf courses are operated as an enterprise fund. The Salt Lake City Golf Enterprise Fund Advisory Board has submitted a letter recommending the transfer or sale of surplus golf course property as a way to solve the deferred golf course capital improvement project funding issue.

The Guadalupe Charter School has been looking for a new school site in Salt Lake City for a number of years. I strongly support its mission to provide quality educational opportunities to minority and underprivileged members of our community.

The board and staff of the Guadalupe School have visited the site multiple times. They are aware of the need for utility easements on this property, and are aware of the regularly occurring odor issues. Furthermore, a school can be built at this location with minimal impact to the adjacent neighborhood. No homes front 1200 West from 1000 North to 1300 North, the primary entrance to this location. Furthermore, the majority of the students who will attend this school will arrive by bus.

Additionally, a school on this site will positively impact neighboring Rosewood Park by providing eyes that can prevent vandalism and ensure a safe setting for neighboring residents to enjoy the various outdoor recreational opportunities provided in the park.



RICHARD GRAHAM  
PUBLIC SERVICES DIRECTOR

# SALT LAKE CITY CORPORATION

DEPARTMENT OF PUBLIC SERVICES  
DIRECTORS OFFICE


RALPH BECKER  
MAYOR

## CITY COUNCIL TRANSMITTAL

  
David Everitt, Chief of Staff

Date Received: 01/08/2009  
Date Sent to Council: 01/08/2009

**TO:** Salt Lake City Council  
J.T. Martin, Chair

**FROM:** Rick Graham   
Public Services Director

**DATE:** January 8, 2010

**SUBJECT:** Request a public hearing to consider the removal of real property from the City's open space lands program. The land in question is 3.16 acres of Rose Park Golf Course property located at 1200 West between 1300 North and 1400 North. *See attached map and legal description.*

**STAFF CONTACT:**

David Terry Manager Golf Enterprise Fund 801/485-7831	Duran Lucas Real Property Agent Property Management 801/535-6308
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**DOCUMENT TYPE:** Request for public hearing as required by City Code 2.90.120; Removal of Lands from Open Space Lands Program.

**RECOMMENDATION:** Approve the removal of 3.16 acres of Rose Park Golf Course property located at 1200 West between 1300 North and 1400 North from the City's open space lands program inventory.

**BUDGET IMPACT:** In November 2008, The Cook Group appraised this Rose Park Golf Course property at \$476,000. *See attached proposal from Mayor Becker.*

**BACKGROUND/DISCUSSION:** The Golf Enterprise Fund has over \$20M in deferred capital improvement projects that cannot be funded with projected operational budgets. The proceeds generated from the sale of the 3.16 acres of Rose Park Golf Course property near the 17<sup>th</sup> teeing area will be earmarked for some of these projects including the expansion of the practice range, construction of new tees, and related improvements to the Rose Park Golf Course.

The Guadalupe Charter School is interested in purchasing the 3.16 acres of Rose Park Golf Course property from the City for the purpose of building a new school. State law



LOCATION: 451 SOUTH STATE STREET, ROOM 138 SALT LAKE CITY, UTAH 84111-3104  
MAILING ADDRESS: PO BOX 145469, SALT LAKE CITY, UTAH 84114-5469  
TELEPHONE: 801-535-7775 FAX: 801-535-7963

WWW.SLCCGOV.COM



**SCANNED TO:**  
**SCANNED BY:**  
**DATE:** 1-8-10

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*Dark*  
*Black*

says that charter schools shall be considered a permitted use in all zoning districts within a municipality. State law requires such projects to comply with open space zoning regulations relating to setback, height, bulk and massing regulations, off-site parking, curb cut, traffic circulation, construction staging, as well as any other regulation needed to avoid unreasonable risks to health and safety.

City Code 2.90.120 Removal of Lands from Open Space Lands Program states that funds derived from the sale, disposition, exchange or removal of land from the open space lands program shall be deposited into the open space lands fund for its intended purposes. City Code 2.58.060 states that all proceeds or revenue from the sale of any real property within an enterprise fund shall be deposited in a surplus property account within that fund's capital improvements fund. *Attached is a legal opinion from Lynn Pace on this apparent contradiction within City Code.*

**PUBLIC PROCESS:** The Salt Lake City Golf Enterprise Fund Advisory Board is in favor of surplusing, subdividing, and selling the 3.16 acres of Rose Park Golf Course property to the Guadalupe Charter School for the purpose of generating funds to be used to improve the Rose Park Golf Course. *See attached letter from the Golf Advisory Board.*

City Code 2.90.120 outlines the required process to remove real property from the City's open space lands program.

## **2.90.120: REMOVAL OF LANDS FROM THE OPEN SPACE LANDS PROGRAM:**

A. Lands, conservation easements or other interests in land placed in the open space lands program shall remain in the program in perpetuity unless: 1) they are transferred to a qualified public or nonprofit land conservation entity; or 2) a sale, conversion, exchange, or other transfer of the land, conservation easement or other interest in land is approved by the mayor, subsequent to the following mandatory procedures:

1. Any proposal to sell or transfer open space land must be in writing, signed by the mayor, and must include a description of the land to be sold or transferred, the purpose of the proposed sale or transfer, the proposed purchaser of the land, the amount of the proposed purchase price, the anticipated future use of the land, any anticipated change in zoning that would be required to implement that proposed future use, and a statement by the mayor explaining why the proposed sale or transfer of the open space land is in the best interest of the city.

2. Holding a public hearing before the mayor and the city council.

3. Providing notice of the proposed sale or transfer and the public hearing by:

- a. Publication of a notice for two (2) successive weeks, beginning at least thirty (30) days in advance of the hearing, in a newspaper of general circulation in the city, no less than one-fourth ( $\frac{1}{4}$ ) page in size, with type no smaller than eighteen (18) point, surrounded by

a one-fourth inch (1/4") border, in a portion of the newspaper other than where the legal notices and classified advertisements appear, containing the information set forth in the form below;

b. Posting two (2) signs measuring at least two feet by three feet (2' x 3') each, on the land proposed for sale or transfer at least thirty (30) days in advance of the hearing, containing the information set forth in the form below; and

c. Mailing notice, at least thirty (30) days in advance of the hearing, to all property owners of record within one thousand feet (1,000') of the land proposed for sale or transfer, containing the information set forth in the form below.

d. Any notice published, posted or mailed pursuant to this section shall state substantially as follows:

*NOTICE OF PROPOSED SALE OR TRANSFER OF PUBLICLY OWNED OPEN SPACE LAND*

*The Mayor of Salt Lake City is proposing to sell or transfer certain Open Space Lands owned by Salt Lake City located at [street location] for \$[proposed amount of sale] to [proposed buyer] for future use as [proposed future use].*

*A public hearing on this proposal will be held before the Mayor and the City Council on [date of hearing] at the Salt Lake City & County Building, 451 South State Street, room 315, Salt Lake City, Utah, at [time of hearing] p.m.*

*Any individual wishing to address this proposal is invited to attend and to express their views to the Mayor and the City Council at that hearing.*

4. Following the public hearing, the city council may elect to conduct an advisory vote as to the proposed sale or transfer of the open space land.

5. No sale or transfer of open space land may occur until at least six (6) months after the conclusion of the public hearing in order to provide an opportunity to explore other alternatives to the proposed sale or transfer of the open space lands.

B. Any lands, conservation easements or other interests in land: 1) acquired by the city in partnership with other entities, units of government, or other parties; or 2) lands, conservation easements or other interests in land received by donation, bequest, devise, or dedication, may only be authorized for sale, conversion, exchange or other transfer if such action is allowed for in the instrument under which the land, conservation easement or other interest in land was conveyed to, or acquired by, the city. Funds derived from the sale, disposition, exchange or removal of land from the open space lands program shall be deposited into the fund for its intended purposes. (Ord. 84-04 § 1, 2004)



LYNN H. PACE  
DEPUTY CITY ATTORNEY

# SALT LAKE CITY CORPORATION

LAW DEPARTMENT


RALPH BECKER  
MAYOR  
EDWIN P. RUTAN, II  
CITY ATTORNEY

## MEMORANDUM

Privileged & Confidential

To: Rick Graham  
Duran Lucas  
Emmy Storeheim

cc: David Everitt  
Cindy Gust-Jenson  
Ed Rutan

From: Lynn H. Pace 

Date: November 9, 2009

Re: Legal Opinion Regarding Use of Proceeds from the Sale of Open Space Golf Property

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This memorandum is in response to your collective request for a legal opinion regarding a conflict in the Salt Lake City Code concerning the use of proceeds from the sale of open space property. Copies of emails which I have received from you relative to this request are attached.

### Question Presented:

If open space property owned by a City enterprise fund is sold, are the proceeds from that sale to be handled pursuant to the City's Open Space Lands Program (City Code Section 2.90.120) or pursuant to the City's Ordinance regarding the disposition of proceeds from the sale of surplus real property (City Code Section 2.58.060)?

### Short Answer:

The proceeds from the sale of open space property owned by an enterprise fund should be deposited back into the enterprise fund, consistent with the City's ordinance regarding the disposition of proceeds from the sale of surplus real property, set forth in City Code section 2.58.060. See further discussion below.



### **Background:**

The City's Open Space Lands Program, located in Chapter 2.90 of the Salt Lake City Code was adopted in 2004. That ordinance was intended to provide additional protections from the sale or conversion of City owned open space property. Pursuant to that ordinance, all City owned property which is zoned as open space, is subject to the City's Open Lands Program. Pursuant to Section 2.90.120B of that section, "Funds derived from the sale, disposition, exchange or removal of land from the open space lands program shall be deposited into the fund for its intended purposes [purchase and preservation of open space lands]." That section makes no distinction between open space property owned by the City's general fund, and open space property owned by an enterprise fund.

In contrast, Section 2.58.060 of the City Code, adopted or most recently amended in 1991, addresses the disposition of proceeds from the sale of City owned real property as follows:

**Disposition of Proceeds:** "All proceeds or revenue from the sale of any real property sold by the City, including real property declared surplus by an internal service fund of the City, shall be deposited in a surplus property account within the capital improvements fund of the general fund. However, if the property was purchased with monies from an enterprise fund, or from properties attributable by the Mayor to use by an existing enterprise fund, then the proceeds or revenue shall be deposited in a surplus property account within that funds capital improvements fund. Funds within surplus property accounts may not be expended without prior appropriation or approval of the City Council."

The City Administration is currently pursuing a proposal to surplus and sell a 3 acre parcel of the Rose Park Golf Course to the Guadalupe School. The golf course property is zoned open space, and thus subject to the City's Open Space Lands Program. However, pursuant to Section 2.43.010 of the City Code, the golf course property is also owned by the Golf Enterprise Fund. Thus, the question has arisen as to whether the proceeds from the proposed sale of the golf course property would be deposited into the City's Open Space Lands Program, pursuant to Section 2.90.120B, or back into the Golf Enterprise Fund, pursuant to Section 2.58.060.

### **Discussion:**

Salt Lake City is subject to the Uniform Fiscal Procedures Act for Utah Cities, as set forth in Title 10, Chapter 6 of the Utah Code. Section 10-6-108 of that act states that "Each City shall maintain, according to its own accounting needs, some or all of the funds and account groups in its system of accounts, as prescribed in the Uniform Accounting Manual for Utah Cities." This Uniform Accounting Manual for Utah Cities is also occasionally referenced in the Salt Lake City Code (*See City Code Section 2.73.030, establishing the Intermodal Center as an enterprise fund, to be administered in accordance with the Uniform Fiscal Procedures Act for Utah Cities and the Uniform Accounting Manual for Utah Cities*).

The Uniform Accounting Manual for Utah Cities has several sections addressing the establishment and administration of enterprise funds. (See Section III.A.03.01) In addition, Utah Code Annotated section 10-6-135(1) requires that the governing body of each City must adopt a operating and capital budget for each enterprise fund as required by the Uniform Accounting Manual for Utah Cities. While I have not attempted to explore all of the specifics of the Utah Code and the Utah Accounting Manual for enterprise funds, it is clear that the requirements for how an enterprise fund is managed, including the segregation of such funds separate from the City's general fund, is a requirement that is imposed by Utah State law. As such, those requirements cannot be modified by City ordinance.

With respect to the disposition of the proceeds from the sale of City owned real property, Section 2.58.060 of the City Code requires the segregation of the proceeds of the sale of real property owned by an enterprise fund, as required by State law. As mentioned previously, Section 2.90.120B of the City Open Space Lands Program, would require the proceeds from any sale to be deposited into the City's Open Space Lands Fund, without regard to whether or not the property was owned by an enterprise fund. This latter provision, if applied to the sale of property owned by an enterprise fund, would violate the requirements of State law with respect to the accounting for enterprise fund revenues.

Accordingly, if open space real property owned an enterprise fund is sold, the proceeds from that sale should be returned to the enterprise fund, as set forth in City Code Section 2.58.060, and as required by State law. Our Office would also recommend that the City Council consider amending City Code Section 2.90.120B to create an exception to the requirements stated therein for open space property owned by an enterprise fund.

If you have any further questions concerning this matter, please let me know.



RICHARD GRAHAM  
PUBLIC SERVICES DIRECTOR

## SALT LAKE CITY CORPORATION

DEPARTMENT OF PUBLIC SERVICES

ROSS C. "ROCKY" ANDERSON  
MAYOR

November 28, 2007

Mayor Ralph Becker  
Salt Lake City Council Members  
451 South State Street  
Salt Lake City, Utah 84111

Dear Mayor and City Council Members:

The citizen members of the Salt Lake City Golf Enterprise Fund Advisory Board respectfully submit the following letter for your consideration.

Throughout the '90's, the golf industry experienced unprecedented growth. Then, almost as rapidly as interest had grown in the game, a period of stagnation set in. Theories about the slowdown arose: a sagging economy, the cost of the game in many areas of the country, the proliferation of golf facilities, the inherent difficulty of the game, and an aging golfer population--none of which, when taken alone, adequately accounted for the decline in rounds played at many facilities.

The *Wall Street Journal* reported on April 2, 2007, this sobering fact: "Last year, for the first time in 60 years, more courses closed in the U.S. than opened." As dire as that may sound and as stagnant as the national golf market has been in recent years, we in Utah have a number of singular advantages that industry managers in others areas of the country do not have. Our population continues to grow at an accelerated pace, fueled by a continued high birth rate and the desirability of Utah as a preferred place of residence by those relocating from other states--both of which predict good news for the future of golf in Utah. Statistically, our senior population lives longer than those in other states and enjoys a healthier, more active lifestyle well into their 70's, 80's and even 90's, a factor that bodes well for golf now and into the future. Compared to facilities around the nation, Utah public golf courses offer their clientele a quality golf experience for a reasonable price. Still, Salt Lake City Golf has not been immune to the decline in rounds played per golf course over the past decade (*see attached Total Rounds Spreadsheet*), and as new golf course construction continues to advance in Salt Lake County, as well as in neighboring counties to the north, south, east, and west (*see attached New Public Golf Course Development List*), the City courses find themselves struggling to fund a timely equipment replacement program and major capital improvement projects in the midst of a highly competitive environment.

The same *Journal* article offered a different perspective on one possible solution to the declining numbers: "Golf has tried hard to draw new players. But it may have missed a bigger opportunity: getting more rounds out of its most avid golfers." Golf professionals know this intuitively; just as they know that avid golfers are always looking for ways to get the "best bang for their buck." Locally, the rapid pace of new public golf course openings, which has outpaced the modest increase in demand, has created a competitive

GOLF DIVISION

2375 SOUTH 900 EAST, SALT LAKE CITY, UTAH 84106  
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environment where “best bang for the buck” has come to mean green fee discounts. This practice has been a boon to some golfers who hop from course to course looking for the deal of the day. But golf course managers, who have offered discounts hoping to increase their share of an over-supplied market, have discovered that although their efforts might have resulted in a small, short-term increase in rounds, this strategy failed to result in long-term revenue growth.

The desirability of maintaining green space in the City demands that we ensure the fiscal health of our Salt Lake City golf courses. If we take into account the *Wall Street Journal's* suggestion that part of the solution lies with our “most avid golfers,” then the problem can be framed by asking what must be done to attract dedicated patrons to Salt Lake City courses and to encourage their loyalty to our facilities while charging them a fair price for these services? Given that facility conditioning ranks as the top factor influencing where golfers play, Salt Lake City golf courses and associated support facilities must be upgraded and brought current with the atmosphere and services found at the best public facilities locally, statewide, and beyond.

Golfers want to feel that their dollar is buying the very best golf experience possible. This experience begins with the amenities provided to anyone walking through the door. What services are offered by the pro shop? Is the clubhouse inviting? Does the restaurant provide quality food service? Are the restrooms clean and attractive? Are the grounds around the clubhouse well maintained? Are practice areas available for driving, iron practice, chipping, and putting? Is the course itself in good condition and enjoyable to play? How is the pace of play? Are golf course employees friendly and helpful—both in the pro shop and on the course? The list goes on. The problem is that too often the money runs out before a course is able to invest into the new maintenance equipment and improved facilities required to provide the very best public golf experience possible.

In Salt Lake City, the factor that contributes most seriously to our failure to meet the standards set by the best public golf facilities is the on-going problem of deferred capital improvements: the practice of allowing machinery and infrastructure to deteriorate by postponing prudent but less than critical renewal, renovation, or replacement in an effort to save cost, labor and/or materials in the short term. Salt Lake City Golf has been in a perpetual state of deferring capital improvements, and the continued neglect or postponement of essential projects has brought our system to a near critical point.

As a governmentally established “enterprise fund,” Salt Lake City’s golf courses are financed and operated in a manner similar to private business enterprises. The costs of providing golf-related goods and services to the general public on a continuing basis are intended to be funded through user charges. However, because a substantial portion of the Golf Fund’s revenue base has been required annually to service the bond associated with the construction of Wingpointe and eighteen additional holes at Mountain Dell, the task of replacing the machinery and improving the infrastructure of Salt Lake City’s golf courses in a prudent manner has proven increasingly difficult over the past decade and will continue to be so without an infusion of capital dollars from new sources.

Salt Lake City Golf cannot be financially successful when facilities include such inadequacies as outdated, wasteful, and labor-intensive manual irrigation systems;



clubhouses that are unable to host corporate tournaments, banquets, and other public events; dilapidated permanent and embarrassing portable on-course restroom facilities; driving ranges that do not allow for the use of today's improved golf equipment; a lack of cart paths in key locations required to provide quality turf conditions; a lack of rip rap or gabion baskets to prevent erosion to lake banks; and maintenance facilities without adequate equipment and chemical storage bays and power and water supplies. In order to compete with the surrounding area golf courses and continue to operate as a self-sufficient enterprise fund, Salt Lake City Golf must find the means to upgrade facilities.

The Director of Golf, in conjunction with the Golf Course Superintendents, Head Golf Professionals, and Golf Enterprise Fund Advisory Board, has compiled a list of deferred capital improvement projects that are now critical to the infrastructure if we expect our golf courses to compete in today's marketplace. This attached CIP Potential Funding Sources, Priorities, and Projected Costs Spreadsheet includes both "A" and "B" priority items that will require a preliminary estimate of \$17 to \$19 million in capital funding.

Unfortunately, the costs associated with these pressing capital improvement needs at all Salt Lake City golf courses extend beyond the Golf Fund's ability to generate funding for this purpose through operating revenues. While funding must come from multiple sources, the primary solution lies in the Golf Division divesting itself of surplus property on selected golf courses. By transferring this property to other Salt Lake City divisions or departments for recreational, open space, or facility needs with a fair market payment going to the Golf Fund, or by selling this surplus property for residential or commercial development purposes, the Salt Lake City Golf Division could fund up to an estimated \$14 million of its top-priority capital improvement projects. A preliminary evaluation including formal property appraisals shows the feasibility of taking such action.

The improved services provided by our golf facilities as a result of these capital improvement projects will most certainly result in an increase in patronage, which in turn will translate into greater revenues. This increased revenue, combined with the FY2008 retirement of the Wingpointe and Mountain Dell Construction Bond, will allow the Golf Division to fund on-going operations, a long-term equipment replacement program, and third tier capital improvements with revenues generated through normal operations.

The citizen members of the Salt Lake City Golf Enterprise Fund Advisory Board strongly urge both the Mayor and the City Council to consider, review, and adopt this innovative solution by allowing the Golf Division to divest itself of land bordering select City courses through transfer or sale for the express purpose of reinvesting all earnings into the Golf Fund. The proceeds from this transfer or sale are to be used solely for implementing and bringing to completion our long-deferred and much needed City golf facility capital improvement projects. Funding of "A" priority Golf CIP items by means of this process is of primary importance; however, after those golf facility infrastructure needs have been met, any surplus funds remaining should then be used to address as many "B" level capital projects as possible.

If the Golf Division is denied the opportunity to generate funding for long-deferred major capital improvement projects through the transfer or sale of surplus golf course property, Salt Lake City's golf courses will be faced with the following two less than acceptable


options: 1) ask the City for a general fund subsidy from tax monies to help pay for the completion of deferred capital improvements at the golf courses, or 2) face a grim financial future as deteriorating golf facility conditions coupled with a very competitive public golf market result in a downward spiral of decreasing rounds and revenues.

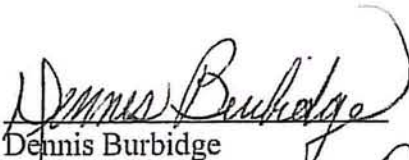
Neither of the above options seems acceptable given Salt Lake City Golf's mandate to remain a self-sufficient enterprise fund free of taxpayer subsidy combined with its potential to be one of the top public golf systems in the country that 1) provides a high-quality, affordable recreational amenity to a significant portion of the community, 2) beautifies and preserves valuable open space, and 3) plays a key role in tourism and economic development efforts.

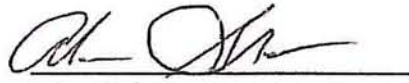
The Golf Enterprise Fund Advisory Board requests that the Mayor and City Council authorize the Golf Director to proceed in solving the problem of deferred capital improvements through the transfer or sale of surplus real property. Concurrently, the potential for the development of partnerships with businesses, educational institutions, golf associations, and private citizens should be explored in an effort to fund additional capital improvement projects and otherwise financially benefit Salt Lake City's golf program.

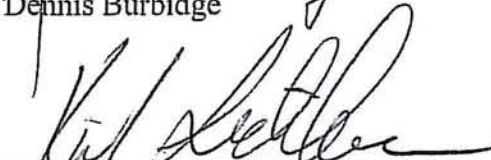
Sincerely,

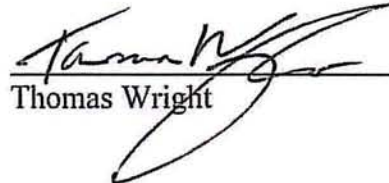
  
Darian Abegglen

  
Cheri Ause

  
Dennis Burbidge

  
Alan Seko

  
Kirk Siddens

  
Thomas Wright





**ROSE PARK GOLF COURSE  
3.16 ACRE PARCEL**

