



Legislation Text

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Fiscal Note

The final report of the Task Force on Municipal Golf in Madison Parks proposes 10 changes to the operations of the City's Municipal Golf Program. Many of these changes, if adopted, will result in a fiscal effect. Changes with the greatest fiscal implications include:

1. **Establish a plan and timeline to eliminate 18 holes at Yahara Hills:** The fiscal impact is unknown at this time, but it is likely that there would be expenditure savings from the reduction in holes at Yahara. Annual expenditures averaged \$1.3m from 2016 to 2019, with course deficits ranging from \$47k to \$125k each year.
2. **Issue an RFP to evaluate a private or non-profit operator for Monona:** Annual expenses of operating Monona range from \$460k to \$523k, with revenues ranging from \$380k to \$443k. From 2016 -2019, revenues were not sufficient to cover expenses.
3. **Ensure that if City resources are used to invest in capital projects at golf courses, it is done in an equitable and fiscally responsible manner to reduce negative impact on park services:** The Task Force report outlines the capital needs of the courses, which include increased capital costs of \$28-57 million over the next 20 years, and annual operating costs of \$4.9-7.4m in debt service.
4. **Not sell park land to fund capital improvements of the golf courses.**

Additionally, the Task Force recommends removing the enterprise fund designation from the City's golf courses. While no fiscal impact is anticipated, designating golf as an enterprise fund allows for closer tracking of assets, liabilities, cash flow and other measures of this program activity. This designation does not prohibit providing a property tax subsidy to golf operations, if that is a priority of the Mayor and Common Council. It does reflect that golf is primarily a business activity of the city and is primarily funded by user fees.

The Parks Division did not reflect any Task Force recommendations in their 2021 budget request. The budget request reflects revenues that are \$530k higher than 2019 actual levels, and does not include any expenditure reductions.

Title

Accepting the final report and recommendations from the Task Force on Municipal Golf in Madison Parks.

Body

WHEREAS, By Resolution 19-00456, Legistar 56004, adopted June 18, 2019, the Task Force on Municipal Golf in Madison Parks was created by the City of Madison Common Council to consist of and charged with the following objectives:

- Solicit input from local stakeholders
- Prioritize equity, public health, financial sustainability, and environmental sustainability
- Review available research, best practices, and operational models related to municipal golf
- Discuss and evaluate all options for the use of the land currently occupied by Madison's public golf courses
- Consider how to balance the allocation of resources among various parks uses
- Recommend if the City of Madison ought to provide municipal golf to the public; if so recommend how much, where, and how
- Develop recommendations to the Mayor, Common Council, Committees or Commissions, on the future

of Madison's Municipal Golf Courses that provide for both Golf and the City of Madison to be in a long-term financially sustainable position. At least one recommendation should not require an annual general fund operating subsidy and no tax levy supported debt

WHEREAS, On September 3, 2019, Legistar 57254, the following persons were appointed as Members of the Task Force: William W. Barker (Chair), Chandra M. Miller Fienen, Alderperson Zachary Henak, James E. Kopp, Katie M. Krueger, Noah J. Lopez, Raymond Shane, Daniel J. Steinbring and Veronica J. Vega; and,

WHEREAS, the Task Force was given a deadline of May 1, 2020 to complete its work and issue its report and recommendations to the Mayor, Common Council and Board Park Commissioners; and,

WHEREAS, due to COVID-19 Pandemic, Resolution RES-20-00296, Leg#59434, adopted April 21, 2020, the Common Council extended the deadline for finishing the work of the Task Force to be no later than July 31, 2020; and,

WHEREAS, the Task Force met six times between October 23, 2019 and February 19, 2020 and the Task Force met virtually five times between May 18 and July 30, 2020, for a total of eleven meetings; and,

WHEREAS, The Task Force reviewed the current operational model for the Golf Enterprise including course utilization, current operations, staffing, capital infrastructure, and financial performance of the courses; and,

WHEREAS, The Task Force received substantial feedback and input from the community through surveys, focus groups, two town hall type meetings, and direct testimony (both written and verbal); and,

WHEREAS, the final report contains recommendations regarding continuing to offer municipal golf, removing the enterprise fund designation, updating the mission, closure of holes and seeking alternative operating models for specific courses, enhancing integrated pest management practices, increasing environmental sustainability, promoting equity and inclusion, increasing utilization of courses for non-golf purposes, responsible capital investment and refraining from selling land; and,

WHEREAS, July 30, 2020 the Task Force voted, with two members in opposition, to forward its Final Report to the Common Council for adoption,

NOW, THEREFORE, BE IT RESOLVED, that the Common Council accept the final report and recommendations of the Task Force on Municipal Golf; and,

BE IT FINALLY RESOLVED, that the Common Council and Board of Park Commissioners express sincere gratitude to each member of the Task Force for working together, engaging in difficult conversations and focusing on the intended mission of the program to provide a plan that will allow for deliberate action to preserve some level of municipal golf for future generations, focus on better serving the community as a whole and promoting environmental sustainability.