

# Golf Advisory Board Position Statement Support for Lions Municipal Golf Course And Beyond

## **SUMMARY:**

The Golf Advisory Board (GAB) strongly suggests that the Golf Division acquire broader support from the City of Austin to maintain Lions Municipal Golf Course (Lions) while Lions' future is being determined.

The GAB recognizes that there are many complicating factors involved in trying to plan for the future of Lions. Many of these factors have nothing to do with golf itself. The property that Lions occupies is leased from the University of Texas (UT). UT began in earnest to develop a plan for the future use of the Lions property in 2006. It is uncertain when UT will finalize their future use plan and whether or not Lions will be a part of it.

While Lions continues to be a very popular Austin municipal golf course, it has also taken on an even broader factor in the Austin community. Broad based community interest exists in preserving Lions as a recreational area and green space for the city. Lions west Austin neighbors believe its existence enhances their quality of life. A City Council Resolution passed in Oct. 2008 directs the City Manager to investigate ways in which the city might acquire Lions, and the West Austin Youth Association, from UT.

Currently, the Golf Division makes the Lions \$414,720 annual lease payment to UT. This payment is financed by its green fee Lions surcharge collections and the Golf division's Enterprise Fund. Without the financial burden of servicing the Lions lease, the Golf Enterprise fund could then be used to serve its primary purpose of maintaining a quality golf experience for the Austin community.

**The GAB respectfully requests the:**

- **City of Austin more equitably share the burden of the lease payments to the University of Texas for the Lions property.**

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## **HISTORY, CURRENT CONDITIONS, AND FUNDING THE FUTURE:**

Built in 1924, Lions was the first public golf course in Austin. The golf course land is part of the Brackenridge Tract, deeded to UT in 1910 by Col. George W. Brackenridge. The City of Austin took over Lions operation in 1937 and signed a 50-year lease with UT.

The current Lion's lease with UT is tied to the Brackenridge Development Agreement (BDA), negotiated between the University of Texas System and the City of Austin in 1989. In exchange for agreed-to development limits on other portions of the then 500 acre Brackenridge Tract, UT agreed to a 30 yr. lease. This current lease agreement includes three possible five-year extensions. The City agreed to pay the UT \$9,929,920 during the 30 yr. lease, and an additional \$10,868,980 should the lease be extended for the three five-year periods. The BDA was said to be a "land use plan" for the entire Brackenridge Tract.

The City of Austin negotiating team in 1989 included representatives of the Golf Advisory Board as well as neighborhood representatives and a City Council member. It was agreed at that time that the annual lease payments to UT, starting at \$200,000 per year, would be paid by a \$1 per round Muny surcharge on each golf round played on all city municipal golf courses. The annual lease payments were structured to increase incrementally over the 30 year term. The current annual payment is \$414,720 and will increase to \$497,664 for the final years of the lease.

The city Golf Division and the Golf Advisory Board projected that the city's golf courses would increase in number during the term of the Lions Muny lease. Thus more golf rounds would be played on city courses in the future and with the increased revenue the higher lease amount could be collected and paid. However, the only new course built since 1989 was the Roy Kizer course. Lions surcharges are not collected at the Roy Kizer course. Higher golf fees are charged to play the Kizer course than on other city courses in order to make the debt service payments on the loan that financed it.

While Lions Municipal continues to be the Austin municipal golf course with the most annual rounds played, it has also taken on an even broader role in the Austin community. It is an important urban green space, and it is a large portion of what remains of the University of Texas owned Brackenridge Tract. (Lions occupies 141 acres of the remaining 345 acres of the Brackenridge Tract.)

However, in 2006 the chair of the UT Board of Regents appointed a Brackenridge Tract Task Force (BTTF). The BTTF's objective was to give recommendations to the Board of Regents about the future of the Brackenridge Tract. Instructions to the task force gave significant weight to the fiduciary responsibilities of the UT Board of Regents and the financial needs of UT Austin. UT Austin is the ultimate beneficiary of any financial gain obtained from the Brackenridge Tract. During the BTTF deliberations some public comment was taken. Then, after hearing privately from some invited guests, the task force had discussions that were NOT open to the public. The BTTF then made its recommendations to the UT Regents.

As a result of the BTTF recommendations, a “Master Planning” firm was hired to develop the future use plan for the entire remaining Brackenridge Tract. The Master Planners, Cooper-Robertson, presented two “conceptual” plans to the UT Board of Regents on June 18, 2009. Neither plan includes the Lions course beyond the 2019 ending date for the current 30-year lease. Each of the two plans projects residential and commercial development for the Lions tract after the end of the current lease.

Those proposed development plans are opposed by a wide cross section of the Austin community. The West Austin Neighborhood Group (WANG, now in the Central West Austin Neighborhood Plan process with the City of Austin) supports the retention of Lions as a municipal, affordable, golf course and green space.

The GAB shares with WANG, West Austin Youth Association (WAYA) and others the burden of uncertainty created by the actions of the UT Board of Regents. The Chair of the UT Board of Regents recently commented on the plans and negotiations for the future use of the Brackenridge Tract, including the Lions’ property, “This has already been a lengthy and thorough process, which I fully expect to continue well into the next decade, perhaps another 10 years.”

Additionally, the GAB is aware that the Golf Division has several major initiatives to fund in order to continue its mission of providing a reasonably priced quality golf experience for the Austin Community. Improvements and maintenance to the buildings at both the Morris Williams and Lions courses are needed. The estimated costs by the City's own General Building Services dept. will be in the neighborhood of two and one half millions dollars.

The GAB is also aware that routine maintenance to the City's five golf courses is suffering due to the cost of servicing the Lion's lease by golf revenues alone.

The GAB also supports the Golf Division’s pursuing the purchase of an additional existing golf course during this period of economic down turn. This investment in Austin's golf future could be more realistically pursued if the City of Austin shared in the Lion's lease payments.

Finally, the GAB acknowledges that the Golf Division is not the proper City entity to negotiate a final settlement with the UT about the future of the Lion's property. The uncertainties associated with these negotiations, the GAB believes are preventing the Golf Division from planning most effectively for the future of Austin golf. If the Golf Division were freed of the financial burden of servicing the Lion's lease, the GAB firmly believes that it could best serve its real mission of providing a reasonably priced quality golf experience for the Austin Community.