

City of Hampton, Virginia
Golf Course Study Results:

The Hamptons Golf Course
The Woodlands Golf Course

HAMPTON VA

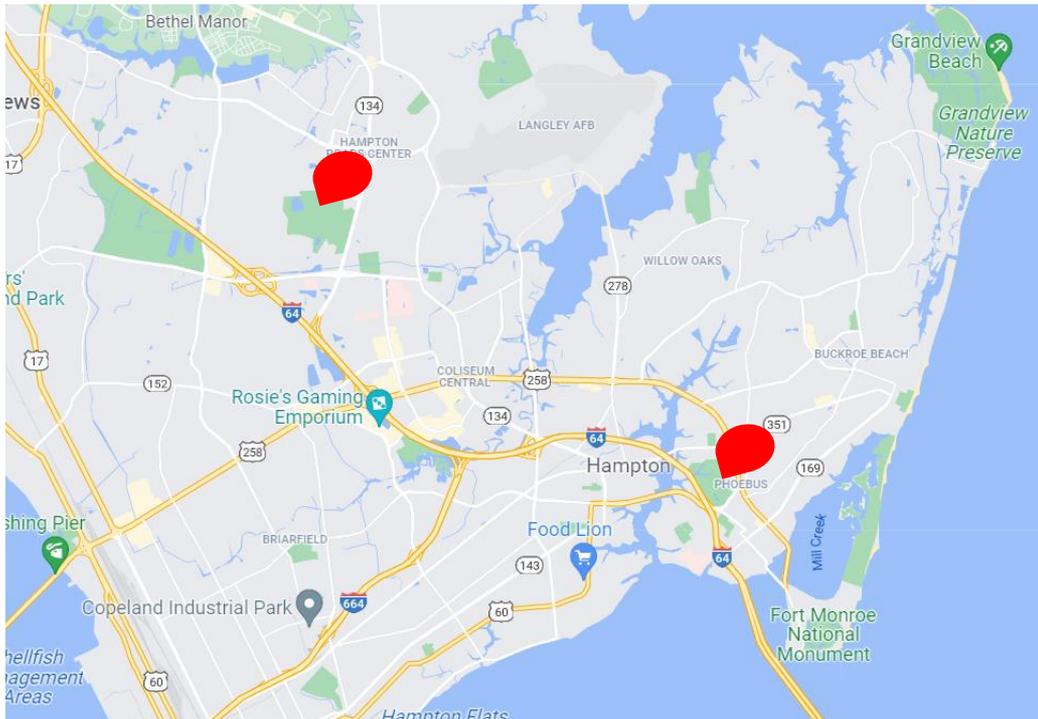
NGF Consulting & Richard Mandell Golf Architecture
February 26, 2025

PURPOSE AND AGENDA

- Location
- Background
- Summary of Phase I
- Reuse Potential
- Summary of Phase II
- Feedback & Questions

LOCATION

*The Woodlands Golf Course
9 Woodland Road*



*The Hamptons Golf Course
320 Butler Farm Road*



Study Purpose

Evaluation and Planning Services for the 27-hole Hamptons Golf Course and 18-hole Woodlands Golf Course

- ❖ City of Hampton desires to review golf offerings to determine if they satisfy the patrons in terms of access and variety.
- ❖ Analyze Hampton Golf in context of recent historical rounds played, current and expected market demand, and City expectations with respect to Golf Fund to determine if there is sufficient demand to support 45 holes of golf.
- ❖ City intent is to utilize the report for long-term operational and capital planning to ensure the sustainability of operations of the Hampton golf program.
- ❖ Design Review and Recommendations.

Phase I Scope of Services

- ❖ Facility Physical Assessments for Hamptons and Woodlands courses.
- ❖ Golf Operations Analysis.
- ❖ Market Analysis.
- ❖ Golf Surveys and Focus Group Tours.
- ❖ Assessment of Revenue Opportunities.
- ❖ Capacity and Utilization Analysis.

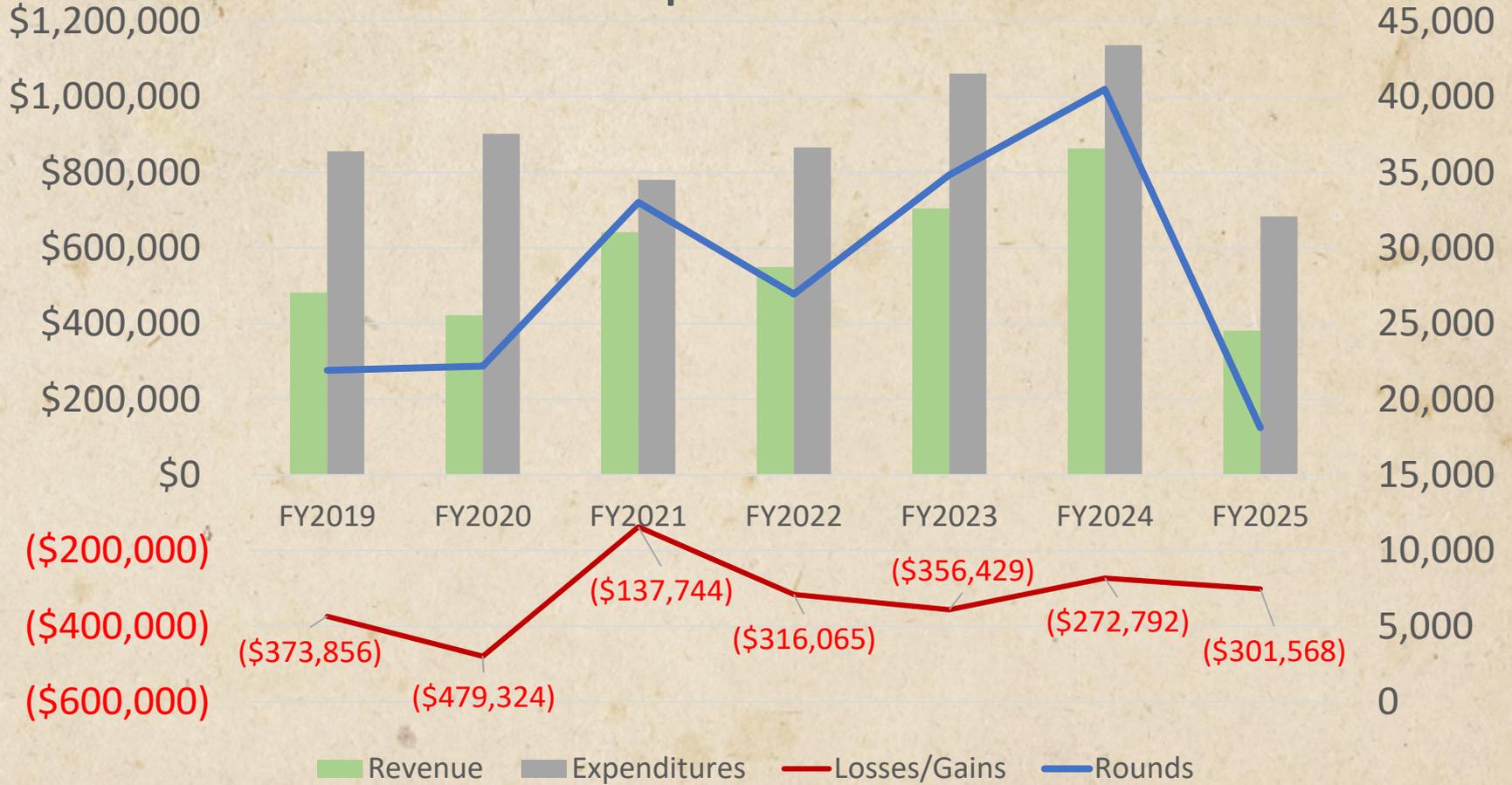
The Hamptons Golf Course

- ❖ 27 holes on 253 acres. Three nines offer variety.
- ❖ Originally built in 1991 with no significant renovations since.
- ❖ Built on heavy soils in woodland.
- ❖ Originally perceived as a “country club for a day” experience. Less loyal following than Woodlands. Easy to secure tee times.
- ❖ Driving range is far from clubhouse.

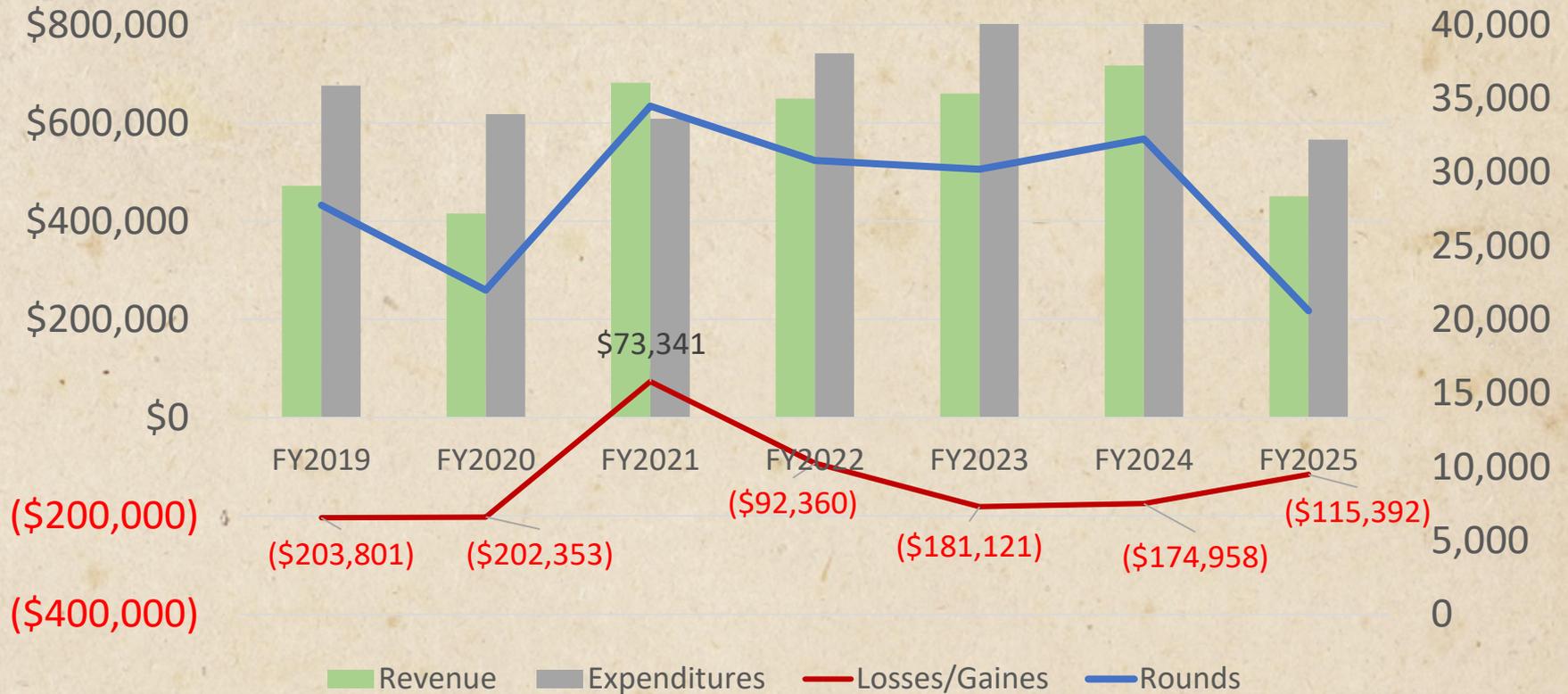
The Woodlands Golf Course

- ❖ 18 holes on 106 acres. Walkable regulation course at $\pm 5,400$ yards.
- ❖ Originally built in 1893; Donald Ross redesign in 1928 (2 holes remain).
- ❖ Originally built on farmland. Today, 75% of the course is in flood plain.
- ❖ There is an overriding loyalty to the golf course among locals.
- ❖ Difficult to get a tee time in mornings. Active with league and group play.
- ❖ No driving range.

The Hamptons Golf Course



The Woodlands Golf Course



Operating Performance

The Hamptons

- ❖ Rounds averaged ~22,000 for FY19 and FY20, but have averaged 33,800 in FY21 through FY24, an increase of more than 53%.
- ❖ The 40,000+ rounds in FY24 represented at least a 10-year high.
- ❖ Despite the positive trend, operating losses averaged **(\$315,000)** for FY22-FY24; FY25 through January shows a loss of **(\$301,568)**.

The Woodlands

- ❖ Rounds averaged 24,875 for FY19 and FY20, increasing by 25%+ to 31,073 for the FY21 through FY24 period.
- ❖ Losses averaged about **(\$150,000)** for the FY22-FY24 period, and FY25 YTD through January shows a loss of **(\$115,392)**.

Market Analysis Takeaways

A Mix of Favorable and Unfavorable

- ❖ The number of traditional, green-grass golfers in the U.S. reached 28.1 million in 2024, the 7th straight year of participation increases and the most since 2008.
- ❖ There has been a net gain of 3.8 million (16%) on-course golfers over the past five years – something that had not occurred in two decades.
- ❖ The demographic profile of the Hampton area is not predictive of high golf participation and demand.
- ❖ Low (or negative) population growth is projected.
- ❖ Relatively favorable golf demand-supply ratio (i.e., golfers per 18 holes), compared to the national benchmark.
- ❖ Numerous competitors include Newport News Golf Club at Deer Run, Kiln Creek Golf Club & Resort, Ocean View, Sleepy Hole, and Bide-A-Wee.

Stakeholder Engagement



Stakeholder Engagement – Golfer Survey

- ❖ A total of **246 surveys** (**139** Hamptons and **107** Woodlands) were completed among golfers who've played the golf courses in the prior 12 months.

Woodlands:

- ❖ Rated strongly and benchmarked well on several key satisfaction measures, including golf course conditions, overall experience and overall value.
- ❖ Still a need for overall improvement in conditions.

Hamptons:

- ❖ Scores and benchmarks for satisfaction levels related to course condition factors very low.
- ❖ Convenience of location and tee time availability were factors that rated positively.

Stakeholder Engagement – Walking Tours

The Hamptons Takeaways:

- ❖ Too many drainage issues with wet fairways and standing water.
- ❖ Many holes are too narrow and difficult.
- ❖ Not enough maintenance staff (little gets done beyond mowing).
- ❖ Driving range is too far away from the clubhouse.

The Woodlands Takeaways:

- ❖ Regular Woodlands golfers seem very loyal.
- ❖ Too many trees cause poor turf.
- ❖ Drainage issues throughout course.
- ❖ Greens good, but not enough overall maintenance.

The Hamptons Aging Infrastructure

- ❖ Majority of Tee Boxes: **33 years** (15 - 20 years) – 165% depreciation
 - ❖ Practice Range Tee Box Surface: **33 years** (5 - 10 years) – 330% depreciation
 - ❖ Irrigation Control System: **33 years** (10 - 15 years) – 220% depreciation
 - ❖ Irrigation Mainline PVC: **33 years** (10 - 30 years) – 110% depreciation
 - ❖ Irrigation PVC Laterals: **33 years** (10 - 30 years) – 110% depreciation
 - ❖ Irrigation Heads: **33 years** (10 - 15 years) - 220% depreciation
 - ❖ Irrigation Pump System: **33 years** (15 - 20 years) - 165% depreciation
 - ❖ Cart Paths: **33 years** (15 - 30 years) - 110% depreciation
 - ❖ Sand Bunker Construction & Drainage: **33 years** (5 - 15 years) - 220% depreciation*
- * 20 of the 77 bunkers were renovated in 2020. The remaining bunkers have not (eight bunkers were filled in).
- ❖ Putting Greens: **33 years** (15 - 30 years) - 110% depreciation
 - ❖ Putting Green Turf: **33 years** (15 - 30 years) - 110% depreciation

The Woodlands Aging Infrastructure

❖ Majority of Tee Boxes:	13 years (15 - 20 years) – 65% depreciation
❖ Practice Range Tee Box Surface:	N/A (5 - 10 years)
❖ Irrigation Control System:	~33 years (10 - 15 years) – 220% depreciation
❖ Irrigation Mainline PVC:	51 years (10 - 30 years) – 170% depreciation
❖ Irrigation PVC Laterals:	51 years (10 - 30 years) – 170% depreciation
❖ Irrigation Heads:	51 years (10 - 15 years) - 340% depreciation
❖ Irrigation Pump System:	51 years (15 - 20 years) - 255% depreciation
❖ Cart Paths:	51 years (15 - 30 years) - 170% depreciation
❖ Sand Bunker Construction & Drainage (31):	51 years (5 - 15 years) - 340% depreciation*
❖ Sand Bunker Construction & Drainage (18):	5 years (5 - 15 years) - 33% depreciation*
❖ Putting Greens:	43 years (15 - 30 years) - 143% depreciation
❖ Putting Green Turf:	43 years (15 - 30 years) - 143% depreciation

CIP Possibilities & Costs

- ❖ Irrespective of any potential design changes, the **Hamptons Golf Course** needs complete re-construction to replace failing infrastructure, repair drainage, and improve playability. The estimated total cost is about **\$8.85 million**, including mobilization, signage and bonding.
- ❖ The Woodlands Golf Course *also* needs complete re-construction to replace failing infrastructure, repair drainage, and improve playability. The estimated total cost is about **\$7.40 million**, including mobilization, signage and bonding.
- ❖ Totals do *not* include potential costs related to repairing the maintenance building or adding equipment storage (placeholder \$500,000 allowance) at either facility.

Financial Model Projections: 45 Holes

Base Case Scenario: FY 2023 – FY 2032

- ❖ Demand lift from pandemic sustains – rounds stabilize at 35,000 for TWGC, 33,000 for THGC.
- ❖ Average green + cart revenue per round – 10% higher in FY23 than FY21.
- ❖ No major CIP, but budget increases to improve maintenance standards.
- ❖ Increased marketing, use of technology, other operational improvements.
- ❖ 10-year pro forma ‘**Base Case**’ financial model for Hampton Golf shows total gross system operating revenues of about \$1.5 million in FY23, growing to \$1.8 million by FY32. ***Actual 2023 revenue: \$1.3 million.***
- ❖ Based on preliminary expense projections, **annual operating loss** for the Golf Fund is about **(\$204,000)** in FY23, growing to **(\$360,000)** by FY32.
- ❖ ***Actual operating loss for the Golf Fund was (\$537,550) in FY23.***

Capacity and Utilization Analysis

Calculation of Rounds Capacity: 18-hole Course	
Playable Days (net of partial day closures)	330
Average Daylight Hours*	10.5
Tee Times per Hour (9-min. interval)	6.6
Golfers per Tee Time	4
Maximum Rounds - 18 Holes	91,476
City of Hampton Golf Actual FY 2015 (45 holes)	82,000
City of Hampton Golf Actual FY 2021 (45 holes)	67,500
*Actual 12 hours annual average (adj. to reflect fewer starts within 90 minutes of sunset)	

Realistic Achievable Capacity in this market is in range of 50,000 to 55,000 (18-hole)

Based on our capacity calculations, current and expected demand, and other factors, NGF concluded appropriate golf inventory for the City is **no more than 27 holes**.

Phase I Conclusions

- ❖ Long-term deferral of routine maintenance and capital investment have degraded the golfer experience.
- ❖ Rounds and revenues are in a negative trend (Covid-19 lift notwithstanding).
- ❖ Estimated cost to renovate both facilities could exceed \$16 million.
- ❖ Other challenges:
 - ❖ Absence of modern technology and marketing platforms.
 - ❖ Lack of driving range at TWGC; inadequate range at THGC.
 - ❖ External (i.e., uncontrollable) factors.
- ❖ Capacity-utilization – No more than 27 holes to meet demand.

REUSE POTENTIAL – THE HAMPTONS

MOU prohibits uses:

- Residential, Retail, Office, Religious Facilities, Hospitals, Recreational

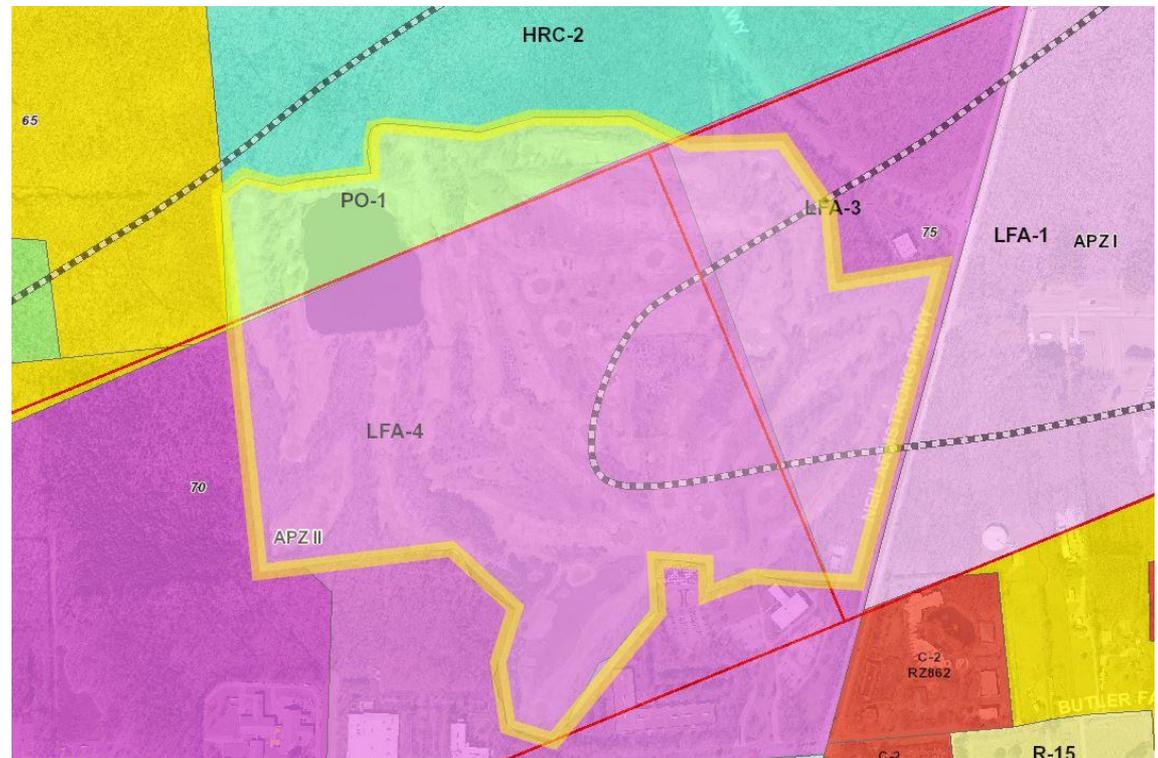
Redevelopment generally limited to:

- Manufacturing
- Warehouse/distribution center
- Pharmaceutical Processor
- Shooting range
- Lumberyard
- Silviculture/plant nursery

Other Considerations:

- Environmental requirements applicable to landfill closure (e.g., barrier)
- Noise considerations
- No Chesapeake Bay restrictions
- No Flood Zone restrictions

Hamptons Golf Course

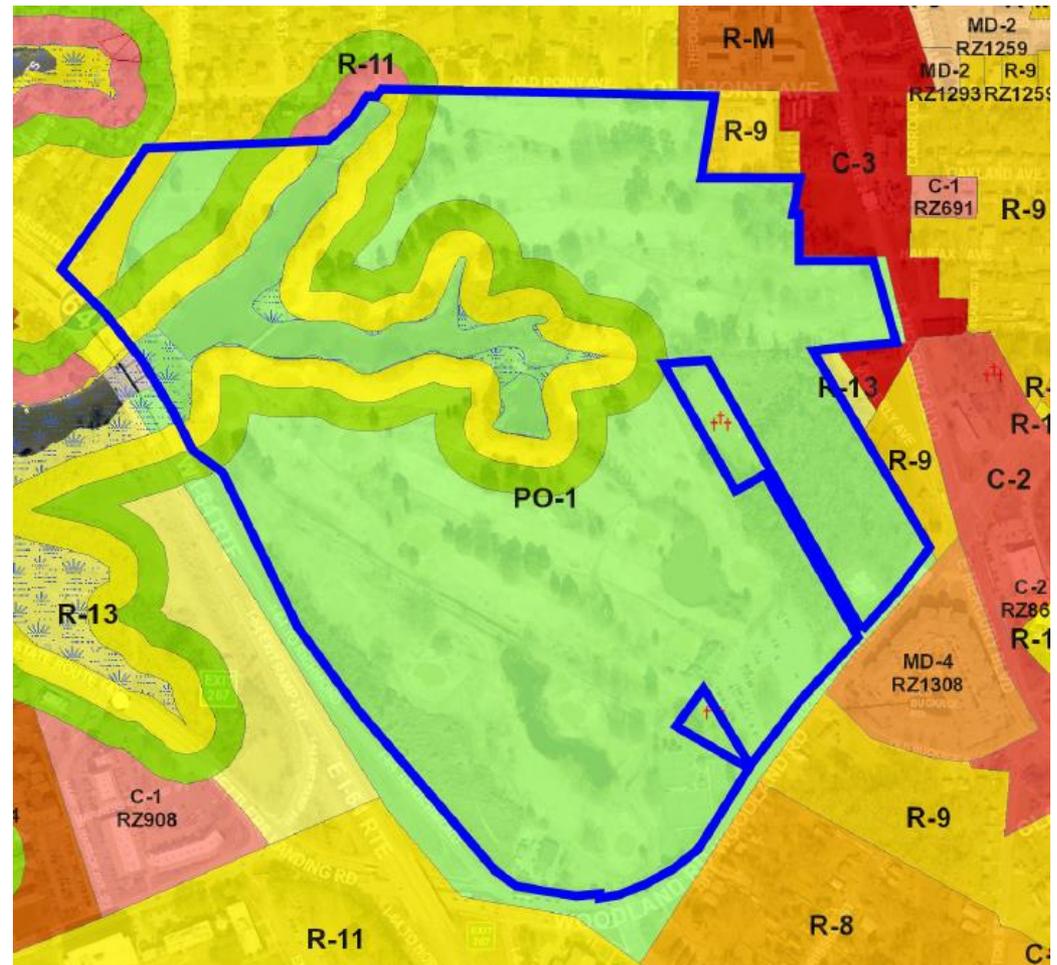


REUSE POTENTIAL – THE WOODLANDS

Current PO-1 District is limited:

- Rezoning would be necessary to allow uses other than recreational.
 - Land use plan calls for public/semi-public.
- Site is encumbered by Chesapeake Bay Preservation District, including RPA.
- Site is encumbered by Flood Zone (AE-07, AE-08, X-500, X).

Woodlands Golf Course



EVALUATION OF OPTIONS

- Losing money annually (\$537,550.00 in FY23 & \$446,750.00 in FY24).
- Significant reinvestment is needed at both courses (\$16 million).
- Market can support up to 27 holes in Hampton.
- Reuse of the Hamptons is limited by presence on a landfill and in the Langley Flight Approach Zone.
- Woodlands can be used for other purposes.

Phase II Scope of Services

- ❖ Review of the layout and design of each golf course.
- ❖ Develop modern, innovative, sustainable design concepts for golf course reconfiguration.
- ❖ Create broad appeal and promotion of the sport for all skill levels.
- ❖ Maximize play opportunities and minimize maintenance costs.
- ❖ Preliminary cost estimates for implementation of design concept(s).
- ❖ Financial projections.
- ❖ Marketing and promotional strategies for the reconfigured golf course upon reopening.

Golf Course Configurations Under Consideration

- ❖ 27 holes plus driving range/practice facility at Hamptons Golf Course.
- ❖ 18 holes plus driving range/practice facility at Hamptons Golf Course.

Hamptons Golf Course Concept 1: (18 Holes + Practice Facility)



RMGA Hamptons Golf Course Concept 1 Highlights

- ❖ Tee Shot Distance Equity will greatly improve for all golfers with 6 sets of tees (6,989 – 6,315 – 5,994 – 5,367 – 5,047 – 4,424 yards) for 18 holes.
- ❖ The new Hamptons Golf Course will incorporate golf course features from the same period of golf architecture that the Woodlands Golf Course possesses.
- ❖ Condensing the layout toward the middle of the property will bring the greens and following tees closer together to allow for the same walking experience golfers enjoy at the Woodlands.
- ❖ A 300-yard long driving range with 70 tee stations and 11 target greens.
- ❖ A short-game practice area will include a separate wedge-play tee, six target greens, four practice greens, and a 30,000 square-foot putting green.
- ❖ The lowland, northern portion of the site will be returned to its natural state, improving drainage for the new course and removing some of those lower portions of the site from the golf course.

Financial Model Projections – Hamptons Golf Course

New 18 Holes + Practice Facility: Year 1 – Year 10

- ❖ Rounds played Year 1 are 38,000, stabilizing at 46,000 by Year 3.
- ❖ Average green + cart revenue per round ~ 20% higher than **FY21**.
- ❖ Driving Range / Practice Facility revenue per round \$4.50 by Year 2.
- ❖ Increased maintenance standard – Year 1 budget assumed 48% over **FY21** (additional staff, inflation, better conditions).
- ❖ Operations expense also significantly higher to reflect addition of staff, increased emphasis on marketing, higher standard of service.
- ❖ 10-year pro forma model for Hamptons Golf Course (18 holes) shows a total gross operating revenues of ~ \$1.08 million in Year 1, growing to \$1.6 million by Year 10.
- ❖ Model shows operating loss of ~ **(\$67,000)** in Year 1, stabilizing at annual operating profit of ±\$148,000 by Year 3.

Hamptons Concept 2: (18 Holes, Practice Facility, 9-Hole Short Course)



RMGA Hamptons Golf Course Concept 2 Highlights

- ❖ Tee Shot Distance Equity will greatly improve for all golfers with 6 sets of tees (7,053 – 6,379 – 6,056 – 5,424 – 5,098 – 4,469 yards) for 18 holes.
- ❖ The new Hamptons Golf Course will incorporate golf course features from the same period of golf architecture as the Woodlands Golf Course possesses.
- ❖ Condensing the layout toward the middle of the property will bring the greens and following tees closer together to allow for the same walking experience golfers enjoy at the Woodlands.
- ❖ A 300-yard long driving range with 70 tee stations and 11 target greens with a short-game practice area of three practice greens and a 30,000 sf putting green.
- ❖ A nine-hole Adjustable Short Course (1,144 yards) can be played a variety of ways.
- ❖ The lowland, northern portion of the site will be returned to its natural state, improving drainage for the new course and removing some of those lower portions of the site from the golf course.

Financial Model Projections – Hamptons Golf Course

New 18 Holes + 9 hole Par-3 + Practice Facility: Year 1 – Year 10

- ❖ Rounds played Year 1 are 50,000 (including 15,000 on the Par-3), stabilizing at 60,000 (20,000 on the Par-3) by Year 3.
- ❖ Year 1 Average Daily Rate, 18-hole course: \$22.50.
- ❖ Year 1 Average Daily Rate, 9-hole Par-3 course: \$14.00.
- ❖ Year 1 Maintenance budget assumed 7% over 18-hole scenario due to increased acreage; Operations expense ~ 6% higher than 18-hole scenario.
- ❖ 10-year pro forma financial model for Hamptons GC (27-hole) shows total gross operating revenues of ~ \$1.3 million in Year 1, growing to \$1.86 million by Year 10.
- ❖ Model shows operating profit of ~ \$78,000 in Year 1, stabilizing at annual operating profit of ±\$335,000.

Design Options Summary

Location	Holes	Estimated Rebuild in Place Cost*	Estimated Remodel Cost*	Estimated Stabilized Net Operating Cash Flow
Hamptons Golf Course Concept 1	18 holes regulation + Practice Facility	\$8.85 M (27 holes)	\$8.81 M	± \$148,000
Hamptons Golf Course Concept 2	18 holes + 9-hole Par-3 + Practice Facility	\$8.85 M (27 holes)	\$9.67 M	± \$335,000

* Cost includes rebuild/remodel of course only. Does not include A&E fees, renovation of clubhouse or other buildings.

Key Operational Recommendations

Fees:

- ❖ Regular nominal increases to cover inflation.
- ❖ Implement tiered pricing to reflect differential demand
- ❖ Smaller discounts for seniors (33% of rounds at THGC; 43% at TWGC)

Staffing:

The Hamptons Golf Course	
Maintenance Staff - Current	Maintenance Staff - Recommended
Full-Time - 5	Full-Time – 6-8
Part-Time - 4 (3 Open)	Part-Time – 8-10

Utilization of Technology:

- ❖ POS; Online Reservations; Electronic Tee Sheet; Upgrade Website; Email Database.

Marketing:

- ❖ Focus on key differentiators
- ❖ Direct sales for outings, leagues, meetings & events
- ❖ Social media
- ❖ Community engagement

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