

## **The End is Near - Update on Sligo Creek Task Force Meetings**

Dear Sligo Creek Golf Course Supporters,

I apologize for the lull in communication and hope everyone enjoyed the holidays as much as I did.

The County Task Force has one more meeting before having to present a recommendation to the County Council on **January 19<sup>th</sup>**. Please mark your calendar and plan to attend the hearing. We do not have the specific time, but I will notify you as soon as I know.

### **Update:**

On December 7<sup>th</sup>, we submitted a proposal (read it at our website – [www.sligocreekgolfassociation.org](http://www.sligocreekgolfassociation.org) - that suggested issuing a Request for Proposal (RFP) to find an operator for Sligo (public or private) and tackling the capital funding needs for Sligo through revenue sources (none of which were tax payer dollars) other than the operating revenue from the course. We remain convinced that requiring any capital improvements be funded from operational revenues presents an unachievable business challenge and will result in a quick death to the course. The Montgomery County Revenue Authority presented a counter proposal (also at our website) that basically avoided tackling the challenge.

The December 21<sup>st</sup> Task Force meeting was a lively discussion of the two proposals. Task Force members had submitted written comments prior to the meeting. I gave you my views of the Revenue Authority's proposal in the last update (see website). The discussion was good, but did little to move us towards a consensus. There was much resistance to our suggestion of issuing an RFP. Keith Miller of the Revenue Authority continued his assertion that even if we found other ways to fund capital needs, the course could not sustain the day-to-day operational costs. We agreed – if current management practices aren't changed. No course could sustain itself paying approximately 25% of its revenue in overhead costs. We also all agreed that the unaddressed ADA and OSHA requirements should have been cared for well before the transfer from Park and Planning to another operator.

This past Monday, January 4<sup>th</sup>, the Task Force met again. Despite the concerns and objections expressed about our proposal for an RFP, Diane Jones (County Executive Leggett's aide) suggested that Leggett thought we should consider a private operator. This still requires resolving contractual restrictions that prevent anyone else from operating the course. In addition, she did not go so far as to agree that capital needs should be addressed separately. Instead, she proposed that the private operator would need to be willing to assume making capital improvements.

This is the crux of the debate. Is it reasonable to require a "tenant" to invest their own money (potentially millions of dollars) in a property? How many people would want to

rent your house if you told them on top of paying rent they must also replace the roof and repave the driveway? Perhaps some, if you shaped the terms of the agreement so that ultimately it could benefit them (e.g., rental rate is discounted and fixed for 15 years). So, the devil will be in the details as it always is.

We've submitted a brief revised recommendation. We recommend:

- moving forward with a Request for Expression of Interest (REOI), which does not stipulate any conditions, to solicit interested private operators.
- the Council reexamine the Revenue Authority's lease agreement (to determine if it truly requires Sligo to be self-sustaining) and their management fee practice.
- initiating a new study of capital needs and current cost estimates with community involvement
- implementing a "fast start" program to help ensure a successful 2010 season

You can read the full text at our website [www.sligocreekgolfassociation.org](http://www.sligocreekgolfassociation.org).

We've been patiently working the process and will soon know where it ends. Although course supporters have been quiet in recent months, we'll soon need to reemerge as a strong and common voice.

Thanks for your support.

Karen Howland  
President – Sligo Creek Golf Association

Keep Sligo Golf Open

\* Facebook ([www.facebook.com/group.php?gid=105124006248&ref=mf](http://www.facebook.com/group.php?gid=105124006248&ref=mf))

\*\* Web ([www.sligocreekgolfassociation.org](http://www.sligocreekgolfassociation.org))

\*\*\* Twitter ([twitter.com/savesligo](http://twitter.com/savesligo))