

City of Palm Coast, Florida

Agenda Item

Agenda Date: August 26, 2025

Department	PARKS & RECREATION	Amount
Division	PALM HARBOR GOLF CLUB	Account #
Subject: PRESENTATION - PALM HARBOR GOLF CLUB		
Presenter: James Hirst, Director of Parks & Recreation & Dennis Redican, Recreation Manager		
Attachments: 1. Presentation		
Background: <u>UPDATED BACKGROUND FROM THE JUNE 24, 2025, WORKSHOP MEETING:</u> At the June 24, 2025, Workshop Meeting, City Council requested that City Staff prepare a follow-up presentation outlining potential operational options for the Palm Harbor Golf Club. This presentation includes updates on internal allocations, golf cart leasing vs. purchasing, golf fee waiver, tax appraisal, and options for future management of the facility. <u>UPDATED BACKGROUND FROM THE APRIL 22, 2025, WORKSHOP MEETING:</u> At the April 22, 2025, Workshop Meeting, City Council requested a draft Request for Proposal (RFP) for the potential sale of Palm Harbor Golf Club, along with a review of golf rates needed to cover Capital Improvement Project (CIP) expenses. City Staff have prepared a presentation that includes the requested draft RFP, an overview of the recent property appraisal, a budget review, and rate scenarios to address both CIP and operational costs. <u>UPDATED BACKGROUND FROM THE JANUARY 28, 2025, WORKSHOP MEETING:</u> At the January 28, 2025, Workshop Meeting, City Council requested additional information about the Palm Harbor Golf Club, including diversifying revenue options, a maintenance analysis, and budget projections. <u>ORIGINAL BACKGROUND FROM THE JANUARY 28, 2025, WORKSHOP MEETING:</u> At the January 7, 2025, Business Meeting, City Council requested that City Staff provide a presentation on the Palm Harbor Golf Club, the City's historic golf course. The presentation will include an overview of the current state of the facility, including operational performance, community engagement, and opportunities to enhance its value to the community. This discussion is a part of City Council's broader goal to explore strategies for improving community assets and overall quality of life in Palm Coast. It also reflects Parks & Recreation's commitment to fostering spaces that allow residents and visitors to explore, connect, and play		

**Recommended Action:
FOR PRESENTATION**



Palm Harbor Golf Club

Agenda

- Internal Allocation Review
- Golf Cart Leasing
- Updates to Palm Harbor Golf Club
- Flagler School District
- Tax Appraisal/Tax Relief
- Council Consensus



Internal Allocations Review

Internal Allocation	FY 26 Budget	Notes
Information Technology	\$35,178	34 IT tickets submitted YTD. Incl. Hardware, software, and licenses
Fleet Replacement	\$295,730	Replacement of machinery and equipment
Fleet Maintenance	\$93,016	Maintenance on equipment. E.g., golf carts, machinery, etc.
Facilities Maintenance	\$63,249	HVAC, roofing, site improvements, and plumbing. 44 tickets submitted
Insurance	\$24,641	Property insurance
Total	\$511,814	



Current Golf Cart Operations & Review

- 2022: 50 golf carts purchased
- 2023: 22 golf carts purchased
- Next replacements planned for FY 26/27 & 27/28
 - Trade-in value between \$1,500-\$2,000
 - Auctioning is an alternative to trade-in
- Current review initiated to ensure:
 - Long-term cost efficiency
 - Smarter asset management
 - Reduced operational risk



Golf Cart Options & Cost Comparison

Option	Purchase or Lease	Term	Monthly Cost	Residual/ Resale Value	Total Cost
Club Car Lease Option 1	Lease	48 Months	\$124.75	N/A	\$5,988.00
Club Car Lease Option 2	Lease	52 Months	\$117.80	N/A	\$6,125.60
Club Car Purchase	Purchase	1 payment (Upfront)	\$8,074.70	\$1,500.00 - \$2,000.00 (Estimated)	\$6,574.70 – \$6,074.70

- All options include 5-year warranty (identical coverage)
- City performs all maintenance in-house, regardless of acquisition method



Recommendation

The City recommends purchasing the Golf Carts because:

- Purchase is cost-competitive with leasing when factoring in potential resale value
- Eliminates risk of end-of-term lease fees for damage beyond normal wear or misuse
- Provides ownership of the asset, allowing for resale value recovery and long-term control



Changes to Operations

Implemented Changes:

- Increased group rate from \$43 to \$46
- Added two extra morning tee times and three afternoon/twilight tee times
- Introduced a 3% credit card processing fee, effective April 1
- Summer rate and range token increases were implemented, effective May 1



Changes to Operations

Upcoming Changes:

- Extend cart usage past 4:00 p.m.
- Extend range hours
- Resident and Non-Resident Rate: September 2025 Presentation
 - Increase green fees
 - Increase cart fees
- Remove league rate
- Add additional programming
- Discontinue/improve Annual Pass effective November 2025
- Increase handicap (GHIN) Fee effective January 1,

2026



Golf Fee Waivers

Teams/Programs Used	Est. Lost Revenue	Notes
Matanzas: Girls & Boys FPC: Boys	\$5,600	100; 9-hole tee times x 4 players per tee time
Special Olympics	\$204	51 Range Tokens
Florida State Golf Association JR Tournaments	\$12,040	140; 18-hole tee times x 4 players per tee time
Total: \$17,844		



Tax Appraisal

In 2023, the City received a donation of 8.38 acres, which includes the driving range and chipping green. This portion of the property is tax-exempt.

The original clubhouse and golf course (143 acres) remain taxable because a restaurant operates on the property.

In 2023, the City paid \$1,776.19 in property taxes for the taxable portion.



Council Considerations

1. Execute RFP process for golf course sale
2. Draft RFP for outsourcing golf course operations
3. Remain under City management with annual cost recovery

