

spotlight

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GASTONIA'S GOLF LOSSES

The city government has no business being in the golf business

KEY FACTS: • Over the past four years, Burlington's city owned and operated golf course experienced operational losses of over \$1.2 million.

- The city unfairly competes with 14 private courses in the area.
- Private golf courses pay taxes that support government services; the city golf course does not.
- Unlike police and fire protection, golf is not an essential city service.
- If the course were sold, city taxpayers would gain the amount of the sale and avoid paying its average annual losses of over \$170,000 per year.
- Also, a privately owned golf course would contribute to the tax base of the city and county.

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gastonia residents are proud that the city's namesake — patriot William Gaston, a North Carolina public servant in the early 1800s who had a strong influence in creating the State Supreme Court in 1818, ratified the state constitution to end discrimination against Roman Catholics, and served in the U.S. Congress from 1813 to 1817. Given the city's current spending habits, it could be renamed the City of Golf. The Municipal Golf Course of Gastonia has a history of being a bad investment for taxpayers. Over the last five years the city golf course lost over \$1.2 million. In other words, taxpayers in Gaston County paid more than \$1.2 million to subsidize the recreation of a small minority of golfers.

Nothing against golf, but many cities consider it more important to spend scarce tax money on the police and fire departments and improving the streets than paying for the recreation of a small minority of golfers. Think of it this way. If the mayor urged the city council to devote 200 acres of city land and spend nearly \$254,000 per year for a polo field that would benefit only the small number of local polo players, it's highly doubtful that city voters would re-elect them. But the mayor and city council are doing that very thing for Burlington golfers.

Private golf courses must pay property taxes to support essential govern-

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mental services. The 200-acre city golf course is not on the tax rolls, unlike the eight other, private golf courses in Gaston County. Imagine if you were in the sporting goods business and you were being forced to pay taxes to support a government-owned competitor that offered sporting goods at lower prices because it received nearly \$254,000 per year in tax subsidies. The city golf course is unfairly competing with private courses in the area.

Recommendations

The city council should follow the advice of the great Oklahoma humorist Will Rogers, “When you find yourself in a hole, first stop digging.” The golf course could

be sold to a private golf company or it could be converted to another public use, such as a multi-purpose park. According to the Gaston County tax assessment, the municipal golf course is worth \$2.4 million dollars. If the course were sold at the assessed market value, the city would gain \$2.4 million that could be used for other projects.

Selling the course would benefit Gastonia taxpayers in three ways. First, the city would gain funds from the sale that could be used for essential city services such as putting more police on the street and filling the potholes. Next, the city budget would be increased by nearly \$254,000 per year because the city would no longer have to cover the golf course’s operating deficit. Finally, by transferring the land to the private sector, the land would be returned to tax rolls and the new owners would pay taxes, boosting the city budget and perhaps preventing a future tax increase.

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