Impact of Planned Golf Course Development on Four Southwestern Ohio Communities

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January 2008

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ABSTRACT
Amenities refer to the qualities of a locality that make it an attractive place to live and work that may include unique natural characteristics or recreational activities. Rural communities characterized by high levels of natural amenities continue to experience relatively greater population growth. Golf courses are amenities that appear to attract new residents and shape or reshape communities. However, studies investigating specifically the impact municipal golf course development are lacking. This study investigated the relationship that exists between golf course housing developments and the municipalities in which they are constructed in terms of economic and social growth.

INTRODUCTION
Urban sprawl and the decentralization of early twentieth century population centers have been occurring at an ever increasing rate since the end of the Second World War. This fifty year old trend that shows no evidence of relenting has been that of the affluent migrating away from metropolitan areas in concentric rings of suburbia (5). The development of new cities and communities is an elaborate interrelationship between the local government and private developers. Governments become involved in private development through direct tax subsides, land acquisition, capital investment into infrastructure and regulatory review. The private developer increasingly has become more governmental in providing capital for infrastructure improvements, municipal services, and social amenities.

Amenities generally refer to the qualities of a locality that make it an attractive place to live and work, which includes everything from the unique natural characteristics of a region to the recreational opportunities that make it a destination (4). Rural communities characterized by high levels of natural amenities continue to experience relatively greater population growth (3). Natural aspects of amenities are characterized into three main groups, mild climate, varied topography, and proximity to surface water(6). McGranahan (6) developed an amenities index based on natural amenities and found that from 1970 to 1996 rural counties ranked low on an amenities index experienced 1% average population growth as compared to 120% among counties ranked high on the index.

Golf courses are amenities that are believed to attract new residents and shape or reshape communities. However, studies investigating specifically the impact municipal golf course development are lacking. This study investigated the relationship that exists between golf course housing developments and the municipalities in which they are constructed in terms of economic and social growth.
METHODS & MATERIALS

Four suburban Ohio communities - Centerville and Miamisburg located in Montgomery County; and Franklin and Springboro in Warren County - located in southwest Ohio were selected for this study. The cities were either neighboring communities or share a common border. Centerville, Miamisburg, Franklin and Springboro were located along the Interstate 75 corridor between Dayton and Cincinnati, Ohio. Three of the cities - Centerville, Miamisburg and Springboro - developed a municipal golf course during the 1990s, while Franklin did not.

Demographic and socio-economic data for the four cities were collected using the United States Census Bureau reports(1). The four cities were approximately of the same population and experienced population changes. Warren was ranked second fastest growing county out of the 88 counties in Ohio, while Montgomery County was Ohio’s third fastest shrinking county (1). Additional data were gathered from county geographical information systems, and county auditor web sites.

Personal interviews were conducted with city planners and economic development directors of the four cities from April 28 to May 18, 2005. These individuals were directly involved in the golf course development decision process making. All interviews were conducted in the interviewees’ offices. The interviewees provided the chronology, process and impacts that they observed in relation to golf developments, or the lack thereof, in their cities. The specific questions asked of the interviewees were: 1) If your city has a golf course, how did it come to be? 2) What impacts have you observed the course to have on the community? and 3) What growth trends have been present in the city during your tenure? In addition, each interviewee provided available zoning maps, additional demographic information, and pertinent residential building permits.

RESULTS AND DISCUSSION

1) Miamisburg and Pipestone Golf Course, Montgomery County

Miamisburg is a river town. In its early life it was home to paper mills, had a stop on the Erie Canal, and put industry before agriculture. At 19,489 residents, Miamisburg is an established city. The median home value in Miamisburg is $117,100, slightly less than the national average, and its median household income is $48,316, which is slightly more (Table 1). The Mound Nuclear Research Facility was the dominant employer in Miamisburg from the 1950’s until it was decommissioned in the middle 1990’s (2). During its tenure The Mound Nuclear Research Facility was the backbone of Miamisburg’s economy, supplying thousands of jobs and contributing substantially to the city’s tax base. In 1992 the city built Pipestone Golf Club and oversaw the private development (Pipestone Project) of 1500 housing units within the golf course area that had an average
home priced between $180,000 and $280,000. The city planner attributes Pipestone directly with higher property values for the city. Pipestone’s low end housing started at $180,000 while the rest of the city averages around $130,000.

The initial goal of the Pipestone Development was not for golf or housing development, but for jobs. The former city planner, used quotes in the interview like “Municipal golf courses are money losers”, and “New golf courses are like transit systems, they will never pay for themselves”. However, regarding job growth in the community, he attributed 3500 new jobs to the Pipestone Project that helped replace those jobs lost by the decommissioning of the Mound Nuclear Research Facility.

2) Centerville and Yankee Trace Golf Course, Montgomery County

Centerville is an established city of 23,024 residents (1). Formerly an agricultural community, it is now a white collar suburb with a per capita income of over $30,000 and a median home value of nearly $150,000 (Table 1). In the 1980s Centerville was a farm based community on the edge of Dayton metropolitan sprawl. Yankee Trace Golf Club was opened in 1994. The city’s goal was to bolster and maintain current property values. At the time, the acting land planner for the development designed the project with the aim that the community would function independently – a union of golf and housing. The community designed around a “windows and focals”. Residential homes are built around action points of the golf course so that house orientation, home windows, and the openings in the lot layouts are all brought into alignment with people playing golf. According to the interviews with the city planner, the psychological benefits have contributed significantly to the success of the entire project.

The first housing permits were issued in December of 1994. In 1999, the city decided to expand the golf course from its original eighteen to twenty-seven holes. The city expanded housing adjacent to Yankee Trace and called the new development The Homestead which consisted entirely of traditional single-family housing. In the years 1999 and 2000, 100 to 120 units were being built in Yankee Trace per year. Yankee Trace in 2005 covered 650 acres and when construction ends will consist of approximately 960 units. The Centerville city land planner attributed “skyrocketing growth” and redevelopment especially in the downtown and other commercial areas of the city as visible evidence of Yankee Trace’s impact.

3) Springboro and Heatherwoode Golf Course, Warren County

Springboro incorporated as a city in 1987 and by 1988 had a population of just over 5,000 people. By 2000, the Census marked its population at 12,380 (Table 1). The city is located equidistant between the large
metropolitan areas of Dayton and Cincinnati. Transportation options and proximity to job concentrations are perhaps the most important criteria for suburbs looking to grow, but those two conditions accurately describe most of Warren County. Springboro and the following city, Franklin, provide a stark contrast between two cities in the second fastest growing county in Ohio.

In 1988 Springboro was one of the smallest and poorest communities in the county, well behind neighboring Franklin in measures such as population and quality of school system. In 1991, Springboro’s Heatherwoode Golf Course was the earliest of the three golf courses opened in this study. The city manager at the time commented that initially no plan existed for an integrated golf community with residential homes. According to the city planner and city consultant the real impact of Heatherwoode was symbolic rather than actual. The golf course changed the image of the city to one of an upscale white-collar suburb. The city planner attributes the golf course for attacking and a catalyst for Settler’s Walk development. A development with over 1,100 homes in seven distinctive neighborhoods, and has been rated one of thirteen best selling communities in America. Houses and condos in Settler’s Walk range in price from the upper $180,000’s to the $600,000’s. As of the 2000 census, Springboro had a housing stock of 4,423 units with a median value of $171,300. This figure is well above both state and national averages (1).

4) Franklin, Warren County
Franklin is the smallest and poorest of the four cities (Table 1). Franklin’s 2000 population was 11,396 and its median home value was $92,200 which is well below the national average. Franklin, like Miamisburg, is a river town. The city grew on east bank of the Great Miami River and was later buttressed on its east side by Interstate 75. Franklin’s early economy was dominated by paper mills. Franklin’s views of development was opposite of the other three cities towards golf and economic growth. Franklin does not have a full length golf course, and city officials will be the first to tell you that they want it that way. According to city officials, one residential unit demands $400 per year in municipal services and only returns between $40 and $80 in tax revenue; a net loss of $360 dollars. Franklin’s population has remained approximately the same since 1970 (10,075). Franklin is an aging community with student enrollment declining at a rate of 30 students per year. The district’s current enrollment is 2,400 down from its high of 3,700. The average Franklin resident is a blue collar, who has no real interest in city amenities. Forty percent of Franklin’s workers live in Franklin, a percentage rare in a city that small. Only 30% of Franklin High School graduates go to college which means that the city has a much higher percentage of lifelong or long-term residents than its neighbors. In the last twenty years, Franklin has gone from the largest city in Warren County to the second smallest.
SUMMARY
Identifying a single factor’s influence on the economic and social health of a community is difficult, often based on circumstantial information, and subject to oversimplifications. Numerous amenity factors are involved in determining the desirability of a community. However, data collected through economic indices and interviews with local government officials, reflects the importance of municipal golf course development as a catalyst for economic and social growth. In addition to attached housing demand, they create demand for better schools, which in turn increase the city’s entire housing demand and property values. Higher general housing demand increases the demand for city services, jobs, commercial and retail opportunities, and tax revenues. Higher property values will generally attract a high earning, more skilled, and better educated work force which then attracts companies and industry. Though the contribution of golf as a catalyst for growth can have tremendously beneficial impacts in some situations, it may cause problems for communities that do not have the resources or experience to properly prepare for and guide the growth.

LITERATURE CITED
Table 1. Comparison of population growth, household income, and housing value of the 4 Ohio cities surveyed.

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<th>Year</th>
<th>Population</th>
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<th>Total Housing Units</th>
<th>Median Household Income ($)</th>
<th>Per Capita Income ($)</th>
<th>Median Home Value ($)</th>
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| Ohio  | 10,847,115 | 11,353,140 | 4,783,051 | 40,956 | 21,003 | 103,700 |