

Kings Point
Golf Course Relations Team
A Transition Team

The first question you might ask is “why should the Federation Board be concerned about golf courses they have little to do with the Federation”. By the end of this report I hope there is a much better understanding about the connective relationship of golf courses and the ultimate success of Kings Point as a viable retirement community. I have been charged with chairing a small agile team to work with golf relations as we transition from our existing circumstances to the future. Like it or not change is upon us in Kings Point. Minto is our new builder/developer an equal partner until the remaining 400 to 500 units are constructed. As it stands now we, the unit owners, own 90% of the residential property and Minto owns only the 10% undeveloped residential land within the gates of Kings Point. For all practical purposes we now own Kings Point property, the one exception is golf courses. By the way, we must help promote new construction sales as well as re-sales, sold new units brings additional revenue to support the community, especially supporting the costs of debt service on the recreation facilities, upkeep of roads, lakes and all infrastructure, we need the revenue. The sale of homes is important to all of us! **Our community must be attractive to prospective buyers.**

Another change that is upon us is what will happen to the golf courses. Again like it or not **the golf courses are going to sell to someone**, WCI will soon be history in Sun City Center including Kings Point, the purchaser of the golf course will likely be an organization who is willing to pay the most for the three golf courses all 63 holes. Furthermore the corporation will likely be a for profit organization of investors who will want a return on investment. The golfers in Kings Point are simply not in a position to finance the purchase ourselves. **Therefore our best option is to make the best of it in a way that best serves the whole community golfers and non golfers alike.** Think about this; did you know that 23% of existing residents have some kind of view of a golf course that is to say nearly one in four residents looks out a window as sees a golf course. All of us see golf courses in some way as we drive throughout the community to and from clubhouses or the gates, be it the front gate or the south gate. The aesthetics of our community and our property values are closely linked to golf courses the greenways of Kings Point. So what happens with the golf courses directly impacts every single one of us in Kings Point. For sure some change is upon us like it or not.

Take a look at our neighbors and what can happen if we don't look ahead and prepare for eventual change. Let me take a minute and tell you a little story about what happened to a non-golfing friend of mine who happens to live on North Lakes one of the courses outside of Kings Point in Sun City Center.

As the community residents aged fewer and fewer residents remained members of the club and finally the membership fell to the point the golf course could no longer support the upkeep and the cost of operating the course. WCI could have increased membership fees as a way of boosting revenues. This would have likely resulted in an additional reduction in membership leading to less not more operating revenues, not a viable business option. Another option for the course to survive was to allow some public play on the private course bringing in additional operating revenues but the residents said no it must remain for residents only. North Lakes documents allowed them to reject public play, by the way an option we do not have in our documents. You now know what happened the owners of the course (WCI) closed the course in order to stop the bleeding of losing money. This example gives us an opportunity to study what happen and avoid a similar situation in Kings Point.

I have some photos displaying course conditions after the closure of North Lakes Golf Course.

Here is what happened to my friends and their quality of retirement life once the course was closed. He and his wife purchased a nice home on North Lakes Golf Course a few years ago and built an open patio to sit on and watch golfers as they played, themselves being non-golfers. When the course closed owners stopped cutting the grass, discontinued applying insecticide and herbicide. Immediately insects including mosquitoes began to appear they could no longer sit on their patio, then the rodents come followed by the snakes that see the rodents as a food supply. Now he and his wife are faced with a retirement home that has a view of weeds and a home they cannot sell for enough money to purchase a home in another location because the property value has declined so much. This is a case where a non golfer has been impacted by the community's failure to plan ahead and deal effectively with change.

This is why we need to begin to plan ahead and shape our future and not leave it simply to fate and then react. The golf courses for all of us golfers and non-golfers alike have a vested interested in making sure the courses survive and that may mean some minor changes as to how we to deal with the courses. Certainly we want them remain private preferably for just our unit owners and the reciprocals of Sun City Center, however there may come a time when we must look at other options including some outsiders playing golf in Kings Point. If that was the only way our courses can survive then we need to be prepared to deal with it and guide the process not leaving it solely to others to make our decisions for us. That is what this team is beginning to deal with golf course relations and possible transition plans. We are mindful of what security means to all residents and if necessary we must find a way to deal with needed

change effectively without jeopardizing our security or our quality of safe retirement life. If the time comes when non members are allowed to play golf it is important to assure access is limited and controlled by our security staff.

This team feels working closely with both Minto and the new golf course owners, whoever they might be; along with keeping the community informed gives us the best chance of shaping and guiding our future in a manner that best serves us all.

Easement Update

An update on the status of easements, water permit and other related access easements have either occurred or they are in the process of being executed. Easements are an important and necessary component to the successful operation of Kings Point. These easement are needed documents filed with the county and must be updated when there is a change in developers or new owners of items like golf courses. With the sale of undeveloped lots to Minto by WCI easements have been updated and will be further updated if and when the golf courses sell to a new owner. The water permit for irrigation is jointly held in the name of the Master Association and the owners of the golf courses. The permits are due for renewal in 2016 and likely will have to be modified or possibly renewed upon the sale of the golf property. Something we will need to monitor. After meetings with WCI representatives as best we can determine at this time water permits are in order and in the best interest of Kings Point property owners.

Summary

In summary it would be nice if this team could predict and control what happens in the next few years but this is impossible, the best we can do is work to help guide and shape what happens. It is above our pay grade to control it.

Team Members

Wayne Musholt, Team Leader

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