

The Contribution of Golf to the State of Indiana

# 2022 IMPACT REPORT

**ECONOMIC / ENVIRONMENTAL / QUALITY OF LIFE**



Your Link  
to the Game

# GENERAL LIMITING CONDITIONS

This report is based on information collected from direct National Golf Foundation Consulting, Inc. (“NGF”) research completed for the State of Indiana in 2022 for the data year of 2021

## GENERAL

Every reasonable effort has been exerted in order that the data contained in the written report reflects the most accurate and timely information possible, and is believed to be reliable. However, no responsibility will be assumed for inaccuracies in reporting by sources used to collect data from golf facilities, associations and other data source used in preparing the report.

## CUSTOM NGF FACILITY SURVEY-2022

NGF conducted a survey among golf facility operators in Indiana in an effort to gather inputs that would assist in the quantification of golf’s economic impact in the state. Key survey questions centered around operational data like rounds played, revenues and expenses, as well as capital expenditures, information on employment/staffing and charitable events.

With the support of the cooperative effort between all Indiana golf organizations (Indiana Golf Association, Indiana Golf Course Owner’s Association, Indiana chapter of the Golf Course Superintendent’s Association, Indiana PGA, Indiana Golf Foundation and the Indiana Chapter of the First Tee), data collection took place in April – May of 2022. Of the 368 golf facilities in Indiana, a total of 58 completed the survey for a response rate of 15.8%. Survey responses were reviewed and weighted by type (public/private, number of holes, etc.) to properly match and be representative of the mix of golf facilities in Indiana.

## IMPLAN ECONOMIC MODELING

The IMPLAN economic modeling system was used to derive estimates of several direct and secondary economic impacts (including value added, employment, and labor income). The methodology and calculations were prepared and reviewed for soundness and accuracy by Dr. Terry L. Clower, the Northern Virginia Chair and Professor of Public Policy at George Mason University.

## ACKNOWLEDGMENTS

This report was prepared by National Golf Foundation Consulting, Inc. in agreement with Indiana Golf (IG), and its affiliated umbrella organizations – Indiana Golf Association, Indiana Golf Course Owners Association, The PGA of America (Indiana Chapter), the Indiana Golf Course Superintendents Association, and the Indiana First Tee. The study was conducted by David Lorentz, Richard Singer, Clark Brown, Ed Getherall and Jodi Reilly at NGF, with support from Dr. Terry L. Clower the Northern Virginia Chair and Professor of Public Policy at George Mason University (also Director of GMU’s Center for Regional Analysis). Additional support for this report was provided by the following allied national golf organizations: CMAA, GCSAA, LPGA, NGCOA, PGA of America, PGA TOUR, and USGA.

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PRODUCED BY

## INDIANA GOLF

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INCLUDING



**INDIANA GOLF  
ASSOCIATION**



**Indiana Golf Course  
Owners Association**



**PGA**

Indiana Section



**Indiana Chapter**

**GCSAA**

Golf Course Superintendents Association of America



**INDIANA GOLF  
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RESEARCH & REPORTING

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# INTRODUCTION

“The Crossroads of America.” Indiana’s official state motto could just as easily pertain to its extensive golf footprint, as the Hoosier State ranks just outside the Top 10 in total United States golf supply and has ties to names within the game that extend from Alice Dye to Fuzzy Zoeller.

Although it ranks 38th among U.S. states in total size, Indiana boasts 368 golf facilities with more than 400 courses. This wealth of offerings includes renowned layouts at the French Lick Resort and Crooked Stick Golf Club as well as heralded newer designs such as Victoria National, a dramatic course carved from an abandoned coal mine that’s central to a nationwide network of destination golf clubs, and the reconfigured and renovated Pfau Course at Indiana University widely regarded as one of the country’s top college courses. The State is also home to a range of golf businesses and sub-industries that encompass notable small manufacturers and golf cart companies. Turf seed grown in Indiana is used not only throughout the state, but at golf courses across the U.S. and worldwide. While basketball might be top of mind for many when it comes to Indiana, it’s undeniable that golf is far more than an enjoyable pastime – rather, it’s a key industry and vital contributor to the overall economy and quality of life in the nation’s 19th state.

Golf is a significant driver of economic activity across the State of Indiana through direct operational expenditures and capital investment, as well as the attraction of golf tourism, golf-related retail spending and new home construction in golf communities. From municipally-owned and operated public courses to private clubs, golf is an important part of the Indiana experience and a defining component in many cities and towns. Golf indirectly supports other Indiana businesses that serve and supply golf courses, drive tourist spending and support sales by retailers. Celebrated professional and amateur golf tournaments that are held in Indiana on occasion generate direct economic impact and add to the State’s profile and overall appeal, while the thousands of annual events held at the State’s golf facilities serve as valuable fundraising vehicles for a wide array of charities and foundations.

As a competitive sport, golf has a long and storied history in Indiana. The State has hosted two PGA Championships: in 1924 (won by Walter Hagen) and 1991 (John Daly); one Senior PGA Championship, in 2015 (Colin Montgomerie); two U.S. Senior Opens, in 2009 (Fred Funk) and 2019 (Steve Stricker); and two U.S. Women’s Opens, in 1978 (Hollis Stacey) and 1993 (Lauri Merten). More recently, Indiana has played host to major championships on the Senior LPGA and Korn Ferry professional tours. The state of Indiana will continue to host the Korn Ferry Tour Championship in September 2019 through at least 2028.

The Senior LPGA Championship was played on the Pete Dye Course at French Lick Resort for its first four events after being introduced in 2017. In addition, Indiana has hosted many other non-major professional and amateur events, with additional events scheduled for 2022 and beyond. Suffice to say that championship golf in Indiana is alive and well!

Golf in Indiana is supported by a cooperative effort between all the state golf organizations, unified under the Indiana Golf Association, and now includes the Indiana Golf Superintendents Association, a 2022 addition. Indiana has one of the most active junior golf programs in the nation, spearheaded by the Indiana Golf Foundation, and has 55 separate locations of the First Tee in 18 separate metro areas hosting over 3,000 students in the state. The 2022 NGF survey showed upwards of 81% of all Indiana golf facilities have active junior golf programs, and 57% participate in scholastic golf.

Golf in Indiana is more accessible and affordable than the national average. Over 82% of all Indiana golf courses are open and available to the public, as compared to 74% of overall U.S. supply. Additionally, about 95% of the state’s public golf courses have peak green and cart fees under \$70, which is NGF’s defining threshold for “premium” pricing. By comparison, 86% of courses in the U.S. have “value” or “standard” playing fees under \$70.



X-SHAP

MacGregor

# EXECUTIVE SUMMARY

## ECONOMIC CONTRIBUTION TO THE STATE OF INDIANA

In 2021, the size of Indiana's direct golf economy was approximately \$1.042 billion. The industry is estimated to have generated just over \$2.02 billion (direct, indirect, and induced) to the wider Indiana economy, which compares favorably to the \$510 million and 6,200 jobs contributed by the Indianapolis Motor Speedway in the state in 2013<sup>1</sup>. Golf supports just over 23,300 jobs with \$612.6 million of wage income and more than \$147.2 million in state and local taxes.



### Direct Impact

Golf Economy Total Direct Expenditures

# \$1.042B

### Total Contribution



Economic Impact

## \$2.022 B



Employment

## 23,317 Jobs



Wages and Benefits

## \$612.6 M



State & Local Taxes

## \$147.2 M

<sup>1</sup> Indiana University Public Policy Institute (2013, February), Estimating the Annual Economic Contributions of the Indianapolis Motor Speedway, School of Public and Environmental Affairs.



## CORE INDUSTRIES

### Summary of the direct economic impact of golf on the State of Indiana:

Golf in Indiana is enjoyed by approximately **554,000 individual golfers** (age 6 and above) who played **approximately 8.6 million rounds** of golf in 2021. For context, the number of golfers is roughly equivalent to filling the Indianapolis 500 (350,000), Notre Dame Stadium (80,795), Lucas Oil Stadium (67,000) and Memorial Stadium (53,500)! The State hosted an **additional 975,000+ rounds played by visitors** to Indiana, many of whom come from large out-of-state cities that neighbor Indiana, like Chicago, Dayton and Cincinnati.



**368**

Golf Facilities

**8.6M**

Rounds in 2021

The state has a **total of 368 golf facilities** (302 public and 66 private), plus 18 stand-alone driving ranges and one Topgolf facility. There are 82 golf facilities connected to residential real estate and/or resorts in the state. Over 82% of all Indiana golf courses are open to the public, compared to 74% for the total U.S. 95%+/- of all public golf courses in the State have peak green+ cart fees **under \$70** (86% for total U.S.).



**\$579.8M**

Golf Facility Revenue

Total consumer spending at golf facilities for items including initiation fees, member/passholder dues, green fees, cart fees, golf shop merchandise and food/ beverage sales **exceeded \$579.8 million in 2021**. This amount is lower than the estimate in 2010 (608.9 million), likely a result of 62 fewer golf facilities (368 vs. 430 in the 2010 report). Golf facility operations supported 14,173 jobs (both part-time and full-time), plus an additional 3,882 induced and indirect jobs.



**54%**

Made a CI

**\$67.3M**

Capital Investment

In 2021, Indiana golf facilities invested more than **\$67.3 million** in capital improvements for golf course renovations/enhancements and improving or replacing structures, supporting close to 810 **additional jobs**. An estimated 54% of Indiana golf facilities began or continued large-scale capital projects in 2021 that were not included in regular operating expenses.



**166** **\$114.0M**  
Golf-related Companies Gross retail sales

Indiana retailers earned a **\$49.7 million margin on \$114.0 million of gross retail sales** of golf clothing, equipment and shoes in 2021. Of this retail volume, \$54.5 million came from off-course retail outlets (including online). The remaining \$59.5+/- million came from on-course pro shops (included in total golf consumer facility spending noted above). Indiana is also home to 166 other companies who provide golf products and services, including a significant contribution by the State's large turf and grass seed and golf cart distribution industries. The direct economic contribution attributable to golf from these companies totaled \$52.5 million in 2021, supporting **at least 1,097 jobs** in the state.



**72** **\$5.15M**  
Golf Associations or Non-profit Organizations Revenue

Indiana is home to 72 separate golf associations or non-profit organizations, including the large Golf non-profits like Golf Gives Back and the Indiana Golf Foundation. The total revenue generated from these Indiana golf associations and foundations was \$5.15 million in 2021.

Indiana hosted the Korn Ferry Tour Championship and the Senior LPGA Championship in 2021, both significant events that yielded large fan turnout at Victoria National GC and the Pete Dye Course at French Lick, respectively, and generated an estimated \$7.2 million in economic impact. There were additional pro events held throughout the State in 2021 that attracted visitors and resulted in economic impact. Combined, **associations and tournaments support over 893 permanent jobs** in the State.



**3,750** **\$50.4M**  
Charity Golf Events Raised for Charities

Charitable golf events hosted at golf facilities in Indiana serve as important fundraisers for many state and local charitable organizations. The most significant of these includes the more than \$2.5 million raised by events at Crooked Stick and Brickyard Crossing. The two professional golf events held in the State in 2021 also had significant charitable impact. In total, NGF estimates that golf facilities in Indiana hosted approximately 3,752 separate charitable golf events and combined with professional tournaments to raise as much as **\$50 million for various charities** in Indiana.

## ENABLED INDUSTRIES

Other golf-related economic impact include:



**158K** **\$152.9M**  
Overnight Trips Tourism to Indiana

NGF research indicates that about 158,000 overnight trips were made to Indiana in 2021 by visitors seeking to participate in golf, plus an additional 870,000 trips of more than 50 miles made within the State during the year. These **visiting golfers are estimated to have contributed \$152.9 million** to the Indiana economy and added **almost 1,560 jobs** from induced and indirect activity such as transportation, lodging, meals and other entertainment.



**\$57.4M**  
Golf Community Construction

The presence of golf courses located within, or in immediate proximity to, residential communities add value to real estate in Indiana. The economic impact of golf real estate in Indiana encompasses two components: (1) golf-related residential construction; and (2) net gain to local tax jurisdictions from value premiums associated with golf course real estate:

The NGF estimates that there are eight (8) separate golf communities in Indiana that had residential units under development in 2021, yielding a total **2021 golf-related residential construction figure of \$57.4 million, and supporting at least 900 jobs.**

The presence of a golf course with direct frontage on, or in immediate proximity to, a residential unit will provide an added value to the residential property known as the "golf premium." NGF estimated the "golf premium" associated with these developments to be upwards of \$1.7 billion, with a **2021 property tax impact of \$17.75 million** in net gain for local taxing authorities to be used for education and other local initiatives funded by property tax revenue.



**\$14.8M**  
Local Taxing Authorities

# SUMMARY OF ECONOMIC CONTRIBUTION

TOTAL ECONOMIC CONTRIBUTION OF THE GOLF SECTOR STATE OF INDIANA

# \$1.042B



## \$816.9M

**\$579.8M**  
Golf Facility Revenue\*

**\$67.3M**  
Capital Investments

**\$107M**  
Golf-related Supplies\*\*

**\$12.4M**  
Tournaments & Associations

**\$50.4M**  
Charitable Events

## \$225.1M

**\$152.9M**  
Golf Tourism

**\$57.4M**  
Golf-Related Residential Construction\*\*

**\$14.8M**  
Property Tax Impact\*\*\*

\*Revenue from golf facility operations including on-course merchandise sold.

\*\*Total retail sales do not include on-course merchandise sold.

\*\*\* Property tax impact of \$14.8 million is the net gain for local taxing authorities

# NON-ECONOMIC CONTRIBUTION HIGHLIGHTS

Golf continues to be in a leadership position compared to many recreation activities in Indiana. In addition to the economic contribution noted above, there are other impacts that golf has on the State of Indiana, including:



Golf provides upwards of **37,000 acres of green space** within the State and provides affordable outdoor recreation to tens of thousands of Hoosiers.



Nearly all (**81%**) of Indiana golf facilities offer a **junior golf program**, while **57%** report hosting scholastic golf, military and veterans' programs and **25%** report participation in First Tee programming.



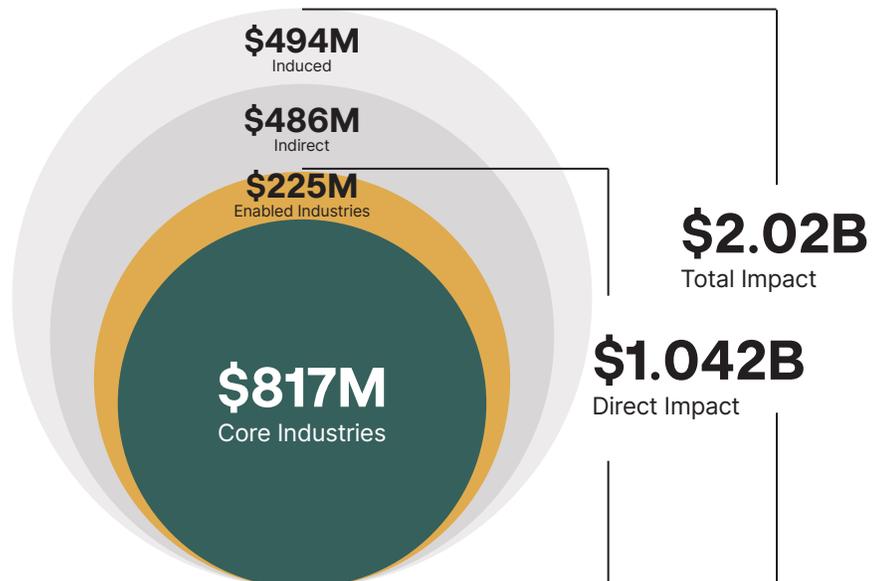
Indiana has **55 separate locations** that host an active First Tee program, spread out over **18** separate metro areas within the State.

An estimated **3,000 children participated in a First Tee program** somewhere in the State in 2021. This program is actively making new investment to serve children from a variety of socioeconomic backgrounds, providing them with training of both mind and body in the values of honesty, integrity, and perseverance.

## OVERALL IMPACT SUMMARY

Golf in Indiana has impact well beyond the state's population would suggest. While Indiana ranks 17<sup>th</sup> in population among the states, it ranks 6<sup>th</sup> in golf participation and 16<sup>th</sup> in golfer-to-golfer facility ratio.

While past data is not a certain indicator of what golf could be in Indiana, the \$2.02 billion in direct, indirect, and induced contribution in 2021 suggests that the economic impact of golf in Indiana continues to improve, and the 23,300 jobs are expected to increase in years to come.



# INDIANA GOLF MARKET



Birck Boilermaker Golf Complex, West Lafayette, IN

Indiana is in the midwestern United States, covers a land area of 36,418 square miles, and is home to an estimated population of 6.785 million people in 2020 . The largest City and metro area in the State is Indianapolis, with more than 2.1 million residents. Indiana has had modest growth, with a 4.65% increase in population between the 2010 and 2020 U.S. Census, compared to 6.3% for the total U.S.<sup>2</sup>

Most of Indiana has a humid continental climate, with cold winters and hot, wet summers, though there is significant variation given the diversity of landscapes across the state. The southern portion of the State is within a humid subtropical climate, and receives considerably more precipitation than other parts of the State<sup>3</sup>. Indiana is generally a seasonal golf market, with a large portion of golf facilities closing entirely for the winter.

# INDIANA ECONOMIC OVERVIEW

## DEMOGRAPHIC OVERVIEW

SUMMARY DEMOGRAPHICS	INDIANA	U.S.
POPULATION 2000	6,080,490	281,399,034
POPULATION 2010	6,483,802	308,745,538
COMPOUND ANNUAL GROWTH % (2000-2010)	0.64%	0.93%
POPULATION 2022	6,787,940	334,735,264
COMPOUND ANNUAL GROWTH % (2010-2022)	0.38%	0.68%
POPULATION 2026 ESTIMATE	7,024,963	339,844,802
MEDIAN HOUSEHOLD INCOME	\$65,121	\$63,709
MEDIAN AGE	38.0	38.3

Source: Applied Geographic Systems (AGS) / (GbBIS, 2022)<sup>4</sup>

## ECONOMIC HIGHLIGHTS

Indiana has a diverse economy with a gross state product of \$352.62 billion in 2021. It has several metropolitan areas with populations greater than 100,000 and a number of smaller cities and towns. A high percentage of Indiana’s income is from manufacturing, with an estimated 17% of the state’s non-farm workforce employed in manufacturing -- the highest of any state in the U.S. (Bureau of Labor Statistics). The state’s five leading exports were motor vehicles and auto parts, pharmaceutical products, industrial machinery, optical and medical equipment, and electric machinery.

In 2016, Indiana was home to seven Fortune 500 companies with a combined \$142.5 billion in revenue. Columbus-based Cummins, Inc. and Indianapolis-based Eli Lilly Company and Simon Property Group were recognized in Fortune publication’s “2017 World’s Most Admired Companies List”, ranking in each of their respective industries. Indiana is in the U.S. Corn Belt and Grain Belt, making agriculture a major part of the Indiana economy.

<sup>2</sup> United States Census (2020)

<sup>3</sup> <https://www.westcentralindianaedc.com/index.php/our-region/climate>

## GOLF IN THE STATE OF INDIANA

Golf is an important component to the overall Indiana experience, and the golf courses in the State are predominantly open and available to the public. Over 82% of all Indiana golf courses are public, compared to 74% for the total U.S. In recent years, golf has become increasingly tied to residential and resort developments in and around the major metro centers of the state, with new golf development in the state driven mostly by new residential or resort communities.

## INDIANA GOLF HISTORY

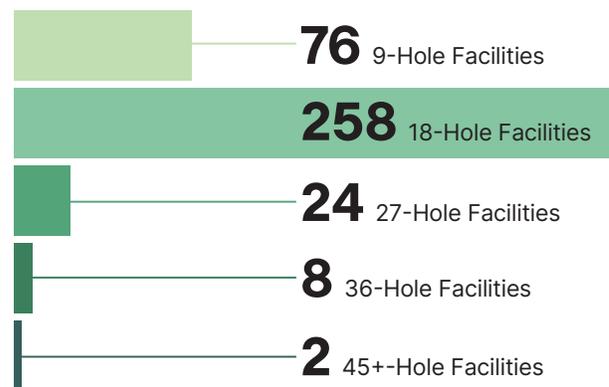
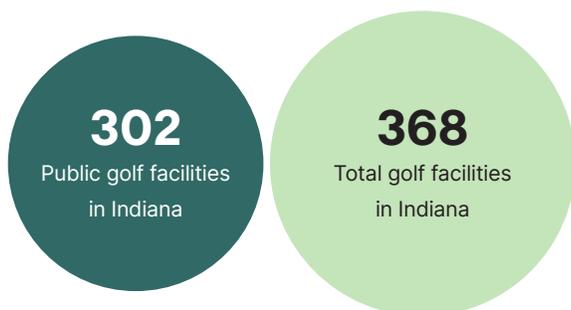
Golf has a long and storied history in Indiana, dating back to the 1880 opening of Indiana Oaks Golf Club, one of the oldest golf courses in the country. The game was first brought to Indianapolis in 1897 after Alvin S. Lockard saw British officers playing the game in India and, upon his return to the U.S., he helped design the first two holes at the Country Club of Indianapolis (CCI). By 1910, there were a total of 15 separate golf facilities in Indiana, including the French Lick Resort that opened in 1907. In 1900, the president of CCI called a meeting to find out who was the best golfer in Indiana, leading to the formation of the Indiana Golf Association and the Indiana State Amateur Championship, which was first played at CCI in October 1900. Through the years, Indiana has hosted a variety of amateur and professional golf events including the BMW Championship on the PGA Tour (formerly Western Open) that was played at Crooked Stick GC in Carmel in 2012 and 2016. Crooked Stick also hosted the 1991 PGA Championship, a major golf event won by John Daly.

## INDIANA GOLF MARKET<sup>4</sup>

- Indiana's public access golf courses are generally quite affordable. NGF classifies 288 of the state's 302 public golf facilities – 95.4% – as either "Value" or "Standard" facilities, meaning peak season weekend green fees with cart are under \$70.
- There are 82 golf facilities connected to residential real estate and/or resorts in the state, and 13 golf facilities in Indiana with some form of resort component (2 facilities are both). The real estate courses represent 22.3% and resorts represent 3.5% of total golf facilities in the State.
- Much of the new golf course development in Indiana over the past three decades has been associated with new real estate development. Between 1990 and 2021, 47% of new golf facilities were part of real estate developments.

In 2021, there were 302 public golf facilities and 66 private golf clubs in operation in Indiana, for a total of 368 facilities. In addition, there were 18 stand-alone driving ranges in the state, though most of these are smaller operations. New golf course construction has come in several "waves" of development in the State's history, with 110 facilities (29.9% of the total golf facility inventory in the state) developed before 1939, 66 developed in the 1960s (17.9%), and 91 (25%) built after 1990 (compared to 26% for the total U.S. built after 1990).

Golf facilities that are open to the public  
(82% of U.S. facilities are public access)



**9**

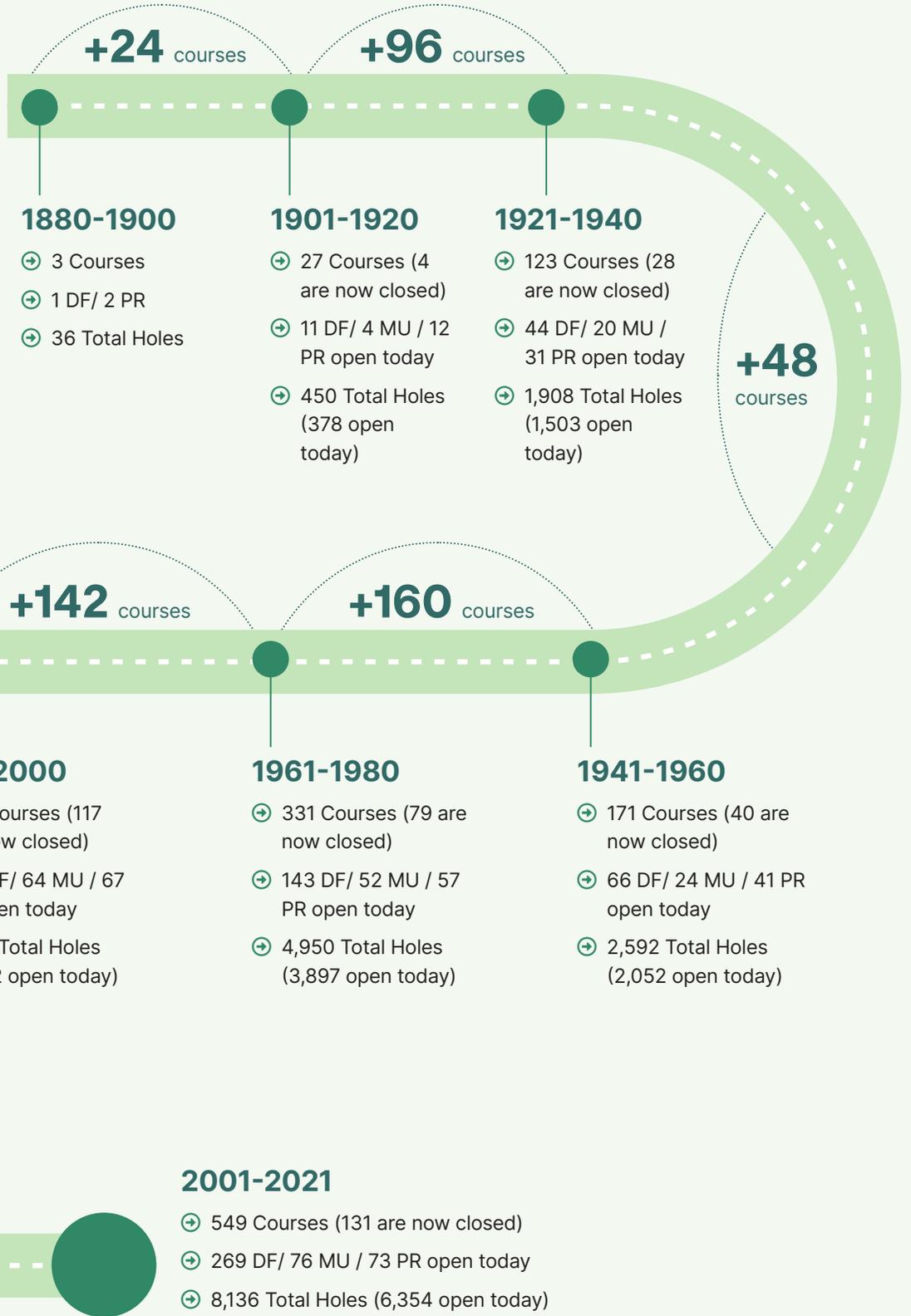
Off-course Specialty Golf Retail Stores

**18** +1 Topgolf facility

Stand-alone Driving Ranges

<sup>4</sup> Proprietary Research, National Golf Foundation 2022

# GOLF SUPPLY THRU THE DECADES



# GOLF FACILITY OPERATIONS



Photo compliments of  
Chathan Hills Country Club, Westfield, IN

# FINDING

Direct NGF research into the actual performance at Indiana golf facilities in 2022 shows average revenue in 2021 by type of facility as follows:

Facility Type	No. of Facilities	2021 Total Average Revenue*
9-HOLE COURSES	75	\$195,133
18-HOLE PUBLIC (VALUE/STD.)	194	\$1,015,552
18-HOLE PUBLIC (PREMIUM)	16	\$2,480,567
PUBLIC 27+	28	\$2,986,418
18H+ PRIVATE	55	\$4,099,446
<b>TOTAL NO. OF FACILITIES</b>	<b>368</b>	

\*Source: NGF Survey of IN facilities, 2021 (n=56)<sup>5</sup>

The NGF also factored in some unique outliers in our collected data, with higher-than-usual revenue at Swan Lake Resort and Pine Valley Country Club, and incorporated these into the calculation by reducing the count applied to averages in two categories (9H courses, Public 27+ and 18H Private) and adding in the total revenue from unique outliers. In addition, 255 of the 368 golf facilities (69.3%) have a driving range, and Indiana also has 18 stand-alone driving range facilities that are a mix of large and small operations with an average of \$50,000 in revenue per location. Utilizing these findings, the Statewide revenue from direct golf facility operations is estimated as follows:

GOLF FACILITY OPERATIONS	From Survey	\$550,553,000
UNIQUE OUTLIERS	Selected strong performers	\$8,884,000
DRIVING RANGES	Both on-course & stand-alone	\$11,391,000
<b>Golf Operations Revenue in Indiana (2021)</b>		<b>\$570,828,000</b>



**In Indiana and elsewhere, the golf facility is at the core of the overall golf economy.**

The golf facility economy includes all revenues generated from green, cart, membership and initiation fees, as well as ancillary golf course purchases such as merchandise, food and beverage, banquets and other revenue. The revenue collected from all of these sources is assumed to be the basis for all expenditures required to operate the facility.

<sup>5</sup> Facility Operators. (2022, May). State of Indiana Golf Operations Survey. (National Golf Foundation, Interviewer)

# GOLF FACILITY TOTAL REVENUE SUMMARY



# \$570.8M

Type of Revenue	Total (\$ Millions)	% of Total
GOLF PLAYING FEES	\$188.9	33.1%
MEMBERSHIP DUES	\$149.1	26.1%
RETAIL SALES	\$59.5	10.4%
RESTAURANT	\$135.0	23.6%
LESSONS	\$5.0	0.9%
OTHER	\$21.9	3.8%
DRIVING RANGES*	\$11.4	2.0%
<b>TOTAL REVENUES</b>	<b>\$570.8</b>	<b>100.0%</b>

\* Includes revenue from stand-alone ranges

Golf courses in Indiana hosted a total of 8.6 million rounds, or approximately 23,700 rounds per 18 holes. This volume of golf activity is proportionately strong for Indiana given the State’s climate and relatively short golf season. The total U.S. averages 31,529 rounds per 18 holes in 2021 across all climates.

The average revenue from green, cart and membership fees in the State was \$39.35 per round of golf, plus additional revenue from ancillary items such as driving range (\$1.33), total F&B (\$15.71), pro shop merchandise (\$6.93) and other items/lessons (\$3.13).

## APPROACH

### What is Measured

Golf Facility revenue includes all receipts generated from green fees, cart fees, membership fees and initiation fees, as well as ancillary purchases at the golf course facility such as merchandise, food and beverage, banquets and other items. The revenue collected from all of these sources is assumed to be the basis for all expenditures required to operate the facility.

### How it’s Measured

Golf facility revenue data comes from the 2022 Indiana golf facility survey conducted by NGF, which collected data on reported revenues by type for each of the six classes of golf facilities (n=54). The revenues generated from driving ranges was applied to only those golf facilities that had a driving range on site (255 of the 368 facilities), plus additional revenue assumed for 18 stand-alone ranges in the State and unique performers like Swan Lake Golf Resort and Pine Valley CC.

# GOLF FACILITY CAPITAL INVESTMENT



Woodland Country Club, Carmel, IN  
Hole #8, renovated tee area and sod wall bunker added

# INDIANA GOLF FACILITIES INVESTMENT



## \$67.3M

In 2021, Indiana golf facilities invested over \$67.3 million in capital improvements for new facilities and renovations to greens, fairways, bunkers, infrastructure, equipment, and structures. This included several large-scale capital projects at premier Indiana golf facilities like the major \$3.2 million upgrade to Brickyard Crossing, the \$3.4 million enhancement of Pine Valley CC, a nearly \$1.1 million investment in Swan Lake Resort, the \$2.0 million golf enhancement at Birck Boilermaker Golf Complex, and the \$1.2 million upgrade to Broadmoor CC. In all, NGF research found that 54% of Indiana golf facilities began or continued capital projects in 2021 (defined as new construction or major renovation to the course and/or related facilities) that were not funded directly from operating expenses.

The most significant golf facility capital expenditures undertaken in Indiana in 2021 and reported to NGF via survey (and additional research) were significant enough to review separately, and included:

- ➦ **Brickyard Crossing** – Invested \$3.2 million in a major facility upgrade that included golf course enhancements (\$2.0 million), clubhouse improvements (\$750,000), cart paths and equipment (\$350,000), and irrigation upgrades (\$100,000). Key projects included a new cart storage facility, new roof, new bridges, 11 miles of cart path and a new back deck.
- ➦ **Pine Valley Country Club** – spent \$3.4 on golf course design improvements (\$1.6 million) and a new irrigation system (\$1.8 million).
- ➦ **Swan Lake Resort** – undertook a \$1.1 million upgrade to enhance the clubhouse (\$819,000) and improve maintenance facilities (\$239,000). The clubhouse enhancement included a remodeled restaurant, new bar and other paint, flooring and furnishings.
- ➦ **Birck Boilermaker Golf Complex** – has invested \$2.0 million for golf course improvements and a full bunker renovation.
- ➦ **Broadmoor Country Club** – reported a large-scale facility upgrade undertaken in 2021, including \$1.0 million for golf course improvements (bunker renovation, new tees, cart paths) and 200,000 in clubhouse enhancement (HVAC, roof).

## APPROACH

### What is Measured

Capital investments are major improvements outside of normal maintenance and operating expenditures by golf facilities for turf maintenance and grounds upkeep. Golf facilities periodically make major investments to improve greens and tees, renovate clubhouses and other buildings, and purchase turf maintenance equipment and irrigation systems. In addition to capital investments by existing facilities, construction of new golf courses constitutes the other major type of capital investment.

### How it's Measured

Golf facility capital investment data comes from the 2022 Indiana golf facility survey conducted by NGF (n=54), which included a question about specific large-scale capital projects undertaken in 2021 outside of normal operating expense. For this study, NGF used reported average capital investment by facility type, with outliers removed, and applied the appropriate averages to the total golf facility census for the State. The unique outliers were then added back in as they represented significant individual projects as noted above.

# ECONOMIC IMPACT ESTIMATE CALCULATION

## INDIANA GOLF FACILITY CAPITAL INVESTMENT

Facility Type	No.	On-Course Capital	Unique Projects	CH/Structures Capital	Unique Projects	Carts/ Equipment
9-HOLE COURSES	75	\$890,000		\$80,000	\$2,267,000	\$190,000
18H PUBLIC (VALUE/STANDARD)*	194	\$4,540,000	\$239,000	\$190,000		\$960,000
18H PUBLIC (PREMIUM)**	16	\$490,000	\$3,200,000	\$1,230,000	\$5,500,000	\$6,500,000
27+ PUBLIC***	28	\$0	\$2,819,000	\$1,010,000	\$8,500,000	\$390,000
18H+ PRIVATE****	55	\$6,660,000	\$3,400,000	\$9,550,000	\$2,500,000	\$6,190,000
<b>TOTAL</b>	<b>368</b>	<b>\$12,580,000</b>	<b>\$9,658,000</b>	<b>\$12,060,000</b>	<b>\$18,767,000</b>	<b>\$14,230,000</b>



\*Honeywell GC had \$218,000 on-course upgrade. Only one course (Black Squirrel) reported any structures investment

\*\*Brickyard Crossing had major \$3.2 million upgrade (\$2MM on course, \$750k structures, \$350k carts/eq., \$100k irrigation)

\*\*\*Swan Lake had large \$819,000 investment in clubhouse + Birk Boilermaker \$2.0MM golf course project

\*\*\*\*Pine Valley had \$1.6MM in structures and \$1.8MM for new irrigation + Broadmoor CC had \$1.0MM golf + \$200,000 for CH

## SUMMARY OF INDIANA GOLF FACILITY CAPITAL INVESTMENT

Type	Total Investment
 TOTAL ON-COURSE CAPITAL EXPENSES (INCLUDING IRRIGATION)	\$22,238,000
 TOTAL CLUBHOUSE & STRUCTURES	\$30,827,000
 TOTAL CARTS & EQUIPMENT	\$14,230,000
<b>TOTAL CAPITAL EXPENSES IN IN - 2021</b>	<b>\$67,295,000</b>

# GOLF RELATED SUPPLIES



Golf equipment comprises three categories: **(1) clothing; (2) equipment; and (3) shoes. Golf clothing comprises several categories: (1) gloves; (2) shirts; (3) caps/visors; (4) shorts; (5) slacks; and (6) outerwear (rain, wind, thermal).** NGF estimates that golfers spent \$114.0 million on clothing, equipment and shoes used primarily for golf in Indiana in 2021. These items were purchased at golf courses and other golf retail outlets, including specialty stores, sporting goods stores, mass merchants, etc. An estimated 52% of these purchases are presumed to be made at on-course retail outlets (pro shops) that were counted previously in the economic estimate from golf course operations.

## GOLF RETAIL IMPACT

The economic value created by golfer supplies consists of three components: (1) manufacturing cost of materials; (2) manufacturing value added; and (3) retailer's net revenue from sales. Since there are no significant manufacturers of golf-related supplies in the state of Indiana, we expect items #1 and #2 above to be relatively modest, with the bulk of the impact derived from retail margins. Consumer purchases of golf apparel, equipment, and shoes drive significant economic activity. Indiana off-course retailers earned a \$23.78 million margin on \$54.53 million of off-course gross retail sales of golf clothing, equipment and shoes in 2021 (NGF previously estimated \$59.5 million in on-course retail).

### GOLF RELATED RETAIL REVENUE (\$ MILLIONS)

Total Retail Sales*	Value Attributed to Indiana (\$ Millions)
CLOTHING	\$28.0
EQUIPMENT	\$76.2
SHOES	\$9.8
<b>TOTALS</b>	<b>\$114.0</b>
% ATTRIBUTED TO ON-COURSE RETAIL	52%
<b>TOTAL GROSS OFF-COURSE RETAIL</b>	<b>\$54.5</b>
RETAIL SALES MARGIN %	43.6%
OFF-COURSE RETAIL SALES TOTAL (MARGIN) MANUFACTURING OUT OF STATE SHIPMENTS (VALUE ADDED)	\$23,780,000

\*Sources: NGF Annual Industry Shipment Data, US Census Annual Retail Trade Survey

The estimation of economic impact is based upon the retail margin that accrues to Indiana companies that sell golf equipment and apparel. The U.S. Census Bureau's Annual Retail Trade Survey reports the retail margin for different industry sectors. NGF used the most recent retail margin available for sporting goods stores (43.6% in 2021) to estimate the retail margin accruing to Indiana companies. The retail margin is the net revenue accruing to the business after paying for the cost of goods from the wholesaler or manufacturer.

## APPROACH

### What is Measured

This segment captures both: (1) the net revenue (known as retail margin) that accrues to Indiana retailers from spending by golfers on golf equipment, golf shoes, and golf apparel; and (2) the manufacture of these goods by Indiana companies. In addition to the manufacture of golf-related consumer goods, this segment captures the manufacture of golf cars, golf course accessories, and turf maintenance equipment. Like golfers, golf facilities also make purchases of goods to facilitate the game and facility operations.

### How it's Measured

Data to calculate on-course and off-course retail spending on golf equipment, golf shoes, and golf apparel comes from National Golf Foundations Annual Industry Shipment Data and the US Census Annual Retail Trade Industry. Sales for different categories of purchases are broken down by geographic region, and NGF estimated state-level sales to be 1.69% of the national total, based on Indiana's share of 18-hole equivalent facilities for the E.N. Central Region (ENC Region = 12.5% / % of region courses in Indiana = 13.5%).

# SERVICES AND MANUFACTURING IMPACT



**\$107M**

Total Golf-Related Revenue

**166**

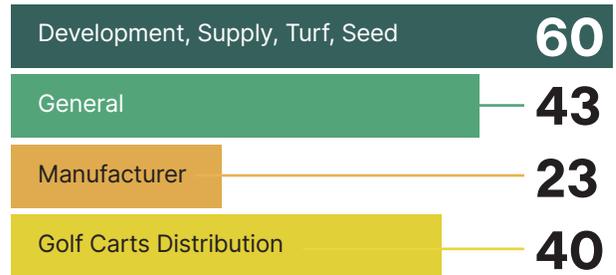
Total Golf-Related Manufacturers & Service Providers in Indiana

The second type of activity captured is golf-related service and manufacturing activity—companies that produce golf equipment, apparel, golf cars, turf or grass seed, and golf accessories, as well as those companies that provide direct golf-related services like golf car distribution, construction and/or other consulting services.

To identify golf-related manufacturers and service providers, NGF utilized our proprietary database of golf businesses in Indiana along with input from the Indiana golf task force. The NGF counted 166 companies that identified themselves as being providers of golf products and services, including several major companies in turf products (Advance Turf Solutions in Elkhart), golf cart seat manufacturing (El Tigre Cart Seats in Elkhart), golf cart distributors (Indiana Golf Car in Arcadia), plus a significant number of smaller “mom and pop” companies that produce a wide assortment of golf accessories and services. These companies are divided by category as noted to the right:

Annual revenue and employment numbers for these companies come from Reference Solutions<sup>6</sup> information and data provided to local public libraries. NGF subtracted the share of sales going to in-state customers (estimated at 50% - Source: NGF) from total sales to avoid double-counting with the golf facility operations and retail consumer golf sales segments. The IMPLAN data and modeling software calculates economic impact based on the value added for manufacturing, i.e., the company’s wholesale revenue minus the cost of production inputs.

The table to the right shows these golf-related companies generated the following revenue:



Revenue Source	Revenue (\$ Millions)
DEVELOPERS/SUPPLIES/TURF/SEED	\$10.7
GOLF CARTS DISTRIBUTION	\$23.5
GENERAL SERVICES	\$6.8
MANUFACTURER	\$11.5
<b>TOTAL MANUFACTURING &amp; SERVICES</b>	<b>\$52.5</b>

Total Combined Golf-Related Supplies Impact	Revenue (\$ Millions)
TOTAL OFF-COURSE GOLF RETAIL (ON-COURSE COUNTED IN OPERATIONS)	\$54.5
MANUFACTURING & SERVICES	\$52.5
<b>TOTAL GOLF RELATED SUPPLIES</b>	<b>\$107,000,000</b>

6 Reference Solutions. “ReferenceUSA U.S. Business Database/Quick Search”. April 2022. (2020 Data) <<http://referencesusa.com/>>

# TOURNAMENTS AND ASSOCIATIONS



Indiana has several member-driven golf associations that support a variety of educational and training opportunities, tournaments, meetings, and workshops. In addition, the State hosts professional golf tournament events with regular stops on the LPGA Seniors and Korn Ferry golf tours. The major state golf associations include the Indiana Golf Association, the Indiana Golf Course Owner's Association, the Indiana Golf Course Superintendents Association, the Indiana Golf Foundation and the Indiana chapter of the First Tee. Also active are women's and seniors golf associations. Some of the largest of these include Golf Gives Back in Evansville and the Indiana Golf Foundation in Franklin.

Golf Gives Back is a non-profit organization overseeing the sales, operations and charitable giving component of the Korn Ferry Tour Championship presented by United Leasing and Finance. The Golf Gives Back Board has identified Early Childhood Education (high quality pre-K/child development for lower income children) as the focus for charitable giving of tournament proceeds. The Indiana Golf Foundation is a national leader in junior golf, allowing hundreds of Indiana youth an opportunity to experience the numerous benefits that come from playing the game of golf. All programs under the Foundation umbrella are funded through the generosity of golfers from throughout the state and minimal program fees to participants.

## IMPACT

### PROFESSIONAL AND AMATEUR GOLF TOURNAMENTS AND EVENTS:

Indiana did not host any PGA Tour golf championships in 2021, but has hosted PGA Tour events in the past, including a major event (PGA Championship) at Crooked Stick in Carmel in 1991 (won by John Daly). The most significant golf events in Indiana in 2021 included the LPGA Seniors Championship at French Lick Resort and the Korn Ferry Tour Championship at Victoria National in Newburg.

The Korn Ferry Tour Championship is a key event on the Korn Ferry Golf Tour, and played each year at Victoria National from 2019 through at least 2028, having direct economic impact in Indiana. A comparable event in Wichita, Kansas (Wichita Open) had an estimated \$6.5 million economic impact and raised over \$200,000 for local charities. (Source: Wichita Open). The Senior LPGA Championship was played on the Pete Dye Course at French Lick Resort in French Lick, Indiana each year from 2017 through 2021 (cancelled in 2020). This tournament has been a key event on the growing Senior LPGA tour, with a purse of \$400,000 in 2021. The same event was held in Salina, Kansas in 2022 with an estimated \$750,000 economic impact. (Source: Salina Journal).

Jul 26		<b>Indiana PGA Pro-Assistant</b> Delaware · Muncie , IN
Jul 26		<b>Professional Individual Play- Pro/Ass't</b> Delaware · Muncie , IN
Jul 28		<b>Indiana PGA Pro Lady</b> Ulen CC · Lebanon , IN
Jul 30		<b>PAT #4- Honeywell</b> Honeywell · Wabash , IN
Aug 1		<b>IGA-PGA Mixed Four Ball Championship</b> Kokomo CC · Kokomo , IN
Aug 2-3		<b>Indiana PGA Assistant Championship</b> Pine Valley · Fort Wayne , IN
Aug 9-10		<b>Indiana PGA Senior Professional Champ.</b> Harbour Trees · Noblesville , IN
Aug 15		<b>IGA-PGA Father Son</b> Purgatory · Noblesville , IN
Aug 16		<b>Club Car Stroke Play Championship</b> Country Club of Indianapo · Indianapolis , IN
Aug 23-24		<b>Indiana PGA Professional Championship</b> Elcona CC · Bristol , IN
Aug 26		<b>PAT #5- Zollner GC</b> Zollner · Angola , IN
Aug 30		<b>Indiana PGA Team Championship</b> Anderson · Anderson , IN
Sep 8		<b>Indiana PGA Junior/Senior</b> Otter Creek GC- NW · Columbus , IN



In addition, Indiana has hosted many other non-major professional and amateur events, including:

➔ **38 Indiana PGA events,**

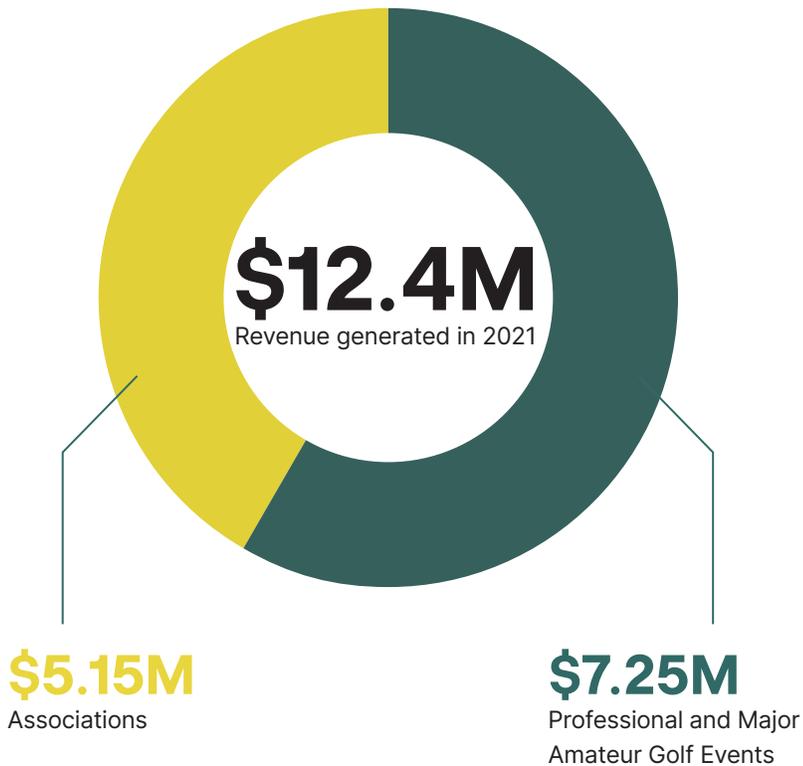
➔ **35 IGA tournaments,**

➔ **12 IWGA tournaments**

➔ **53 other USGA qualifiers, county events, city championships, etc.**

## ASSOCIATIONS:

Indiana is home to 72 separate golf associations that are large enough to file tax information with the Internal Revenue Service (IRS), but many are smaller golf club groups and foundations. This includes two large foundations – Golf Gives Back and the Indiana Golf Foundation. NGF research from IRS documents shows the total revenue generated from these Indiana golf associations and foundations was \$5.15 million in 2021.



## APPROACH

### What is Measured

Direct expenditures related to hosting professional events, total expenditures on tournaments and other activities by state golf associations, and charitable monies raised via golf events. The PGA TOUR, the PGA of America, the USGA, and the LPGA organize professional golf championship events across the country. The Indiana Golf Association organizes amateur events for men and women of all ages, including juniors, seniors, and open events. The PGA Section organizes a series of events for juniors, as well as professional events for their members.

### How it's Measured

The Tournaments estimate is derived from the total reported economic impact of the Senior LPGA Championship in Salina, Kansas in 2022, plus results from a comparable Korn Ferry Tour event held in Kansas in 2019 (Wichita Open) as a direct proxy for the Korn Ferry event held in Indiana in September 2021. The Associations estimate is the sum of major state golf association revenues. These are reported on profit and loss (P&L) statements provided by the state golf associations to NGF and/or via tax filings.



Charitable golf events hosted at golf facilities in Indiana serve as important fundraisers for many state and local charitable organizations. A national study by NGF in 2017 showed the average amount raised at a charitable golf event was just over \$26,000. Based on our 2022 survey of Indiana golf facilities, the NGF has estimated that golf facilities in this state hosted 3,752 charitable golf events (80% of facilities reported hosting events), with an average of \$13,427 raised for charity at each event.

Among the more newsworthy events in Indiana in 2021:

- ➔ **Brickyard Crossing** – estimated that combined they raised over \$1.5 million for charity in 2021 from events. Beneficiaries include the Little Wish Foundation, Golf 4 Kids and the Indiana Special Olympics.
- ➔ **Crooked Stick** - estimated that combined they raised over \$1.0 million for charity in 2021 from events. Beneficiaries include the Friends of Hamilton Parks, Indiana Golf Foundation and the First Tee.
- ➔ **Prairie View Golf Club** – noted hosting three events with a total of 300 participants raising over \$35,000 for the Evans Scholars Foundation and the Central Indiana Caddie Academy.
- ➔ **Pebble Brook Golf Course** – reported over 20 charity events and 2,000 participants raising money for the Veterans of Foreign Wars (VFW), the National Home for Children the Good Samaritan Network.

## IMPACT



# \$50.38M

In charitable proceeds

The estimated 3,752 charitable golf events held at golf course facilities in Indiana has raised an estimated \$50.38 million in charitable proceeds for beneficiary organizations. This includes charitable monies raised at both championship events and at the club level.

## APPROACH

### What is Measured

Charitable giving captures both the in-kind contributions and the net proceeds resulting from charitable golf events that are hosted by Indiana golf facilities and professional golf tournament events.

### How it's Measured

The charitable giving estimate draws on the National Golf Foundation's direct survey of Indiana golf facilities in 2022. This survey provided detailed information on the number of golf facilities that hold charitable golf events, the average number of events held by each facility, and the net proceeds raised. The NGF survey of Indiana golf facilities in 2022 shows that approximately 80% reported hosting a charitable golf event, with an average of four annually per facility. A national study by NGF in 2017 showed the average amount raised at a charitable golf event was just over \$26,000 in net proceeds per event for charitable and nonprofit organizations for private and premium public facilities, with Indiana golf facilities reporting an average of \$13,427 raised per event in the NGF 2022 survey

# GOLF TOURISM

Golf is a popular outdoor recreational activity that helps enhance Indiana's tourism industry through day and business trips, as well as extended vacations. NGF has identified a notable golf-travel industry in Indiana, with about 2% of out-of-state visitors having golf as a major component of their trip. The scope of this finding was somewhat surprising, as Indiana is generally not known for its golf resorts. However, Indiana does offer several top-quality golf resorts (Indiana has 13 resort-related golf facilities), including facilities like French Lick Resort, Swan Lake Resort and the Harbor Links Golf Club at Sagamore Resort. In addition, Indiana is able to attract a significant share of golfers who live in nearby metro areas and travel to the state for golf activity. The key out-of-state metro areas NGF identified as feeding golf activity include Chicago, Dayton, Cincinnati and towns throughout southern Michigan.

## IMPACT



# \$152.9M

Generated from travelers who played golf

Tourism is one of the strongest economic drivers for Indiana, providing a valuable source of revenue and jobs. In 2020 and 2021, the Hoosier State Tourism Report<sup>7</sup> (Rockport Analytics) reported 82.7 million total visitors to Indiana in 2019, spending over \$13.7 billion across the state. Of these visitors, facts presented by the Rockport Analytics report indicate there were 31.5 million “overnight” trips and 51.2 million “day” trips to Indiana in 2019. The 2021 Rockport Analytics report indicated a significant blow to Indiana tourism in the wake of the Covid-19 pandemic in 2020, with travel estimates falling to 66.7 million total visitors (19.3% decline) and \$10.2 billion in spending (25.5% decline). As 2021 showed clear recovery for golf facilities in Indiana, the NGF team has determined that the 2019 tourism estimate was more appropriate to estimate golf tourism activity in Indiana for 2021.

According to NGF, travelling golfers spent \$129 per trip for day-trippers and \$843 per trip for overnight visitors. For 2021, NGF estimates that tourism expenditures stemming from travelers who travelled to Indiana specifically to play golf generated **\$152.9 million** (see the next page for details).

<sup>7</sup> Rockport Analytics. (2020 and 2021). The Contribution of Travel & Tourism to the Indiana Economy – 2019 and 2020 Visitor Research

## APPROACH

### What is Measured

The golf tourism industry segment estimates the golf-related travel expenditures in which a person travels 50-plus miles and plays golf as a key recreational activity while on business or leisure travel. Golf-related trips include both overnight and day trips. This figure includes trips to Indiana golf destinations, golf outings while on vacation or business travel, visits to Indiana golf courses from golfers residing outside the state, as well as trips by Indiana residents to play golf at courses in other parts of the state. People also travel to watch amateur and professional golfers compete in tournaments played in Indiana.

### How it's Measured

Data for this calculation comes from surveys and studies of visitors and visitor spending conducted or commissioned by the State of Indiana and the NGF. The Hoosier State Tourism Report (Rockport Analytics, 2020 & 2021) was a key resource and detailed total visitors counts (by length of trip), activities undertaken while in Indiana and average spending per trip.

## INDIANA GOLF-RELATED TOURISM EXPENDITURES - 2021

	Day Trips	Overnight	Total
TOTAL VISITORS	51,200,000	31,500,000	82,700,000
PARTICIPATE IN GOLF %	2%	2%	
TOTAL GOLF TRIPS	870,000	158,000	1,028,000
AVERAGE SPENDING PER TRIP (LESS GOLF FEES)	\$61	\$632	\$149
<b>TOTAL</b>	<b>\$53,070,000</b>	<b>\$99,860,000</b>	<b>\$152,930,000</b>

\*Average spending excluding \$68 for golf spending from day-trips; and excluding \$142 in golf spending and \$69 in transportation to destination expenses from overnight trips (to avoid double counting).

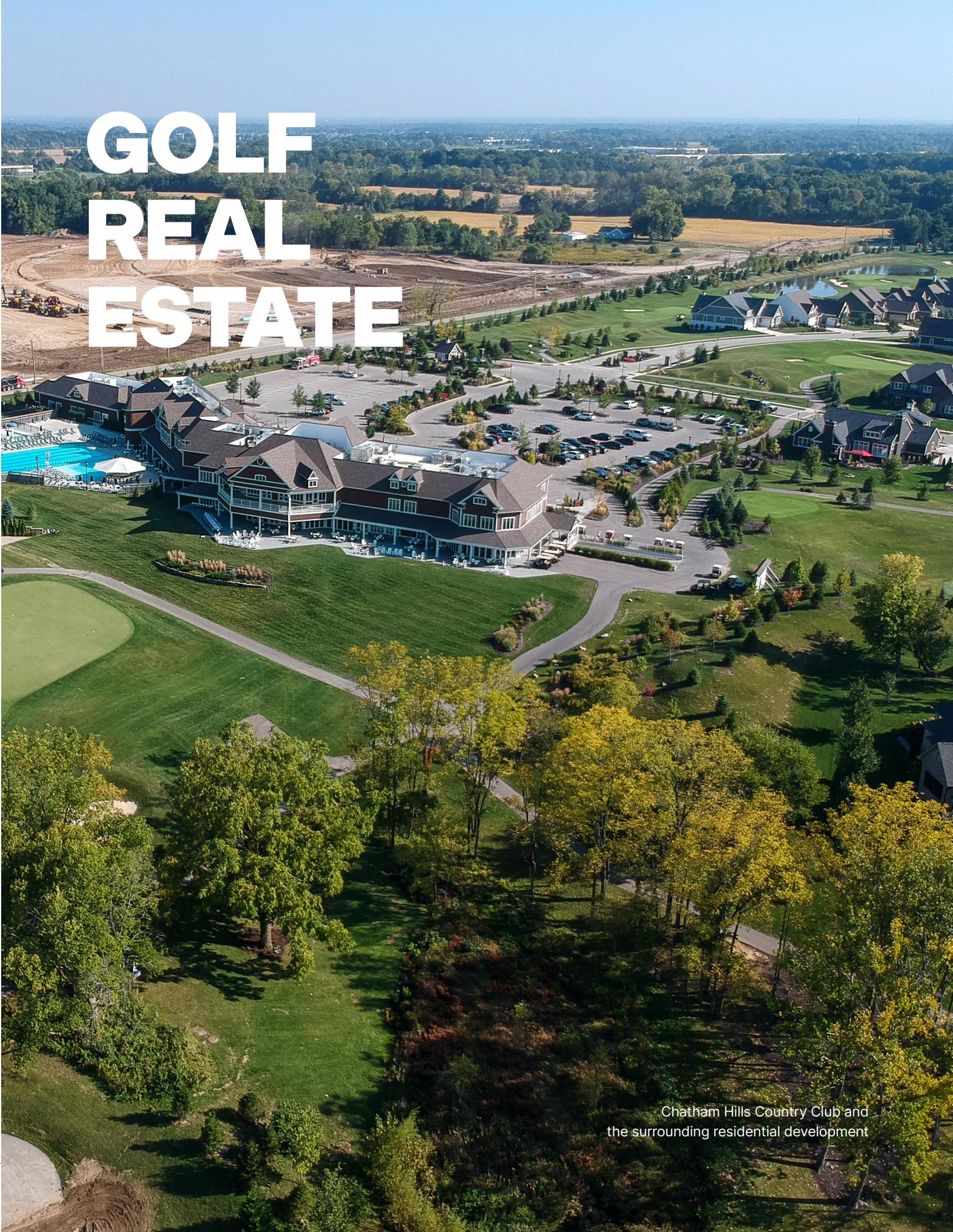
### AVERAGE SPENDING PER GOLF TRIP

The NGF provided estimates of total spending per trip by golfers of \$129 for day trips and \$832 for overnight trips. The NGF has assumed that these amounts actually include spending at the golf facilities (green fees, cart fees, F&B, etc.) that has already been counted in golf facility operations. Thus, the average spend is reduced by \$68 for day trips and \$142 for overnight trips to account for on-course spending, plus 2/3 of transportation to destination is also removed, both to avoid double-counting. The intent was to include spending on accommodation, local transportation, food and beverage, entertainment, gifts, and so on.

Category	Expenditures <sup>8</sup>	
TOTAL SPENDING		\$843.00
LESS:		
2/3 OF TRANSPORTATION AT DESTINATION	103 * .67	\$69.00
GOLF (FEES, ALL PURCHASES AT THE COURSE, LESSONS, ETC.)		\$142.00
<b>TOTAL AMOUNT APPLIED TO OVERNIGHT GOLF VISITORS</b>		<b>\$632,000,000</b>

8 NGF Golf Travel Report with adjustments for Indiana in 2021.

# GOLF REAL ESTATE



Chatham Hills Country Club and  
the surrounding residential development

The walkable open spaces and recreational opportunities provided by golf courses make them a key amenity in many residential communities. There are 82 golf facilities in Indiana that are connected to residential real estate and have some residential component associated with them, such as apartments, villas, lodges or resorts. In total, the NGF estimates upwards of 40,800 total residential units in Indiana that are part of master-planned golf communities, or are immediately adjacent to golf courses.

In addition, there are several golf communities in Indiana that were still active in 2021 with new residential construction, adding an estimated 185 new single-family homes, townhouses and condominiums to the market. The ongoing residential construction produces real economic output that is enhanced by the presence of a golf course within the community.

## IMPACT

The economic impact of golf real estate in Indiana encompasses two components: (1) golf-related residential construction; and (2) net gain to local tax jurisdictions from value premiums associated with golf course real estate.

The NGF estimates that there are eight (8) separate golf communities in Indiana that had residential units under development, to varying degrees, in 2021. This includes Holiday Farms GC in Westfield, Sagamore Club in Noblesville and The Club at Chatham Hills in Westfield (all in Hamilton County). Multiplying the total number of units under construction at each location by their average 2021 cost of construction (\$310,500 per unit) and summing all of these values yielded a total 2021 golf-related residential construction figure of \$57.4 million.

The presence of a golf course with direct frontage on, or in immediate proximity to, a residential unit will provide an added value to the residential property known as the “golf premium” (estimated previously by NGF to be 15%). This golf premium is manifested by the extra value a homeowner can expect to receive on the sale of a housing unit located on a golf course, or within a defined golf community. As this sale is considered a transfer of assets rather than economic output, this is not included in the economic output analysis. However, the enhanced value of golf residential real estate does impact the total amount of property taxes collected by local authorities. NGF estimated the “golf premium” associated with these developments to be upwards of \$1.7 billion, with a property tax impact of \$14.75 million in net gain for local taxing authorities to be used for education and other local initiatives funded by property tax revenue.

# \$72.2M

Value Attributed to Indiana



## \$57.4M

Golf Home Construction\*



## \$14.8M

Net Gain on Local Property Tax from Golf Premium\*\*

\*Assumes 185 new homes under construction in golf communities in 2021 at \$310,500 per unit.

\*\*Assumes a 15% “golf premium” on residential values of 40,854 golf residential units in Indiana multiplied by the 0.0086 average effective property tax rate of market value in Indiana (source: Wall St. 24/7 + Tax-Rates.org/Indiana).

# APPROACH

## What is Measured

New golf home construction generates significant regional economic activity and impact. For this segment, NGF measures expenditures related to new golf home construction, as well as economic activity associated with the property tax assessment valuation of golf homes and the premium associated with these homes. The “golf premium” is the extra amount of property taxes collected by local authorities.

## How it’s Measured

NGF conducted online research to identify new golf community developments and new phases of development at existing golf communities. NGF then contacted real estate developers, builders, and real estate agents to identify the number of new homes under construction in the base year and the average construction cost of these homes. The NGF identified 8 communities with 185 residential units under development in 2021, with an average construction cost of \$310,500.

The calculation of the golf premium impact on local property taxes involves two parts: (1) the “premium” associated with proximity to a golf course was estimated based on previous NGF research on golf-residential communities at 15% premium; and (2) Identified the total inventory of residential units (by type) inside golf communities in the State multiplied by the average sale value (by type) of these units and then applying the 15% golf premium and the estimated 0.86% statewide effective property tax to market value estimate (source: Wall St 24/7<sup>9</sup> had 0.87% as the estimate for 2021 & Tax-Rates.org/Indiana<sup>10</sup> had 0.85% as the estimate for 2021). The calculation is summarized below:

### ESTIMATED IMPACT OF GOLF VALUE PREMIUM OF LOCAL PROPERTY TAXES – INDIANA 2021

	No. of SF Homes in GCs	Avg. \$ Value Home in GCs	Avg. Condo/TH in GCs	Avg. Condo/TH \$ in GCs	Total
BASE	40,854	\$263,849***	3,208	\$204,800***	\$11,436M
“GOLF PREMIUM”					15%
TOTAL PREMIUM					\$1,715.4M
INDIANA EFFECTIVE PROPERTY TAX RATE					0.0086**
NET GAIN FOR LOCAL TAX JURISDICTIONS					<b>\$14.8M</b>

\*Source NGF Analysis – 2022

\*\* Wall St 24/7 & Tax-Rates.org/Indiana

\*\*\*From Indiana Realtors Assoc.

SF=Single Family; TH=Townhouse; GC=golf communities

9 <https://247wallst.com/housing/>

10 <http://www.tax-rates.org/Indiana/property-tax>

# NON-ECONOMIC BENEFITS



Within the scope of considering golf's impact on the State of Indiana, the NGF has provided a summary review of the impact golf has on facets of Indiana society that cannot be measured in terms of dollars and cents. Specifically, our team wanted to summarize key impacts this game has on the quality of life in Indiana. To assess the costs and benefits of golf, one must include the social costs and benefits, as well as consideration of how these elements are expected to evolve over time. In addition to the direct economic benefit derived from fees and charges, the presence of golf courses in Indiana also provides open spaces, healthy recreational outlets for residents and visitors, venues to attract visitors, and reflect positively on the image and/or brand of the State.

## GOLF'S IMPACT ON THE QUALITY OF LIFE IN INDIANA

Golf courses can elevate the quality of life in communities in which they are present by helping to improve the health and well-being of citizens and by providing an outlet for youth activities and programming.

The NGF review shows that golf courses provide upwards of 37,000 acres of open space within the State of Indiana.

As 82% of the State's 368 golf facilities are open to the public, many Indiana golf courses are providing affordable outdoor recreation to more than half a million Hoosiers.



# 91%

of golf facilities who fostered the growth of the game in 2021

### TEACHING

Almost every facility surveyed by NGF in 2020 (91%) participated in at least one program for fostering the growth of the game in 2021. Results estimated that 81% of Indiana golf facilities offer a junior golf program, while over half offer a specialized beginner's program such as Get Golf Ready and WELCOME2GOLF. Other offerings included scholastic golf teams (57%), military and veteran programs (38%), and First Tee (25%). More than 3,000 children participated in a First Tee program in Indiana in 2021.



# 80%

of golf facilities hosted a charitable event in 2021

### GIVING

The PGA Tour's record charitable total of \$203.4 million in 2019 brought its all-time total to over \$3.05 Billion<sup>11</sup>. While the State of Indiana did not host a PGA Tour event in 2021, approximately 80% of golf facilities in Indiana held a charitable event in 2021. Along with professional golf events from the Senior LPGA and Korn Ferry Tour, as many as 3,752 local golf charity tournaments raised an estimated total of \$50 million in charitable contributions through active fund-raising.



# 531 to 2467

calories burned walking 18 holes

### LIVING

While golf is an industry with economic importance, the game also supports the health and well-being of roughly one in thirteen Americans. A study released in June of 2019 concluded that spending 120 minutes or more per week in nature is positively correlated with well-being.<sup>12</sup> Walking 18 holes of golf also burns between 531–2,467 calories. Golf provides an activity for the improved physical and mental well-being of the more than half a million Hoosiers who participate.

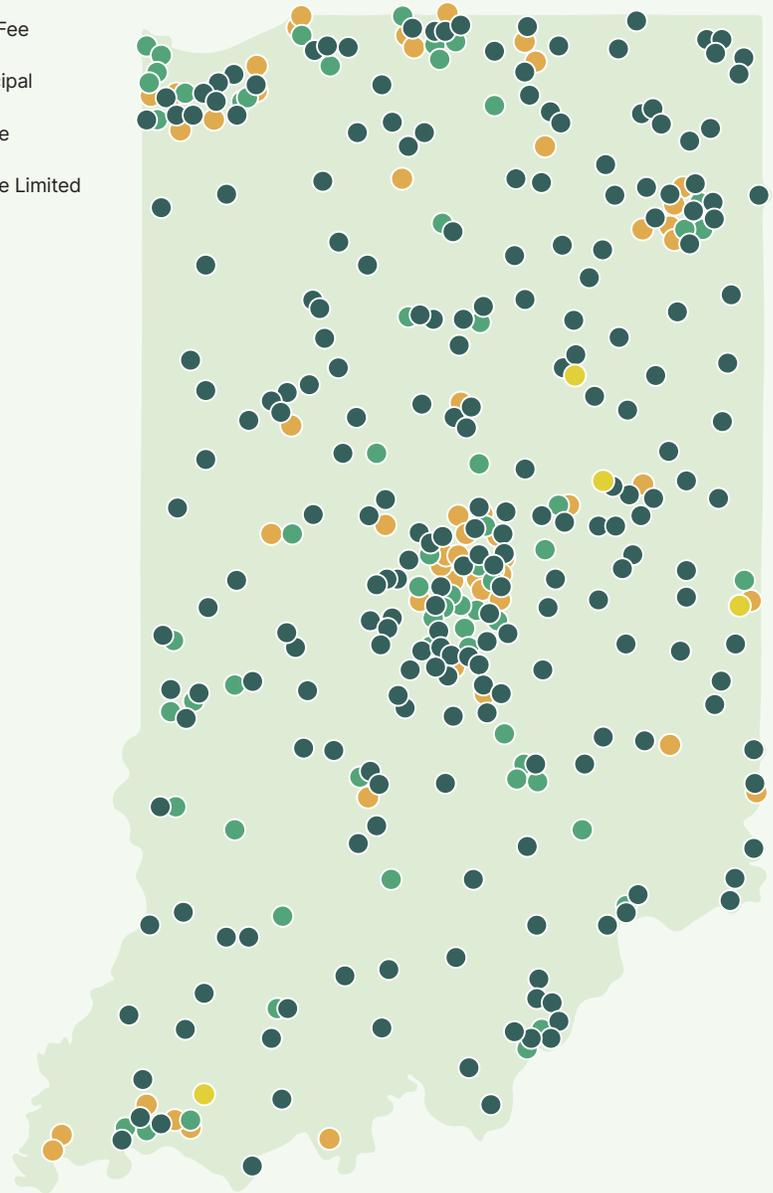
11 Staff, P. T. (2020, Jan. 28). PGA TOUR, its tournaments surpass \$3 billion in all-time charitable giving. Retrieved from PGATOUR.COM, <<https://www.pgatour.com/impact/2020/01/28/pga-tour-tournaments-surpass-3-billion-dollars-all-time-charitable-giving.html>>

12 Mathew P. White, I. A. (June 13 2019). Spending at least 120 minutes a week in nature is associated with good health and wellbeing. Scientific Reports.

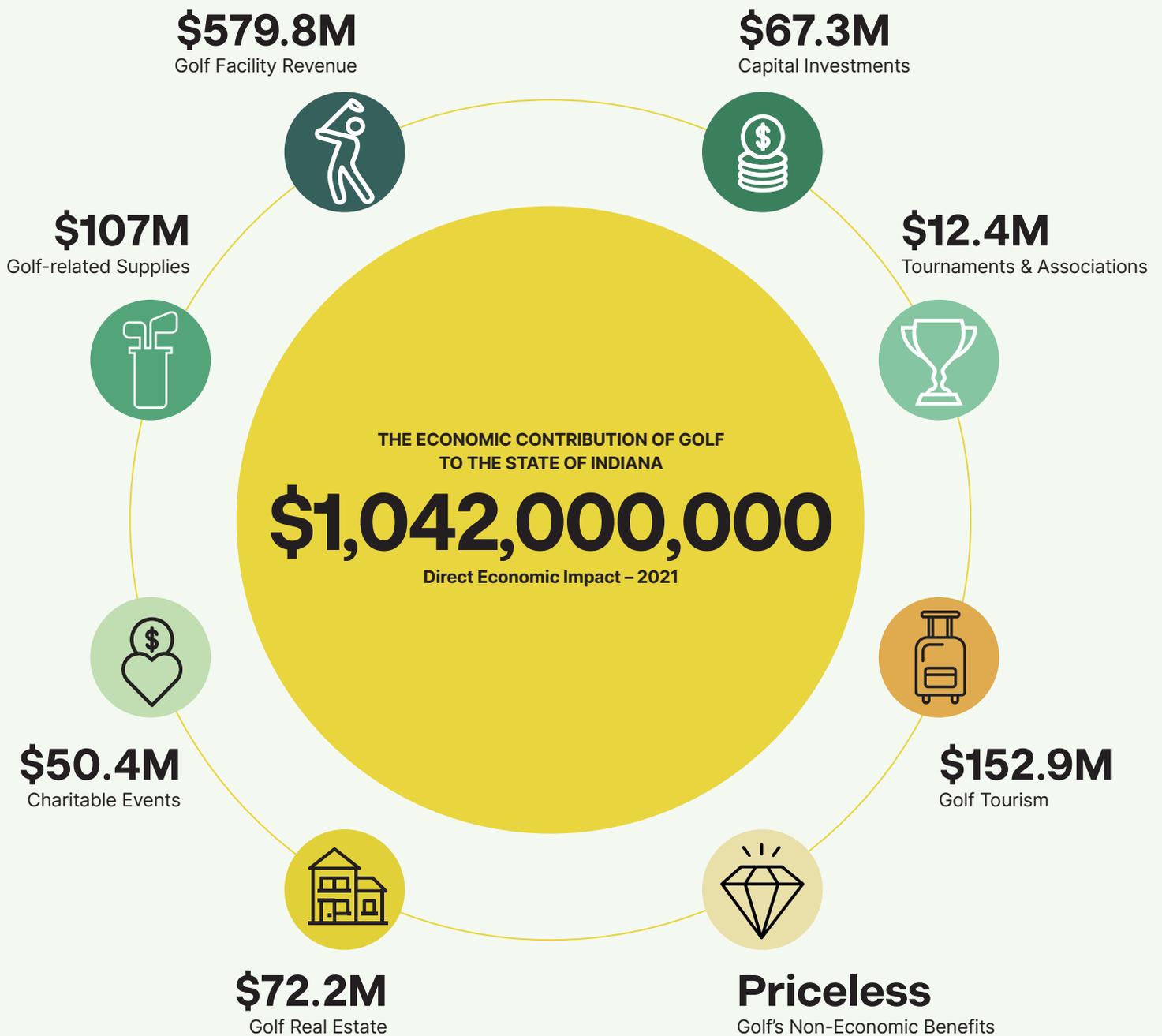


# SUMMARY

- Daily Fee
- Municipal
- Private
- Private Limited



Map produced by NGF's Licensed Mapping Platform  
[www.MapBusinessOnline.com](http://www.MapBusinessOnline.com)





The Contribution of Golf to the State of Indiana  
**2022 IMPACT REPORT**