

JUST IN: How Boynton Beach's Indian Spring Safeguarded Its Club



Indian Spring Country Club in Boynton Beach faced a common problem for club housing communities: residents were aging, club membership was dwindling, but maintenance costs and debt payments remained ongoing.

Some communities, such as the Fountains Country Club near Lake Worth, the President Country Club in West Palm Beach, and Polo Trace near Delray Beach, recently have courted real estate developers willing to buy some or all of their golf courses, as a solution to their club money problems.

But sometimes clubs make deals at the 11th hour with little leverage. In other cases, members spend years fighting among themselves over whether to sell their club or its golf course — or hold out for a miracle that can preserve the status quo.

At Indian Spring, the club's leaders and its members did something different. They decided to be proactive.

This year, club members voted 221-2 to sell the country club for an undisclosed price to Concert Golf Partners, a Newport Beach, Calif.-based owner of boutique, private golf clubs. Concert Golf took over club operation last month.

It's a satisfying end to a long-troubling problem, and Indian Spring resident and former club president Bill Aronson, who for years has wanted a long-term club plan, is proud of the result.

The alternative, such as selling off pieces of the golf courses like other communities, was a non-starter. "It doesn't solve all the problems," Aronson said. "You're just putting off the inevitable for some cash. In a couple of years, you'll still have the same issue."

Indian Spring is a 1,900-home community on Woolbright Road at El Clair Ranch Road that features mostly single-family homes. The community, built in 1988, has two 18-hole golf courses, 26 tennis courts and a 52,000-square-foot clubhouse that can accommodate 450 diners.

Like clubs scattered throughout the county, Indian Spring once had a booming business in equity club membership, particularly among residents who enjoyed playing golf. Indian Spring is an age 55-and-up community.

But retirees who bought homes in the 1980s now are at or over age 90, and some are unable to play golf. Other homeowners who bought decades ago have died and a spouse still may live in the home but not play sports.

Indian Spring is a non-mandatory membership, meaning residents who live in the community do not have to “buy in” to the club in order to live there.

During the last five years, signs became clear the club’s future was uncertain.

The club gained 31 equity members but lost 299 equity members, either from death, health problems or inability to pay dues, said club general manager Dennis Griffin. Equity club membership fell to 300, down from a high of more than 1,000 members. (The club also has non-equity club members, bringing total membership to 749.)

Under the direction of club president Ron Schulman, Griffin said the club “decided not to wait until disaster hit. We still had a lot of leverage in negotiation.”

Aronson said the club sifted through offers made by real estate developers and golf course operators. Members who scouted Concert Golf’s other clubs liked what they saw.

Michael Padden, Concert Golf’s director of member sales, said Concert Golf was impressed with Indian Spring because the facilities are in “fantastic” condition and the membership is down-to-earth.

The golf club world “isn’t all doom and gloom,” Padden said. “You can still find the stars out there. Our intention is to run (Indian Spring) as a private club and make money doing it.”

There’s still room for improvement, though, and Concert Golf intends to expand and renovate the fitness center, upgrade the reception area and upgrade outdoor dining. About \$1 million in improvements are planned.

Concert Golf concessions helped close the deal. The company pledged to keep the club private for 12 years, not levy assessments for equity members and drop dues for equity members by 10-15 percent over a two-year period. Concert Golf also agreed not to sell off the golf courses. “They intend to maintain it is a 36-hole course,” Griffin said.

Concert Golf has 15 private clubs, including four others in Florida. Concert Golf allows members of one club to play at its other clubs. So these days, Indian Spring homeowner Howard Needleman, who is spending the summer in Boston, is happy playing golf at Concert Golf’s Boston course, he said.

Word of Concert Golf’s ownership quietly is spreading to nearby communities. Padden said Indian Spring has sold 40 memberships in the past 30 days alone. Golf memberships sell for about \$10,000 a year.

Meanwhile, other clubs in Palm Beach County struggle for a resolution.

The Fountains Country Club last year struck a deal to sell parts of one of three golf courses to GL Homes for new homes, but the deal has been delayed by technical issues. In the interim, the sprawling community between Lake Worth Road to the north and Lantana Road to the south remains divided.

Only residents living in The Fountain's southern communities are required to have mandatory club membership. (Residents in northern subdivisions won a legal battle to undo mandatory membership.)

In recent years, some Fountains residents have quit the club because they can't pay the dues or are too old to play golf. But the Fountains Country Club isn't letting them off the hook. In fact, the country club has sued numerous Fountains residents for failing to pay club dues.

As a result, instead of spending money tending to the greens, the club spends money on lawyers. With membership dwindling and bad blood growing, not enough money is rolling in to maintain the club.

On June 22, equity club members were notified that monthly assessments for the next seven months will jump from \$120 a month to \$320 a month. Also, the north golf course, one of three Fountains courses, was closed.

Club President Jeff Hamburger blamed lower membership, reserve requirements by the club's lender, Wells Fargo, and the club's failure to reverse court decisions that allowed the northern portion of the community to opt-out of mandatory membership.