

SEPT 2024

**THE CONTRIBUTIONS OF GOLF TO
THE STATE OF MINNESOTA**

2023 IMPACT REPORT

ECONOMIC AND QUALITY OF LIFE

Prepared By:

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INTRODUCTION AND SUMMARY

The “Land of 10,000 Lakes” also has a unique abundance when it comes to golf.

As the 12th largest state in total area and the 22nd most populous, Minnesota ranks just outside the U.S. top 10 in overall golf supply, with 477 courses at 425 facilities. Boasting a rich sporting culture and strong community feel in one of the northernmost states in the country, Minnesota can lay a claim to being the most accessible golf state in the nation. While famous clubs like TPC Twin Cities, Interlachen and Hazeltine National are private, 90% of Minnesota’s golf courses overall are open to public play.

Only four states have a higher proportion of public golf – Alaska, Maine and the Dakotas – but Minnesota is home to more courses than all of them combined. Minnesota’s mix of public golf ranges from destinations in the northeastern part of the state like Giants Ridge and The Wilderness at Fortune Bay to Brainerd Lakes-region resorts such as Madden’s and Cragun’s Resort (both on Gull Lake), and acclaimed Minneapolis-area facilities including StoneRidge and Chaska Town.

Despite having a shorter season than many other parts of the country – typically from late April through October depending how far north a given facility is located – golf is far more than just an enjoyable pastime in Minnesota. The game and business are entrenched as a key industry that contributes significantly to the state’s overall economy and quality of life.

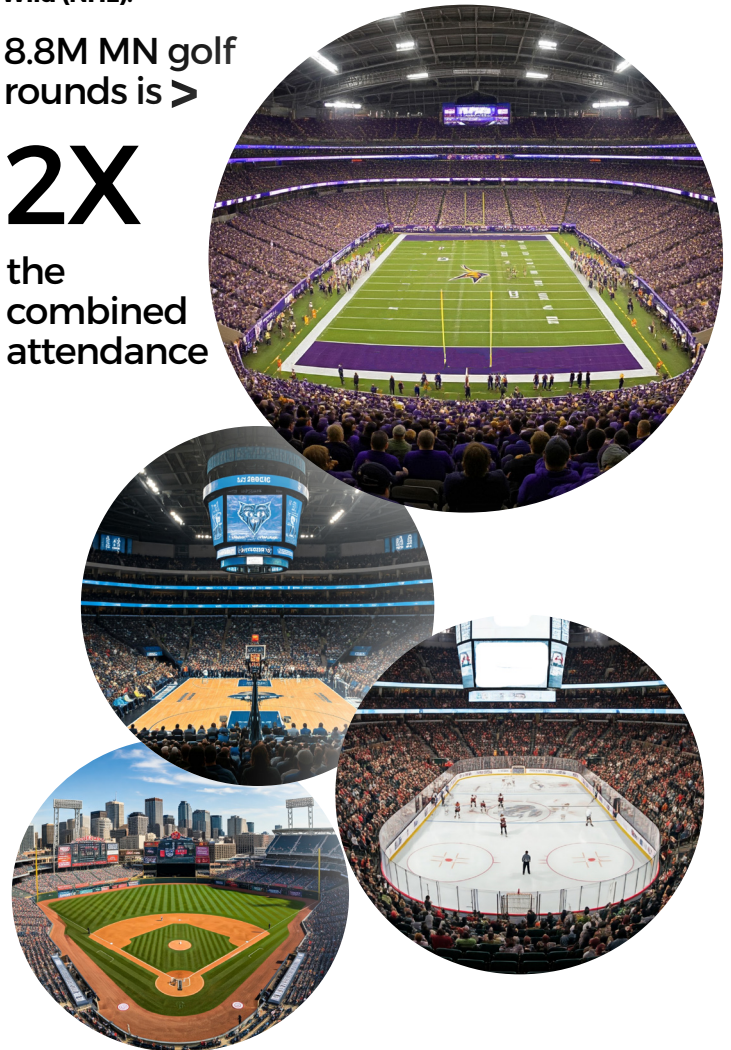
Minnesota has the third-highest golf participation rate in the country, with nearly 11% of its 5.28 million residents over the age of 5 playing traditional, on-course golf. That’s almost 578,000 golfers in total, a robust participant pool that doesn’t include those who so far only engage with off-course forms of the game, whether it’s hitting balls in indoor golf simulators – an increasingly popular and accessible option in cold weather climates -- at golf entertainment venues like Topgolf, or at standalone driving ranges. Consumer research shows these non-traditional golf offerings are more complementary than competitive, fostering greater interest and more trials when it comes to the green-grass game.

More than 8.8 million rounds of golf were played statewide in the past year, **more than twice the combined home attendance figures for Minnesota’s Twins (MLB), Vikings (NFL), Timberwolves (NBA), and Wild (NHL).**

8.8M MN golf rounds is >

2X

the combined attendance



Beyond the hearty golf appetite of Minnesota residents, approximately 900,000 of those rounds are played by tourists who visit the Gopher State and spend on lodging, food and beverage, entertainment and other items in addition to golf.

Golf’s direct economic impact of \$1.86 billion within Minnesota represents about 1.8% of the game’s broader \$102 billion annual U.S. impact.

Almost all of Minnesota's 423 golf facilities are classified as "small businesses" under the U.S. Census definition, and Toro, Par-Aide and Duinck are among the prominent golf-related companies headquartered in the state. Golf directly supports over 27,500 jobs within Minnesota and indirectly supports other state businesses that serve and supply golf courses, drive tourist spending and support sales by retailers. Additionally, tournaments and events held at golf facilities throughout the state serve as valuable fundraising vehicles for a wide array of charities and foundations.

Minnesota has had a significant presence in the world of professional golf, with Hazeltine National just outside Minneapolis having played host to the U.S. Open, PGA Championship and Ryder Cup. In 2029, the club will be the first U.S. venue to host the Ryder Cup team competition for a second time.

Golf has a rich history in Minnesota, a legacy that includes racial integration and unprecedented playing opportunities for black golfers.

In 1931, Minneapolis resident Jimmie Slemmons founded the Twin City Golf Club as an association of black golfers and less than a decade later created a tournament -- the Upper Midwest Bronze Amateur -- that drew black participants from around the country. At the 1952 St. Paul Open, Solomon Hughes Sr. and Ted Rhodes became the first professional black golfers to compete in a PGA Tour event, each playing in a group alongside white players.

After almost a five-decade absence, the PGA Tour returned to Minnesota in 2019 with the 3M Open, an event hosted annually at TPC Twin Cities.

The tournament succeeded the 3M Championship, a former senior tour stop played annually at TPC Twin Cities from 2001 to 2018.

The event and its sponsorship are reflective of the broader business landscape in Minnesota. 3M started more than a century ago in Northern Minnesota as a small-scale mining venture. Today it's a Fortune 500 company headquartered in the Twin Cities that manufactures and distributes products and solutions from Post-it Notes and Scotch Tape to building materials and healthcare products. While agriculture and mining are still important drivers in the state, industries such as professional services, life insurance and annuities, health care, medicine and more have taken root, helping drive a strong economy of which golf is a key part.

Golf facility: A business location where golf can be played on one or more golf courses.

Golf course: A tract of land designed to play golf which contains at least 6, and typically, 9 or 18 holes of golf.

Golf courses are defined by the architect's layout and scorecard hole configuration. For example, a golf facility with 27 holes could be configured as three 9-hole courses, or one 18-hole course and one 9-hole course.

In a state with abundant green space and residents that have an avidity for healthy, outdoor pursuits, golf continues to thrive as a popular spring, summer and fall complement for activities such as boating, swimming, fishing, hunting and camping. Nationwide, only Massachusetts and New Hampshire have higher golf participation rates.

More than half (55%) of all public golf facilities in Minnesota are priced under \$50 and are categorized within NGF's "value" price segment. In total, approximately 91% of the 377 public golf facilities in Minnesota cost less than \$80 for a round of golf with cart, well above the national average of 74%.

Minnesota is one of only eight states with more than 100 public golf courses that are municipally owned and/or operated. Just over half of those are 9-holers that provide affordable and accessible golf for local communities, with two-thirds of them having a peak playing fee of under \$30.

Minnesota has one of the most active junior golf programs in the nation, with almost 31,000 participants in total -- at golf facilities, schools, community centers, and specialized youth clinics. Among them are five First Tee chapters that have 90 locations throughout the state and serve over 4,600 kids under the age of 18. Youth on Course MN had 102 participating public golf courses, 16,500 members (ages 6-18) who posted 79,091 rounds. The MN Golf Association subsidized the YOC facilities for these rounds.

A 2024 NGF survey showed nearly four of every five (79%) Minnesota golf facilities have active golf programs for juniors, women, military veterans and/or disabled participants.

As in many other states, golf courses in Minnesota -- which account for about 3% of the overall national supply -- are increasingly responsible users of energy and resources. Operators are continuing to take active steps to implement environmentally friendly practices and enhance golf's impact on the environment.

The ongoing efforts by golf courses include an expansion of natural areas that require little to no maintenance, reduced water usage, and increased accommodations for wildlife. The result is a better product, for the environment and golfers, that contributes richly to enhanced quality of life beyond the broad economic impacts golf has in Minnesota.

GENERAL LIMITING CONDITIONS

This report is based on information collected from direct National Golf Foundation Consulting, Inc. (“NGF”) research completed for the State of Minnesota in 2024 for the data year of 2023.

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 – 2024

NGF conducted a survey among golf facility operators in Minnesota 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 Minnesota Golf and the NGF, data collection took place in the spring of 2024. Of the 425 open golf facilities in Minnesota at the end of 2023, a total of 90 surveys were submitted to NGF for a response rate of 21.2%. 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 Minnesota. Due to a limited response in some of the facility segments, additional data from NGF’s similar survey for the total U.S. were used to augment the Minnesota sample and add statistical confidence to the estimates.

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 the Minnesota Golf Association. The study was conducted by David Lorentz, Richard Singer, Jodi Reilly and Clark Brown, 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).

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PRODUCED BY



www.MNGolf.org

Founded in 1901 with seven golf clubs, the Minnesota Golf Association's membership has grown to 400 courses and 92,000 individual members throughout the state. MGA's mission is to uphold and promote the game of golf and its values for all golfers in Minnesota.

RESEARCH & REPORTING



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**Executive
Summary**

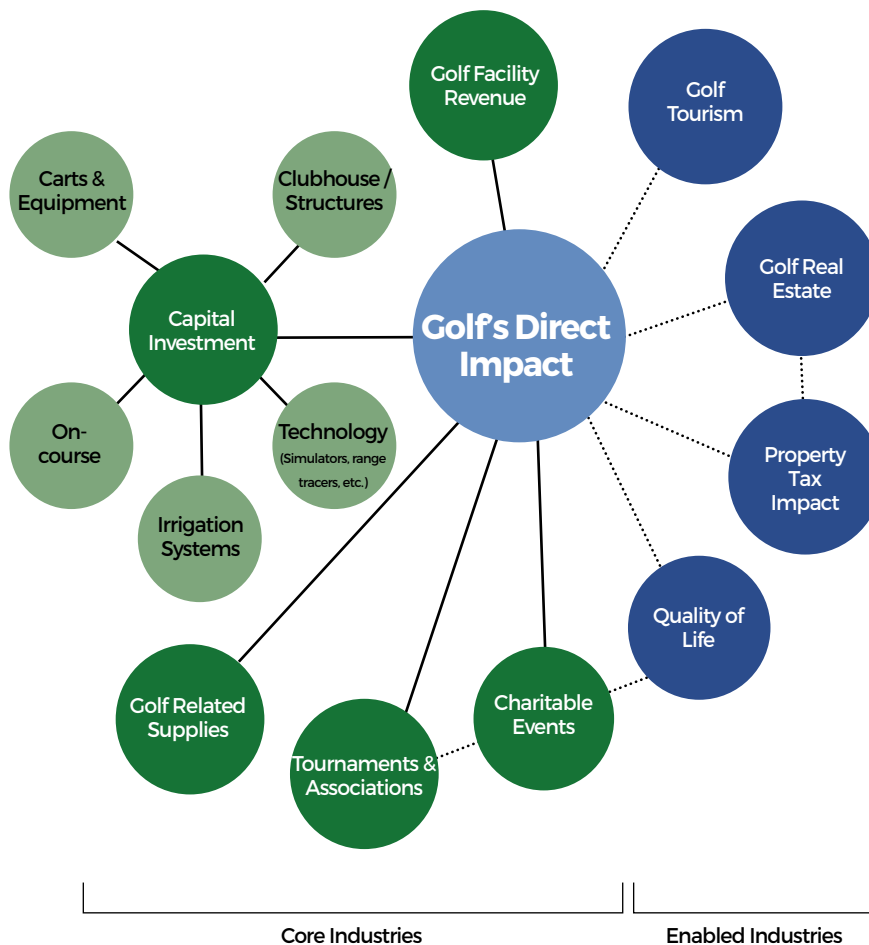


The logo for MGA (Midwest Golf Association) features a stylized blue square with a white circle and a vertical line, followed by the letters 'MGA' in a bold, green, sans-serif font.

EXECUTIVE SUMMARY

ECONOMIC CONTRIBUTION HIGHLIGHTS

In 2023, the size of Minnesota's direct golf economy was approximately **\$1.867 billion**, while the NGF estimates that the industry contributed just over **\$3.04 billion** (direct, indirect and induced) to the wider Minnesota economy in 2023. The golf facilities and driving ranges contributed over 41% of this total direct impact (\$774.7M). Golf supports more than **34,800 jobs with \$1.2 billion of wage income** and more than **\$311 million in state and local taxes**.



Total Impact

\$3.04B

Total Contribution



Direct Economic Output

\$1.867B



Employment

34,829 JOBS



Wages and Benefits

\$1.207B



State & Local + Federal Taxes

\$593.5M

\$311.1 - State & Local Taxes
\$282.4 - Federal Taxes

A summary of the direct economic impact of golf on the State of Minnesota is shown below:

CORE INDUSTRIES



577,000 Individual Golfers



425 Golf Facilities

NGF estimates there are approximately **577,700 individual golfers** over the age of 6 in Minnesota, and these golfers played **approximately 7.96 million rounds** in 2023. The State hosted **an additional 870,000+ rounds played by visitors** to Minnesota, many of whom come from the states and provinces that neighbor Minnesota, like Wisconsin, Iowa, Illinois, Ontario, Canada and the Dakotas (8.83 million rounds played in Minnesota in 2023).

Minnesota has a total of 425 golf facilities (380 public and 45 private), plus 49 other “off-course” facilities like stand-alone driving ranges, golf entertainment centers and indoor simulators. There are 55 golf facilities connected to residential real estate and/or resorts with real estate in the state.



\$774.6M Total Consumer Spending

Total consumer spending at golf facilities for items including initiation fees, member/passholder dues, green fees, cart fees, range fees, golf shop merchandise and food/ beverage sales, exceeded \$774.6 million in 2023, an amount that is about 6.8% higher than the estimate in 2016 (\$725.5 million), despite 22 fewer golf facilities (425 vs. 447 in the 2016 report). The golf facilities in Minnesota directly employed more than 18,500 jobs (both part-time and full-time) and supported an additional 3,470 jobs (22,050 total jobs from golf facilities).



183 Golf-related Companies

Minnesota is also home to 183 other companies who provide golf products and services including development, turf, golf cart distribution, manufacturing, and other general services. Significant examples include the equipment and irrigation company Toro with headquarters in Bloomington, the golf products company Par Aide in St. Paul and the large construction conglomerate with significant golf experience Duinick in Prinsburg. The direct economic contribution attributable to golf from all these companies totaled \$144.9 million in 2023, supporting at least 2,735 jobs in the state.



\$214.7M Gross Retail Sales

Minnesota retailers earned a **\$93.6 million margin on \$214.7 million** of gross retail sales of golf balls, bags, gloves, clubs, shoes, apparel and other equipment in 2023. Of this volume of gross sales, \$155.0 million gross sales and **\$67.5 million of margin** came from off-course retail outlets (including online) **supporting 970 jobs**. The remaining \$59.7+/- million came from on-course pro shops (included in total golf consumer facility spending noted above).



\$141.9M Capital Investments

In 2023, Minnesota golf facilities invested close to **\$141.9 million** in capital improvements for golf course renovations, enhancements, structure replacements, new equipment, supporting close to **1,450 additional jobs**. An estimated 57% of Minnesota golf facilities began or continued large-scale capital projects in 2023 that were not included in regular operating expense.



76 Golf Associations & Tournaments

Minnesota is home to 70 separate golf associations, including the Twin Cities Junior Golf Program, Minnesota Golf Charities, Midwest Golf Course Owner’s Association and the Minnesota Junior PGA. The total revenue generated from these Minnesota golf associations and foundations was \$6.5 million in 2023.

In professional golf, Minnesota hosted one PGA Tour event (3M Championship) at TPC Twin Cities in July, as well as other state and local events and qualifiers. These events generated just over **\$15.0 million in direct spending and raised at least \$1.5 million for charity**.



\$67.1M Raised for Charities

Golf facilities in Minnesota raised as much as \$64.1 million for charities in 2023, hosting an estimated 1,860+ charity golf events and other non-golf (clubhouse) fundraisers. The most significant of these included large events held at Hazeltine National GC that raised over \$7.5 million for charity. Professional golf events in MN raised another \$1.5 million in 2023 and other significant giving channeled through golf includes charitable foundations that raised an additional \$1.5 million in 2023. **Total charitable giving through golf is estimated at over \$67.1 million in 2023.**

Total Direct Economic Contribution of the Golf Sector State of Minnesota (\$ Millions)

CORE CONTRIBUTION	Direct Impact 2023	Direct Impact 2016
Golf Facility Operations*	\$774.6	\$725.5
Capital Investments	\$ 141.9	\$ 67.9
Golf-Related Supplies**	\$123.9	\$148.5
Tournaments & Associations	\$ 21.5	\$ 10.3
Charitable Events	\$ 67.1	\$ 64.0
TOTAL CORE INDUSTRIES	\$1,217.6M	\$1,016.2M

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

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

ENABLED INDUSTRIES



\$539.2

Golf Tourism

In addition to the above, there are other golf-related economic impacts, including:

The Minnesota Office Explore Minnesota reported over 80.2 million total visitors to Minnesota in 2023, spending as much as \$14.1 billion. NGF research indicates that about 428,000 overnight trips were made to Minnesota in 2023 by visitors seeking to participate in golf, plus an additional 710,000 trips of more than 50 miles made to the State during the year. These 1.14 million **travelling golfers are estimated to have contributed \$539.2 million to the Minnesota economy** (excluding direct spending at golf facilities – already counted). When considering the total spend at golf facilities, the **Minnesota golf travel market was at least \$669.6 million** in 2023. These visitors added just over **6,000 jobs** from induced and indirect activity such as transportation, lodging, meals and other entertainment.



\$100.4M

Golf-related Residential Construction



\$9.4M

Property Tax

The presence of golf courses located within, or in immediate proximity to, residential communities add value to real estate in Minnesota through: (1) construction of new homes in golf communities; (2) renovation of older homes in older golf communities; and (3) the net gain in property tax to local jurisdictions from a defined “golf premium.” The total impacts from these sources in 2023.

- ⊕ NGF counted 55 golf communities in Minnesota that were active in building new homes in 2023, **generating \$95.8 million in construction activity.**
- ⊕ NGF estimated that approximately two homes in each of the 9 golf communities built before 1970 have undergone a replacement or significant renovation in 2023, **generating \$4.6 million in construction activity.**
- ⊕ The NGF estimated the “golf premium” associated with all golf communities in the state to be upwards of \$897 million, with a 2023 property tax impact of **\$9.4 million in net gain for local taxing authorities** to be used for education and other local initiatives funded by property tax revenue.

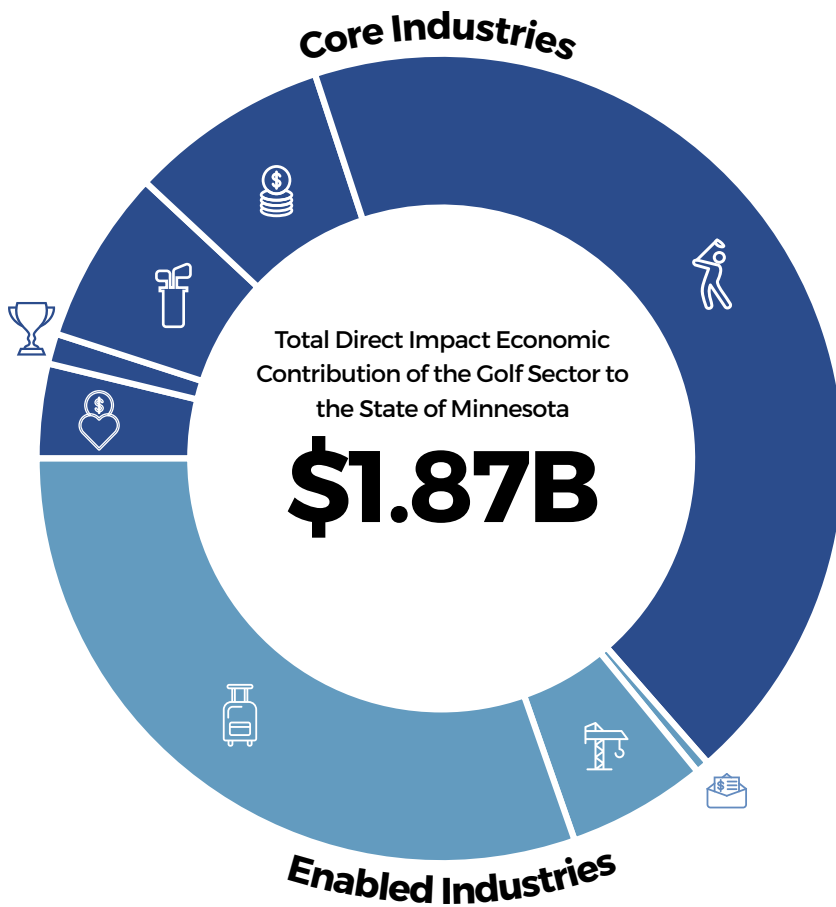
\$1,217.6M

TOTAL CORE INDUSTRIES

\$648.9M

TOTAL ENABLED INDUSTRIES
Property tax impact is the net gain for local taxing authorities

SUMMARY OF DIRECT ECONOMIC CONTRIBUTION



\$1,217.6M

\$774.6M
Golf Facility Revenue*

\$141.9M
Capital Investments

\$212.4M
Golf-related Supplies**

\$ 21.5M
Tournaments & Associations

\$ 67.1M
Charitable Impact



\$ 648.9M

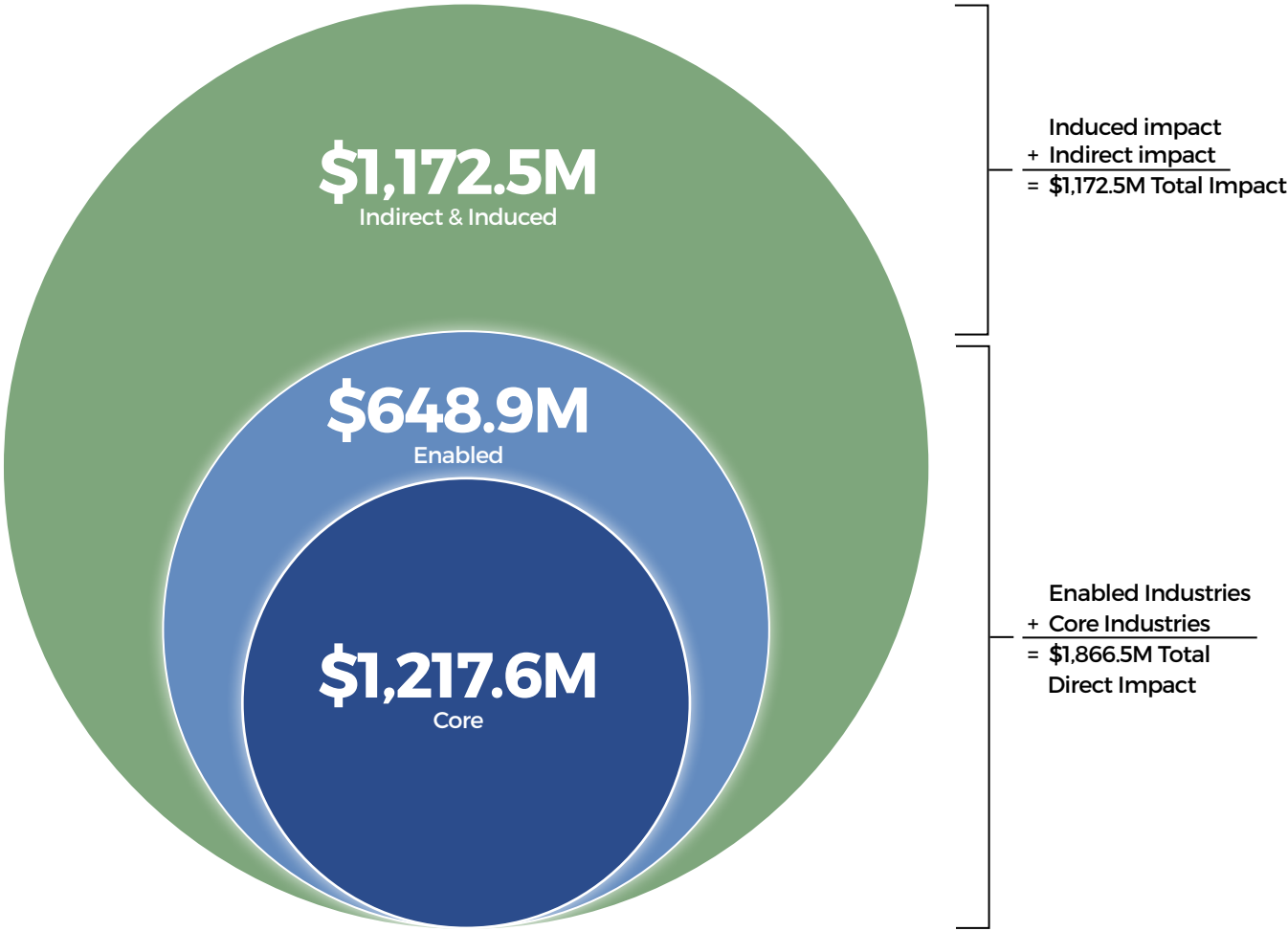
\$539.2M
Golf Tourism

\$100.4M
Golf-Related Residential Construction

\$ 9.4M
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 \$9.4 million is the net gain for local taxing authorities

\$3,039,000,000



TOTAL EMPLOYMENT

34,829 Jobs

WAGES & BENEFITS

\$1,207M

STATE, LOCAL & FEDERAL TAXES

\$593.5M

NON-ECONOMIC CONTRIBUTION HIGHLIGHTS

Golf continues to be more than just an enjoyable pastime in Minnesota, it is a key industry contributing to the overall economy and quality of life in Minnesota. In addition to the economic contribution noted above, there are other impacts that golf has on the State of Minnesota, including:

➔ Golf provides upwards of 44,600 acres of green space within the State and provides affordable outdoor recreation to nearly 578,000 Minnesotans. Virtually all of the golf facilities in Minnesota surveyed by NCGF in 2023 (98%) participated in at least one program for fostering the growth of the game in 2023, with 85% offering some type of formal junior golf program. Minnesota's First Tee had over 5,650 kids enrolled in 2023 and 58 schools with First Tee programming. Youth on Course MN had 102 participating public golf courses, 16,500 members (ages 6-18) who posted 79,091 rounds. MGA (MN Golf Association subsidized the YOC facilities for these rounds, captured under the golf facility operations section). Minnesota golf courses also report a high level of programs for adaptive golfers, military & veteran golfers and specialized beginner programs like WELCOME2GOLF or Get Golf Ready.

➔ 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 additional social, youth/family activities and programming. As traditional golf is not an option for some, golf facilities have introduced other amenities and activities to their offerings, such as driving ranges, practice facilities, golf simulators, bike/walking trails, bird watching, space for snow/winter sports and public and/or non-profit meeting space availability.

➔ Only about 67% of the total golf course acreage in Minnesota is irrigated, with the primary source of irrigation water coming from surface/ponds/run-off water (42%). Approximately 44% of Minnesota golf courses have had an irrigation audit performed on the property, and of the facilities performing the audit, 59% have made adjustments within the last few years resulting in an estimated 7% savings in water use.

➔ Black golfers have a long history in Minnesota, with notable events, figures and golf courses, including one of the most well known, Solomon Hughes Sr. and his impact on black golfers rights at Hiawatha Golf Course. This course became a social and recreational hub for the Black community in Minneapolis, particularly the Southside neighborhood. Black golfers were allowed to play on the course, but they were not permitted to use the clubhouse facilities or obtain an official handicap. In 2021, the Minneapolis Park Board renamed the clubhouse in honor of Solomon Hughes Sr. (pictured below), a Black golfer who played a role in ending segregation in professional golf.

➔ Other notable events, courses and black golfer history include:

➔ The Twin City Golf Club: Founded in 1931, this was an organization for African American golfers.

➔ The Upper Midwest Bronze Open Tournament: Created in the late 1930s by promoter Jimmy Slemmons, this tournament attracted Black golfers from across the country.

➔ Eddie Manderville: A leader and mentor in the Minneapolis African American community helped establish Black Women on Course, a group that works to get Black women into golf. He also volunteered for the MGA and served on the MGA Board of Directors from 1990 to 1999. The clubhouse at Theodore Wirth Park was renamed the Eddie Manderville Chalet in December 2023 and highlights Manderville's legacy and the contributions of other Black golfers.

➔ Beyond End of Season Golf Invitational: Hosted by Ghanaian-born Collins Oppong at the Crystal Lake Golf Club in Lakeville, Minnesota, this tournament was created to encourage more Black people to play golf.



What Minnesota Golf Gives Back

10,700 Full Time

Minnesota golf facilities reported providing ~ 3,000, full-time year round positions annually, plus an additional 7,700 full-time seasonal positions.



15,500 Part Time

Minnesota golf facilities provide ~15,500 part-time positions annually, including 1,200 volunteer workers.

Minnesota Golf courses are used by the public for other activities besides golf. The three most popular include:

65% - Snow/winter sports

55% - Public and/or non-profit meeting space

33% - Bike/walking trails



74%

of golf facilities hosted a non-golf charitable event.

85%

of golf facilities hosted a charitable golf event in 2023.

Organized league golf encourages community socializing and camaraderie. League play in MN accounts for 5% of total resident rounds. 9-hole leagues = 4%; 18-hole leagues = 1%. After work league group play is the most popular and is offered at nearly 85% of MN facilities.

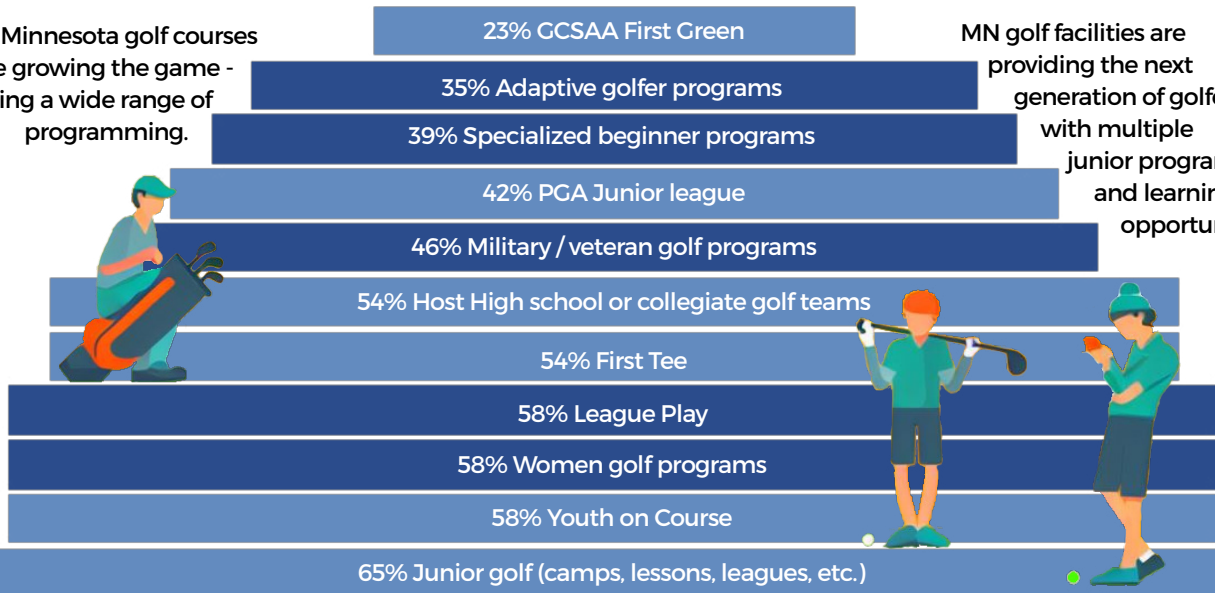


Environmental impact programs MN facilities have implemented:

- 65%** - Provide natural areas with dead trees, undisturbed brush piles and "no-mow" areas
- 65%** - installation of bat boxes, bird houses, etc. to encourage wildlife habitation
- 61%** - Sprinkler head upgrades to reduce water usage and enhance target watering initiative (reducing water and electricity used for irrigation)
- 46%** - Annual and perennial garden beds designed to provide food for wildlife and attract butterflies and bees
- 42%** - Wildlife Sanctuary
- 39%** - Audubon Certification
- 31%** - Natural water algae controls (water flow, natural bank areas and mechanical aerators (fountains))
- 15%** - On property honeybee hives
- 12%** - USGA or similar review/audit

Minnesota golf courses are growing the game - offering a wide range of programming.

MN golf facilities are providing the next generation of golfers with multiple junior programs and learning opportunities.



MINNESOTA
GOLF
MARKET



Minnesota is in the Great Lakes region of the United States, covers a land area of 86,936 square miles, and is home to an estimated population of 5.75 million people in 2023 . Minnesota is the 22nd-largest state by population and the 12th-largest by area but has a golfer presence that exceeds this ranking (MN ranked 16th in number of golfers) More than 60% of Minnesotans (about 3.7 million) live in the Minneapolis-Saint Paul metropolitan area, known as the “Twin Cities”, the state’s main political, economic, and cultural hub and the 16th-largest metropolitan area in the U.S. Minnesota has had a growing population, adding 384,000+ residents since 2000 (7.8% increase) compared to 9.7% for the total U.S.

Minnesota is known as the “Land of 10,000 Lakes” for having more than 14,000 bodies of fresh water covering at least ten acres each; roughly a third of the state is forested; much of the remainder is prairie and farmland. This adds to the visitor appeal of the state and results in a high level of visitation that clearly impacts golf facilities in the state. Minnesota experiences temperature extremes characteristic of a continental climate, with record temperatures ranging from -60-degrees Fahrenheit to over 114 degrees. Meteorological events include rain, snow, blizzards, thunderstorms, hail, tornadoes, and high-velocity straight-line winds. Average annual precipitation ranges from 19 to 35 inches for rain and snow combined. Some parts of the state average temperatures below freezing from December through March. This makes Minnesota a seasonal golf market, with a large portion of golf facilities closing entirely for the winter.

MINNESOTA ECONOMIC OVERVIEW

Demographic Overview

Summary Demographics ¹	Minnesota	U.S.
Population 2000	4,919,448	281,398,967
Population 2010	5,303,933	308,745,560
Compound Annual Growth % (2000-2010)	0.76%	0.93%
Population 2023	5,746,927	335,052,630
Compound Annual Growth % (2010-2023)	0.62%	0.63%
Population 2028 Projected	5,927,989	348,764,821
Median Household Income (2023)	\$84,928	\$80,504
Median Age (2023)	37.7	38.7

Economic Highlights

Minnesota has a diverse economy with a gross state product of \$483.2 billion in 2023, ranking 20th of the 50 states. The total number of employer establishments is estimated at around 154,400 with total statewide employment estimated to be just under 3.0 million. The largest industries include health care, manufacturing, retail trade, hospitality, and educational services. There are 33 of the U.S.’s top 1,000 publicly traded companies by revenue headquartered in Minnesota, including Target, UnitedHealth Group, 3M, General Mills, U.S. Bancorp, Ameriprise, Hormel, Land O’ Lakes, SuperValu, Best Buy and Valspar. The large economy and variety of sectors tend to support higher-than-average participation in golf. In recent years tourism has played an ever-important role in the state’s economy, with the state welcoming 80.2 million visitors who spent more than \$14.1 billion in 2023.²

¹ Applied Geographic Systems (AGS) via GbBIS. “Demographics Profile output report”. April 2024, ngfgolfmap.com

² Minnesota Visitor Economy – Tourism Economics (July 2024)

Golf in The State of Minnesota

Golf is an important component to the overall Minnesota experience, and the golf courses in the State are predominantly small businesses that are open and available to the public. Over 89% of all Minnesota golf courses are public, compared to 74% for the total U.S. Although golf has become increasingly tied to residential and resort developments in recent years, Minnesota has a modest proportion of residential golf communities with only 55 of the 425 facilities tied to real estate (12.9%). The oldest golf courses in Minnesota comprise four facilities opened before 1900 including the Town & Country Club (opened in 1888), Minikahda Club (1898), Lafayette Club (1899) and Northland Country Club (1899).

MINNESOTA GOLF MARKET³

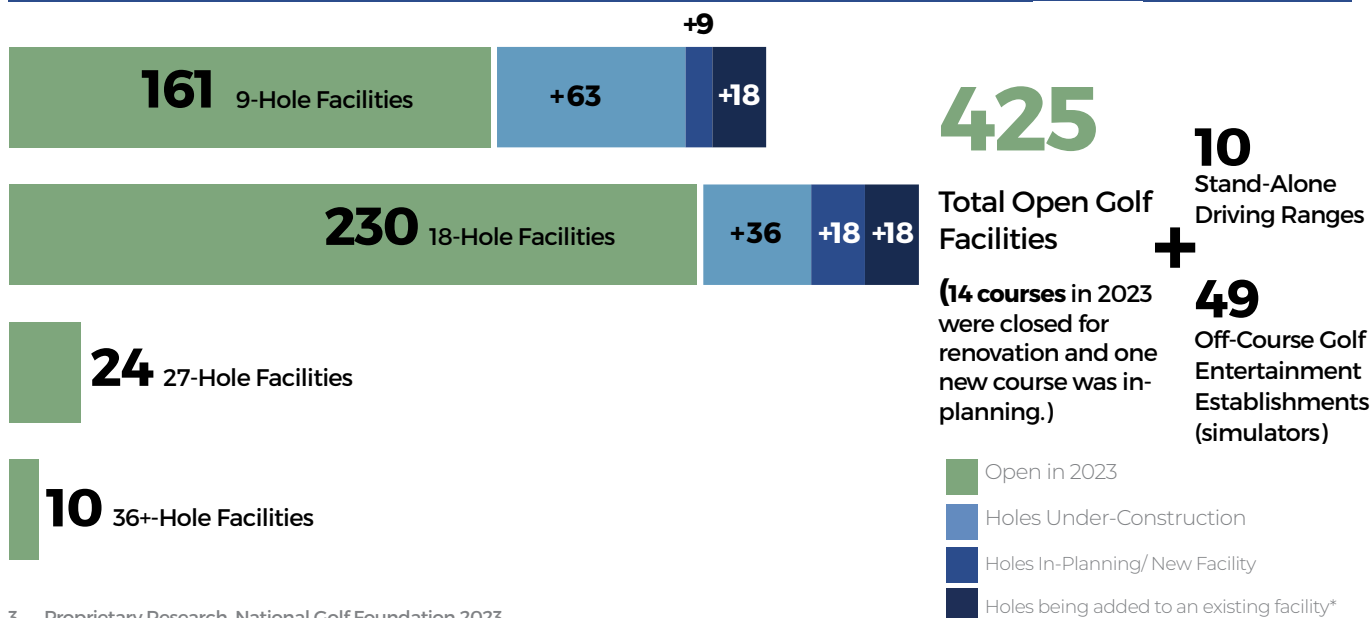
In 2023, there are 380 public golf facilities and 45 private golf clubs in operation in Minnesota, for a total of 425 facilities. In addition, there were 49 other “off-course” facilities like stand-alone driving ranges, golf entertainment centers and indoor simulators with some type of golf technology, though most of these are smaller operations.

Other notes about Minnesota golf courses:

- ⊕ Minnesota’s public access golf courses show some level of affordability with about 55% of all MN golf facilities (210 of the 380) in the NGF-defined “Value” price segment (peak green + cart fees under \$50). With only 22 public facilities in the “Premium” segment (over \$80), approximately 94% of public golf facilities in Minnesota are priced below \$80 for a round of golf with cart, compared to 74% for the total U.S.
- ⊕ There are 55 golf facilities connected to residential real estate and/or resorts in the State, including four golf facilities in Minnesota that have both a residential and resort component. Golf’s connection to resorts is long-established in Minnesota, with the state home to 24 defined “golf resorts,” including several that date back to before 1930, including the Ruttger’s Bay Lake Resort (1921), Breezy Point Resort (1925) and Madden’s on Gull Lake (1926) among the oldest golf resorts in the country.

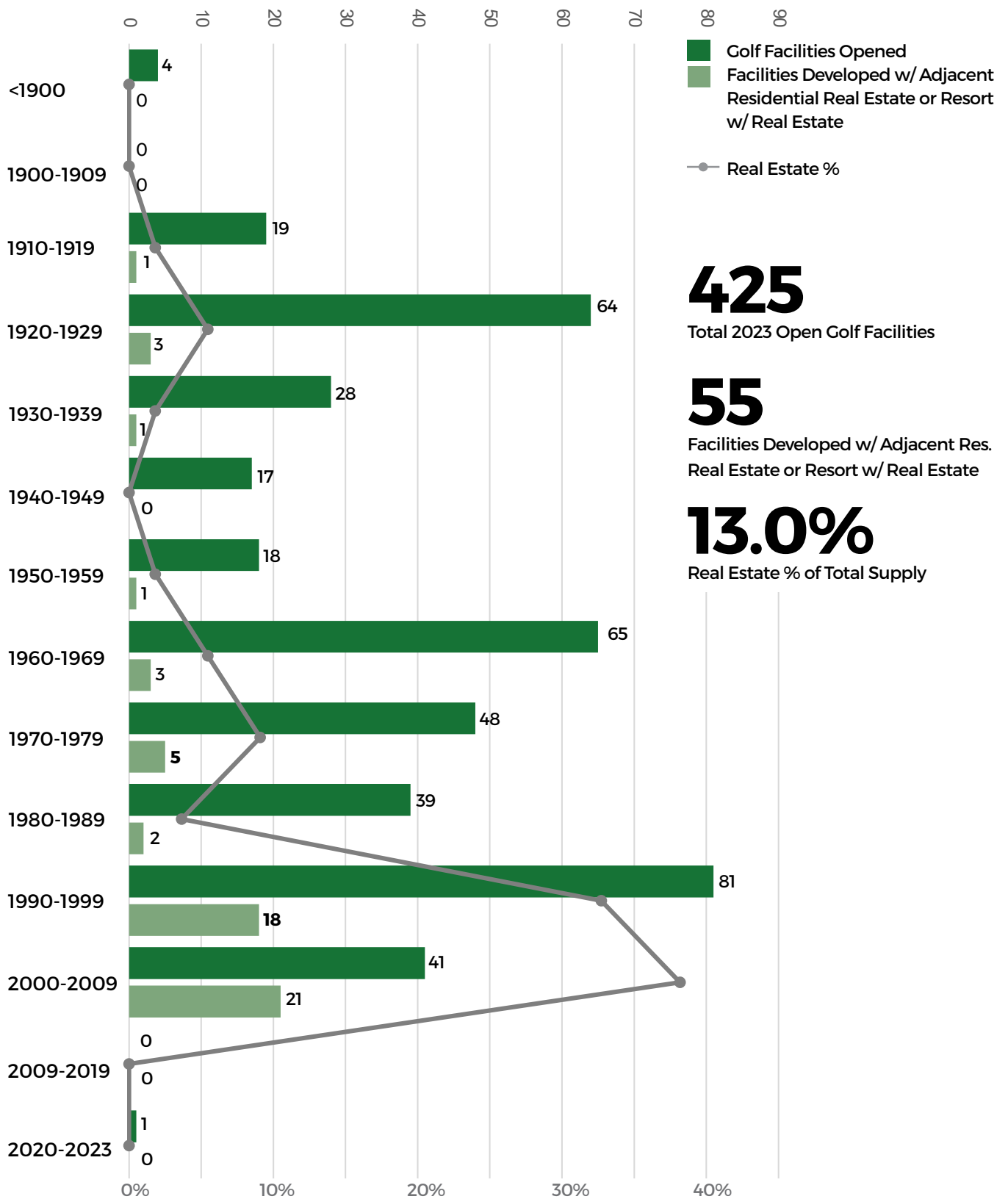
New golf course construction has come in several “waves” of development in the State’s history, with 115 facilities (27% of the total golf facility inventory in the state) developed before 1940, 113 developed in the 1960s and 1970s (26.6%), and 122 (28.7%) built after 1990 (compared to 26% for the total U.S. built after 1990). The last new golf course added to Minnesota was the Gravel Pit Golf Club in Brainerd, opened in 2022:

GOLF FACILITY INVENTORY - STATE OF MINNESOTA



³ Proprietary Research, National Golf Foundation 2023

Golf Facility Development by Decade and by Type - State of Minnesota



425

Total 2023 Open Golf Facilities

55

Facilities Developed w/ Adjacent Res. Real Estate or Resort w/ Real Estate

13.0%

Real Estate % of Total Supply

GOLF FACILITY OPERATIONS

Birnamwood Public Golf Course, Burnsville, MN
Image captured from mngolf.org/Course/Birnamwood_Public_Golf_Course



\$774.6M

Golf Facility Revenue

The golf facility is at the core of the overall golf economy. The golf facility economy includes all revenues generated from green fees, cart fees, membership fees 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, and golf facility operators are subject to the same inflationary pressures as any other small business, especially as it relates to the cost of labor.

Direct NGF research into the actual performance at Minnesota golf facilities shows average revenue in 2023 by type of facility as follows:

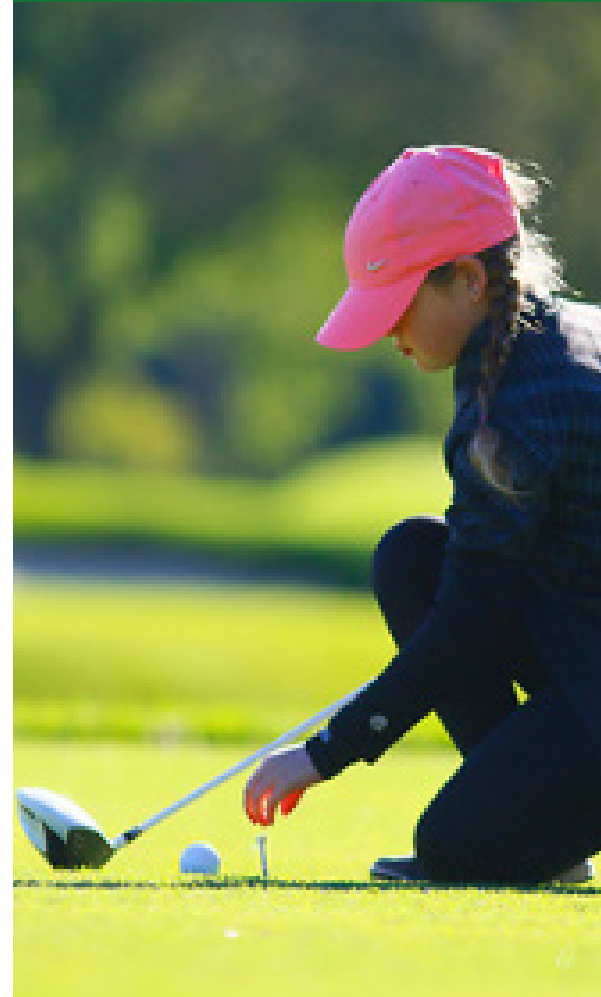
FINDING

Facility Type	No. of Facilities	2023 Total Average Revenue*
9-Hole Courses	161	\$460,800
18-Hole Public (Value/Std.)	165	\$1,233,000
18-Hole Public (Premium)	24	\$3,193,000
Public 27+ Holes	34	\$2,813,700
18-Hole Private	41	\$7,266,200
Private 27+ Holes	0	\$0
Total No. of Facilities	425	

Source: NGF survey of facilities 2023 (n=90) (figures rounded). Above revenue averages do not include driving range.

The NGF also found that 270 of the 425 golf facilities (63.5%) have a driving range with at least 10 tee stations, and Minnesota also has 49 other "off-course" facilities like stand-alone driving ranges, golf entertainment centers and indoor simulators that are a mix of large and small operations with revenues ranging from around \$50,000 to as high as \$10.0 million in any one location. Utilizing these findings, the Statewide revenue from direct golf facility operations is estimated as follows:

4 Facility Operators. (2023, March). State of Minnesota Golf Operations Survey. (National Golf Foundation, Interviewer)



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

The golf facility economy includes all revenues generated from green fees, cart fees, membership fees 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, and golf facility operators are subject to the same inflationary pressures as any other small business, especially as it relates to the cost of labor.

2023 Golf Facility Revenue Summary – State of Minnesota

Type of Revenue	Total (\$ Millions)	% of Total
Golf Playing Fees	\$271.6	35.0%
Membership Dues	\$196	25.3%
Retail Sales*	\$59.7	7.7%
Restaurant	\$198.0	25.6%
Lessons	\$9.2	1.2%
Other (clubhouse, banquets, etc.)	\$19.8	2.6%
Driving Ranges**	\$20.3	2.6%
TOTAL REVENUES	\$774.6	100%

*Includes retail sales revenue from stand-alone ranges + golf entertainment centers (Braemar Dome, Topgolf, etc.)

**Includes non-retail sales revenue from stand-alone ranges and golf simulators.

Notes:

- ⊕ The \$774.6 million in total golf facility revenue in 2023 is 6.8% higher than the \$725.5 million estimated in 2016.
- ⊕ There were 447 golf facilities and 42 “golf entertainment” facilities identified in the 2016 golf impact report – 5.2% more golf facilities than NGF identified in 2024.
- ⊕ Total average revenue per golf facility is \$1.82 million in 2023 / compared to \$1.62 million estimated in 2016 (12.3% increase in revenue per facility). The data supports that total expenses to operate these facilities are comparable to revenue and have experienced the same total growth since 2016.
- ⊕ It seems as though the reduction in total golf facilities in Minnesota since 2016 has helped the remaining courses improve economic performance and increase total revenue generated on a per-facility basis.
- ⊕ Minnesota golf facilities employed an estimated 18,577 persons in 2023 (15,525 part-time and 3,052 full-time). Many of the part time employees are seasonal and work “full-time” during the golf season but are not employed at the facility in the winter.
- ⊕ NGF custom survey research in 2024 indicates that the golf courses in Minnesota hosted a total of 8.833 million rounds of golf, or approximately 20,784 rounds per facility. This volume of golf activity is relatively strong for Minnesota given the State’s climate and relatively short golf season. The total U.S. averages 30,615 rounds per 18 holes in 2023 across all climates. The facilities surveyed by NGF in 2024 estimated that approximately 90.2% of these rounds emanated from inside Minnesota, while the remaining 9.8% (868,200 rounds) came from outside the State (tourists and visitors).
- ⊕ The average revenue from green, cart and membership fees in the State was \$52.95 per round of golf, plus additional revenue from ancillary items such as driving range (\$2.30), total F&B (\$22.41), pro shop merchandise (\$6.76) and other items/lessons (\$3.28). This data shows golfers willing to pay a slightly higher rate for golf in Minnesota than the total U.S., as total average revenue per round played was 12.1% higher in Minnesota than the total U.S. in 2023.

APPROACH

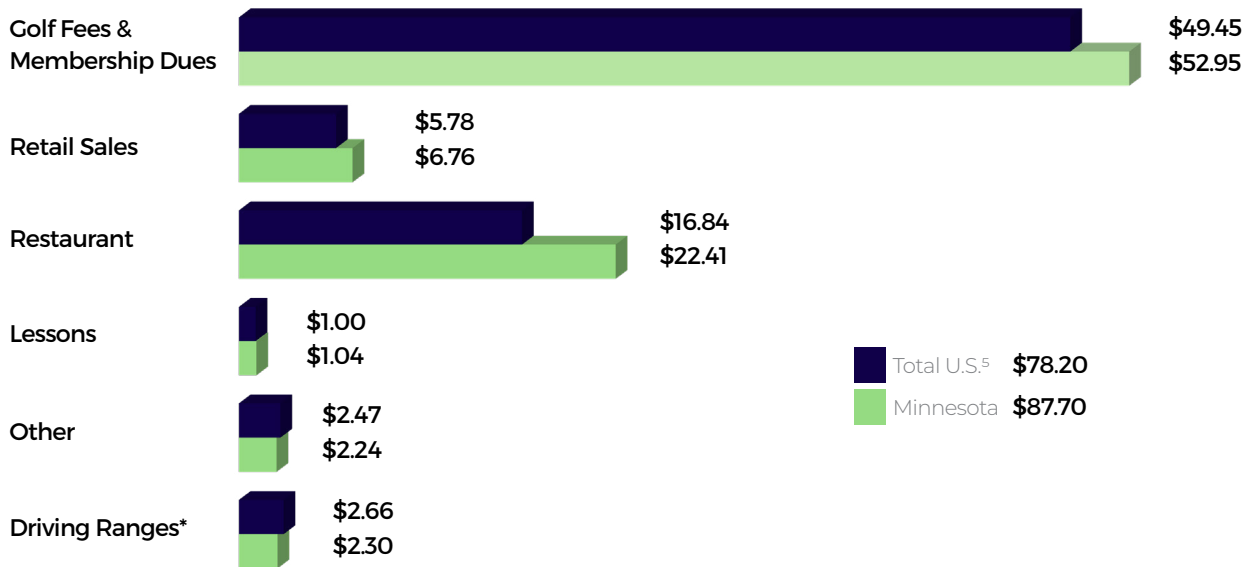
What is Measured

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 2024 Minnesota golf facility survey conducted by NGF (and augmented with other surveys of U.S. golf facilities conducted by NGF in 2023), which collected data on reported revenues by type for each of the six classes of golf facilities (n=90). This data was scrutinized to account for outliers, with several Minnesota golf facilities showing extraordinary revenues and performance that were excluded from average calculations and re-introduced as unique records for final calculations. The revenues generated from driving ranges was applied to only those golf facilities that had a driving range with at least 10 tee stations on site (270 of the 425 facilities), plus additional revenue assumed for 49 off-course ranges, simulators and other golf entertainment locations in the State. Several facilities were identified as having unique performance in golf entertainment, retail and/or food-beverage performance and were excluded from average calculations and re-introduced as unique records for final calculations (e.g. Topgolf Minneapolis, Braemar Golf Dome, etc.).

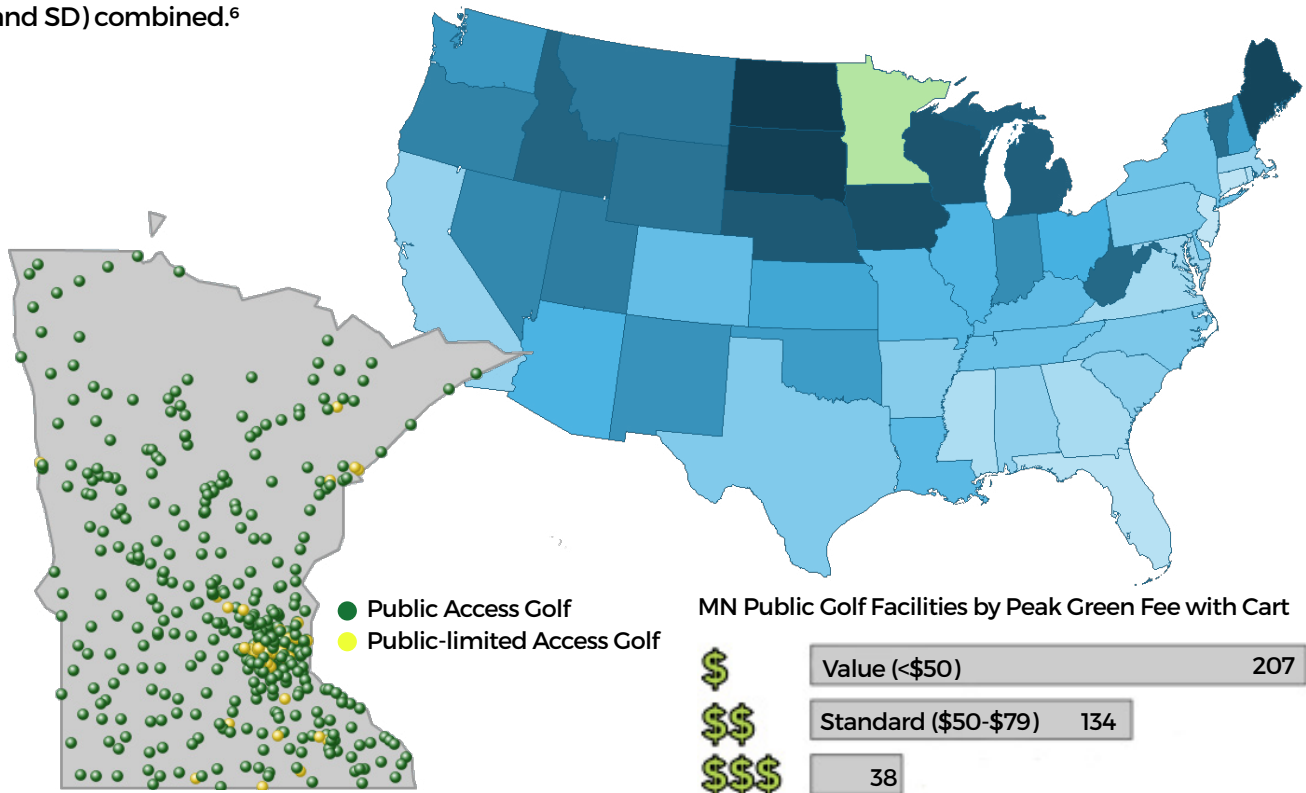
TOTAL GOLF FACILITY AVERAGE REVENUE PER ROUND MINNESOTA VS. TOTAL U.S. (2023)



* Includes revenue from stand-alone ranges + golf entertainment centers (Braemar Golf Dome, Topgolf, etc.)

WHERE MINNESOTA GOLF RANKS

90% of Minnesota’s courses are open to public play, one of only five states with a public proportion of 90% or higher. Yet Minnesota has more courses than the other four (AK, ME, ND and SD) combined.⁶



5. American Golf Industry Coalition – Golf Impact Report (National Golf Foundation, April 2023)

6. Proprietary Research, National Golf Foundation 2023



GOLF FACILITY CAPITAL INVESTMENT

Enger Park Golf Course 2023 full golf renovation: - Photo Credit - Ken Hayes
<https://b105country.com/enger-golf-course-construction-photos/>



\$141.9M





Capital Improvements

In 2023, Minnesota golf facilities invested nearly \$141.1 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 Minnesota golf facilities like the multi-million-dollar renovation at Interlachen Country Club, new irrigation at North Oaks GC and Baker National GC and the \$2.0 million clubhouse enhancement at Madden's Resort. In all, NGF research found that 57% of Minnesota golf facilities began or continued capital projects in 2023 (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 Minnesota in 2023 and reported to NGF via survey (and additional research) were significant enough to review separately, and included:

- ⊕ **Interlachen Country Club:** \$9.0M in golf course renovations and \$24M for a new clubhouse (significant portion in 2023).
- ⊕ **North Oaks Golf Club:** invested in a new \$3.2M irrigation system
- ⊕ **Cragun's Legacy Courses:** \$4.0M golf renovation and \$1.6M for new irrigation.
- ⊕ **Madden's Resort:** \$2.0M clubhouse renovation.
- ⊕ **Baker National Golf:** Completed \$4.0M irrigation replacement + other improvements.
- ⊕ **Enger Park GC:** City of Duluth's muni golf course underwent a \$5.5M full golf renovation project in 2023.
- ⊕ **Chaska Town Course:** Spent \$5.5MM adding new cart paths & other improvements.
- ⊕ **The Meadows at Mystic Lake:** Reported adding new greens, tees and a retaining wall (asked the amount to be kept private).

IMPACT (IN MILLIONS)

Type	Total Expenses	All 9H	18H (V/S)	18H (Pre)	27+H (Pub)	18H (Prvt)
 On-Course Capital Expenditures / Irrigation Systems	\$50.77/\$14.56	\$1.06/\$0	\$11.61/\$3.07	\$.83/\$.36	\$2.79/\$.57	\$6.88/\$1.36
Unique Project/Unique Irr. Syst.		\$0	\$0/\$2.00	\$9.10/\$0	\$9.50/\$4.00	\$9.00/\$3.20
 Clubhouse + Structures	\$48.70	\$1.41	\$9.43	\$3.45	\$5.71	\$2.70
Unique Project		\$0	\$0	\$0	\$2.00	\$24.00
 Carts & Equipment	\$17.82	\$0	\$11.62	\$.09	\$2.97	\$3.14
 New Facilities*	\$10.00					
Total Capital Improvements	\$141.85	\$2.47	\$37.73	\$13.83	\$27.54	\$50.28

*Total investment for three (3) separate new facilities that were in-planning or under construction in Minnesota in 2023. V=Value, S=Standard, Pre=Premium, Pub=Public, Prvt=Private

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 2024 Minnesota golf facility survey conducted by NGF, which included a question about specific large-scale capital projects undertaken in 2023 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.

GOLF RELATED SUPPLIES



Image provided by Par Aide Products Co.

Golf retail sales comprises golf balls, bags, gloves, clubs, shoes, apparel and other equipment. NGF estimates that golfers spent \$214.7 million on consumer purchases used primarily for golf in Minnesota in 2023. These items were purchased at golf courses and other golf retail outlets, including specialty stores, sporting goods stores, mass merchants and online. An estimated 28% 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.

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. Minnesota includes significant manufacturers of golf-related supplies in the State, leading to important contributions from items #1 and #2 above.

GOLF RETAIL IMPACT

Consumer purchases of golf apparel, equipment, and shoes drive significant economic activity. Minnesota off-course retailers earned a \$67.6 million margin on \$155.0 million of off-course gross retail sales of golf retail in 2023 (NGF previously estimated \$59.7 million in on-course retail).

Total Retail Sales ⁷	Total U.S. Sales Volume (\$ Millions)	Value Attributed to Minnesota (\$ Millions)
Clubs	\$2,993.30	\$83.72
Balls	\$1,250.70	\$34.98
Bags/Gloves/Shoes	\$1,369.50	\$38.30
Other Equipment	\$561.30	\$15.70
Apparel	\$1,500.00	\$41.95
Total	\$7,674.80	\$214.66
% Attributed to On-Course Retail	45%	28%
Net Total Off-Course Retail	\$4,213.47	\$154.95
Retail Sales Margin % ⁸	43.6%	43.6%
Off-Course Retail Sales Total (Margin)		
Manufacturing Out of State Shipments (Value Added)	\$1,837.07	\$67.56

7. National Golf Foundation (2023) Irwin Broh Research and the Sporting Goods Market: 2019 Edition. NSA - National Sporting Association. 2019

8. <https://www.census.gov/programs-surveys/arts.html>

APPROACH

What is Measured

This segment captures the net revenue (known as retail margin) that accrues to Minnesota retailers from spending by golfers on golf equipment, golf shoes, and golf apparel. 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 the National Sporting Goods Association's annual survey of 100,000 households. Sales for different categories of purchases are broken down by geographic region, and NGF estimated state-level sales to be 2.80% of the national total, based on Minnesota's share of total golf holes in the U.S. ($6,631/237,429 = 2.80\%$).

The estimation of economic impact is based upon the retail margin that accrues to Minnesota 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 Minnesota companies. The retail margin is the net revenue accruing to the business after paying for the cost of goods from the wholesaler or manufacturer.

SERVICES AND MANUFACTURING IMPACT



\$524.8M

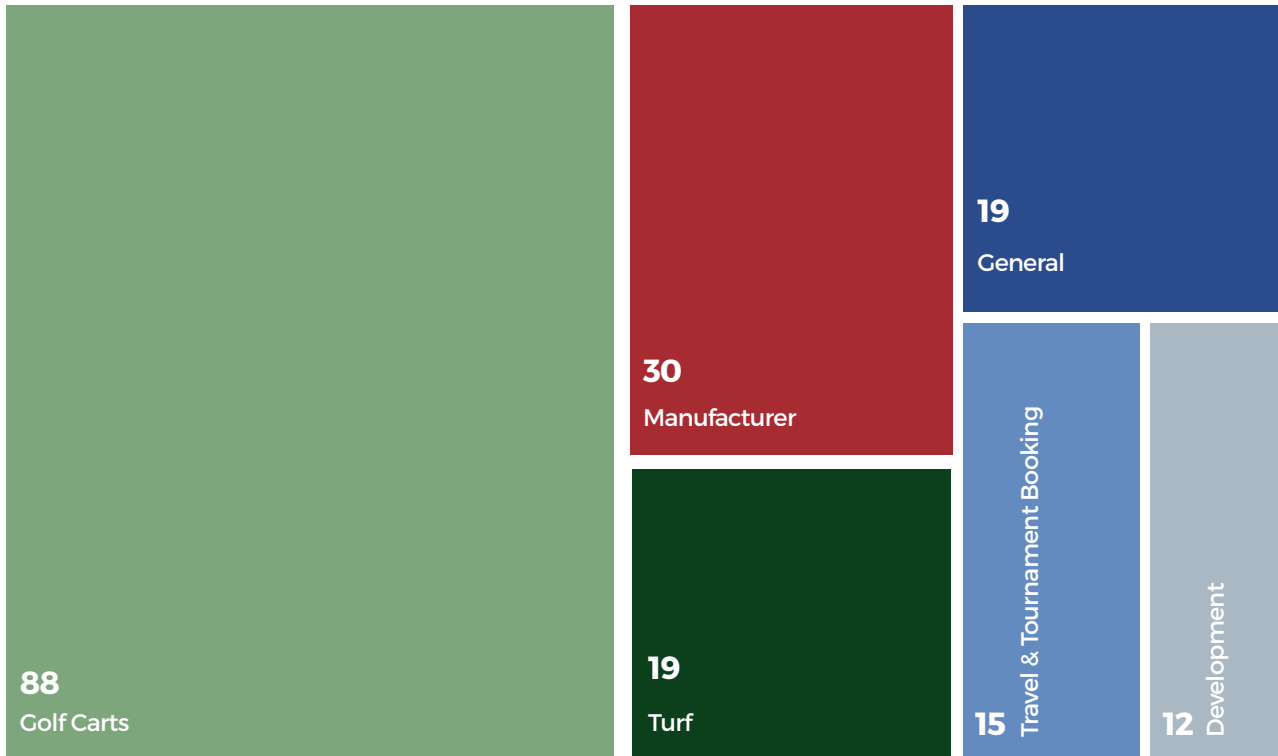
Total Golf Related Supplies Revenue

The second type of activity captured is the economic value created by 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 Minnesota along with input from NAICS codes, the Internal Revenue Service, and the U.S. Census. The NGF counted 183 companies that identified themselves as being providers of golf products and services with considerable activity in Minnesota. Some of the larger golf companies in Minnesota include large-scale retail and golf entertainment operations that have already been included in the golf retail or golf facility estimates. Minnesota is also home to other large companies like the equipment and irrigation company Toro with headquarters in Bloomington, the golf products company Par Aide in St. Paul and the large construction conglomerate Duinick in Prinsburg. In all, there are a significant number of smaller “mom and pop” companies that produce a wide assortment of golf accessories and services. The full complement of Minnesota golf companies is divided by category as noted below:

183

Total Golf-Related Manufacturers & Service Providers in Minnesota



APPROACH

What is Measured

This segment captures the business-to-business spending related to the manufacture of these goods by Minnesota companies. In addition to the manufacture of golf-related consumer goods, this segment captures all good and services in support of the manufacture and distribution of golf cars, golf course accessories, and turf maintenance equipment, as well as professional services provided to golf courses and other golf-related companies (legal, accounting, architect, engineers, travel, etc.). Like golfers, golf facilities also make purchases of goods to facilitate the game and facility operations.

How it's Measured

Revenues and employee counts (in state) are captured from Data Axel, Reference Solutions (formerly Reference USA), using U.S. business SIC codes that companies self-report doing work in the golf industry. NGF crafted an estimate of total revenue applied to each company based on their size, employee size and revenues being earned in the state. This is then totaled to reflect the economic activity of 183 companies active in golf in Minnesota in 2023. In addition, special consideration were made for Par Aide, Toro and Dinuick using a formula based on total sales, expense margin and number of employees.

Annual revenue and employment numbers for these companies come from data axle – reference solutions (formerly Reference USA)⁹ information and data accessible through local public libraries. 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.

TOTAL COMBINED GOLF-RELATED SUPPLIES IMPACT

Revenue Source	Revenue (\$ Millions)
Total Off-Course Golf Retail (on-course counted in operations)	\$67.6
Manufacturing & Services (incl. \$5.3M for Par Aide, \$3.9M for Duinick & \$84.6 for Toro)	\$144.8
Total Golf Related Supplies	\$212.4



9. Data axle reference solutions. "Reference Solutions (formerly ReferenceUSA) U.S. Business Database/ Advanced Search". February 2023. (2022 Data) <<http://referencesolutions.data-axle.com/>>

TOURNAMENTS AND ASSOCIATIONS



APPROACH

What is Measured

Tournaments & Events: Direct expenditure related to hosting professional events and total expenditure on tournaments.

Associations: Direct activities related to state golf association and foundation activities. State golf associations organize amateur events for men and women of all ages, including juniors, seniors, and open events. The MN PGA Section organizes a series of events for juniors, as well as professional events for their members.

North Oaks Golf Club, North Oaks, MN

How it's Measured

The Tournaments estimate is derived from the total estimated direct economic activity impact of the four professional golf events held in Minnesota in 2023 using NGF's national impact estimate for each tour.

The Associations and Foundation estimate is the sum of major state golf association and foundation revenues. These are reported on profit and loss (P&L) statements provided by the state golf associations to NGF and/or via tax filings.

Minnesota has several member-driven golf associations that support a variety of educational and training opportunities, tournaments, meetings, and workshops. In addition, the State has hosted various golf tournaments, including major championships from three primary golf tours (PGA, PGA Champions and LPGA). The major state golf associations include the Twin Cities Junior Golf Program, Minnesota Golf Charities, Midwest Golf Course Owner's Association and the Minnesota Junior PGA. Also active are many smaller statewide golf associations and active player clubs and associations active at courses and country clubs throughout the State.



\$15.0M

Golf Tournaments and Events

TOURNAMENT AND EVENTS IMPACT

Professional Tournaments and Events: Minnesota has a significant profile for professional golf with several events hosted in the state each year, including major championships as recently as 2016 (Ryder Cup). In 2023, Minnesota hosted the PGA Tour's 3M Challenge at TPC Twin Cities in July 2023. The NGF estimates that PGA Tour events generate \$15 million in direct visitor spending¹⁰, with data supported by Sage Policy Group, Inc. in its 2022 study of professional golf in Maryland¹¹. This event also raised \$1.5 million for charity¹².

Amateur Golf Tournaments and Events: In addition, Minnesota hosted as many as 50 high-level amateur qualifier and championship events in 2023. Minnesota also hosted 9 USGA qualifiers with 640 entries in 2023, and more than 4,520 individual golfers participated in high-level competitive golf events in the state in 2023. As many of these events did not draw extra visitation or galleries, the direct revenue is assumed to be included in golf facility income.

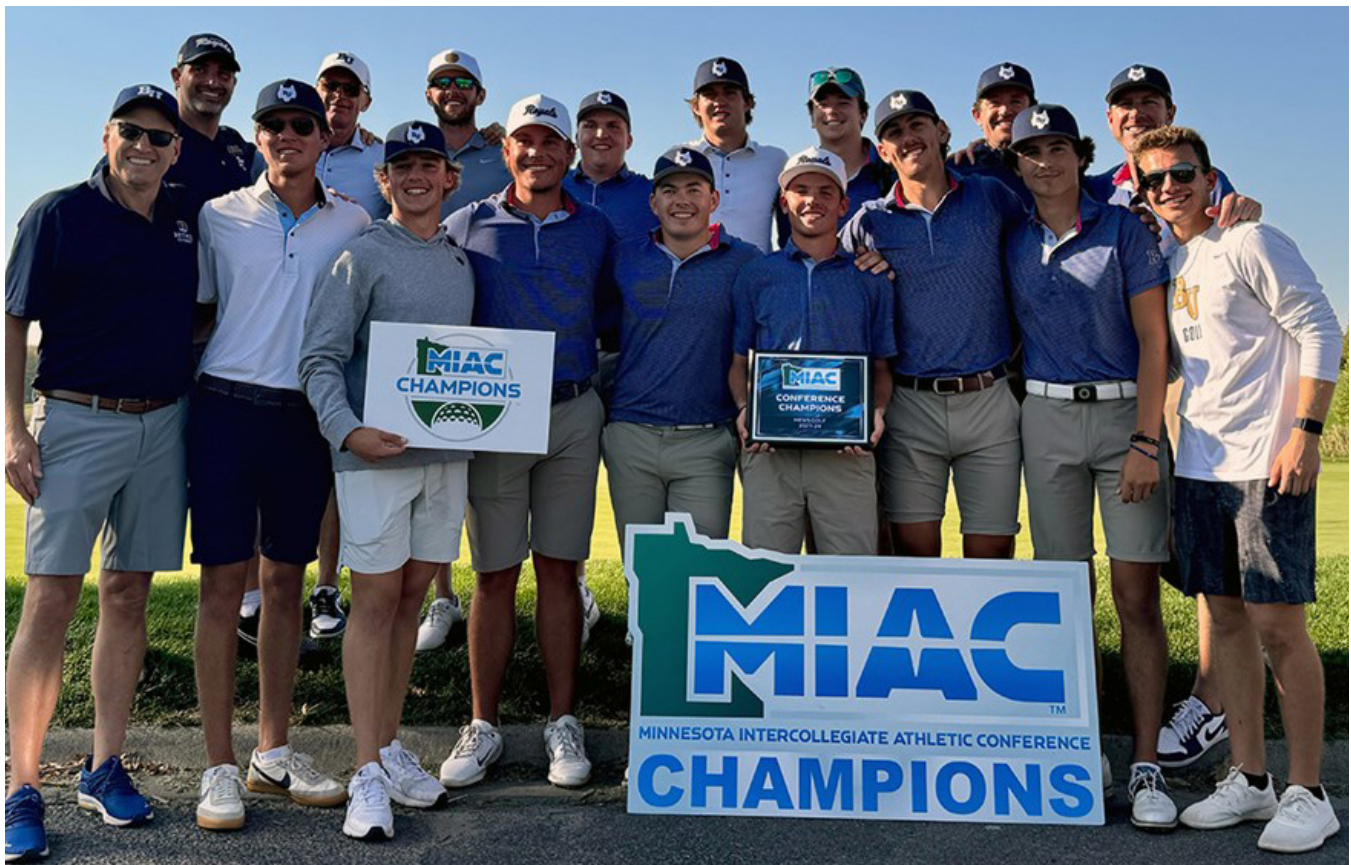


Photo of Minnesota Intercollegiate Athletic Conference Champions - 2023. Image provided by Minnesota Golf Association

10. National Golf Foundation U.S. Golf Impact Report (April 2023)

11. Economic Impact Assessment of Professional Golf Tournaments in Montgomery County, MD – Sage Policy Group, Inc. (2022)

12. Tee Times Magazine (2023)

ASSOCIATIONS & FOUNDATIONS IMPACT



\$6.5M

Golf Associations & Foundations

Associations & Foundations: Minnesota is home to 70 separate golf associations & Foundations that are large enough to file tax information with the Internal Revenue Service (IRS), the largest including the *Twin Cities Junior Golf Program*, *Minnesota Golf Charities*, *Midwest Golf Course Owner's Association* and the *Minnesota Junior PGA*. NGF research from IRS documents¹³ shows the total revenue generated from these Minnesota golf associations and foundations was \$6.5 million in 2023.

Notable Foundation: A notable foundation in Minnesota is the Minnesota Golf Foundation, the charitable arm of the Minnesota Golf Association. Minnesota Golf Foundation provides a vision for the future of the game by supporting programs and initiatives that enhance the golfer experience, drive participation among youth, beginners and disabled golfers, endeavor to make the game more sustainable, and foster educational and experiential opportunities for children and young adults who are interested in golf and who represent the game's future in Minnesota. It assists the Minnesota golf industry by providing charitable support for two scholarship programs, the Evans Scholars Program and the MGF Women's Scholarship, and by administration of the Minnesota Youth on Course Program. MGA and MGF is very proud of its work with Youth on Course Minnesota programs (who manage and support the program with staff resources and fundraising). In 2023, YOCCMN had 102 participating golf courses (public), 16,500 members (ages 6-18) who posted 79,091 rounds. MGA/MGF subsidized the Youth on Course facilities for these rounds in the amount of \$482,990.

All nonprofits in Minnesota are required to file tax returns even if they don't owe taxes. The IRS classifies these non-profits by the tax forms they fill out:

Form 990-N (e-Postcard): This is for the tiniest nonprofits with gross receipts under \$50,000 – the small but mighty.

Form 990-EZ: For organizations with receipts between \$50,000 and \$200,000 - they get the job done without all the flash.

Form 990: For organizations with receipts over \$200,000 or total assets over \$500,000. – The complex and high-tech.

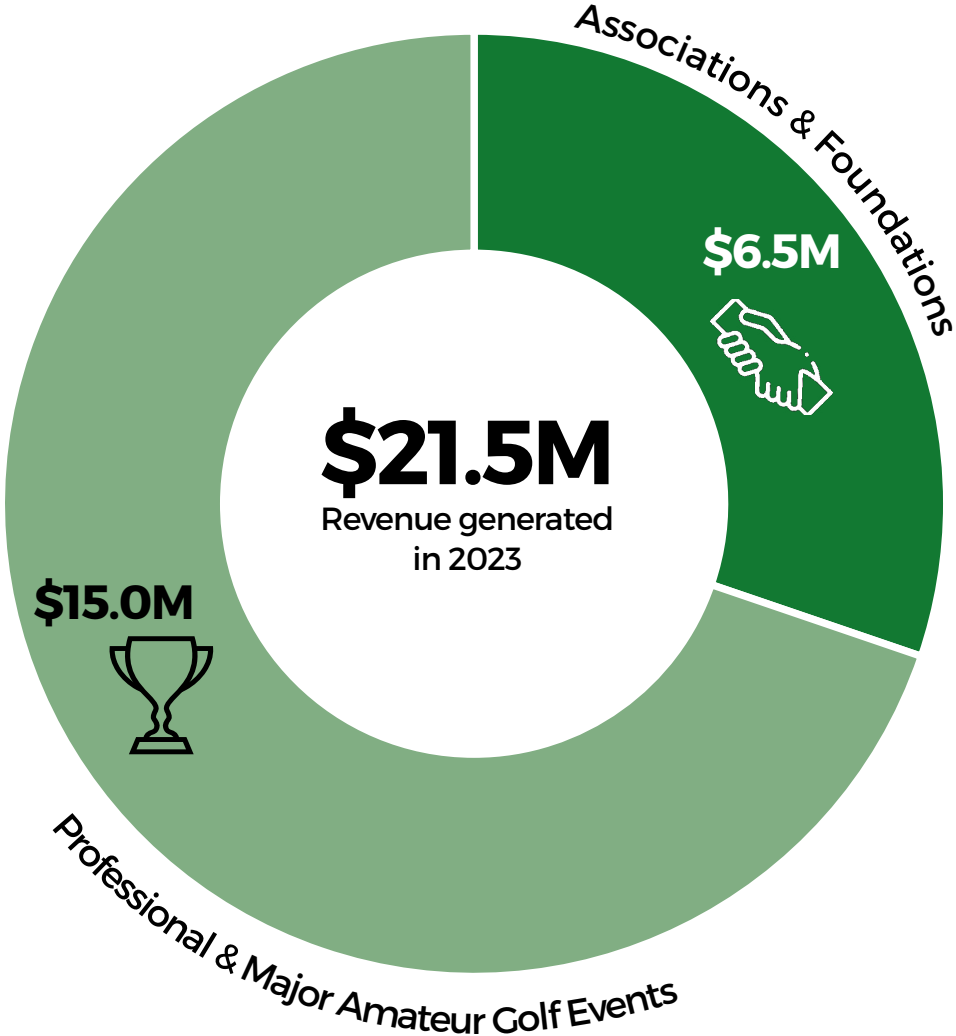
Form 990-PF: Exclusively for private foundations – the mysterious and secretive.

Form 990-T: When nonprofits unexpectedly find themselves with taxable income – Which protects them from the IRS's tax hammer.

13. <https://apps.irs.gov/app/eos/>

TOURNAMENTS AND ASSOCIATIONS

Total Tournaments and Associations



A male golfer is walking on a golf course. He is wearing a white bucket hat with a red logo, glasses, a white polo shirt, and a green vest with a white logo. He is carrying a black golf bag with "Minnesota" written in orange script on the side. The bag is full of golf clubs, and he is holding a golf club in his right hand. The background is a blurred green landscape.

CHARITABLE IMPACT

Images provided by Minnesota Golf Association



\$67.1M

Charitable Impact

Golf contributes a significant impact for charities from money raised at local golf facilities, professional golf tournaments and other giving that is channeled through golf. The largest segment of this impact is charitable donations derived directly from events held at golf facilities in Minnesota in 2023 that serve as important fundraisers for many state and local charitable organizations. Based on our survey of golf facilities in Minnesota (2023) and the U.S. (2022), the NGF has estimated the average amount raised at a charitable golf event was between \$1,500 and \$29,000, depending on the type of facility hosting the event. Using this survey data, NGF estimates that golf facilities in Minnesota raised as much as \$64.1 million for charities in 2023, hosting an estimated 1,870 charity golf events and other non-golf (clubhouse) fundraisers, with an estimated 199,700 total participants in golf charity events in the state in 2023.

Among the more notable facilities hosting large charity events in Minnesota in 2023:

- ⊕ **Hazeltine National Golf Club** – Hosted golf events that raised over \$7.5 million for various charities, including United Health Care, Best Buy Foundation and Folds of Honor.
- ⊕ **Oak Marsh GC** – Hosted 35 charity events in 2023 raising over \$375,000 for several charities including Special Olympics, 40 Winks Beds for Kids, Tee It Up for The Troops and FireFighters Forever.
- ⊕ **Edinburgh USA** - estimated they raised over \$300,000 benefiting the Pro Am Foundation and Hope Kids.
- ⊕ **Cragun’s Legacy Courses** – Hosted 10+ charity events in 2023 raising over \$300,000 for CRMC Foundation, Mid MN Builders Scholarship Fund, Team Foundation, Brainerd Sports Boosters and others.
- ⊕ **Creeks Bend Golf Course** – Hosted the Ducks Cup Memorial tournament that raised over \$300,000 for the Minnesota Vikings Children’s Fund.

IN ADDITION:

- ⊕ The 3M professional golf event in Minnesota raised another \$1.5 million in 2023.
- ⊕ Other significant giving channeled through golf includes charitable foundations that raised an additional \$1.5 million

IMPACT

\$64.1M Golf Facility Charity Events (1,860 events)

\$ 1.5M Professional and Major Golf Events

\$ 1.5M Other Golf Charities

APPROACH

What is Measured

Charitable impact captures both the in-kind contributions and the net proceeds resulting from charitable events that are hosted at Minnesota golf facilities, money raised for charity from professional golf events and defined golf charities (e.g. Evans Foundation).

How it’s Measured

The charitable impact estimate draws on the National Golf Foundation’s direct survey of Minnesota golf facilities in 2023, with assistance from the total U.S. golf facility survey in 2022. These surveys 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. Applying the survey results to golf facilities in Minnesota, we estimate that 89.5% of Minnesota golf facilities hosted a charitable golf event in 2023, and the average number of charitable events held each year was 5.6 events. The surveys showed the average amount of money raised per event was as low as \$2,300 for 9-hole courses and as high as \$122,500 for premium facilities.

An aerial photograph of a lush green golf course. The course features several sand traps, a winding water hazard, and a path. In the background, there is a large lake surrounded by dense trees. The sky is clear and blue.

GOLF TOURISM

Image provided by Cragun's Resort

APPROACH

What is Measured

The golf tourism industry segment estimates the golf-related travel expenditures in which a person travels 50+ 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 Minnesota golf destinations, golf outings while on vacation or business travel, visits to Minnesota golf courses from golfers residing outside the state, as well as trips by Minnesota residents to play golf at courses in other parts of the state.

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 Minnesota and the NGF. The Minnesota Visitor Economy - 2023 (Tourism Economics for Explore Minnesota) was a key resource and detailed total visitors counts (by length of trip), activities undertaken while in Minnesota and average spending per trip.

Average Spend Per Golf Trip

The NGF provided estimates of total spending per golf trip from the Explore Minnesota 2024 report and the NGF 2019 Golf Travel Report, updated to reflect 2023. The NGF estimates that golfers spend a total of \$235 per trip, less \$105.75 to account for spending at the golf course and transportation to destination (= \$129.25). The overnight visitors are assumed to spend a total of \$1,370 per trip, less \$325.00 to account for spending at the golf course and transportation to destination (= \$1,045.00). The NGF has assumed that these amounts exclude spending at the golf facilities (green fees, cart fees, F&B, etc.) that has already been counted in golf facility operations and direct transportation to the destination. The intent was to include spending on accommodation, local transportation, food and beverage, entertainment, gifts, etc.

Golf is a popular recreational activity that enhances Minnesota’s tourism industry through short trips and extended vacations/business trips. NGF has identified a significant golf-travel industry – those people traveling to MN with the intention that golf will be a major part of the trip. This finding was not at all surprising, as several locations in Minnesota are known for attracting tourist / seasonal golfers. Minnesota does offer a few top-quality golf resorts, including well-known facilities like Cragun’s Resort on Gull Lake, Breezy Point Resort, Ruttger’s Bay lake Resort, Superior National Resort at Lutsen, and the Arrowwood Resort & Conference Center. In addition, Minnesota attracts a significant share of golfers who live in nearby states and provinces and travel to Minnesota for golf activity. The key neighboring states that NGF identified as feeding golf activity include Wisconsin, Iowa, Illinois and Ontario, Canada.



\$539.2M
Golf Tourism

IMPACT

Tourism is one of the strongest economic drivers of MN, providing a valuable source of revenue and jobs. In its 2024 Report¹⁵, Explore Minnesota estimated a record number of visitors at 80.2 million spending over \$14.1 billion, which generated \$2.3 billion in state and local tax revenue. Of these visitors, facts presented by **Explore Minnesota** indicate most of these visitors came to Minnesota during the spring and summer, or during the peak of the golf season.

	Day Trips	Overnight	Total
Total Visitors ¹⁵	47,300,000	32,900,000	80.2M
Golf Trip % ¹⁶	1.5%	1.3%	
Total Golf Trips	710,000	428,000	1.1M
Average Spending per Trip (less golf fees)	\$129	\$1,045	
Total Impact (\$Millions)	\$91.8	\$447.4	\$539.2

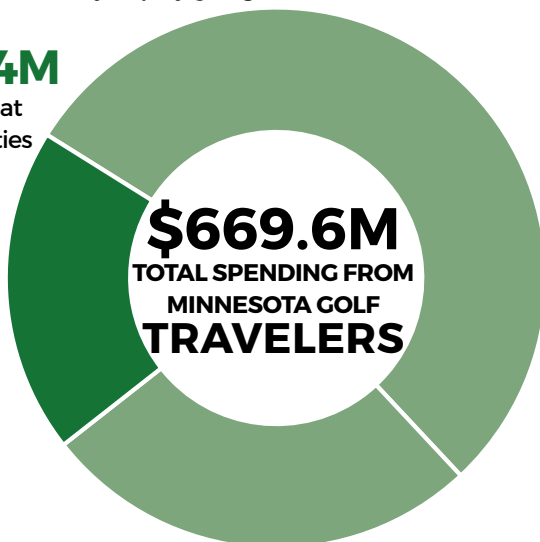
NGF estimated that about 710,000 golfers traveled more than 50 miles to play at a Minnesota golf course in 2023, and an additional 428,000 overnight trips were made to Minnesota in 2023 by visitors seeking to participate in golf. These visiting golfers played as many as 1.138 million rounds of golf at Minnesota golf courses in 2023.

The NGF has estimated that traveling golfers in Minnesota spent \$129 per trip for day-trippers and \$1,045 per trip for overnight visitors (**this excludes direct spending at golf facilities – already counted in golf facility revenue**). This estimate is based on spending data presented in the Explore Minnesota 2024 report, augmented by golf travel spending estimated by NGF. NGF estimates that 2023 tourism expenditures stemming from travelers who traveled to Minnesota specifically to play golf **generated \$539.2 million**.

\$130.4M

Spending at Golf Facilities

(included in Golf Facility Operations direct impact estimate)



\$539.2M
TOTAL NON-GOLF TOURISM SPEND

=

\$362.6M
Lodging, F&B, Entertainment, etc.

+

\$176.6M
Other Local Spending

This analysis shows how significant golf tourism is in Minnesota. When the money spent at golf facilities is included, it shows that the **Minnesota golf travel market involves 1,092,000 golf travelers spending at least \$669.6 million in 2023** (\$588.35 per golf traveler).

15. The Minnesota Visitor Economy Report by Tourism Economics an Oxford Economics Company (July 2024)

16. National Golf Foundation (2023) – Adjustment considers travelers whose specific purpose is golf or places a high importance for golf



GOLF REAL ESTATE

APPROACH

What is Measured

New golf home construction generates significant economic activity and impact during the period homes are constructed. For this segment, NCF 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 direct research in an attempt to identify golf communities that were active in building new residential units and/or undertaking phases of development at existing golf communities. NCF then reviewed aerial photographs and contacted real estate developers, builders and real estate agents to identify the number of new homes under construction in 2023 and establish an average construction cost.

"Golf Premium"

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 NCF 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 1.05% statewide effective property tax to market value estimate.

The walkable open spaces and recreational opportunities provided by golf courses make them a key amenity in many residential communities. There are 55 golf facilities in Minnesota 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 12,000 total residential units in Minnesota that are part of master-planned golf communities, including over 3,900+ units with a prime golf course view. NGF identified golf communities in Minnesota that had new residential units under development, to varying degrees, plus additional existing units under renovation or replacement in 2023.



\$109.8M

Minnesota Golf Real Estate

The economic impact of golf real estate in Minnesota encompasses three components: (1) construction of new homes; (2) replacement or renovation of older homes; and (3) the net gain to local tax jurisdictions from value premiums associated with golf course communities.

IMPACT



\$95.8M

Golf Home Construction

NGF counted 247 new homes being built within golf communities in 2023, plus others that are seeing replacements to original homes built 40+ years ago in older golf communities. Golf facilities like Willow Creek Golf in Rochester, Territory Golf Club in St. Cloud, Cedar Creek Golf Course

in Albertville, and The Jewel Golf Club in Lake City all reported significant ongoing new home construction in 2023. Multiplying the estimated number of units under construction at each location by their average 2023 cost of new residential construction in Minnesota (\$386,980) and summing all of these values yielded a total **2023 golf-related residential construction figure of \$95.8 million.**



\$ 4.6M

Golf Home Renovation

NGF identified nine other golf communities developed before 1970, many of which are experiencing a trend in home replacement and renovation. Multiplying an estimated two units under renovation at each location by their average 2023 average cost of renovation (\$255,000) and summing all

of these values yielded a total **2023 golf-related residential renovation figure of \$4.6 million.**



\$ 9.4M

Net Gain on Local Property Tax from Golf Premium

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 home 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 \$897 million, with a 2023 property tax impact of \$9.4 million in net gain for local taxing authorities to be used for education and other local initiatives.

Estimated Impact of Golf Value Premium of Local Property Taxes – Minnesota 2023

	No. of Residential Units in Golf Communities	Avg. \$ Value Residential Units in Golf Communities	Total (\$ Millions)
Base	11,993 total Units (8,780 SF + 3,213 TH)	SF \$550,439 TH \$356,806*	\$5,979.3
“Golf Premium”			15%**
Total Golf Premium			\$896.9
Minnesota Effective Property Tax Rate			0.0105***
Net Gain for Local Tax Jurisdictions			\$9.4

* NGF Research/ Zillow reported sales /Minnesota Realtors Assoc.
 ** NGF Analysis – 2023.
 *** Tax-Rates.org/Minnesota.
 SF=Single Family
 TH=Townhouse

NON-ECONOMIC BENEFITS



NON-ECONOMIC CONTRIBUTION HIGHLIGHTS

Golf continues to be more than just an enjoyable pastime in Minnesota, it is a key industry contributing to the overall economy and quality of life in Minnesota. In addition to the economic contribution noted above, there are other impacts that golf has on the State of Minnesota, including:

- ⊕ Golf provides upwards of 44,600 acres of green space within the State and provides affordable outdoor recreation to nearly 578,000 Minnesotans. Virtually all of the golf facilities in Minnesota surveyed by NGF in 2023 (98%) participated in at least one program for fostering the growth of the game in 2023, with 85% offering some type of formal junior golf program. Minnesota's First Tee had over 5,650 kids enrolled in 2023 and 58 schools with First Tee programming. Youth on Course MN had 102 participating public golf courses, 16,500 members (ages 6-18) who posted 79,091 rounds. MGA (MN Golf Association subsidized the YOC facilities for these rounds, captured under the golf facility operations section). Minnesota golf courses also report a high level of programs for adaptive golfers, military & veteran golfers and specialized beginner programs like WELCOME2GOLF or Get Golf Ready.
- ⊕ 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 additional social, youth/family activities and programming. As traditional golf is not an option for some, golf facilities have introduced other amenities and activities to their offerings, such as driving ranges, practice facilities, golf simulators, bike/walking trails, bird watching, space for snow/winter sports and public and/or non-profit meeting space availability.
- ⊕ Only about 67% of the total golf course acreage in Minnesota is irrigated, with the primary source of irrigation water coming from surface/ponds/run-off water (42%). Approximately 44% of Minnesota golf courses have had an irrigation audit performed on the property, and of the facilities performing the audit, 59% have made adjustments within the last few years resulting in an estimated 7% savings in water use.
- ⊕ Black golfers have a long history in Minnesota, with notable events, figures and golf courses, including one of the most well known, Solomon Hughes Sr. and his impact on black golfer's rights at Hiawatha Golf Course. This course became a social and recreational hub for the Black community in Minneapolis, particularly the Southside neighborhood. Black golfers were allowed to play on the course, but they were not permitted to use the clubhouse facilities or obtain an official handicap. In 2021, the Minneapolis Park Board renamed the clubhouse in honor of Solomon Hughes Sr. (pictured below), a Black golfer who played a role in ending segregation in professional golf.
- ⊕ Other notable events, courses and black golfer history include:
 - ⊕ The Twin City Golf Club: Founded in 1931, this was an organization for African American golfers.
 - ⊕ The Upper Midwest Bronze Open Tournament: Created in the late 1930s by promoter Jimmy Slemmons, this tournament attracted Black golfers from across the country.
 - ⊕ Eddie Manderville: A leader and mentor in the Minneapolis African American community helped establish Black Women on Course, a group that works to get Black women into golf. He also volunteered for the MGA and served on the MGA Board of Directors from 1990 to 1999. The clubhouse at Theodore Wirth Park was renamed the Eddie Manderville Chalet in December 2023 and highlights Manderville's legacy and the contributions of other Black golfers.
 - ⊕ Beyond End of Season Golf Invitational: Hosted by Ghanaian-born Collins Oppong at the Crystal Lake Golf Club in Lakeville, Minnesota, this tournament was created to encourage more Black people to play golf.



GOLF'S IMPACT ON THE QUALITY OF LIFE IN MINNESOTA

When considering golf's contribution to the State of Minnesota, the NGF provides a summary review of the impact golf has on Minnesota society that cannot be measured in terms of dollars and cents. Below is a summary of key impacts golf has on the quality of life in Minnesota, and highlights the efforts MN golf courses are undertaking to minimize their effect on the natural environment.

Golf courses in Minnesota provide open spaces, a healthy recreational outlet for residents, a venue to attract visitors and a good reflection on the image and/or brand of the State. Golf is good for both the physical and social health through physical exercise, healthy competition and an outlet for youth and family activities and programming. A total of 380 of the State's 425 golf facilities (89%) are open to the public and provide outdoor recreation as well as non-golf activities to Minnesota residents. Traditional golf is not always an option for some. Over time, facilities have introduced other amenities/activities that add to an individual's quality of life and provide other enjoyments besides traditional golf. Minnesota golf facilities reported that in addition to on-course golf play they also offer driving ranges (63.5%), practice facilities and/or golf simulators (95%).



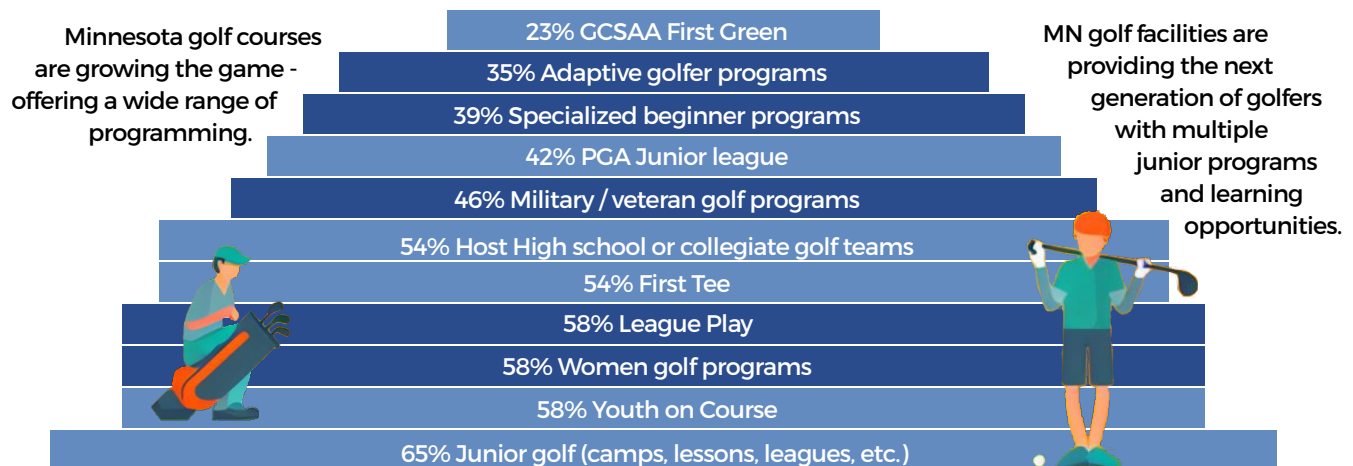
Non-Golf Activity

Golf facilities in Minnesota also offer other non-golf activities that allow a wider segment of community residents to take advantage of the golf course land. The top three non-golf activities Minnesota golf courses are providing on their property include **snow/winter sports (65%), public and/or non-profit meeting space (55%) and bike/walking trails (33%).**



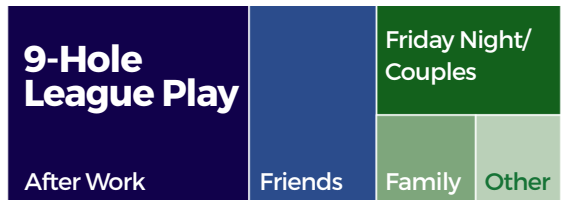
Fostering Golf Activity, Participation & Junior Golf

Virtually all of the golf facilities in Minnesota surveyed by NGF in 2023 (98%) participated in at least one program to promote increased activity and/or participation in golf in 2023, with 85% offering at least one defined junior program. Among the most notable golf programs offered at Minnesota golf facilities include:



League Play

Organized league golf encourages community socializing and camaraderie. League play in MN accounts for 5% of total resident rounds. 9-hole leagues = 4%; 18-hole leagues = 1%. **After work** league group play is the most popular and is offered at nearly **85%** of MN facilities.



Jobs

10,700 Full Time **15,500 Part Time**

Minnesota golf facilities reported providing ~3,000, full-time year round positions, plus ~7,700 full-time seasonal positions, ~15,500 part-time positions, and 1,200 volunteer workers annually.



Charitable Hosts

74% of golf facilities hosted a non-golf charitable event.

85% of golf facilities hosted a charitable golf event in 2023.



Living - Golf provides improved physical and mental well-being of ~ 557,000 MN golfing residents.

Physical Health: While golf is an industry with economic importance, the game also supports the health and well-being of roughly 45 million Americans. A study released in June of 2019 concluded that spending 120 minutes or more per week in nature is positively correlated with well-being¹⁷. Walking 18 holes of golf also burns between 531-2467 calories.

Mental Health: In addition to golf's physical health benefits, it can also have positive effects on the brain. According to the National Institutes of Health study¹⁸ found golf enhances focus and attention in individuals who have subjective memory complaints. Other brain health benefits from exercise include increased blood flow to the brain.

GOLF'S POSITIVE IMPACT ON THE ENVIRONMENT

The NGF review shows that Minnesota golf courses provide the following key environmental takeaways:



Positive Environmental Impact

TURFGRASS: In the past 5 years Minnesota golf courses have reduced their original turfgrass on average by 35 acreages, replacing it with native vegetation (33%); other turfgrass varieties (21%), trees, shrubs (17%), pollinator habitats (17%) and mulch (8%)

IRRIGATION: Approximately 44% of Minnesota golf courses have had an irrigation audit performed on the property. Of the facilities performing the audit, 59% made adjustments resulting in an estimated 9% savings in water use.

ENERGY: An estimated 21% of MN facilities reported having done an energy audit in the past five years with 89% of those facilities adopting energy-saving practices, resulting in 10% of energy saving per year on average.

WATER: Minnesota golf courses are responsible users of water for irrigation, using predominantly ground/well water (42%), reclaimed water (21%) and/or surface/ponds/run-off water (15%). In the past 5 years, 22% of MN golf courses have added irrigation technology-enhancements.



GCSAA BEST MANAGEMENT PRACTICES AND IMPLEMENTATION

- ⊕ Approximately 40% of Minnesota golf courses are aware of the GCSAA's Minnesota Golf Courses Planning Guide and the Best Management Practices. Of the facilities aware of the BMP guide, 42% have already adopted or plan to adopt practices contained in the guide.
- ⊕ MI facilities were asked to indicate which GCSAA's Best Management Practices (BMP) they have adopted (or plan to adopt in the next year) as a result of reading the GCSAA's BMP for MA GC Planning Guide. The top four adopted practices were related to golf turf fertilization and nutrient management (41%), irrigation changes (39%), altering maintenance practices (36%), and enhanced pesticide management (35%).
- ⊕ The top environmental impact programs facilities have implemented include (does not sum to 100% as many facilities adopt multiple practices):

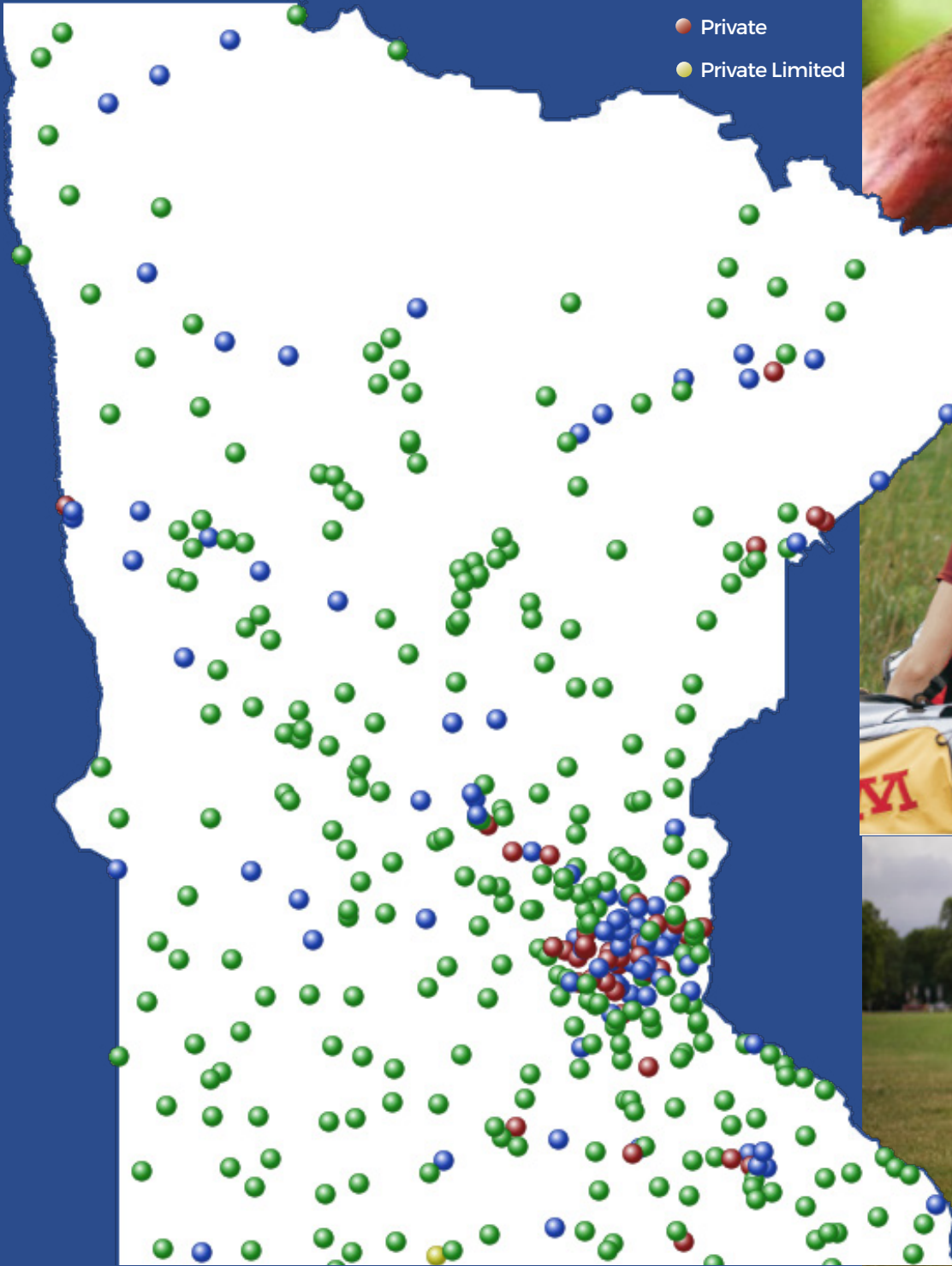
- 65% - Provide natural areas with dead trees, undisturbed brush piles and "no-mow" areas
- 65% - installation of bat boxes, bird houses, etc. to encourage wildlife habitation
- 61% - Sprinkler head upgrades to reduce water usage and enhance target watering (reducing water and electricity used for irrigation)
- 46% - Annual and perennial garden beds designed to provide food for wildlife and attract butterflies and bees
- 42% - Wildlife Sanctuary
- 39% - Audubon Certification
- 31% - Natural water algae controls (water flow, natural bank areas and mechanical aerators (fountains))
- 15% - On property honeybee hives
- 12% - USGA or similar review/audit

17. 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.
 18. <https://aviv-clinics.com/blog/brain-health/12-reasons-golf-performance-brain-health/#:~:text=Golfing%20can%20have%20positive%20effects,blood%20flow%20to%20the%20brain>

SUMMARY



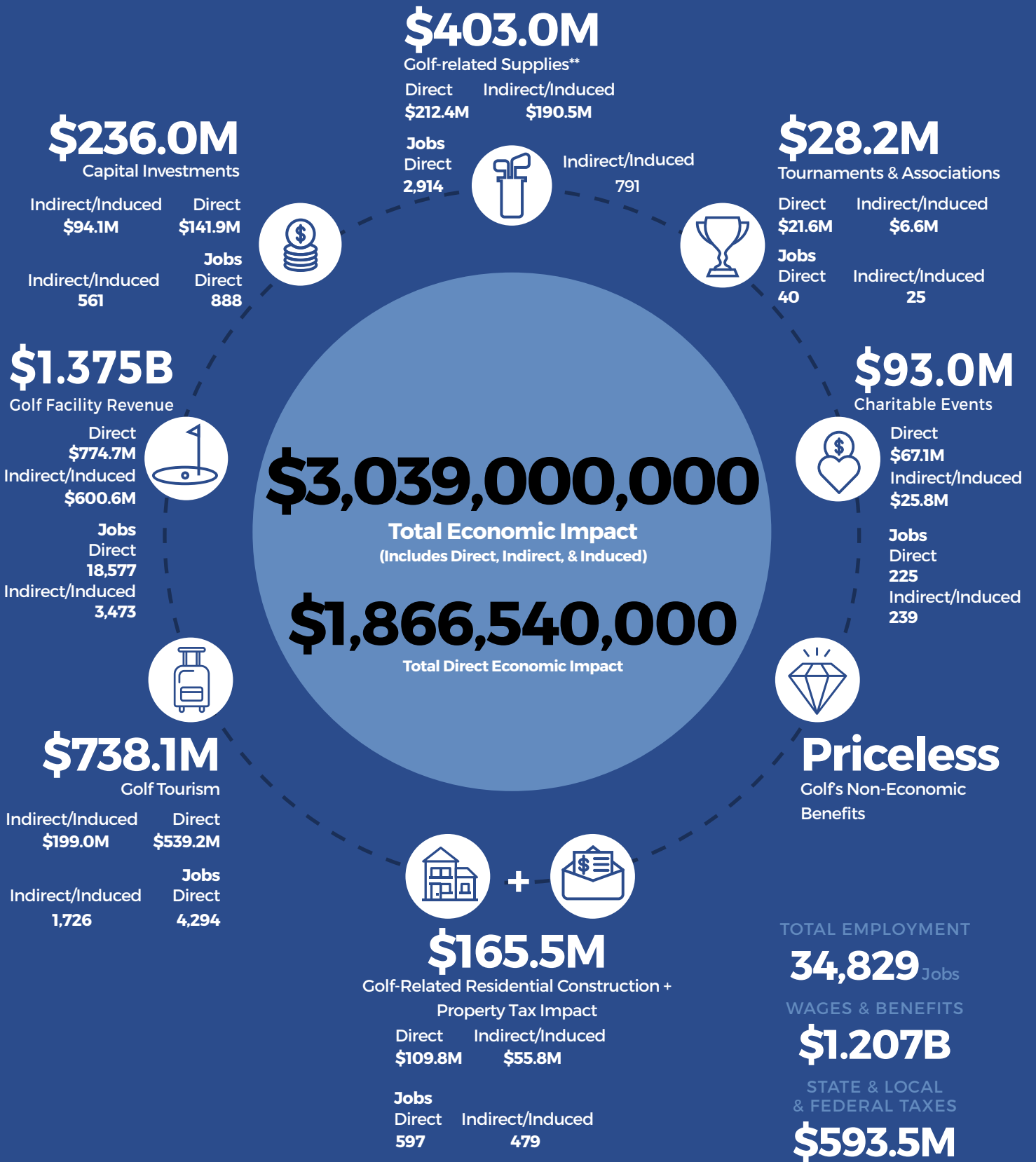
- Daily Fee
- Municipal
- Private
- Private Limited



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THE CONTRIBUTIONS OF GOLF TO THE STATE OF MINNESOTA

2024 TOTAL ECONOMIC IMPACT



**THE CONTRIBUTIONS OF GOLF TO THE STATE OF MINNESOTA
2023 IMPACT REPORT**

