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Without water, Broomfield golf course could face uncertain future

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With its access to water set to expire next year, a Broomfield golf course faces a future that has raised concerns among Eagle Trace residents.

In August last year the private owner of the Eagle Trace Golf Club — Eagle Trace Golf Club LLC — sold the water rights to the course, according to publicly available easement agreements and a special warranty deed.

Since then the course has been leasing back the water from the new holder of the rights, Owl Creek Investments. Under the terms of the sale, irrigation water from the reservoirs will be available for golf course use only until Nov. 1 next year — after that point, the golf course will need to find an alternative source of water, according to a Broomfield fact sheet.

Bruce Erley, president of the Eagle Trace Homeowners Association, said the person behind the ownership is Miles Scully.) (A document with the deed listed a Michael Scully.)

"We look forward to ongoing conversations with the surrounding community and the City & County of Broomfield with the goal of finding a positive outcome for all involved," a statement to the Broomfield Enterprise on behalf of Miles Scully said Through the company Wall Kane Consulting, Scully declined to speak by phone call for this story.

According to a Broomfield city spokesperson, the course's owner appears to have given no indication on what he plans to do with the land.

The <u>Broomfield Enterprise</u> reached back out with questions for Scully through the consulting company, asking what he plans to <u>do with Eagle Trace Golf Club</u>, whether he plans to sell the land, whether he plans to sell it to someone who will continue to allow it to run as a golf course, whether he plans to develop a <u>non-golf-course</u> building or property on the land, whether he plans to dedicate the land to the city and county of Broomfield for some public or city use — and whether he plans to buy water rights to supply the golf course with irrigation water to allow the land to continue to run as a golf course.

"At this time, we are going to stick to the quote we provided," Peter Wall, a partner with Wall Kane, said in an email.

Banding together

According to the easement agreements and special warranty deed, the course is irrigated by two reservoirs—Nissen one and two both just off the fairways. The water rights of the course date back to the 1800s, and the sale includes the water in both reservoirs. With that gone, the land will have no supply of water.

"Basically the golf course, since the water rights were sold, now has no value." Erley said. The Eagle Trace Golf Club property has two parcels that include the clubhouse and other improvements that, according to assessor records, have actual 2025 values of \$1,933,260 and \$1,530,020, according to Broomfield spokesperson Julie Story.

Asked whether the Broomfield assessor's office has a rough idea of how losing the water could affect Eagle Trace Golf Club's market value, Story said: "Broomfield is not able to quantify the impact of the golf course owner selling their water rights. The impact would have to be analyzed before a value can be assigned."

The course, 1200 Clubhouse Drive, sits in the center of Broomfield, flanked by hundreds of homes, including those belonging to five homeowners associations, according to Erley. Erley said he and the other HOA presidents banded together in January to create a task force to try to figure out what will happen to the golf course once it has no water. The task force met monthly since

then and has had additional meetings with Broomfield public works and water staffers as well as City and County Manager Jennifer Hoffman, Erley said.

Erley said the property being abandoned would come with numerous problems, including a decrease in property values for the homes around the course, which he said the neighborhood has already seen with the course's uncertain future. The land being left untended and dry would also present an issue of fire safety, which could trigger increased costs to homeowners insurance for the neighborhood, he said.

Although the simplest solution would be to secure a new water source and continue operating the golf course, Erley said it's proving increasingly difficult.

"We checked into being able to buy shares back, but there aren't any. It was (very unusual) that many shares were sold, and there aren't any shares to buy back that we can find," he said.

Both reservoirs are filled by a ditch controlled by The Farmers Reservoir and Irrigation Company, and next year, when the course's current leasing arrangement expires, the valve that allows water from the ditch to fill Nissen one and two will be shut off, therefore cutting off the course's water source, Erley said. According to Erley, the task force has been in contact with The Farmers Reservoir and Irrigation Company, which has told them they are "not likely to find" the number of water shares they would need to adequately supply the land.

Erley said he and the other HOA presidents are working with Broomfield's government to possibly secure water, but the cost to do so would be steep. He said they've explored creating a parks and recreation taxing district, which would be able to issue bonds to buy water sources. All the costs associated with creating the district, which the task force estimates at \$120,000, would need to be covered as well, and Erley said he and the task force are investing their personal funds to try to find possible solutions to the uncertain future of the course.

"There's no funding for this, so we've retained a water attorney at our own expense," he said.

In meetings with attorneys, city officials, other HOA presidents and a consultant representing Scully, Erley said the task force has done its best to understand the true scope of the work that lies ahead.

Even if the surrounding neighborhood is able to secure water and operate the course, Erley said its entire irrigation system needs to be replaced. That would cost an estimated \$2 million, not including other improvements the course needs, which Erley said the owner is no longer making significant investments in, according to the task force's conversations.

With water access secured, the land could be turned into open space or a park, but Erley said converting the land back to natural grasses would cost an <u>estimated \$5 million</u>, plus other costs, according to the task force's estimates after working with city officials.

"<u>Purchasing water</u>, whether through ditch water rights or through the purchase of water licenses through Broomfield, in a quantity to serve the needs of a golf course would both <u>have significant costs</u>," Story said.

"Similar to other developments, the owners of Eagle Trace Golf (Club) may purchase water licenses. The current reuse water license connection fee is \$13,780 per tap equivalent. It is estimated that the golf course would need 408.6 tap equivalents for a one-time cost of \$5,630,508 plus ongoing usage fees monthly."

'It is unlikely'

There are three other golf courses in Broomfield: Greenway Park, Interlocken and The Broadlands, according to the city.

"Broomfield reuse water is utilized by Greenway Park and Interlocken. These golf courses pay for such reuse water either directly to Broomfield (Greenway Park) or through Interlocken Ltd (Interlocken)," Story said. "Broadlands golf course pays for raw water through Broomfield."

Erley said Broomfield's government has been helping where it can, but the city doesn't appear poised to buy the land and manage it as a golf course.

"It is unlikely (Broomfield) would purchase the property to run it as a golf course," a fact sheet about the course provided by Broomfield communications workers stated. "If the owner desires to consider dedication of the property or if (the council) directs staff to further evaluate a potential purchase of the property, staff would need to start with an appraisal of the property as well as a study to understand the scope of work necessary to modify the property for passive or active open lands use."

The City Council was slated to hold a closed-door meeting for "the purpose of discussing real property, receiving instruction to negotiators and receiving legal advice related to Eagle Trace" Golf Club at a special meeting July 17, according to a memorandum.

According to the city's fact sheet, it is likely Owl Creek will seek to apply the water rights to a future development that could be in the Lafayette area.

The task force is continuing to work toward answers and remains open to any solutions with a better outcome than a total abandonment of the land. According to an FAQ sheet provided for the neighborhood surrounding the course, any residents with associated expertise or who want to get involved can contact Frley at blerley@comcast.net.

"It has become clear that no outside entity, such as the City & County of Broomfield, is coming to our rescue," the FAQ sheet reads. "If the approximately 500 homes directly impacted by the closure and drying up of Eagle Trace Golf (Club) want to influence the future character of our community, we must come together and take action. Without organized effort, we will be left to simply accept the consequences."