

The Uncertain Future of the Huatulco Golf Course

By Randy Jackson

In an earlier article in *The Eye*, "[Bahías de Huatulco: Three Important Developments](#)" (December 2023), I wrote about the proposed conversion of the Tangolunda golf course to a national park. Although the federal government's announcement to convert this to a national park has not been withdrawn, there has yet to be an official decree to make the golf course into a natural area. The uncertainty looming over the fate of this crucial tourist asset for Huatulco stems from the clash of egos between the Mexican president and the billionaire owner. There have been strong reactions against the conversion to a national park, and uncertainty reigns over the future prospects of the golf course in Huatulco.

Background

The golf course in Tangolunda is known as *Las Parotas*, named after the majestic parota trees that enhance the beauty of the course. Established in 1991 under the administration of the federal agency FONATUR (*Fondo Nacional de Fomento al Turismo*), the golf course sustained operations until 2012, despite accumulating a reported loss of \$26 million mxn (\$1.5 million USD) over the preceding six years.

In an effort to mitigate economic losses and bolster tourism in Huatulco, FONATUR then opted to lease out the golf course. The objective was to attract third-party investments with the aim of elevating the golf course to a professional championship level. Grupo Salinas's *Producciones Especializada SA de CV*, chaired by Ricardo Salinas Pliego, head of TV Azteca and Grupo Elektra, secured a ten-year lease for the golf course on August 21, 2012. To acquire the concession, a payment of \$500,000 USD was made to FONATUR, coupled with an ongoing fee amounting to 10% of the golf course's income. Leasing out the Tangolunda golf course marked a pivotal transition in its operations and future prospects.



The Golf Course during the Ten-Year Lease

After extensive redesign under the famous Mexican golf architect, Agustín Pizá, the course reopened in 2014. The improvements to the greens and fairways were impressive. It has been raised to a first-class professional level, and is the only professional golf course in the state of Oaxaca. The course is a public course, made somewhat exclusive by the high cost to play golf there. The economic viability of the golf course is not publicly available. Anecdotally it seems there are few players, yet social media reviews generally give it high praise citing the beauty and challenge of the course and the high quality of service.



During the tenure of the lease there has been some controversy, focused principally on two issues: (1) water use, and (2) lack of tournaments that would help promote Huatulco.

The water use issue was reported in the Mexican press around August of 2022. The controversy centered around the golf course refusing to use greywater from the sewage treatment plants for irrigation. This was something the golf course had done during the years of FONATUR operation. Also, the greywater use was listed as one of the environmental sustainability practices that helps Huatulco qualify for the Earth Check award (Earth Check is a global evaluation group for sustainable tourism; Huatulco has been awarded Earth Check Certification each year since 2005 up to and including 2023).

The golf course water controversy was compounded by the fact that it now uses potable water for irrigation while Huatulco overall is at or near its potable water capacity. However, not reported in any of the news articles on this issue was the fact that the golf course had drilled its own water wells for irrigation and have not been using the potable water supplied by FONATUR, which is the source of the drinking water for Huatulco. Nevertheless, the golf course is using ground water at a rate of 350,000 liters per day. (Note: As I reported in "[Huatulco's water system: In Survival Mode?](#)" [December 2022], FONATUR produces 15 million liters of potable water per day from nine wells near the Copalita river).

The second issue cited against the operation of the golf course under the ten-year lease is the fact that the company operating the golf course hasn't properly promoted it, which would aid in the promotion of Huatulco overall; the example cited is the failure of the course to schedule any professional golf tournaments.

Golf Course Fees

The fees to golf at Tangolunda are, to quote social media reviews, “*muy caro*” (very expensive). The [Las Parotas website](#) lists the fees for 18 holes: Mon-Thu, \$2,700 mxn (\$160 USD); Fri-Sun \$4,000 mxn (\$235 USD). There is a discount for locals. Although this is an expensive activity, affordable by few, the costs are not out of line for such a golf course.

To provide a comparison, on the website of the [top 100 golf courses in Mexico](#), the Tangolunda golf course is listed as 49th. The top listed golf course on this website is Diamante Dunes in Cabo San Lucas. Its greens fees are listed at \$320 USD for 18 holes. For the golf course Vidanta Nuevo Vallarta in Nuevo (Puerto) Vallarta, one up from the Tangolunda golf course on the list of best 100 courses, the cost is \$195 USD.

Conversion to a National Park

With the expiry of the golf course lease in 2022, the current President of Mexico, AMLO (Andrés Manuel López Obrador) announced the golf course would be sold for \$600 million mxn (\$35 million USD), allowing Ricardo Salinas Pliego the first option to purchase it. Then on October 12, 2023, AMLO stated there were no purchase offers from Salinas Pliego or from anyone else and the Tangolunda golf course would be converted to a national park. This surprise announcement needs to be understood within a political context, the personal animosity between left-wing AMLO and conservative Ricardo Salinas Pliego.

According to the news site [Infobae](#), on November 2, 2023, in his normal morning news conference, AMLO took several minutes to blame Ricardo Salinas Pliego for “leading a campaign against him.” AMLO accused Pliego of not paying taxes owed amounting to \$25 billion mxn. Furthermore, he claimed that Salinas Pliego's news organization (TV Azteca) inflated the number of deaths from the Acapulco hurricane for political purposes.

Salinas Pliego responded the same day saying that AMLO was abusing his power because his tax case was before the courts and AMLO was linking victims of the Acapulco hurricane to his (Salinas Pliego's) organization in order to deflect political pressure on the president. The two have had public spats over private planes and educational textbooks as well.



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The Current (Uncertain) State of the Golf Course

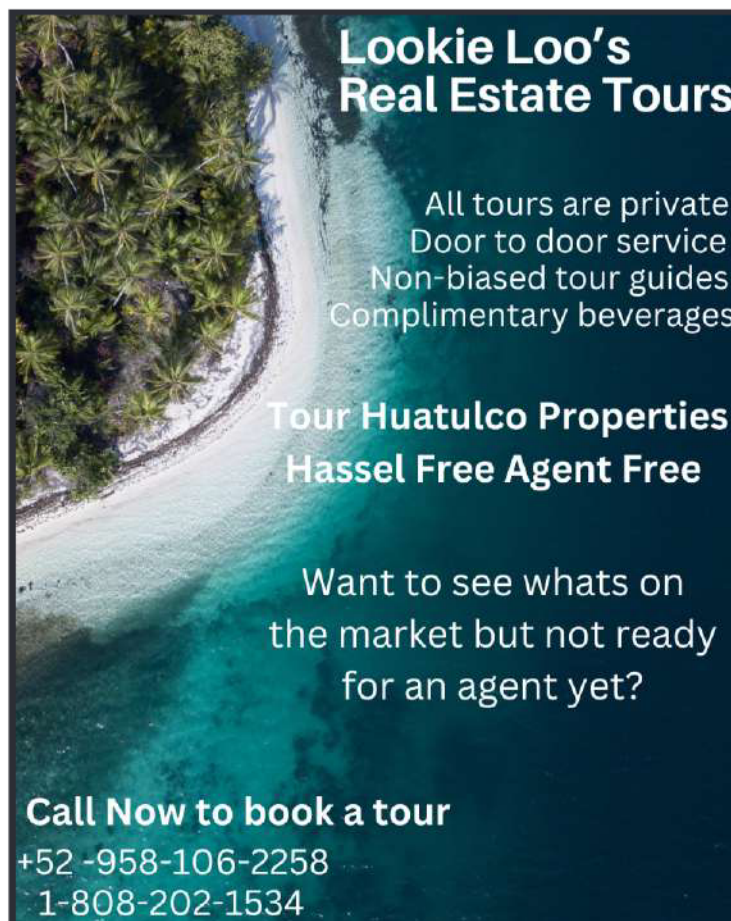
The Tangolunda golf course continues to operate normally under the ownership of Salinas Pliego, regardless of the political rhetoric. And the story is not over. There have been official protests against the conversion of the golf course by a number of Huatulco area business organizations. At the Oaxaca state level, the chamber of deputies has approved a motion asking for the Secretariat of the Environment and Natural Resources (SEMARNAT) to refrain from declaring the Tangolunda golf course a Protected Natural Area.

Moreover, when Oaxaca governor Salomón Jara Cruz announced there would be investigations into the legitimacy of some of the real estate transactions in Huatulco carried out by FONATUR during previous administrations, he added that the Tangolunda golf course, despite the announcement to convert it to a national park, was tied up in litigation over the extension of the original ten-year lease. Because of this litigation, no change can be made to the golf course.

Then on January 15, 2024, we learned that Jara Cruz has accused a particular FONATUR executive with corruption by extending the ten-year lease without authorization. Salinas Pliego has responded by saying all regulations have been followed and his company has the lease extended until 2027.

So perhaps when thinking about the future of the Tangolunda golf course, the best advice might be from historic New York Yankees coach Yogi Berra, who famously said “It ain't over till it's over.”

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