

Inside A \$250 Million Golf Course

[Steven Bertoni](#), 07.24.09, 04:00 PM EDT

A day at the ultra-expensive Liberty National.



Our 29-foot MJM speedboat glides across the Hudson River, cruising past the sandaled feet of the Statue of Liberty, before cutting a hard right toward the marina of the Liberty National Golf Course in Jersey City, N.J.

Fifteen minutes ago, I was standing on the dock beside the Chelsea Piers driving range along Manhattan's West Side, but I won't be hacking golf balls off an Astroturf mat today. Instead, I'm on the club's private vessel, speeding to a round at the \$250 million private golf course--the most expensive ever built. The cost of membership: \$500,000 plus annual dues.

On shore, Liberty's steel and glass clubhouse reflects the Manhattan skyline. The inside of this sleek Lindsay Newman design looks more like the lobby of the W Hotel than the usual oak-paneled clubhouse: The ceiling soars overhead and abstract paintings hang in minimalist rooms. Speakers play the Grateful Dead's *Touch of Grey*.

Past the entryway, a freestanding staircase gives me a clear view of the bar and beyond it, the 18th green. The total cost of the 60,000-square-foot building: \$60 million. Construction began February 2007, and was completed last November.

I'm golfing with Dan Fireman, who co-founded Liberty National with his dad, former Reebok chief Paul Fireman. Paul Fireman purchased the North American distribution rights for the sneaker company in 1979 for \$65,000. He bought out its British owners in 1984, taking it public the following year. Fireman later sold

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Reebok to rival Adidas for \$3.8 billion during the bull market of 2006. He netted nearly \$700 million from the deal, earning a spot on the Forbes 400 that year.

His son, Dan, runs Fireman Capital Partners, a private equity fund investing in consumer products, golf courses and films. Fireman Capital has outside partners, but the Firemans own all of Liberty National and the 160 acres it sits on.

The first hole reveals the club's surreal setting--an ancient Scottish links course crowned by the glistening skyscrapers of lower Manhattan. On the banks of the Hudson, workmen assemble the PGA's white circus tents in preparation for the Barclays Tournament scheduled here for late August.

I hook my first drive into the waist-deep fescue grass on the left side of the fairway. Later, I roll a chip off the back of the slippery green. Looking for a scapegoat after the first hole, I examine my ball: There's a Lehman Brothers logo stamped on the side--better toss that one back into the bag.

Soon I'm lost in the course and forget where I am. The high grass rustles in the wind, and gray egrets glide overhead as the fairway snakes between ridges. Then I see the Statue of Liberty looming so close it looks like she's standing on the green.

That's when it hits me: This bucolic course is about as natural as the scrap metal plant rumbling alongside the 10th hole. The Firemans have manufactured everything on this course--the knolls and valleys, the young willows and spruce, every blade of blue grass.

"It was like building in a sandbox," Dan Fireman says. "We literally imported an entire golf course."

Ten years ago, the land on which Liberty now stands was a toxic moonscape of corroded oil tanks, contaminated soil, and rusting warehouses. The site has been home to a major Standard Oil refinery, a WWII munitions storage facility, an Italian internment camp and, most recently, an industrial wasteland.

Fireman tells me that previous landowners include both Rockefellers and Gambinos.

"Are any Gambinos members?" I ask.

"Only a few," Fireman says, and then hammers a drive straight down the fairway.

To meet environmental standards, the Firemans hauled in 6 million cubic feet of soil from the Jersey shore. "We dumped in 200 truck loads of dirt per day for two years straight," Fireman says.

Next, they shaped the contours of the course, raising the elevation 50 feet in some places to improve the view of the river. Cleaning up the site and building the course from scratch helped propel Liberty National's cost to \$250 million, and pushed the initiation fee to \$500,000. Fireman would not reveal his initial budget.

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"I wish membership was a quarter of the price," Paul Fireman had told me the day before I played. "It's unfortunately like building the Disneyworld of golf. It kept building on itself until it became pretty outrageous. We probably doubled what we thought we'd build it for."

The initiation fee was pricey even in the heady days of 2006 when the course first opened. Now after the recession has crushed the portfolios of many potential members, filling the club's 200 open spots presents a daunting challenge. But Paul Fireman says he built the course to create a legacy, not to make money.

At the moment, "I don't think it's a good investment--long term it might turn out better," he says. "But look, when you paint a Picasso you don't know what it's worth; in 10 years maybe it's a little more, maybe at some point it's worth an outrageous price, you just don't know."

The Firemans also have planned to build 2,200 ultra luxury apartments housed in several high rises slated to sprout along the perimeter of the course within the next decade.

Today, Liberty National has 100 members, and the Firemans could corral many more, as golf fans around the globe get their first glimpse of the course when coverage of the Barclays Tournament begins on Aug. 25.

With its tile-slick greens and sweeping views of New York's most celebrated landmarks, this 7,400 yard Tom Kite and Bob Cupp designed course is made for TV. CBS' weekend coverage of the PGA tournament will amount to two days of international exposure.

We're standing on the putting green when I notice the big Nike logo on the side of my golf ball.

"Sorry, Dan, hope you don't mind the Nike ball," I say.

"No problem. You don't mind if I kick it in the water, do you?" Fireman says. He chuckles then pauses. "Actually, without Nike, there would have never been a Reebok."

And without Reebok, this tournament golf course would still be a toxic waste dump rotting on the banks of the Hudson River.