

INDIAN WELLS CITY COUNCIL

November 7, 2024



To: City Council
From: City Manager Department
Prepared by: Christopher Freeland, City Manager
Subject: **Purchase and Sale Agreement between Pacific Silver Partners and the City of Indian Wells for the Sale of Hole #17 of the Players Course**

RECOMMENDED ACTIONS:

Council **AUTHORIZES** and **DIRECTS** the City Attorney to prepare and the City Manager to execute a purchase and sale agreement between the City of Indian Wells and Pacific Silver Partners for the sale of Hole #17 of the Players Course (APN 633-150-077); and

FINDS the action is exempt from the provisions of the California Environmental Quality Act ("CEQA") under state CEQA Guidelines section 15061(b)(3) as the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment.

BACKGROUND:

The Indian Wells Golf Resort was built to serve as a tourist attraction for the benefit of the local hotels. The project was done by the former Indian Wells Redevelopment Agency. When redevelopment was dissolved by the State of California in February 2012, that same month, the Indian Wells Redevelopment Agency transferred ownership of the land where Hole #17 is located to the City of Indian Wells.

Over the past several years, the City of Indian Wells has been evaluating the redesign of the Players Course at the Indian Wells Golf Resort. The purpose of the redesign is to address much needed rehabilitation of the course, protect and improve golf course economics, and improve golfer experience. Currently, players must travel through the Whitewater Channel via a low-flow golf cart path between Hole #16 and Hole #17. Holes #17 & 18 are not currently connected to existing Players Course, but rather are located on the southern side of the Whitewater Channel, and adjacent to the Renaissance Esmerelda Resort & Spa (Renaissance). Holes #17 & 18 were placed in their current location to provide guests of the Renaissance with views of the golf course from their hotel rooms.

At the October 24, 2024, City Council meeting, the City Council authorized the construction of a newly designed Players Course that will relocate Holes #17 & 18 north of the Whitewater Channel with the balance of golf holes on Players Course. Included in the approval of the project is a funding strategy utilizing \$4.3 million in land sales to offset the costs of the redesigned golf course. This purchase and sale agreement with Pacific Silver Partners generates \$4.3 million in land sales for the golf course redesign.

DISCUSSION:

Hole #17 of the Players Course is located north of Highway 111, and a short distance west of Miles Avenue, wedged between the Renaissance Hotel. The property is 3.04 acres in size and is zoned Open Space for Golf and Recreation purposes. The property's Riverside County Assessor's Office parcel number is APN 633-150-077. Attachment No. 1 provides an aerial view of the property's location and parcel map.

The property was appraised in July 2022, with its highest and best use with zoning of Resort Commercial, consistent with the zoning of the Renaissance and adjacent property to the east. The appraised value of the land was \$2.45 million.

The City and Pacific Silver Partners have negotiated the following terms for the sale of Hole #17.

- Purchase Price of \$4.3 million
- Sold in its "as is" condition
- City to lease Hole #17 at \$1.00/month through July 2026, unless terminated earlier by the City. This will allow for completion of Players Course.
- Land is currently being recommended for rezoning to Resort Commercial in the City's General Plan Update to be completed in 2025. If rezoning is not approved with General Plan Update, City to refund \$1.3 million to Pacific Silver Partners.
- Escrow costs to be shared equally.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This action has been assessed in accordance with the authority and criteria contained in CEQA, the state and local CEQA Guidelines, and the environmental regulations of the City. The City, acting as Lead Agency, has determined the action is exempt from CEQA in that the transfer of land under the existing land use is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment (14 CCR 15061(b)(3)). Any future development of the site will be subject to the appropriate CEQA analysis and mitigation, as warranted.

ATTACHMENTS:

1. Aerial Site Location (APN 633-150-077)