

## Community Task Force – Member Request

Recently a communication from the Spring Valley Lake Association Board of Directors detailed the challenges facing our community relative to the success and future of:

### **Spring Valley Lake Country Club**

We have included that recent communication at the end of this letter.

It is now time to add members to the Community Task Force to begin the work of investigating and recommending solutions to this challenge. The following will detail what we are looking for in a 12 – 15 “Association Member” team:

- We would like these members to be a diverse representation of our community representing all homeowners with different interests and viewpoints. For example, we would like:
  - Association members who are members of the country club.
  - Association members who are not members of the country club.
  - Association members who live on the golf course and members who do not.
  - Association members who live on the lake and in the Equestrian Estates.
- The commitment is estimated to be from 6 – 12 months. We will meet the 2<sup>nd</sup> & 4<sup>th</sup> Wednesday of the month from 6pm to 8pm.
- We will be meeting twice per month. The times and dates are yet to be determined. Most likely we will be meeting on weekdays during the evening.
- There most likely will be work that is to be done between meetings. There could be some research, validating information with community members.
- While all of us will come to the table with pre-conceived solutions and ideas, everyone will be expected to also come with an open mind. The best solution will be a combination of multiple ideas that will develop through long discussions.

We are also looking for 150 people as a validation team. This will be a group of community members that the CTF team can reach out to quickly to validate our ideas, concerns and possible solutions. This allows the CTF to make sure any solutions have been vetted by a wider group of stakeholders in our community.

This will be difficult work as this will be a very heated topic in our community.

If you are interested, we are accepting applications which are included below. Please keep in mind that we will only be choosing 12 – 15 members as mentioned above.

Thank you for your help and we look forward to working with the community on this project.

Sincerely,

Spring Valley Lake Association Board of Directors

# Spring Valley Lake Association

Board of Directors

03-29-2019

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## Communication of 03-15-2019

In recent years, and now recently, ClubCorp (the owner of Spring Valley Lake Country Club) has approached the Association with regards to leveraging the relationship between the Association and the Country Club to solve potential projected profit losses that could result in closure, sale or other outcomes of the Club and its property. In their efforts to avoid this, they have expressed a concept to the Association to:

- Offer a below market entry level membership to all Association members for a price that has never been finalized.
- This membership would provide needed and consistent cash flow to the Club that would allow for improvements to the property and the Club experience for all.

Previously we had been waiting for ClubCorp to come to us with some type of offer. To date, we have not received any concrete offers and only ideas. While discussions have occurred there have never been firm offers or an acceptance of any offer. Also, the Association has not been provided any financials from ClubCorp at this time.

### History:

It is very clear that the success of Spring Valley Lake Country Club is important to Spring Valley Lake Association. While not all property owners are members of the club, the success of the Club does play into the value of each property...some more than others.

The golf industry is suffering as a whole. Private clubs throughout the country struggle in this new market. Many golf courses have closed down while others are sold to companies believing they can make those courses successful. Privately owned clubs (owned by members) are even being sold to private companies. When courses do close down, property values in those communities are negatively impacted. That is extremely true in private communities like our own. Values have been known to drop as much as 50%.

In our market we have seen other golf courses struggle. Green Tree, Apple Valley and Hesperia are all owned by the cities now. Sun City homeowners in Apple Valley are currently deciding if they want to take over ownership of their club from the builder. Spring Valley Lake is currently the only private country club/golf course with membership open to people outside of their community in the High Desert.

ClubCorp was originally a privately-owned company when founded. It was then taken public. At that time, the shareholders became the owners of Clubcorp. Making a profit at each location became even more important. Recently, Clubcorp was acquired by Apollo Global Management. This is a very large investment company. It is their goal to acquire, manage and extract value from acquisitions. While having the money to invest in projects it is most critical that each business unit achieve certain profit goals. Apollo, like many investment companies is

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beholden to its shareholders. They will liquidate assets to maximize profit for their investors which may not work to our advantage in the future.

Industry and ownership changes have created a new dynamic for Spring Valley Lake Country Club.

## **SVLA Strategy:**

It is clear that the success of the club and most importantly the golf course is of the utmost importance to the homeowners of Spring Valley Lake Association and its homeowners.

One of the primary functions of any HOA Board is to be very strategic in nature. It is the role of the Board to have their eyes on the future of the community relative to opportunities and potential risks. It is with that in mind that the SVLA Board of Directors believes it is in the best interest of the community to begin to research the opportunities or how to mitigate the risks. The Board has decided to engage the Community Task Force to work on this effort. Let us make a few points very clear:

1. No decisions have been made. No offers have been made or accepted. We have only had high level discussions as would be the normal business of a board.
2. The Board does not have a predetermined solution that we are pushing for. There is a lot of work to be done and the community needs to be very involved. All solutions are on the table for the Task Force to discuss any and all options, even if it means deciding to do nothing but maintaining the current, cooperative relationship.
3. While the Task Force has been dormant for some time, it will be necessary to rebuild that team. We will be looking for community volunteers to help with the process. The volunteers/team members will include a proper mix of community members. Equestrian Estates, Lakeside homeowners, golf course homeowners, club members and staff will all be needed to ensure a balanced discussion and recommendation to the Board. We will be communicating the process to apply as a Task Force participant. All Task Force members will be expected to approach this opportunity and/or risk with an open mind as we strive to find the best solution for all.
4. During this process we will keep the community informed and allow ample opportunity for input, comment and discussion. Town Hall meetings will also be held to allow for questions and receive information.

The Board looks forward to working with the community on this project.



Spring Valley Lake Association  
13325 Spring Valley Parkway  
7001 SVL Box  
Victorville, CA 92395-5107

**SPRING VALLEY LAKE ASSOCIATION  
COMMUNITY TASK FORCE APPLICATION**

Please complete this application, attach a resume or other information you feel appropriate, and return to the Association Office.

**MEETING TIMES (Subject to change)**

**Community Task Force**

Day and Time – 2<sup>nd</sup> & 4<sup>th</sup> Wednesday of each Month. 6:00pm – 8:00pm. Location: Spring Valley Lake Country Club.

**PLEASE PRINT AND COMPLETE ALL FIELDS OF INFORMATION**

Name: \_\_\_\_\_ Account # \_\_\_\_\_

Home Phone # \_\_\_\_\_ Work Phone # \_\_\_\_\_ Cell Phone # \_\_\_\_\_

E-mail Address \_\_\_\_\_

Street Address \_\_\_\_\_

Mailing Address \_\_\_\_\_

**Please list any previous Spring Valley Lake Task Force/Committee/Board experience, if any:**

\_\_\_\_\_  
\_\_\_\_\_

**I want to become a member of this Task Force because:**

\_\_\_\_\_  
\_\_\_\_\_

**Member of Spring Valley Lake Country Club: Yes \_\_\_\_\_ No \_\_\_\_\_**

**SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_**

**Please return this form to the Association Office**

Association Office – 760.245.9756  
Public Safety – 760.245.6400  
Fax – 760.245.3076  
Website – [www.svla.com](http://www.svla.com)