STONE CREEK PARTNERS

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STRATEGIC ASSET PLAN ALTERNATIVES FOR INDIAN WELLS GOLF RESORT

Prepared by
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April 1, 2022

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INDIAN WELLS GOLF RESORT

INTRODUCTION

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1 - Introduction

StoneCreek Partners was retained by the City of Indian Wells (the "City") to identify alternatives to be considered in preparing a strategic asset plan for Indian Wells Golf Resort ("IWGR"). This Report presents such alternatives along with supporting background information and research.

The Strategic Asset Plan ("Plan") is intended to become a long-range and annual reference document to guide the asset management of IWGR. As such, the Plan is expected to be updated over time, to respond to continuing stakeholder input, and evolving business conditions.

The Plan alternatives identified herein are based on stakeholder input and ideas, inclusive of the several groups of concerned Stakeholders noted below.

- City residents, including Resident Golfers and those residents who do not golf,
- IWGR hotels and their end-users (the guests) (referred to herein as "Partner Hotels" and "Hotel Partners") – which we have considered as the City's five hotels, recognizing that two of these hotels are party to the 1985 Easement Agreement (as amended),
- City Council, and the
- IWGR Golf Resort Advisory Committee (the "Golf Committee")
- There is also the idea of "highest and best use" that may be considered by Stakeholders, which is simply about the optimal financial value of the assets involved.

There is no one right direction for IWGR. Stakeholder input has been wide ranging, particularly concerning the primary goal and role for IWGR. What residents who golf may hope for IWGR is somewhat different than what the City's hotel partners may find valuable.

During the preparation of this Report, we have come to realize that some ideas are not necessarily new to those that have been closely involved with creating and managing IWGR. What may be new, however, is how one or more ideas and concepts can be combined to make for successful implementation. Terrific incidental improvements taken one by one, may not have a significant impact on assets that are of the scale of IWGR.

The City's senior management, and Troon representatives, have been helpful in providing numerous documents helpful in preparing this Report.

There is a large amount of material here, particularly concerning alternatives. We look forward to presenting the most pertinent aspects of this Report on May 24. For that presentation we will use a more visual version of this same information including interactive 3d Previsualization illustrations of Plan Alternatives along with their accompanying financial results.

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INDIAN WELLS GOLF RESORT

IMPLEMENTATION PROCESS

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2 - Implementation Process

The Strategic Asset Plan ("SAP") as ultimately approved by Stakeholders, is intended to provide a framework for proceeding through the discussions, decisions, responsibilities, actions, milestones, and monitoring required, to implement an ongoing asset management plan for Indian Wells Golf Resort. As noted, there are alternatives to be considered as part of this process.

- The following action items, as eventually refined and expanded, are proposed as a framework for proceeding with implementation.

- The most important aspect of this framework is in identifying the most important discussions (and confirmations) that need to occur, in their best sequencing.

- There is no one best way to strategically manage, maintain, and possibly enhance IWGR assets. Instead, there are alternatives, and the Stakeholders will want to select that path that best matches what they want from these assets.

- In the following exhibit, many future actions show City responsibility. Actually, the City may be able to assign items to working groups for full consideration, returning to City Council for ultimate confirmation.

- The Stakeholders might be envied for present circumstances concerning IWGR. The preparation of a strategic asset plan is often undertaken to reposition, repurpose, and even sell assets, to solve a perilous financial situation. The City of Indian Wells is in a far different position from this: the City has the opportunity consider changes, enhancements, and opportunities to what has been a successful municipal investment. An enviable position.

The following action items are written as milestones. For each item, there will be a start-date added once the overall implementation sequence is approved.

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Strategic Asset Plan – Action Items			
Item #	**Item Description / Background**	**Responsibility**	**Milestone Date**
	2021		
1	Notice to Proceed with preparation of Strategic Asset Plan for IWGR.	City	July 2
2	Complete Stakeholder interviews / City resident workshops. Input and ideas workshops convened with City residents. Other Stakeholders were interviewed prior to this date.	SCP	December 9
	2022		
3	Provide Plan advance summary to City for routing.	SCP	May 19
4a	Present this report, Strategic Asset Plan Alternatives, to the City's Golf Committee. Upon acceptance by the Golf Committee, this Report will conclude SCP's work on the Strategic Asset Plan. The presentation will be made this day along with a same-day presentation to the community-at-large.	SCP	May 24
4b	Present this report, Strategic Asset Plan Alternatives, to the community. See above. The same presentation will have been made earlier in the day to the IWGR Golf Resort Advisory Committee.	SCP	May 24
5	Modify this Report per May 24 feedback, if desired. Rather than any initial changes to this document, the City make instead wish to proceed through the Implementation Process as identified herein, taking up the various items requiring discussion and agreement.	SCP	July 7
6	Identify responsibilities and schedule, for further SAP discussions. There are a series of discussions and confirmation required, to proceed with implementation of a preferred SAP strategy for IWGR. The essential confirmations are included in the following tasks.	City	August 23

Strategic Asset Plan – Action Items			
Item #	**Item Description / Background**	**Responsibility**	**Milestone Date**
7	Confirm primary mission, goals, and objectives for IWGR. The original business intent for IWGR was to create an economic engine under California Redevelopment Law, to provide transient occupancy and other taxes to the City of Indian Wells. The City redeveloped two existing golf courses to make this happen, using financing available in its capacity as a California community redevelopment agency. At the same time, residents of Indian Wells have enjoyed the quality of IWGR and its repurposed golf courses, particularly in propelling Indian Wells' reputation and their respective property values. For those City residents who golf, IWGR is an esteemed lifestyle amenity, particularly so given the favorable green fee pricing to residents.	City	TBD
8	Confirm potential changes to the IWGR Golf Resort Advisory Committee. During the Stakeholder meetings, particularly with the resident sessions in December 2021, there were many questions about SAP implementation. Primarily about how implementation leadership and how clear accountability will be put in place. (See About IGWR and Partner Hotels section).	City	TBD
9	Confirm metrics for measuring progress in SAP implementation. In the Stakeholder sessions, there were numerous comments about the financial and other objectives for IWGR. Is the objective that IWGR breakeven or make a profit? Or is the ultimate objective the increased collection of transient occupancy taxes, and other City taxes. And how about what happens at IWGR affecting the perceived prestige of the community and my property value(s). Or is a hybrid understanding of metrics the right approach? (See Financial Evaluation of Alternatives section).	City	TBD

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Strategic Asset Plan – Action Items			
Item #	**Item Description / Background**	**Responsibility**	**Milestone Date**
10	Confirm any changes to the IWGR Resident Program, that may be desirable for the long-term viability of the asset. The Resident Program was first established in the 1985 Easement Agreement and modified over the years through amendments to the Easement Agreement. Initial pricing for golf play did not include an inflation index, which we presume was an oversight that became vested in practice. While it is Stakeholder's decision whether to explore changes to the Resident Program, an SAP cannot be prepared without addressing the subject. We recognize the sensitivity of this matter and its perceived benefit to the City's golfers.	City	TBD
11	Discuss preferred strategy for IWGR, with Hotel Partners. The two Hotel Partners that are party to the 1985 Easement Agreement, deserve special follow-up in proceeding through SAP confirmation. It is likely that representatives of the hotels, and their ownership groups, will have thoughts that can enhance one or more of the SAP alternatives.	City	TBD
12	Confirm City interest in renegotiating the 1985 Easement, with ownership of the Renaissance Esmerelda for the possibility of granting the underlying land at the 17th and 18th holes of Players Course. Also, should some of the golf course repurposing / enhancement alternatives be of interest to Stakeholders, there will likely be additional modifications to the 1985 Easement Agreement that will enable implementation. (see Repurposing and Redevelopment Concepts section).	City	TBD
13	Confirm preferred strategy for IWGR, from among alternatives. Among the alternatives for the SAP, there are "major moves" and there are other moves that are not quite so significant. We anticipate a hybrid approach to emerge from next Stakeholder discussions. It is often true that the best concepts and approaches "stand on the shoulders" of earlier foundational ideas. (see Repurposing and Redevelopment Concepts section).	City	TBD
	2023 and beyond		
14	Confirm feasibility of preferred Plan strategy. (see Financial Evaluation of Alternatives section).	City	TBD

Strategic Asset Plan – Action Items			
Item #	**Item Description / Background**	**Responsibility**	**Milestone Date**
15	Confirm revised umbrella branding, and logo(s) (see Branding & Strategic Marketing section). (see Branding and Strategic Marketing section).	City	TBD
16	Confirm SAP financing and/or deal structuring for capital requirements. One possibility for SAP financing identified herein, is the conversion of IWGR to a public-private partnership ("PPP"), wherein the considerable equity that the City has in the IWGR assets can be collateralized or cashed out to provide financing. There are other and additional financing methods as well, that will be considered in confirming financing. Of course, financing depends upon which SAP alternatives are ultimately confirmed by Stakeholders. Should the preference be to stay with the status quo, there is no new requirement for financing.	City	TBD
17	Confirm Facilities Management approach for the preferred facilities program (see Repurposing and Redevelopment Concepts section).	City	TBD
18	Begin specific implementation steps, of SAP. This item refers to items beyond discussions, analysis, and the like. Rather, this task initiates capital spending for design and subsequent construction for various projects and programs.	City	TBD
19	Install lobby activation installations and path/wayfinding improvements, at Partner Hotels. This item may be right for earlier implementation than shown here, with a compelling design (see Branding & Strategic Marketing section).	City	TBD

SWOT Evaluation

This SWOT evaluation is based in part on Stakeholder comments, as well as SCP research and thoughts as to IWGR's strengths, weaknesses, opportunities, and threats ("SWOT"), relative to competitive facilities.

Strengths

- IWGR is among the top rated municipally owned golf complexes in the U.S. IWGR's Players course is consistently ranked among the very best such municipal golf courses. The city and its facility manager Troon have succeeded in operating a municipal course in a way that rivals many private golf clubs.

- The overall strategy has worked well. The golf complex created a desirable location for major resort hotels to be developed, each of which contribute significant Transient Occupancy Taxes to the City. In fact, the IWGR municipal strategy that creates TOT provides most of the revenue to the City's budget.

- The City's Hotel Partners are experienced hotel owners, with an interest in investing to enhance the value of their properties. In 2019, the Renaissance Esmeralda underwent a $25 million renovation to celebrate the hotel's 30th anniversary. The Hyatt Regency added their $8 million HyTides Plunge Waterpark and Desert Twist Lazy River as part $21 million worth of renovations in 2020-2021. PRG Hospitality Group fully repurposed and re-opened the Sands Hotel & Spa in 2018, providing the city with its first (small) boutique hotel. The presence of a quality boutique lodging operation adds a helpful niche accommodation offering that had not existed.

- Although the large Renaissance Esmeralda and Hyatt Regency resorts may consider further adaptation to post Pandemic travel sensibilities, the Miramonte and Sands hotels at their scale and amenities, would seem to be relatively well-positioned for this new era in travel.

- The Facilities Manager has shown an ability to manage operating expenses for golf and F&B with great ability. F&B margin, has been consistently better than benchmark facilities, even while reacting to the Pandemic and post Pandemic operating conditions.

- Having two "core courses" is a significant advantage, that is, courses with hole-by-hole routing that does not include residential or other development along both sides of fairways. Placing the two courses in their present configuration provides substantial flexibility should any repurposing be desired.

- The physical setting including views offered by Indian Wells Golf Resort is spectacular, for golfers on either of the courses and guests to the IWGR event pavilion. For non-golf guests staying at the Hyatt Regency and the Renaissance Esmerelda, the beautiful landscaping and views provide a serene and beautiful backdrop to their stay. This photo (below) that most recently appeared in the Troon post of March 15, 2022, says it all.



Weaknesses

- The existing golf envelop is physically constrained by the Wash (also known as the Whitewater River channel). The Wash divides the IWGR property into north and south sections.
- The clubhouse is underutilized, the menu has not been popular, and most residents do not consider the restaurant as a place to bring visiting friends and relatives.
- Most repurposing options have challenges with parking availability, the Wash bridge, and tight "development envelopes" as defined in the 1985 Easement Agreement.
- There is limited parking for special events, and golfers on busy days.
- IWGR was master planned without a central gathering place or "resort village," as is common with many destination resorts. While the clubhouse and grounds might have taken this role, as configured these facilities are not such an amenity.
- Walkable access to the IWGR clubhouse from the two Hyatt and Renaissance, is not inviting and without a compelling "payoff" for making the effort.
- IWGR does not have "veracity" as a general commercial destination; that is, as a place for regional residents and visitors, to come for dining or entertainment. This is due to IWGR's lack of street presence on the approach, the "read" of the entry road, and no commercial read emanating from the clubhouse exterior.
- Indian Wells Golf Resort itself, has operated at a loss over the years, where a break-even result may be the desired objective.



Shown above, an aerial view of the complicated central area of Indian Wells Golf Resort. The master plan solved for primary ingress/egress, access to each of the hotel entrances, access to the clubhouse, parking, and in particular, paths from Players and Celebrity course's 18th greens to clubhouse. Some SAP alternatives provide for fundamental change to this central area, allowing facility enhancement(s).

- In the original Easement Agreement and its subsequent amendments, upon which IWGR now operates, there was no inflation index included in reference to resident (as defined) green fees. This provided a vesting for this pricing which is unusual.

- The practice facility is mediocre as compared to other golf courses of this caliber.

Opportunities

- Three of the City's Hotel Partners are relatively new owners, each of which are considering their go-forward business plans. This is an excellent time to explore enhancements with such potential collaborators. The Hyatt Regency is now owned by affiliates of Trinity Real Estate Investments LLC Oaktree Capital Management, L.P. (2022) The Miramonte Hotel is now owned/managed by Lowe/CoralTree Hospitality (2020).

- The Indian Wells Tennis Garden is a major first-class facility and potential co-anchor to any consolidated "districting" of the City's recreation assets. It is unusual to have a partnership facility of such caliber.

- Changed leisure-time choices have favored outdoor recreation including golf, following the Covid-19 pandemic. It is helpful that outdoor recreation overall has seen increased participation since facility enhancements might include such offerings.

- Additional amenities at IWGR that assist the Hotel Partners in attraction guests, particularly in the shoulder seasons, can help to fill the large amount of unsold available room-nights. The five

Partner Hotels in the City include just over 1,500 rooms, which operated on average at a 54.1% occupancy in 2019. For 2021, the hotels averaged an estimated 37.5% for 2021.

- So-called "golf entertainment" venues are of high interest right now, among consumers and with investors. These new concepts are golf derivatives but at the same time are more about trending location-based entertainment ("LBE") sensibilities, than the golf. The best of new LBE place-products have wider customer audiences than golf.

- The 2nd level of the clubhouse, with its outside terrace facing south towards Highway 111, could be a place of perceived "busy energy" if activated. Even more so if combined with additional activities at or about the clubhouse.

- Troon Golf has additional experience outside of traditional golf, with the new "golf entertainment" formats that are increasingly popular with consumers. This expertise may be quite helpful in considering strategic alternatives for IWGR.

- The IWGR Golf Committee, with the extensive expertise of its participants, can be reconstituted for increased focus on the business purpose for IWGR and heightened support of its Hotel Partners.

Threats

- The travel / resort business has changed since the 2020 Pandemic; the facilities design for the Hyatt Regency and Renaissance Esmeralda may require adaptation to meet evolving consumer travel trends. Of course, this is also an opportunity for IWGR if the facility can adapt and enhance the competitiveness of Partner Hotels. And it is also true that ways of conducting business, of business travel, and leisure-travel, were evolving before the onset of the 2020 Pandemic.

- The Partner Hotels at IWGR generally send less golfers than in the past. Golf is not the compelling anchor resort activity that it was at the time of initial IWGR development. The City's Hotel Partners have a business incentive to package and those amenities that make them the most money, help in packaging, or fulfill their other business objectives. If a hotel can make money at its pool bar on a Saturday afternoon than packaging a golf round (or other similar action), the hotel will want to keep its guests at its pool. Stakeholders may consider some repurposing to offer something equally compelling for the future – something that a hotel may see as beneficial to their own business plan objectives.

- While good for employees, for employers the post Pandemic staffing issues have been further exacerbated with the state minimum wage increased to $15 per hour (effective January 1, 2022). This has been an issue of both available workforce and its associated expense.

- The future of the traditional golf industry is an open question as to whether Pandemic-induced new play is the "new future" or if play will return to its declining trendline.

- Overall golf rounds played at IWGR are down from their historic high some years back.

- There is the continuing prospect for the return of Covid-19, its variants, and continuing related business impacts. This includes government-mandated responses to Pandemic matters and managing compliance to such mandates.

The Lasting Impacts of the Novel Coronavirus

The two years following the introduction of severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) and resulting Covid-19 disease in early 2020, is among the most difficult periods we have experienced. The virus has impacted all of us at all levels: personally, as families, as employees and employers, and as communities.

While we can be hopeful that the worst of the impacts are behind us, there are lingering worries of next variants, supply chain issues, vaccine efficacy, and similar matters.

Over the course of the Pandemic, the golf industry as an outdoor "safe" activity, has been somewhat a refuge for many. With all the protocols for safety and social distancing, golf has not required much adjustment. After years of declining golf play nationwide, rounds have increased. A good portion of increased rounds have been from players new to the sport.

Whether the increased interest in golf, and increased play will continue, is an open question. There are countervailing trends including changing leisure-time preferences and the looming possibility for economic recession, among other factors that may make the Pandemic effect short-lived.

All the above is important. But we note that in preparing a Strategic Asset Plan for IWGR, the focus should be on the long-term, at least ten years in the future and perhaps beyond.

The Mission of Indian Wells Golf Resort

As various strategic alternatives are considered for IWGR, the overall mission for the assets requires discussion. Consider:

- The original business intent for IWGR was to create an economic engine under California Redevelopment Law, to provide transient occupancy taxes, and other taxes, to the City. The City redeveloped two existing golf courses to make this happen, using financing available in its capacity as a California community redevelopment agency.

- At the same time, residents of Indian Wells have enjoyed the quality of IWGR and its repurposed golf courses, particularly in propelling Indian Wells' reputation and their respective property values. For those City residents who golf, IWGR is an esteemed lifestyle amenity, particularly so given the favorable green fee pricing to residents.

- There is also the question of highest-and-best use for municipal resources devoted to IWGR's development, maintenance, and continued operation. IWGR is the among the major financial assets held in the City's balance sheet, and an enterprise making considerable use of City Council and City staff time.

In the following two exhibits, we provide a visual "strategic marketing" depiction of the perceived IWGR brand – from the alternative point-of-view ("POV") of the City's Resident Golfers, and separately, the POV of guests at IWGR's Partner Hotels.

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Strategic Marketing – the Perceived IWGR Brand Umbrella
Resident Golfer Experience

Exceptional
Community Amenity

7th Hole at Players







Dining at the Vue

Clubhouse Architecture







Private Club Sensibility

Top Ranked Courses







Beautiful Landscaping and Cart Routes

Relationship
with the Troon Team

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Strategic Marketing – the Perceived IWGR Brand Umbrella
Hotel Guest Experience

Sunshine, Sunbathing,
The Poolside Experience, Spa Day

Hiking the Indian Canyons





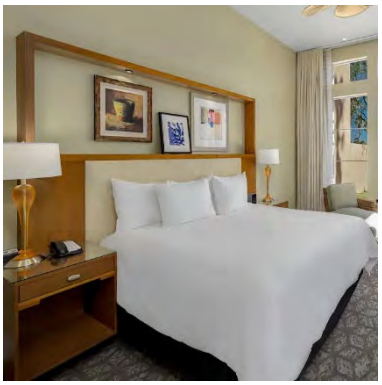


Great Dining

Nightlife, Hanging Out







Guest Room Comfort Features

Making Memories with the Kids







Strolling the Shopping Areas

Playing Golf for Some,
Enjoying the Spectacular Setting for Most Others

3

INDIAN WELLS GOLF RESORT

REPURPOSING AND REDEVELOPMENT CONCEPTS

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3 - Repurposing and Redevelopment Concepts

Indian Wells Golf Resort, its Partner Hotels, the Indian Wells Tennis Garden, and the overall quality of life of Indians Wells, provides for many potential repurposing and redevelopment opportunities. We have focused on enhancements and changes that would seem to be good brand fits with IWGR, along with ideas and preferences expressed by Stakeholders.

The Opportunity

The Trade Area in which IWGR operates is well established as a visitor destination, a place to relax, enjoy the sunshine, play golf, retire, and/or maintain a second home. More recently, the Trade Area has been evolving with additional "trip purpose." Many chic hotels have been developed that appeal to a younger traveler. There are more choices in restaurant settings, cuisine, and owner/chefs, much of which also appeals to the younger traveler. Major music festivals, and other events and festivals have been successful in the region, bringing in a large numbers of visitors across a diverse demographic.

IWGR is a substantial visitor offering and community amenity, that can react to the growing and evolving Trade Area in the way it desires. From a purely physical standpoint, the golf course envelop at IWGR is substantial, and as primarily a "core course," the envelop offers flexible possibilities for modifications – again, if desired.



Shown above, an oblique view looking east over Indian Wells Golf Resort. The colored green area highlights the golf envelop that includes two golf courses and driving range. For exploring opportunities, the 17th and 18th holes of the Players course have been removed from the golf envelope.

Alternatives Considered

We reviewed alternatives from maintaining the status quo, to options for significant repurposing. Each alternative is based directly on Stakeholder input and/or from implied Stakeholder objectives. We have looked for "alternatives of impact" – those that can have a significant impact on financial results or perceived quality of the overall offering. We note that the strategic foundation for considering any of these options, is first confirming the overall mission for IWGR – is it to be managed for primacy for Resident Golfers and possibly non-golfing residents (with additional amenities added)? Or is IWGR to seek a return to its initial business purpose in driving Hotel Partner business?

Alternatives include those listed below, and further summarized in the following exhibit.

- **Maintain the status quo** – Among the resident Stakeholders there would be some satisfaction in simply staying with the status quo, so long as The Vue were "fixed." Many Resident Golfers are relatively satisfied with the golf experience (notwithstanding maintenance comments) but have longstanding concerns for food and beverage offerings.

- **Repurposed clubhouse** – This a focused look at achieving a better utilization of the clubhouse facility, presumably with enhanced revenue potential. The clubhouse was overbuilt for its purpose, at 53,000 square feet, given its colocation with two large convention hotels developed as part of the 1985 Easement Agreement.

- **Enhanced "presence and pathways" for hotel guests** – This alternative focus on how to make the clubhouse more essential to those staying at one of the City's Partner Hotels. There are ways to make IWGR and its clubhouse more immediately palpable to all resort visitors.

- **Repurposed Players course** – A look at the 17th and 18th holes for Players course being granted back to the ownership of the Renaissance Esmerelda. The Renaissance ownership is a successor to one of the original parties of interest in the 1985 Easement Agreement (as amended).

- **Combined options for repurposing Players and Celebrity courses** – IWGR has largely lost the participation of its two 1985 Easement Agreement partners – the Renaissance Esmeralda and the Hyatt Regency. At least in terms of sending golfers over to play, compared with prior years. There are options in what golf experiences are offered to match the interests of today's travelers.

- **IWGR north village** – Enabled with a new entrance road at the north of the IWGR parcel north leading to a point at or about the northwest corner of the Event Pavilion. A new "world class" practice facility would be created here, with parking, a natural earth amphitheater, and the like.

- **IWGR resort village** – In the area vacated by the relocated driving range and possibly some portion of the Renaissance Esmerelda parking lot, a new resort village would be developed. The resort village would provide enhanced programs / activities beyond traditional golf.

- **Common master plan with Indian Wells Tennis Garden, and environs** – This is a program review of what might come with a master district being defined that includes the Indian Wells Tennis Garden, IWGR, and select adjacent properties. No financial evaluation is offered with this scenario – the idea is outside our SCP scope of work. We believe this to be the highest-and-best use option, and somewhat out of our scope of work.

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Enhancement / Repurposing Options
Stakeholder Fit

	Strategic Asset Plan Scenario	Hotel Guests (1)	IW Residents (2)	IW Golfers (3)	Visitors (4)
1	**Maintain the Status quo**				
2	**Status quo with enhancements** Bunker reduction Reduced Vue expectations Hotel to clubhouse pathways Hotel lobby activations Revised logomark / branding				
3	**Repurposed clubhouse** Golf grill at Level 1 New 2nd floor anchor				
4	**Repurposed Players course** Repurpose entirely north of the Wash Course length: ____ yards Expansion of Renaissance Esmeralda Potential cooperation with other repurposing				
5	**Repurposed Celebrity course** Repurpose for play as two 9's Shorten second 9 for resort play Potential 7-acre pad for development at 18				
6	**Combined options for golf repurposing** Make changes, Players, and Celebrity courses				
7	**IWGR village north** Golf practice facility (best of), relocated Natural grass putting course, new Challenge short course, repurposed Celebrity Expanded events capacity Amphitheater, small, grassed New parking lot, shared New entry road, from Fred Waring Drive				
8	**IWGR village** Repurposed 11.5 acres w/clubhouse "Golf entertainment" Adventure park w/ various anchor activities Clubhouse an anchor to resort gathering place				
9	**Indian Wells Adventure Center** Integrated master plan w/ Tennis Garden Includes Town Center Specific Plan East Valley convention center, new w/ adjacent properties, as available				

Notes:

1 – Hotel Guests, includes those staying overnight or attending meeting, at one of the City's five hotels.
2 – IW Residents, includes those Indian Wells residents who do not play golf.
3 - IW Golfers, includes those Indian Wells residents who play golf at IWGR.
4 – Visitors includes general leisure-time visitors, includes residents of the Coachella Valley region, and visitors including overnight in Commercial accomodations, those staying overnight while visiting friends and relatives, and Daytrippers.

Status Quo

It was clear from Stakeholder sessions that among the residents who golf, the facility is a point of pride and treasured as a lifestyle amenity. Among these residents there would be some satisfaction in simply staying with the status quo, so long The Vue is "fixed."

Repurposed Clubhouse

The IWGR clubhouse is underutilized, an issue mentioned by many Stakeholders. Through its dayparts, weekparts, and seasonparts, much of the 53,000 SF building is significantly underutilized.

Achieving fuller use of the clubhouse 2nd level may be the more difficult business challenge at IWGR. Many attempt have been made over the years to get The Vue to a satisfactory operating level. The meeting space provided in the west section of the clubhouse is not particularly attractive as meeting space.

- As noted elsewhere herein, we would assert that IWGR's mission should be, in part, to support and not compete with the business plans of its Hotel Partners. The golf courses were built for the purpose Hotel Partners' packaging for group business and as an amenity to high-value FIT's. In the same way, the clubhouse operation enhance the golf experience of Hotel Partner guests. It is also IWGR's mission to welcome golfers not associated with Partner Hotels, and its resident golfers.

- Stakeholders will consider and may embrace some repurposing to revitalize IWGR's original business intent as a vital partner to its Hotel Partners. With such repurposing, we would suggest re-use of the clubhouse 2nd level to support the repurposing and take care not to opt for solutions that compete with the hotels.

We like some of these options for the clubhouse 2nd level:

- A unique team building facility, with an offbeat sensibility like the old/vaunted Entros (Seattle) venue.

- A destination wellness / sports performance facility

- A destination restaurant (as defined herein) in venture with L.A.-based chef with a following.

- Golf entertainment concept, such as Puttery or Putt Shack.

- Dedicated team building facility designed in association with a noted university

- An eSports lounge hosted by Twitch (or similar social media), for all the young travelers on holiday but "missing their fix."

- A supper club with an eclectic line-up of headliners. Perhaps offer the space to a consortium of performers like the retro/hip group like Postmodern Jukebox. Postmodern Jukebox writes, orchestrates, and performs, "today's hits yesterday."

Enhanced Presence and Pathways for Hotel Guests

The guest path from the Hyatt Regency to the clubhouse right now consists of a walk through a parking garage, followed by a walk-through clubhouse parking spaces, along to the clubhouse entrance. With collaboration with the hotel, a more direct walking path could be provided from the north side of the main hotel building, along the wash, and onto the clubhouse's north entrance.





Shown here, the service road north of the parking structure. An actual path could be placed along the north side of this access road.

- The guest path from Renaissance Esmerelda over to the IWGR clubhouse is not clear or inviting. A guests standing at the hotel drop-off would not be aware of the clubhouse unless they were told where it was and where to look. From the hotel's front entrance there is no wayfinding or path to encourage a stroll over to the clubhouse.



A view from the west edge of hotel's front guest entry, at the Renaissance Esmeralda.

- There is potential for promotional activations in the Partner Hotel lobbies, and some branding adjustment that assist with facility promotions. That discussion, in subsequent section.

Repurposed Players Course

The owner of the Renaissance Esmeralda is interested in making changes to the 1985 Easement Agreement (as amended), that would recover their land committed create the current 17th and 18th holes of the Players

course. These two holes traverse along portions of the perimeter of the resort hotel. IWGR stakeholders have commented separately about the unpleasant path from Players hole 16 across the Wash to the 17th hole. Other stakeholders commented about the possibility of shortening the Players course.

The recovered land would be used in an expansion of Renaissance Esmeralda.



Shown above, a concept sketch by golf architect Mark Mungeam, for re-routing the Players course entirely north of the Wash. We'll have a "big screen" look at this routing for viewing on May 24.

Options for Repurposed Players and Celebrity courses

With the original business intent for IWGR and its 1985 Easement Agreement partner, somewhat obviated, it is appropriate to explore whether a different organization and offer for the golf envelop is possible – one that would cause the hotels to return to packaging IWGR as a core part of their business plans. As is noted herein, the two "core course" areas offer great flexibility in exploring alternative golf experiences.

Shorter play courses, natural grass putting courses (many inspired by the Himalayas Putting Course at St Andrews), and "golf entertainment" venues are seeing great popularity these days. These non-traditional golf experiences are suited to resort golfers interested in a shorter time commitment, new players, and groups looking as much for the entertaining camaraderie of a golf outing than the golf itself.

We have explored how these alternative golf experiences can be placed within a reconfigured IWGR golf envelope, including the financial results that might be achieved.

IWGR Resort Village

Many stakeholders expressed an interest in IWGR providing activities in addition to the current golf program. Indian Wells Golf Resort, and its more than 1,500 hotel rooms in five partner hotels operate without a common gathering place, a "resort village" as an amenity for guests. As an example, Whaler's Village in Lahaina at the Ka'anapali (Island of Maui) master-planned resort is the town center for a huge resort destination with numerous resort hotels. Because of its scale there is retail, a museum, entertainment programming, and restaurants – all more than envisioned for IWGR – but the example is relevant.

Were the driving range relocated from its present location, the combination of clubhouse and adjacent development area could become the location of a resort village at IWGR. In renegotiating the 1985 Easement Agreement with the Renaissance Esmeralda, some portion of the adjacent hotel parking might also be recovered or collaboratively redeveloped with the hotel to achieve a joint vision for the resort village. The clubhouse itself would find new value in this resort village concept, since it would become one anchor to a larger destination, and 3rd-parties would find the clubhouse (an in particularly the 2nd floor) less risky with a greater critical mass of activities in the new village.

There are many potential anchors for a resort village at this location, which are discussed in the 'New Anchors' section herein.

IWGR North Village

There is an interesting opportunity to create what we'll call, "IWGR North Village," that can mitigate some longstanding problems and increase revenue opportunities for IWGR and its Partner Hotels.

- IWGR North Village would be situated off the northwest corner of the Event Pavilion.
- The program for North Village would include, but not be limited to, an all-new practice range, an amphitheater at a scaled perhaps 2/3rd that of the Cathedral City amphitheater, and new parking dedicated to North Village.
- The existing Event Pavilion would remain, but with the new road would be adequately support by emergency vehicles if/when needed. With this new access road and parking, brides and their wedding parties would no longer make the difficult trek from parking lot, to bridge crossing, to event venue. We believe this new setting for the Event Pavilion would directly increases is attractiveness for group events, particularly social gatherings such as weddings.
- A new road for ingress/egress can be developed, from Fred Waring Drive south to a point at or about the IWGR Event Pavilion. The road may best meet Fred Waring Drive opposite where California Drive meets the road on its north side.
- The relocation of the existing driving range allows redevelopment of land east of the IWGR clubhouse for greater purpose, along with increased parking there.
- A direct benefit of a "world class" practice facility, would be in attracting all potential golfers living in or visiting the Coachella Valley, and promoting their play at IWGR golf courses. There is an

interesting debate among our team as to whether this practice facility is more of a stacked entertainment focused venue or a traditional practice facility.

The site plan study shown below was prepared by Mungeam, as part of exploring what a North Village at IWGR could be.

Exploration of Celebrity Front 9 to Short 9
to Allow New Driving Range, 18-Hole Putting Course, New Road and Parking



PROPOSED SCORE CARD					
Hole	Blue	White	Gold	Red	Par
1	340	210	270	240	4
2	150	130	100	70	3
3	440	370	306	290	4
4	160	139	110	85	3
5	380	340	300	270	4
6	155	139	110	93	3
7	333	273	253	193	4
8	327	307	240	220	4
9	160	140	125	100	3
out	2445	2048	1814	1561	32

Shown above, an exploration of a relocated driving range, and repurposing of the front 9 of the Celebrity course, the addition of an 18-hole putting course, access road, and parking lot. We'll have a "big screen" look at this routing for viewing on May 24.

Source: Mungeam Golf, in collaboration with John Robinson

Common Master Plan with Indian Wells Tennis Garden

As the IWGR Strategic Asset Plan is discussed and confirmed, some attention could be devoted to the potential for a common master plan to include IWGR, and the Indian Well Tennis Garden.

The combined existing and future facilities that could make up this district, could achieve regional destination status – the center of recreation activities for the east Coachella Valley.

- The scale of a common master plan – almost a 700-acre district – would allow planning for an event calendar with signature events and festivals throughout the year. The district could carry a common destination brand to propel event promotion. As a comparison, the nearby Empire Polo Club states it encompasses 250 acres; significantly smaller in scale than a combined IWGR + Tennis Garden district.



Shown above, Indian Wells Golf Resort and the Indian Wells Tennis Garden, along with select additional properties in the general area.

- An important aspect of the common master plan would be in connecting the two anchors, IWGR to Indian Wells Tennis Garden. If this physical connection were simply a walking, hiking, jogging trail along the wash, the "trail" would become a significant amenity for the City's Hotel Partner guests, and residents.

- The amount of business possible from major events such as those hosted at the Tennis Garden, is compelling. The following exhibit shows visitor activity to the Tennis Garden, for the fall BNP Paribas Open (combined) ATP Masters 1000 and WTA 1000 event in October 2021, the Margaritaville USA Pickleball National Championships in December 2021, and the BNP Paribas Open in March 2022. The hundreds of thousands of daily visitors at these events over a calendar year, is a major economic development engine for Indian Wells.

Indian Wells Tennis Garden – Number of Visits – 2021 - 2022



Source: Placer Labs, Inc. Placer analytics track actual consumer mobile phone information (separately for residents and/or visitors) through mobile data capture and related interpretative algorithms to assist in understanding place of origin for a trip purpose, primary destinations in a local area, and the like.

Facilities Management

IWGR now operates with considerable expertise and resources, including on-site local teams and their respective regional and national organizations.

- **The City of Indian Wells –** although a small municipality, the City has fostered the creation of two major recreation complexes – the Indian Wells Tennis Garden, and, IWGR. This community track record will be helpful in attracting further strategic partners as part of the SAP.
- **IWGR Golf Advisory Committee** – established by City Council resolution, with committee participation of four of the five City Partner Hotels.
- **Troon Golf** – the largest golf facility management company in the U.S., with growing experience in new golf experiences such as the Great Shots venue at Sanford Sports Complex in Sioux Falls (South Dakota).
- **Partner Hotels** – The City's five hotels are owned and operated by some of the most successful hospitality organization in the U.S., with parent companies including Hyatt Corp., Marriott, Lowe, and PRG Hospitality Group, as well as the strong independent ownership and history of the Indian Wells Resort Hotel.

Once Stakeholders have confirmed the programs that will become part of the Strategic Asset Plan, how the "new and improved" version of IWGR will be managed will require consideration. If maintaining the status quo and making few changes is the preferred scenario, then the issue of facilities management is less significant.

4

INDIAN WELLS GOLF RESORT

FINANCIAL EVALUATION OF ALTERNATIVES

STONE CREEK PARTNERS

4 - Financial Evaluation of Alternatives

The redevelopment and repurposing concepts identified in prior section are evaluated for financial impact, in this section. We have added a highest-and-best-use look at IWGR, to complete the financial evaluation.

Each alternatives is reviewed for top-line revenue estimates, bottom line EBITDA, and return-on-investment. EBITDA as used here refers to the common accounting bottom-line of earnings before interest, taxes, depreciation, and amortization.

We have also reviewed the potential for public-private-partnership ("PPP") as a capital source and partnering method for implementation. A PPP approach could as an overall deal structure but also include separate financing structures for specific enhancement projects. The capital plan has the potential for also including alternative funding such as sponsorships, grants, memberships, and donor project fundings.

Alternatives Considered

The alternatives considered in this financial evaluation are those identified in the prior section, with highest-and-best-use added as noted.

- Status Quo
- Repurposed clubhouse
- Enhanced pathways for hotel guests
- Repurposed Players course
- Options for Repurposed Players and Celebrity courses
- IWGR north village
- IWGR resort village
- Common master plan with Indian Wells Tennis Garden, and environs
- Highest-and-best use

Inflation Expectations

We have used nominal 2022 dollars as the basis for any financial assumptions, and then applied an inflation factor.

For an inflation factor, we use the latest "10-year breakeven inflation rate," which measures the earnings rate difference between the 10-year Treasury Bond and the Treasury Inflation Protected Securities (TIPS). The 10-year breakeven rate provides an indication of market inflation expectations over a 10-year horizon. As an example, the 10-year TIPS breakeven rate was 2.67% on March 7, 2022, while the long-term historic

average of this breakeven rate was 2.05% on this same date. On April 1, 2022, the 10-year TIPS breakeven rate had moved closer to 2.8%, which we have used here.

Metrics for Plan Management

We suggest that as a means for measuring Plan Alternatives, and for tracking financial progress on the SAP that is discussed and approved, the following metrics be used:

- **Hotel occupancies on average, for the five Partner Hotels in the City**. Historically, on average, the City's hotels have averaged about 10 occupancy points less than the other select cities of the Coachella Valley. Any program of enhancement or repurposing at IWGR should seek to help Partner Hotels build their business in Indian Wells. Reaching a City average hotel occupancy of 64 to 68% may be the right milestone.

- **Transient Occupancy Taxes collected, for the Partner Hotels**. Driving occupancy of the Partner Hotels will of course increase Transient Occupancy Taxes.

- Operation of IWGR as enhanced, at no cost or subsidy to the City. Operating partners possible in separate businesses, or ground lessors, or tenants, will require return-on-investment for their role in one or more Plan components.

One key aspect of Stakeholder discussions about Plan Alternatives, should be the right role for the City in the future of IWGR. All of what IWGR can offer, with enhancements and repurposing, can be packaged for 3rd-party investment and development purposes, in the same way the original hotels at IWGR were conceived and developed.

The City may prefer to be facility and ground lessor more than being an active hands-on owner in these businesses.

Strategic Asset Plan Financing

There are at least three straight-forward means of financing the more robust Plan Alternatives. These include:

- **TOT Increment Bonds** – where the increment of Transient Occupancy Taxes achieved over a base year, is used for a bonded capital raise.

- **Public-Private Partnership (PPP)** – there are projects among the Plan Alternatives where a single private-sector party may be interested in joining with the City to propel implementation. Pursuing a North Village practice facility and/or the Resort Village with sufficient critical mass and entertainment value, would be part of the right formula.

- **Project Financing** – Some of the concepts within Plan Alternatives, such as the North Village Practice Facility, the relocation of the clubhouse grill, the Resort Village adventure park, and the like, can be pursued as separate projects each individually financed on its merits.

Estimated Financial Results

We have prepared a financial model based on historic results achieved at IWGR, along with areawide results achieved by the five Hotel Partners, as well as our own estimates for enhancement / repurposing alternatives across the alternatives.

- There is an opportunity to increase the hotel rooms inventory for the City, to a level comparable to Palm Springs and its "walking distance hotels" from the convention center there. Of course, none, some or all, additional rooms can be considered, including type of accommodation – FIT/leisure-focused properties, MICE oriented, boutique/chic, and even smaller glamping venues.

- Simply to gauge maximum impact possible, we have evaluated how IWGR program can contribute to Hotel Partner booking of room nights that are presently and have not historically, been sold.

- As noted, the various Plan Alternatives have been explored in a way that packages possibilities as asset classes familiar to 3rd-party investors.

- To attract Project component investors, tenants, ground lessors, and the like, the Plan requires a critical mass of enhancements and repurposing. If Stakeholders decide to purpose only the Status Quo related enhancements, these will likely require direct City funding.

- For illustrative purposes, we have shown estimates for a 2024-to-2026-time horizon. This may be a year earlier than a full slate of enhancements and alternatives, but the timeline will be easy to change as Plan Alternatives are considered. As noted in prior discussion, as the Plan Alternatives are considered there are some such as "pathways and presence" programs that can proceed earlier if there is a desire to get at demonstrable results earlier than later.

- For planning purpose not knowing the Renaissance Esmerelda's plan concepts for recovering the 17th and 18th hole land, we include new room counts assuming a 2nd hotel brand at that location.

The following two tables illustrate such maximum impacts, along with TOT Increment bonding capacities created with such programs. This is the Indian Wells Adventure Center scenario that includes:

- Integrated master plan w/ Tennis Garden
- Includes Town Center Specific Plan
- East Valley convention center, new
- Resort Village and North Village
- Golf course repurposing to include new Players course routing north of the Wash, and the rerouting of Celebrity into two 9-hole courses, one a shorter "challenge" course. The rerouting of Celebrity provides site area of the North Village practice facility and new road. We note that this repurposing can be changed so that Players course provides land or the North Practice facility and Celebrity remains a longer traditional course. Of course, a final plan may divide the difference with the Practice facility taking site area from each of the courses.
- w/ adjacent properties, as available

STONE CREEK PARTNERS

Estimated Financial Results
Repurposed / Enhanced IWGR – Highest and Best Use Option

	2024	2025	2026
PARTNER HOTELS:			
Hyatt Regency Indian Wells	530	530	530
Hyatt Regency new at Celebrity 18th	75	75	75
Renaissance Esmeralda	560	560	560
Renaissance new	175	175	175
Miramonte Indian Wells	215	215	215
Indian Wells Resort Hotel	155	155	155
Sands Hotel & Spa	46	46	46
New boutique	75	75	75
New glamping	10	10	10
New Town Center SP hotel	300	300	300
Total overnight accomodations	2,141	2,141	2,141
Roomnights available	781,465	781,465	781,465
Partner hotel average occupancy	54.1%	54.1%	54.1%
Marginal increased occupancy	6.0%	10.0%	10.0%
Occupied roomnights	469,660	500,919	500,919
Average daily rate (ADR)	$ 246.60	$ 253.50	$ 260.60
Total rooms revenue	115,816,046	126,982,948	130,538,470
Transient occupancy tax (TOT	12.25%	12.25%	12.25%
TOT payments to city	14,187,466	15,555,411	15,990,963
TOT bonding increment	5,187,466	6,555,411	6,990,963
TOT bond DS coverage at 1.4	3,705,333	4,682,437	4,993,545
TOT bond capacity (000's)	$ 64,677.0	$ 81,732.4	$ 87,162.8

STONE CREEK PARTNERS

Estimated Financial Results
Repurposed / Enhanced IWGR - Highest & Best Use Option

		2024	2025	2026
OPERATING REVENUE:				
Golf rounds				
Resort rounds revenue	$			
Resident rounds revenue				
Resident guest rounds revenue				
All other rounds revenue				
Total golf fees revenue	$	7,397,488	7,604,618	7,817,547
Merchandise sales - all types	$	2,113,568	2,172,748	2,233,585
Food and beverage:				
Vue restaurant - relocated	$	2,113,568	2,172,748	2,233,585
Clubhouse 2nd level lease-out		285,332	293,321	301,534
Food truck		581,231	597,506	614,236
Beverage cart		634,070	651,824	670,075
Group / banquets		3,610,919	3,712,025	3,815,961
Total food and beverage offerings	$	7,225,120	7,427,424	7,635,391
New recreation facilities/event program:				
IWGR North practice venue	$	12,681,408	13,036,487	13,401,509
IWGR North pavilion enhancement		-	-	-
IWGR Resort Village - adventure park		9,511,056	9,777,366	10,051,132
IWGR new event calendar		1,902,211	1,955,473	2,010,226
Total new facilities and programs	$	24,094,675	24,769,326	25,462,867
Total operating revenue	$	40,830,851	41,974,115	43,149,390

Limiting Conditions re Financial Estimates

Regarding these projected financial statements, actual results achieved during the period covered by the prospective financial analysis will vary from that described in our report, and the variations may be material. Therefore, any information, estimates, or opinions are not offered as predictions or assurances that a particular level of cash flow or profit will be achieved.

- The achievement of any estimate of future financial performance may be affected by fluctuating economic conditions and the occurrence of other future events that cannot be assured.
- Any estimates of future operating results prepared at this preliminary stage of development planning are necessarily subject to change and refinement as project planning continues and product concepts evolve.

Specifically, while previsualization illustrations have been prepared for the Project, no architectural or engineering work has been completed.

- Any estimates of prospective financial performance are based on the information and estimates available at the time such financial estimates are prepared. The information used in preparing financial estimates have been obtained from sources considered appropriate and reliable. However, most such industry information while deemed reliable has generally not been independently audited or otherwise independently verified.

- These financial estimates assume that a high-quality facility will be constructed and that qualified on-site personnel will be assigned to effectively market and operate the Project.

- An opinion has not been received from legal counsel or professional engineers as to whether the proposed Project is compliant with existing building ordinances or in compliance with environmental or other regulations promulgated by responsible Federal, State, or local governmental agencies, departments, or bureaus, and the estimated operating results of the Project may be dependent upon such compliance.

- As well, we have not reviewed infrastructure requirements of the Project, or any soils, topography, hydrology, or any other Geotec information.

- In no event shall this report be referred to in any offering or representation made in connection with the sale of securities or participation interests to the public.

- Neither these financial estimates nor related memoranda and exhibits, may be included or quoted in any offering circular or registration statement, prospectus, sales brochure, appraisal, loan or other agreement or document, unless such reference includes the statement that related due diligence materials are available with additional information and analysis beyond which may appear in any summary.

Potential lenders, investors, and parties of interest, should recognize that the projections are only estimates, are not guaranteed, and should not be relied upon in connection with the Strategic Asset Plan.

As noted in the foregoing, actual results achieved for any future period will vary from that described herein, and the variations may be material. The achievement of any estimate of future financial performance may be affected by fluctuating economic conditions, the abilities of facilities managers, and the occurrence of other future events that cannot be predicted.

Therefore, any information, estimates, or opinions herein are not offered as predictions or assurances that a particular level of cash flow or profit will be achieved.

5

INDIAN WELLS GOLF RESORT

BRANDING & STRATEGIC MARKETING

STONE CREEK PARTNERS

5 - Branding & Strategic Marketing

We have included a review of strategic marketing and branding, and recommendations, as part of describing strategic asset plan alternatives for Stakeholder consideration.

Hotel Lobby Promotions / Activations

IWGR should create a promotional "method" for prominent display in each of its five Partner Hotels. This would be helpful no matter which alternatives and enhancements, if any, are embraced by Stakeholders for the Strategic Asset Plan.

- As more activities are offered at IWGR, the more important these lobby activations will become.
- There are various ways of providing such a promotional activation, including physical freestanding, projected, and wall-mounted approaches. Lately, there are also augmented reality pop-ups, smartphone QR code triggers, text for sign-up offers, and such. We'd suggest that the displays be Internet-connected, so that "activities of the day," special offers, and other information can be changed with circumstances.
- As an example, an evening "sensory park" experience that delights with point-source sound, digital projection mapping, lighting effects, and a bit of SFX, would be signaled to the five Partner Hotel lobby activations.
- Four of the five City Hotel Partners are standing members of the Golf Committee, per City Council Resolution. There is no requirement for this kind of cooperation explicitly stated in the 1985 Easement Agreement (as amended), but an expectation for such collaboration is arguably an implicit understanding in that agreement. The Renaissance Esmeralda and Hyatt Regency are among the three parties to that agreement (the other being the City).
- We recognize that this kind of lobby activation program, would need to have an adaptive design, since each of the Hotel Partners will have space constraints, their own environmental aesthetics, and their own promotions which may take primacy. Early involvement of the hotels in activation design would assure this adaptive capability.

The Facility Logomark

If Stakeholders decide that keeping with the "status quo" is the preferred scenario for the Strategic Asset Plan, we have these suggestions:

- *Deft Adjustment(s)* - consider removing the Native American character with headdress from the logomark. We realize there is just a hint of palm frond and sunburst in the graphic. We acknowledge that the graphic design is well conceived; we simply suggest it a respectful change. As well, there is no American Indian history or tradition that informs the brand, nor is any such assertion intended.



- The arrowhead symbol might also be revisited.

- *Logo Replacement* – with new ownership and changes made and coming with the City's Partner Hotels, it is good time to consider a potential logo revamp. There is potential for a promoted "new era" in Indian Wells campaign that touts the collection of five destination-quality hotels, the Tennis Garden, and the topnotch IWGR golf experience. We understand the past interest in matching the facility logo to the City's logo.

  But we don't see a compelling promotional reason for that match. The ultimate measure for a golf club logomark, we think, is how it contributes to selling merchandise in the pro shop. A logo that resonates in some way with a golfer, sells the merchandise – folks just want something with that logo on it. We don't believe the current logomark maximizes merchandise revenue. Over time, a great logo also adds to the overall allure of an experience; there is a commemorative quality.

- *Shots in the Nights* – the logo used for this night-time program can be improved to better match the quality of IWGR. We believe the program is a good one, and a sound test for what can happen to better appeal (again) to IWGR Hotel Partners, and others.

- *The Vue* – Should a 2nd level restaurant be maintained as part of the Strategic Asset Plan; we suggest consideration of a new name for the restaurant and all-new logo. We recognize that considerable history is connected to this name, particularly so with many years of press release and reviews across the Internet.

If Stakeholders elect to pursue one or more strategic enhancement as part of the Strategic Asset Plan, we suggest a move to a new overall facility name and branding, with the golf courses as part of that facility branding. The result would be a new facility brand that acts as somewhat an umbrella brand, with a series of venue / activity brands that combine to support umbrella.

- The Players course at _____ as repurposed
- The Celebrity course at _____ if repurposed
- The Putting Challenge at _____ if the Players or Celebrity is repurposed to allow the venue.
- The Practice Facility at _____.
- The Golf Academy at _____.
- Event-plex North Village at _____.
- Resort Village at _____.
- Hyatt Regency at _____.
- Renaissance Esmeralda at _____.
- Miramonte at _____.
- Indian Wells Resort at _____.
- Spa Resort & Spa, official hotel of _____.

The umbrella brand and its associated facilities would derive enhanced asset value if the umbrella brand is the right one, with an intriguing name and logomark. Creating such umbrella brands is a subject for a top creative, marketing and/or advertising agency. IGWR operates in association with the brand reputations and logomarks of its Hotel Partners and someday perhaps, the Indian Wells Tennis Garden. The resort offers a prestigious "face" to the marketplace.

Brands associated with IWGR are shown together on the next page.

Brands Associated with IWGR

MIRAMONTE INDIAN WELLS RESORT & SPA	HYATT REGENCY INDIAN WELLS RESORT & SPA	RENAISSANCE ESMERALDA RESORT & SPA INDIAN WELLS
Sands HOTEL & SPA	INDIAN WELLS RESORT HOTEL	

	INDIAN WELLS GOLF RESORT	
	VUE GRILLE & BAR	SHOTS IN THE NIGHT
TROON REWARDS	TROON GOLF	
	GOLFBOARD SURF THE EARTH	SHIP STICKS

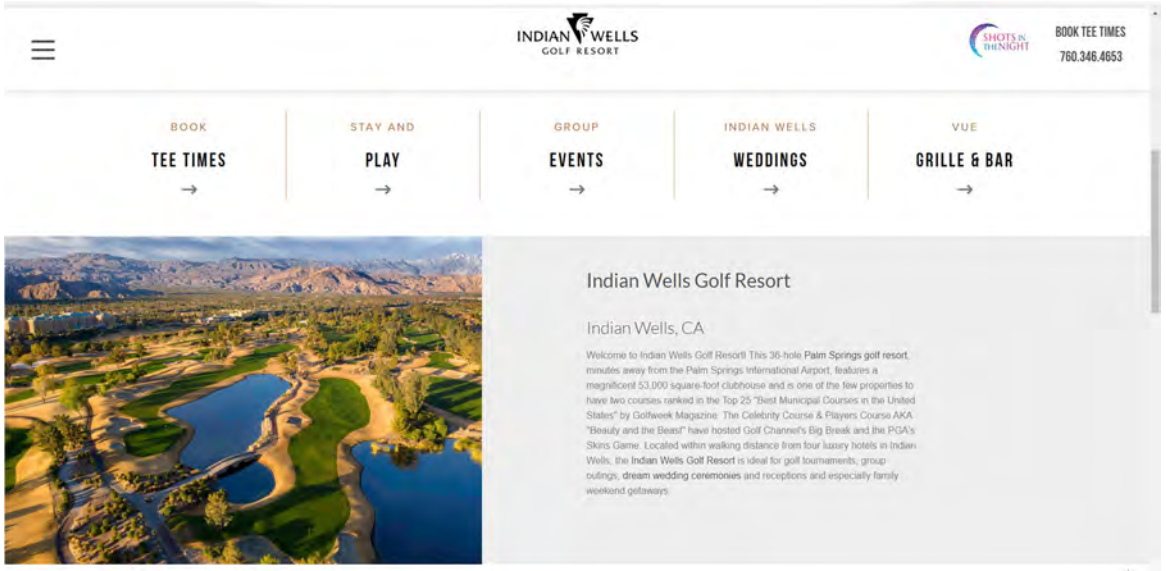
	INDIAN WELLS CALIFORNIA	

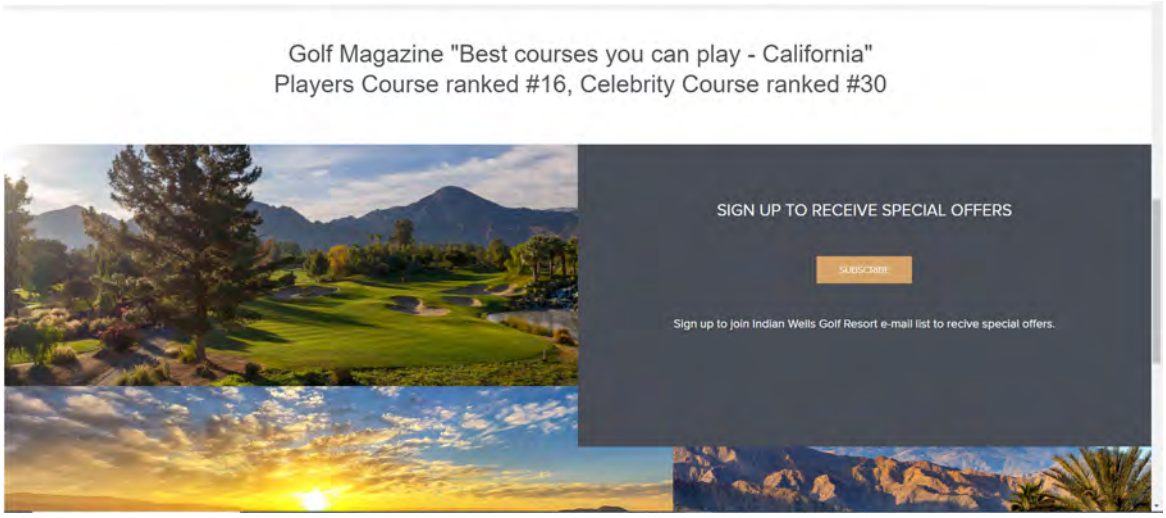
IWGR Website

The IWGR website is located at www.indianwellsgolfresort.com The site loads quickly and on first look the facility's smartphone app is promoted. The full-screen video that plays on the landing page is well done and appears well optimized for play.

We notice that as the app promote displays on-screen, the background behind the promotional placard goes black. This may be specific to our desktop/browser combination (PC/Brave, Microsoft Edge).

Here are two screenshots from the landing page:

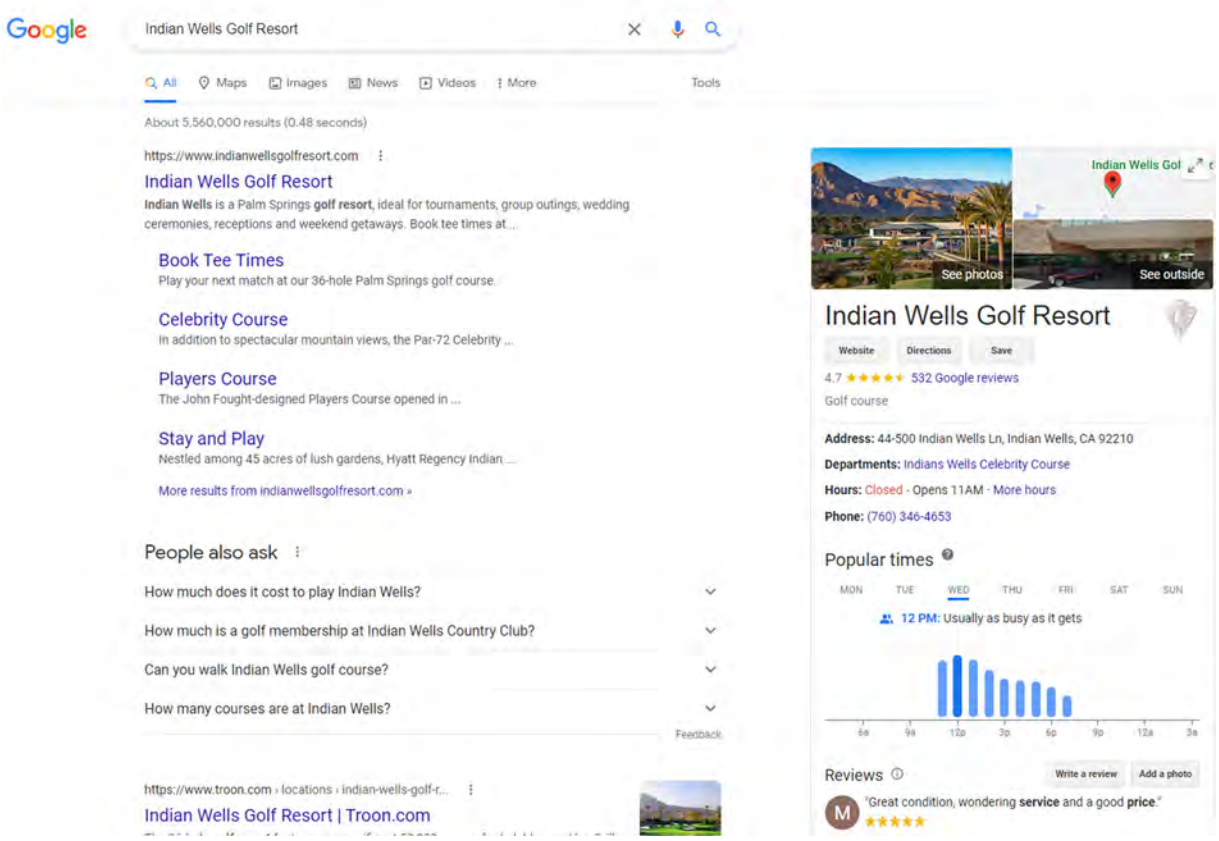




In Search Results

On a direct search with Google, IWGR shows up easily as first result, with the prominent screen-right display (see below right). In the search result, the four prominent items displayed include "Book Tee Times," "Celebrity Course," "Players Course," and "Stay and Play." These are efficient and best results to display for a golf facility search. The "People also ask" section of results also shows helpful information.

Here is a screenshot of an actual Google search for Indian Wells Golf Resort:



The Google search engine maintains a 60%+ share in the U.S., making it the first search engine to check for website search results.

Indian Wells Golf App

Troon maintains a smartphone app, with the technical support of SwitchCase Group LLC / Gallus Golf. The app is offered on the IWGR website landing page, requiring a click to close. The app's look and feel is attractive with offers easy navigation.

It is small point, but we'd suggest a redesign of the app icon – while the app itself has nice color the app icon (button) itself is all-white and is lost among all other app icons on a typical user's screen.
Shown here are the app promotional placard from the IWGR website, and the app's landing page

IWGR App Promotional Placard – from Website



The App promote requires a click to close, anywhere on the screen.

IWGR App Landing Page – iPad and IPhone





Resort Wayfinding

We'd suggest under any go-forward scenario in the Strategic Asset Plan, a fresh look at wayfinding throughout Indian Wells Golf Resort – from hotel lobby to clubhouse entrance.

Wayfinding is an opportunity to enhance a resort experience, simply with the engaging aesthetic of the messaging. If the wayfinding is effective, it is also an ever presence promotional presence, to explore, to do more, as part of a persons' stay.



Shown above, an example of IWGR's wayfinding, in this example one of the major signs at the resort. An experienced graphics design firm could make such installations far more effective for the resort.

The contribution of wayfinding to the guest experience cannot be overstated. When Michael Eisner assumed leadership of Walt Disney Co., one of his first moves at Walt Disney World was a complete change in its signage and wayfinding – part of his "Disney Decade program." His intent was to make the wayfinding match the resort's guest experience and encourage on-site discovery. Of course, guest experiences also need ongoing refreshing, and this iconic wayfinding system has been almost fully replaced in 2022.

Customer Acquisition and Retention

It is helpful to think about customer acquisition and return in terms of the customer touchpoints, in all the formal and informal ways that each occurs.

IWGR's current customers derive from these core segments:

- Golfers staying overnight at a Partner Hotel
- Other visiting golfers
- Residents, sometimes with guests
- Tournament play
- Special program participants, wholesalers, and the like
- Troon Rewards – Troon's loyalty program is a complete one, allowing rewards members to earn free rounds of golf, status at facilities, merchandise discounts, Troon's e-magazine, and other benefits, at Troon facilities.

Customer Touchpoints

Touchpoints, the series of interactions (moments) with customers, are essential to every customer-facing business. The combined results of the various touchpoints along the way in each customer experiential "journey" influences satisfaction (or lack thereof).

For golf facilities it is no different, and with some complexity since there are different journeys and touchpoints for each player segment, trip motivation, and skill level. And not all touchpoints are of equal importance, and some have more of an impact on dissatisfaction than more positive contributors. A relatively recent study undertaken by the United States Golf Association ("USGA") indicated that there are more than 1,000 touchpoints that golfers can contact throughout their golf experience.

Our team has visited IWGR on numerous occasions, playing the courses, taking meals at the restaurant, enjoying the clubhouse ambiance and people flow, and seeing the facility in the evening with Shots in the Night in operation. We have also received all manner of comments from Stakeholders, on these customer touchpoints.

In general, the customer to staff golf experience is well received and routinely complimented. There are comments, questions, and ideas focused on course maintenance. The Vue clubhouse restaurant was in most cases the attractor of negative comments. Many cited the difference between the positive customer-staff interaction on the course, and that in the restaurant.

Our checklist / scorecard in experiencing these touchpoints is included below.

IWGR Golf Touchpoints | Pre		
Prior to arriving	▪ Word of mouth ▪ Internet ▪ Social media ▪ Golf influencers? Golf Geek vlog ▪ Website ▪ App ▪ Hotel lobby activation / promote ▪ Reservations	*Prior player / loyalty program / residents* *Hotel guests* *Planned, unplanned*

IWGR Golf Touchpoints | At the Course		
On arriving	▪ Greeting / club drop / parking ▪ Locker room ▪ Pro shop ▪ Practice facilities / driving range	
On the course	▪ Starter ▪ Overall challenge of the course ▪ Overall fairways, roughs, and bunkers ▪ Overall tees and greens ▪ Pace of other players; and corrective actions ▪ On-course staff ▪ Overall “vibe and ambiance”	
After the round	▪ Clubs etc. clean-up ▪ Locker room ▪ Promote lessons (more lessons creases return players) ▪ Pro shop ▪ Restaurant ▪ Overall “vibe and ambiance”	
	▪ Thanks, and survey ▪ App ▪ Promote return	

IWGR Golf Touchpoints | Post		
Until next time	▪ App ▪ Email ▪ Social media ▪ Golf influencers? Golf Geek vlog ▪ Lobby activation recognition	

6

INDIAN WELLS GOLF RESORT

THE GOLF BUSINESS

STONE CREEK PARTNERS

6 - The Golf Business

Municipal Golf Courses

Indian Well's focused (and successful) strategy to create a resort complex with municipal golf, is relatively rare, at least among top-rated muni courses. And the City is among the few municipalities that has pursued golf course development as part of a large-scale transient occupancy tax creation strategy.

There are a many municipally owned golf courses throughout the U.S. Among these, there are some that offer golf experiences equaling and/or exceeding the best privately-owned golf facilities. IWGR is one of those places.

Within the Trade Area, and elsewhere in California there are several municipal courses of note:

- **SilverRock Resort** – Owned by the City of La Quinta and managed by Landmark Golf Management.
- **Desert Willow Golf Resort** - Developed and owned by the City of Palm Desert, Desert Willow Golf Resort is operated by Kemper Sports Management.
- **Tahquitz Creek Golf Resort (Palm Springs)** - Oswit Land Trust has been trying to purchase for environmental purposes. Tahquitz Creek consists of two 18-holes golf courses, the Legends Course that was bought by the city as it was being built in 1959, and the Resort Course that was built with city bond money and opened in 1995, There is also a clubhouse and parking lot and a driving range. The Legend Course runs through a residential neighborhood, often with houses on both sides of a hole. The Resort Course runs east and west through the Tahquitz Canyon wash and has no homes along the fairways.
- The **City of San Diego Parks & Recreation Department** operates three municipal golf courses. Torrey Pines, Balboa Park, and Mission Bay Golf Course and Practice Center. The adjacent Lodge at Torrey Pines is owned and operated by Evans Hotels (San Diego).
- The **San Francisco Recreation and Park Department** maintains six public golf courses, each with a unique identify and mission. Gleneagles is considered one of the most challenging nine holes of golf in the U.S. TPC Harding Park is a championship caliber venue. In 2020, TPC Harding Park hosted the PGA Championship, elevating the course as just the fifth municipal course ever to host a Major Championship.

The following table identifies more top municipal course owners and their facilities, in the U.S. Indian Wells Golf Resort is certainly among such top facilities, as noted. The table is sorted by year established and is not intended as an ordered ranking.

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Municipal Owners of Golf Facilities

Source:

	Municipality	Market	Holes	Top Facility / Holes	Est.	Courses / Architects
1	City of El Paso	South Texas	18	Butterfield Trail (18)	2007	Tom Fazio
2	City of Indian Wells	Coachella Valley	36	Indian Wells Golf Resort (36)	2007	Players, Celebrity
3	Pierce County, WA	Seattle metro	36	Chambers Bay (18)	2007	Chambers Bay, ____
4	Town of Bloomfield, CN	Hartford metro	18	Wintonbury (18)	2005	Wintonbury Hills (Pete Dye)
5	Illinois Int'l Port District	Chicago metro	36	Harborside International (36)	1995	Port, Starboard Courses (Dick Nugent)
6	City of Farmington, NM	Farmington	27	Piñon Hills (18)	1989	Ken Dye
7	City of Bremerton, WA	Seattle metro	36	Golf Mountain (36)	1971	Olympic, Cascade
7	City of Phoenix	Phoeniex metro	117	Papago (18)	1963	William Francis Bell
8	Martin County, FL	South Florida		Sailfish Sands (36)	1963	
9	City/County of San Francisco	SF Bay Area	81	Harding Park (18)	1961	TPC Harding Park (Whiting & Watson/Chris Gray
10	Kaua'i County	Island of Kaua'i	18	Waliua Municipal (18)	1961	Toyo Shirai
11	City of San Diego	San Diego metro	54	Torrey Pines (18)	1957	Torrey Pines (William P. Bell / Rees Jones)
12	New York State Parks	Long Island	405	Bethpage Golf (90)	1936	Bethpage, Montauk Downs, many others
13	City of Providence, RI	Providence		Triggs Memorial (18)	1932	Donald Ross
14	City of Charleston, SC	Carolinas coastal	18	Charleston Municipal (18)	1929	Johnny Adems/Troy Miller
15	City of Alamada, CA	SF Bay Area	45	Corica Park (27)	1927	South (Rees Jones), North, Mif Albright Par-3
16	City of Hartford, CN	Hartford metro	45	Keney Park (18)	1927	Devereux Emmet / Robert Ross
17	Village of Palm Beach	South Florida	18	North Palm Beach CC (18)	1926	Seth Raynor/Jack Nicklaus
18	City of Wilmington, NC	Carolinas coastal	18	Wilmington Municipal (18)	1926	Donald Ross
19	Cleveland Metroparks	Cleveland metro	144	Sleepy Hollow (18)	1924	Sleepy Hollow (Stanley Thompson), Manakiki
20	City of San Antonio	South Texas	144	Brackenridge Park (18)	1916	A.W. Tillinghast/John Colligan
21	City of Chicago	Chicago metro	63	Jackson Park (18)	1899	Tom Bendelow / TGR Design
22	St Andrews Links Trust	Scotland	126		1754	

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Short Golf Courses

Short-play golf courses have garnered some attention in the golf industry. Short courses offer a limited course length with a golf experience of a shorter time duration. The courses allow for less of a time commitment, meaning more available, interested players at any time.

These courses are deemed more welcoming to the next generation of new golfers, less focused on the traditions and history of the game, and more about the fun and camaraderie involved. Well known golf pros have given these short courses some additional notoriety. One example was Bass Pro Shops founder Johnny Morris teaming up with golf legend Gary Player to create a world-class 13-hole short course.

Some examples of such courses include:

Ben Brown's Golf Course	Laguna Beach
Goat Hill Park	Oceanside
Hawk's Landing Golf Club	Yucca Valley
Hickory at Hamilton Farm	Gladstone
Horse Course at The Prairie Club	Valentine
Lake Estes Golf Course	Estes Park
L'il Wick at Wickenburg Ranch Golf Club	Wickenburg
Palm Beach Par 3	Palm Beach
Palm Royale Country Club	La Quinta
Shadow Hills Golf Club	Indio
Short Course at Kukio Golf & Beach Club	Kailua, Big Island
Sweetens Cove Golf Course	South Pittsburg
The Bad Little Nine at Scottsdale National Golf Club	Scottsdale
The Challenge Course at Monarch Dunes Resort	Nipomo
The Cliffs Course at The Olympic Club	San Francisco
The Cloud 9 at Angel Park Golf Club	Las Vegas
The Cradle—Pinehurst Resort	Pinehurst
The Hay at Pebble Beach (new)	Monterey
The Lights at Indio	Indio
The Links at Terranea Golf Club	Rancho Palos Verdes
The Nine Hole Course at Augusta National	Augusta
The Pebble Course at Cimarron Golf Resort	Cathedral City
The Preserve at Bandon Dunes Golf Resort	Bandon
The Sandbox - Sand Valley	Neekosa
The Short Course at Grand National Resort	Opelika
The Short Course at Magnolia Grove Golf Club	Mobile
The Short Course at Mountain Shadows	Paradise Valley
The Short Course at Pine Valley Golf Club	Clementon
Threetops—Treetops Resort	Gaylord
Top of the Rock—Big Cedar Lodge	Branson

Source: StoneCreek Partners, LLC

Natural Grass Putting Courses

Putting courses are also more popular these days, after many years of underutilization. For golfers that have played, or will play an 18-hole round, a putting course is an easy extension of the day's golf experience. For golfers of all skill levels, a putting course can be more about the social interaction than the golf – particularly in a resort setting and if F&B access is easy.

Some examples of modern natural grass putting courses:

- **Cascade Putting Course at Gamble Sands** - 100,000 square foot Cascade Putting Course in Brewster (Washington) is a wildly shaped, pure fescue putting course inspired by the ancient and famed Himalayas Putting Course at St Andrews. Designed by golf architect David McLay Kidd. In 2021, Forbes Magazine columnist Erik Matuszewski wrote wondering if this putting course was the best in the U.S. www.gamblesands.com

- **HillTop Putting Course at Forest Dunes** – Nearly a 2-acre, 18-hole routing. Large groups may book the putting course exclusively for special events. www.forestdunesgolf.com

- **Tom Watson Putting Course at Big Cedar / Mountain Top Golf Course** – A 9-hole routing on about an acre; part of the Big Cedar Lodge golf complex in Ridgedale, Missouri. www.bigcedar.com

- **The Greens at JW Marriott Desert Springs** – The putting course combines all aspects of a full-length course, sand bunkers, water hazards, strategically placed trees and rolling "fairways" all played with a putter. www.marriott.com

- **The Punchbowl at Brandon Dunes Golf Resort** - a 100,000-square-foot putting course designed by Tom Doak, with Jim Urbina. www.brandondunesgolf.com

- **Thistle Dhu Putting Course at Pinehurst** – This 18-hole putting course has a history dating to 1916, when James Barber, owner of the Barber Steamship Lines of New York, built an 18-hole "Lilliputian" golf course on the grounds of his home in Pinehurst, NC. It would be the first miniature golf course in America. www.pinehurst.com

- **Himalayas Putting Course at The Old Course in St Andrews** – According to reports, on a busy day it takes 45 minutes to play the 18-hole course, made difficult by its extreme terrain. www.standrewsputtingclub.com





Shown above at left, The Greens at JW Marriott Desert Springs. At right, The Punchbowl putting course at Brandon Dunes Golf Resort.

Practice Facility

Del Mar Golf Center, a good comparable?

Research from the National Golf Foundation indicates that 24.3 million people played off-course forms of golf in the U.S. in 2020, from simulators and golf entertainment venues to traditional driving ranges. That number has steadily grown in recent years, in large part because of the proliferation of golf entertainment venues — from Topgolf and Drive Shack to independently-owned locations — and the overall participant pool is almost equal to the 24.8 million Americans who play traditional, on-course golf. The NGF has said it's very likely that the number of off-course golfers could surpass on-course players this year, and just over half of all off-course golfers also play on course.

The Future of Golf

We believe that the golf industry will enjoy a prosperous future in the U.S. However, we also believe that the industry will continue with an even more active period of reinvention to meet the leisure-time expectations of up-and-coming generations.

- In resort settings, traditional golf courses will continue to adapt to modern sensibilities. Such factors as easy (if not quick) access, shorter play, increased entertainment value, palpable technology, will combine in different ways to meet today's consumer.

- There is a reason "golf entertainment" is currently among the hot (albeit niche) asset classes. TopGolf-type driving ranges, next-generation miniature golf, social venues with mini-golf, are products of interest. Many cite the similarity with such "golf entertainment" to the enduring acceptance (and reinvention) of bowling.

- Golf is not unusual in its need to innovate. All major sports have adapted to modern sensibilities in one way or another. The NFL rules protect quarterbacks to increase scoring. NBA basketball games are a produced live event, with music bumpers and light show. Snowboards are now covered in prime during the Winter Olympics. Golf maybe more than any other sport, has remained as a traditional offering.

- At resorts, younger adults have largely different leisure-time interests. There are more options than decades ago when golf and tennis ruled resorts. An afternoon at the pool with smartphone in hand, with selfies a top priority, is "the point" for many. For some, the smartphone has replaced the social intersection of a tennis game, or a round of golf.

Social Media – the Canary in the Mine?

Generations that grew up with Arnold Palmer and Jack Nicklaus are aging out of the golf industry. Even Tiger Woods is nearing that age of near retirement, with young consumers.

Millennials follow their sports heroes through their favorite social media channels, and the term "sports hero" is going through a transition. A sports hero can simply be a social media influence that has created a niche following, for one reason or another.

Social media audiences are a direct window onto our young consumers, with their new and changed interests.

Simply as an example, we have collected the top Instagram accounts, as measured by followers. We included top sports figures such as Ronaldo, Messi, and LeBron James, along with the top celebrities including Beyonce and Gigi Hadid. The NFL's heroes, the MLB, and some select eSports celebrities and teams are also included. The notable aspect of the list is the relatively minimal followers for the top pro golfers today, even Tiger Woods.

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Major Social Media (Instagram) Accounts – Spring 2022

	Person / Organizaiton	Self-Described	Accouunt	Instagram	
				Posts	Followers
1	Cristiano Ronaldo	Football (soccer)	cristiano	3,277	421,000,000
2	Kylie Jenner	Model	kyliejenner		320,230,000
3	Lionel Messi	Football (soccer)	leomessi		284,000,000
4	Beyoncé	Singer, songwriter	beyonce	2,019	247,000,000
5	Neymar Jr	Football (soccer)	neymarjr		171,640,000
6	LeBron James	Basketball	kinggames		117,000,000
7	Real Madrid CF	Football (soccer)	realmadrid		113,000,000
8	Gigi Hadid	Model	gigihadid		73,200,000
9	David Beckham	Football (soccer)	davidbeckham		71,900,000
10	NBA	Basketball	nba	47,752	65,800,000
11	Stephen Curry	Basketball	stephencurry30		41,100,000
12	NFL (National Football Leagu	American football	nfl	21,260,456	24,100,000
13	PewDiePie	Gamer	pewdiepie	-	21,800,000
14	Russell Westbrook	Basketball	russwest44		19,300,000
15	Ye (Kanye West)	Singer, songwriter	kanyewest	-	15,900,000
16	Odell Beckham Jr	American football	obj	142	15,800,000
17	Tyler Blevins	Gaming influencer	ninja	1,252	13,200,000
18	FaZe Clan	eSports team	fazeclan	4,597	11,800,000
19	MLB	Baseball	mlb	34,483	8,300,000
20	Tom Brady	American football	tombrady		8,200,000
21	Myth	Gaming influencer	tsm_myth	859	6,400,000
22	Turney Tenney	eSports	Tfue		5,500,000
23	Patrick Mahomes	American football	patrickmahomes		4,900,000
24	Imane Anys	eSports, female	pokimane		4,900,000
25	Russell Wilson	American football	dangerusswilson		4,900,000
26	Kyle Jackson	eSports	Mongraal		3,500,000
27	PGA Tour	Golf	pgatour	22,925	3,400,000
28	Kyle Giersdorf	eSports	bugha		3,300,000
29	Paige Spiranac	Former pro golfer	_paige.renee	474	3,200,000
30	Team Solomio	eSports team			2,900,000
31	Tiger Woods	Pro golfer	tigerwoods	-	2,900,000
32	Rory McIlroy	Pro golfer	rorymcilroy	544	2,200,000
33	Rickie Fowler	Athlete	rickiefowler	1,739	1,800,000
34	NASCAR	Motorsports league	nascar	-	1,600,000
35	Jordan Spieth	Pro golfer	jordanspieth	297	1,600,000
36	Phil Mickelson	Athlete	philmickelson	204	1,300,000
37	The Masters	Golf tournament	themasters		1,000,000
38	Jon Rahm	Pro golfer	jonrahm	272	450,000
39	Collin Morikawa	Pro golfer	collin_morikawa	128	437,000
40	BNP Paribas Open	Tennis	bnpparibasopen	2,296	184,000

7

INDIAN WELLS GOLF RESORT

NEW ANCHOR VENUES

STONE CREEK PARTNERS

7 - New Anchor Venues

There are numerous options for anchoring IWGR repurposing, depending on which SAP Plan alternatives are pursued, and whether the anchoring is part of a specific existing facility repurposing, or, if the anchoring is part of a new program at IWGR.

Some categories for anchoring include the following:

- Golf entertainment
- New golf grill
- Clubhouse 2nd level options
- Adventure park / teambuilding
- Expanded weddings venue
- Boutique hotel; glamping
- Expanded weddings / special events venue
- Beach club
- Destination restaurant
- Live entertainment
- Event calendar
- Convention center

Golf Entertainment

So-called “golf entertainment” has been gaining investor attention in recent years. Golf-related experiences have been of interest lately for investors who have a comfort with the larger offerings in location-based entertainment.

These new golf entertainment concepts are generally about enhanced driving range experiences, or about enhanced mini-golf experiences. All with designed social interaction and more multi-faceted secondary guest offerings (such as simulators, other sport video games, party rooms, and the like).

Technology and an updated take on the social experience of these places, is the focus of design.

The following table and discussion, describes many of these new golf entertainment venues, either well established in the market or getting started with the roll-outs.

Golf Entertainment		
	Venue	**Background**
1	**BigShots Golf** ClubCorp Holdings, Inc.	A Topgolf knock-off with similar design,
2	**Drive Shack** Drive Shack Inc., (Dallas)	A Topgolf knock-off with similar design and different ball tracking technology.
3	**Great Shots** Sanford Health / Managed by Troon Golf	Like Topgolf, located at Sanford Sports Complex in Sioux Falls (South Dakota).
4	**Lounge by Topgolf** Callaway Golf Company	Features Topgolf Swing Suite technology, virtual games, craft cocktails, local F&B.
5	**OnCore Buffalo** OnCore Golf Technology, Inc.	The concept includes a hotel at the facility's podium. First Unit scheduled for Buffalo in 2023. OnCore Golf Technology, Inc. is an American manufacturer of golf balls headquartered in Buffalo, New York. OnCore is a business development company of Rand Capital Corporation.
	ZSTRICT by Golfzon Managed by Troon Golf	First Unit for ZSTRICT opened in 2019 at Chelsea Piers. Golfzon is a leader in the golf simulator space, with 65 million rounds played worldwide on its products in 2020. More than 6,000 commercial facilities use Golfzon simulators outside the U.S., including 4,500 franchised locations in South Korea, which is about a quarter of the size of California.
	T-Shotz Managed by Troon Golf	First Unit opened in Kansas City.
6	**PopStroke** Tiger Woods Ventures / PopStroke Entertainment	Features a 36-hole mini-golf putting course, and foosball, ping pong, F&B offerings.
7	**Puttery** Drive Shack Inc. (Dallas)	A new more social take on miniature golf.
8	**Puttshack** Steve and Dave Jolliffe, with Adam Breeden	A new more social take on miniature golf.
9	**Suite Shots** Paul Cownie / Kevin Christianson	A Topgolf knock-off, designed for smaller trade areas than Topgolf may prefer.
10	**Topgolf** Callaway Golf Company	The leader in technology-fused driving range entertainment experiences.
11	**Topgolf Swing Suite** Callaway Golf Company	An indoor, luxury sport simulator, not limited to golf.
12	Other Golf Simulators and Golf Video Games	See discussion.

Source: StoneCreek Partners LLC

Some of these new concepts are described in the following, including Puttery, PopStroke, Top Golf, Suite Shots, Great Shots, and Puttshack.

- **Puttery** – A new more social take on miniature golf. First units of Puttery have averaged about 20,000 square feet. As described by the company, "… the Puttery experience includes an upscale food and beverage menu showcasing dishes and craft cocktails specially curated by Puttery's own chefs and craft-spirits specialists. … featuring an adult-focus and modern spin on the classic game of miniature golf, Puttery includes multiple bars, lounges, and rotating DJs, and combines a lively, vibrant atmosphere with state-of-the-art auto-scoring technology and thematic design elements in each of three, nine-hole mini golf courses.

  The company currently has no presence in Southern California. A place-product of Drive Shack Inc., (Dallas) an owner and operator of golf-related leisure and entertainment businesses. Drive Shack also owns the American Golf and Drive Shack chains. In 2021, the company received a $10 million investment from a group led by pro golfer Rory McIlroy. www.puttery.com




Shown above, a Puttery venue, a more social, adult take on miniature golf.

- **PopStroke –** A technology-infused entertainment concept merging golf with food, ice cream and signature craft cocktails, for people of all ages. In addition to its 36-hole mini-golf "putting course," the venue has a play area including ping pong, foosball, cornhole and climbing structures for kids. PopStroke's first unit debuted in Fort Myers, Florida, with a half-dozen additional locations now open or in development. The company currently has no presence in Southern California. A venue concept of Tiger Woods Ventures and PopStroke Entertainment Group - www.popstroke.com




- **Topgolf** – A "golf entertainment" social experience based on a traditional golf driving range steeped with ball tracking and player scoring technology. The highly visual driving range features a 250-yard landing area. Each TopGolf ball contains an embedded programmable RFID silicon microchip which is coded and assigned to an

individual player; the chip does not affect the weight or flight performance of the golf ball. The ball coding combined with sensors in outfield targets provide instant and precise yardage and location feedback. While the technology is compelling, the real innovation may be in simply bringing the social camaraderie of a of a bowling lane seating cluster, to driving ranges.

In 2021, Callaway Golf Company acquired Topgolf making it a wholly owned subsidiary, in an all-stock transaction valued at $2.6 billion. At the time of this transaction, Topgolf was operating about 60 venues in North America. The company has limited presence in Southern California at this time, with venues in El Segundo and Ontario. The first Topgolf venue was created in Watford in the U.K., in 2000. www.topgolf.com

Topgolf provided an enhanced offering at its new El Segundo location, providing a 10-hole golf course (1,060 yard / Par 3) alongside its driving range facility. For now, it is simply a site-specific elaboration; Topgolf partnered with golf architect Mike Angus to update the Lakes at El Segundo Golf Course right that was already situated just adjacent.





- **BigShots Golf** – BigShots Golf provides the ultimate gaming experience with full-service food, sports bars, outdoor patio, mini golf, private event space and climate-controlled tee boxes. Backed by VICI Properties Inc., an Apollo Global Management Fund portfolio company. www.bigshotsgolf.com





- **Suite Shots** – Similar to TopGolf but designed for trade areas that may be less than TopGolf desires for its venues. Suite Shots' first unit has opened in Fargo, North Dakota. The venue is powered by Toptracer Range (a Top Golf Entertainment technology) that allows golfers to see the real-time flight and distance of a ball after it is hit. Suite Shots provides real golf balls to guests rather than limited-flight balls. The first level of the facility has an indoor putting room with putt-view technology that illuminates the track the golf ball needs to

follow to fall into the hole. A learning academy and simulators for golf are also included on the first level. www.suiteshots.com





- **Drive Shack** – Drive Shack's ranges are equipped with radar-based TrackMan™ Range technology, which provides precision ball tracking, in real time, for the venue's 200-plus yard field. There are currently five operating Drive Shack locations in the U.S. The company currently has no presence in Southern California. A place-product of Drive Shack Inc., (Dallas) an owner and operator of golf-related leisure and entertainment businesses. Drive Shack also owns the Puttery and American Golf chains. www.driveshack.com





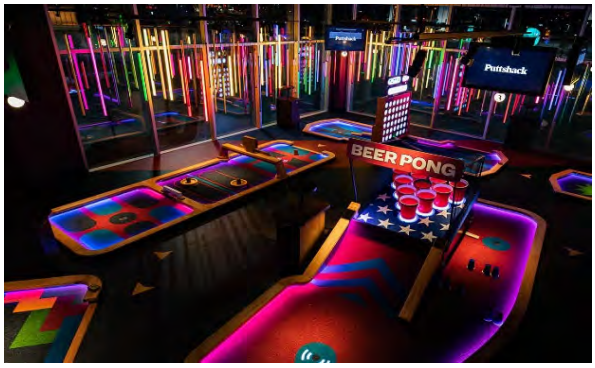
- **Great Shots –** Another TopGolf-type venue concept, Great Shots features a 250-yard driving range with 60 climate-controlled bays, on three levels. Each golf bay is equipped with heating and air conditioning for year-round comfort. A concept of Sanford Health (nonprofit health care system); managed by Troon Golf. Great Shots opened in 2019, a part of the Sanford Sports Complex in Sioux Falls (South Dakota). The Sanford Sports Complex is a sports mega-complex with indoor and outdoor playing fields and training facilities. www.greatshots.golf





- **Puttshack** – A mini-golf experience designed in a social lounge setting. The company has two venues operating in the U.S. with a dozen additional locations in development. The attraction covers 25,000 square feet with four mini-golf courses, powered by patented Trackaball technology. In addition, Puttshack includes a dining menu, cocktail bar, and entertainment space with rooftop patio.

  Puttshack was founded by Steve Jolliffe and Dave Jolliffe, the original founders of Topgolf and World Golf Systems, as well as Adam Breeden, co-founder of All Star Lanes. The first Puttshack concept opened in London in 2018, with the first U.S. venue opened in 2021 in Atlanta. The company currently has no presence in Southern California. www.puttshack.com

Shown above, views of Puttshack, the mini-golf LBE venue now open and expanding throughout the U.S.

- **T-Shotz -** First Unit opened in Kansas City, a project of a local developer in Kansas City. The facility is managed by Troon Golf. www.tshotz.com

- **Lounge by Topgolf –** New golf entertainment concept featuring Topgolf Swing Suite technology and a collection of virtual games. F&B at the venue includes craft cocktails and locally curated dishes. Some of the additional virtual game concepts include baseball pitching, American football quarterback challenge, hock shots, and more. A first unit for this concept opened in January 2020, in Kirkland, Washington. A second Lounge by Topgolf opened in September 2021 in Shanghai, a collaboration with developer, Sports Entertainment Asia Ltd (SEAL). www.topgolf.com/lounge





- **Topgolf Swing Suite –** An indoor, luxury sport simulator, not limited to golf. According to the company's website, Topgolf Swing Suite uses Full Swing golf simulator technology, the same simulator used by PGA Tour

pros Tiger Woods, Jordan Spieth, and Jason Day for off-course practice. Topgolf has roll-out this venue nationwide. www.swingsuite.topgolf.com





- **ZSTRICT by Golfzon -** First Unit for ZSTRICT opened in 2019 at Chelsea Piers. Golfzon is a leader in the golf simulator space, with 65 million rounds played worldwide on its products in 2020. More than 6,000 commercial facilities use Golfzon simulators outside the U.S., including 4,500 franchised locations in South Korea, which is about a quarter of the size of California.



- **Golf Simulators and Golf Video Games** – Electronic game technology has enabled the creation of numerous out-of-home golf simulation venues, as well as numerous in-home golf video games. While many of these products are of top quality, we do not believe these products are standalone destination experiences; rather, they can work well as one of the activities as part of a greater concept. Companies active in this area are Golfzon, Full Swing, SkyTrak, and TruGolf, among others.





Shown above Topgolf's Swing Suite, an immersive golf venue.

Disc Golf Course

Some low-cost activities can be added simply to create a larger critical mass of offerings. An activity such as disc golf could be set up in the Wash. Disc Golf is a flying disc (Frisbee) sport in which players throw a disc at a target and is played using rules like golf. It is often played on a course of 9 or 18 holes, but other formats are common. Most disc golf discs are made from polypropylene plastic, otherwise known as polypropene, which is a thermoplastic polymer resin used in a wide variety of applications.

- Disc golf is played much like golf. Instead of a ball and clubs, players use a flying disc or Frisbee®. The sport was formalized in the 1970s and shares with golf the object of completing each hole in the fewest strokes (or, in the case of disc golf, fewest throws).

- A golf disc is thrown from a tee area to a target, which is the "hole." The hole can be one of several disc golf targets; the most common is an elevated metal basket. As a player progresses down the fairway, he or she must make each consecutive throw from the spot where the previous throw landed. The trees, shrubs, and terrain changes located in and around the fairways provide challenging obstacles for the golfer. Finally, the "putt" lands in the basket and the hole is completed.

- A 27-hole course would cover approximately 27-35 acres, depending on design. This size venue would fit within the Wash, in the area between Eldorado Drive and Miles Avenue. The rough rule of thumb for total space needed is about one acre per hole.

- A significant advantage of disc golf is its ability to utilize areas that are not very desirable or usable for other activities such as the Wash – even the use of slopes is acceptable. In addition, a disc golf course need not be an exclusive use area -- it can co-exist amicably with other active and passive recreation uses. The relative portability of baskets and signs allows the relocation or closure of the course without undue difficulty.





New Golf Grill

A golfer's grill would have best participation among golfers if situated at the clubhouse's first level, situated indoors and outdoors along the cart path facing the Wash bridge. A limited kitchen; possibly a serving kitchen only, would be required.

- As an aesthetic and scale example, we like the Stonehaus Grill operation in Westlake Village (California). The Stonehaus is a Tuscan-style coffeehouse and wine tasting room, somewhat an extension of the F&B offerings at Westlake Village Inn. In its earliest days after opening in 2012, the 3,560 square foot was the gathering

place for the adjacent tennis club (since demolished) but quickly established itself as the social gathering place for surrounding communities.

The informal and charming setting, and ample seating, accommodated the many locals coming and going. Where The Stonehaus derives some if its aesthetic from a tiny adjacent vineyard, at the IWGR clubhouse, the existing landscaping and views provide an equally compelling environment. www.the-stonehaus.com

- While this new golfer's grill would serve golfer needs, the location and format would be attractive to Indian Wells residents for casual dining and meet-ups. A side benefit of an active golf grill would be a more active ground level at the clubhouse. Sometimes this visual cue creates more business; people respond favorable to palpably busy energy.



Shown above, views of The Stonehaus Grill in Westlake Village (California). The clubhouse's "inside-outside" guest flow and architecture would adapt well to the requirements of a venue of this kind.

Adventure Park "Base Camp"

IWGR's Hotel Partners mentioned an interest in bike trails, jogging paths, fitness courses, and the like. All These activities can be combined in an "adventure park" offering. Many visitors to the Coachella Valley include trail hikes, trail bikes, and jeep tours, and other active outdoor activities in their itineraries. An Adventure Park could appeal to this more active sensibility.

- An Adventure Park at IWGR could use the 25-30 acres of the Wash for some activities. The park might be integrated with a larger activity area and connection to the Indian Wells Tennis Garden.

- The Adventure Park could operate in part as an obstacle race training facility and could be sponsored in this way by one of the specialist race sanctioning organizations, such as Spartan Races, Tough Mudder, or Warrior Dash. There is also sufficient length to the Wash to provide an obstacle course racing loop for special events.

  Obstacle Course Racing (OCR) is an event requiring an athlete to run through a variety of different obstacles. Obstacle course racing has become one of the most widely popular special events in the U.S. drawing a wide range of participants from first timers to expert course runners. As a special event, the activity has become quite popular throughout the U.S. due to an array of arduous special events (drawing thousands of participants), and U.S. television shows offering compressed versions with extreme obstacles to conquer. 'American Ninja Warrior' is a current show on NBC television placing competitors on such extreme obstacle challenges, now in its 9th season. This American show was itself based upon a Japanese series, 'Sasuke.' Many years ago, the television show American Gladiators offered a similar viewing experience; however, that show featured a more muscle-bound competitor versus the wiry strength and endurance of 'American Ninja Warrior.'

- One of the Stakeholders mentioned the 25- acre Tempe Beach Park is an example of such a facility, in an urban community park kind of setting.



Shown above, a prototype for a rollerblading park, situated on about a 1.6-acre site. Such a rollerblading track could be alternatively configured as part of a linear park, or almost any other format.

- Zorbing guide paths could be graded into the Wash, if such grading occurred on the slopes and not at bottom, without interfering with its role as a flood control channel. Zorbing is the recreation or sport of rolling downhill inside an orb, generally made of transparent plastic. Zorbing is generally performed on a gentle slope, but can also be done on a level surface, permitting more rider control. The zorbing ball is approximately three (3) meters in diameter and is double-sectioned, with one sphere inside the other with an air layer between. The smaller sphere is suspended inside by approximately a thousand nylon strands connecting it to the outer sphere. This acts as a shock absorber for the person riding inside it, damping the bumps as it rolls down the hill. The balls are lightweight and made of flexible plastic about 0.8cm thick rather than rigid plastic like a hamster ball. They usually have 1 or 2 tunnel like entrances. Andrew Ackers invented the Zorb in Auckland in 1993 and with the help of his brother they launched the firm Zorb Limited.

- Archery is a surprisingly popular activity, somewhat an evergreen, and not difficult to place in a portion of the Wash, given its light footprint on the land.

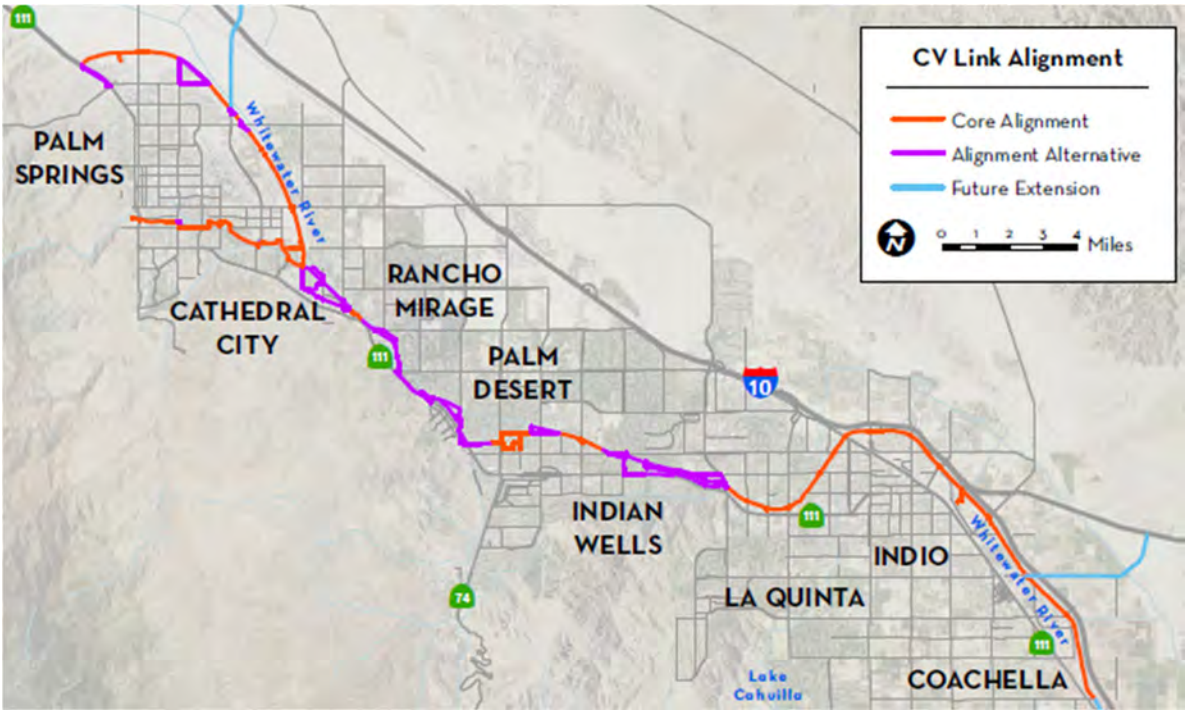
- A BMX bicycle trail for BMX enthusiasts is another activity possible in the Wash. BMX is an abbreviation for bicycle motocross or bike motocross. BMX is a cycle sport performed on BMX bikes, either in competitive BMX racing or freestyle BMX, or else in general on- or off-road recreation. It is both a recreation activity and a possibility for events.

- Self-operated ATV and 4WD vehicle tracks that are popular at such venues, could be provided in the Wash to the east of Miles Avenue. We're not sure that the noise and dust of such an activity would be helpful to the overall ambiance of IWGR.

- Although the City of Indian Wells declined participation in the CV Link trail network led by the Coachella Valley Association of Governments ("CVAG"), there could be a connection made as part of planning for an Adventure Park. CV Link transportation project is intended to provide access for pedestrians, bicyclists, and low-speed electric vehicles (including golf carts) on a dual pathway that largely parallels Highway 111. CV link is also intended to reduce deadly conflicts with motorists along the region's roads and streets.







Shown top above, point-of-view renderings representative sections of the CV Link trail. A Trail along Wash that traverses past IWGR and Indian Wells Tennis Garden might include parts of this design solution. Stakeholders mentioned their interest in transiting to/from IWGR by cart path as an alternative to automobiles.

- **Zip lines** – there is sufficient length along the wash to achieve zip lines of suitable length, perhaps a dual or triple line being a best format. We are not certain that among the various adventure activities possible, if zip lines are the best fit for IWGR. But they can work at the location. We'd note that zip lines do not necessarily require any elevation since they can be propelled along a lateral line.

- **Overhead ropes courses** - Participatory experiences for guests involving ropes have become popular, relatively low-cost attractions. A more challenging version of an overhead ropes trail is a "ropes course". Ropes courses are frequently the focus of a particular kind of team building, a challenging outdoor personal development and team building activity which usually consists of high and/or low elements. Low elements take place on the ground or only a few feet above the ground. High elements are usually constructed within tree canopies or made of utility poles and require a belay for safety. An "overhead ropes trail" and a "ropes course" could be installed side-by-side for a wide-ranging guest experience, and for the major visual impact.





Shown above, overhead ropes structures. Ropes courses can be configured in almost any configuration of scale, height, and complexity.



Shown above, the full extent of the Wash, between Eldorado Drive and Miles Avenue. This section of the Wash is contiguous, not passing over any roadways.

Teambuilding Program

We like the idea of a teambuilding focus at IWGR, there really is not comparable kind of facility in the region. Teambuilding has been a primary reason for businesses and organization to organize a group stay and/or excursion. All manner of hotels and recreation facilities offer support to teambuilding, one way or another. The addition of an Adventure Park to IWGR would increase IWGR's ability to package for

teambuilding. The Adventure Park just described can be programmed to include activities that double for use in teambuilding.

For reference here, it is good to note the different kinds of teambuilding rationale:

- **Organizational Enculturation** - In today's far-flung global business environment and many work-from home employees, companies still wish to instill organizational values and the sense of team. Since employees are seldom all under one roof any more, bringing together employees for an experience that instills and sustains the "culture" is vital. Employees brought together for enculturation can include just the new hires, those recently promoted, or those reaching a certain employment anniversary date. Many companies also value periodic socialization for all their employees and find team building one step up from the enrichment from a corporate picnic-styled event.

- **Decision Support Environments** - Some companies seeking a very specific result beyond just the general sense of "building the team." Senior managements, corporate or association boards, or other corporate groups may be seeking a means to foster group decision-making. Or, a merger, a new company program, a new product, or some company issue may be on the horizon where an off-site dynamic session may be deemed the way to reach consensus.

- **Celebratory / Commemorative Milestones** - Organizations as well as individuals, sometimes just have a need to celebrate, to commemorate achievement, meeting a milestone, or recognizing a significant corporate event. Bringing together groups of employees for a celebratory event can be a valuable means of heightening the sense of corporate teamwork.

- **Competition / Corporate Olympics** - For many employees, competing in an Olympic-style corporate competition can be an exhilarating personal experience. For the companies involved, bringing together groups of employees in a structured competitive environment is a fine way to create interaction among employees that may not otherwise have much reason for personal interface.

- **For Fun's Sake** - And then there is simply the team-building event for fun's sake. Many companies recognize that corporate environments cannot be all about the work. To retain employees, creating a work environment with perceived benefits over other companies, becomes quite useful.



Shown above, an event plan for a fun-focused corporate Olympics (a type of teambuilding "event")..

Expanded Weddings Venue

The Events Pavilion north of the Wash is an attractive event facility, featuring a wonderful, landscaped setting and superb views. Should the North Village project be pursued, with a new access road from Fred Waring Drive, the weddings business, and other special event business, will more easily expand. In most regions there are wedding venues that brides and wedding planners consider special, for one reason or another. IWGR's wedding facilities are already special and could become unique for the region.

An expanded weddings venue could include:

- Access from John Waring Drive, along a new road, along with a new parking lot adjacent to the wedding venue.
- Additional Green room / bridal lounge for makeup and changing after the wedding ceremony and before dinner.
- Additional landscaped / trellised / featured backdrops for wedding party photo ops and outdoor ceremonies.

Event Calendar

The success of Indio's polo grounds in hosting special events, is a helpful confirmation of the potential draw of special events hosted in the Coachella Valley. The IWGR SAP can include a calendar of events to propel new business to the City's hotels and restaurants.

- The Indian Wells Tennis Garden is already a world-class host for tennis and pickleball tournaments, providing a signature anchor to an event calendar.
- The City's five Hotel Partners are in the business of hosting meetings, conventions, and events, some of which are at significant scale.
- IWGR's role as host facility (Celebrity course) for the 2008 Skins Game, is a helpful heritage.
- Indian Wells Golf Resort, as part of the SAP process could repurpose its golf courses in way that is attractive to major teambuilding and televised golf events.
- A new Adventure Park can host one or more sanctioned obstacle running events; there appears to be running length for a 5.4-mile "out and back" loop in the Wash, without road crossings. With obstacles added during major events, that is a sufficient length.
- A corporate Olympics allowing teams from neighboring cities to compete against each other in real and faux sports. The City of Las Vegas had such a program which was quite successful. Our firm managed the host facility for opening and closing ceremonies in those days; it was great fun.

Boutique Hotel or Glamping

If the SAP alternative pursued include repurposing of IWGR's golf courses, possibly to shorter course length, there would be an opportunity for placement of an additional lodging facility, either a second boutique hotel for the City or a site with collection of unique glamping venues. Glamping facilities would be easier to tuck into the IWGR resort master plan than a multi-story boutique hotel structure.

- The 46-room Sands Hotel & Spa, Indian Wells' boutique hotel, sits on about a 2.7-acre parcel, excluding the adjacent restaurant pad, The Nest.

- A boutique hotel could be planned in collaboration with the Fogelson property, just outside the southeast corner of the IWGR Easement property.

- An alternative site for a boutique hotel or glamping site, could be provided as part of the North Village area.

- Whether as a small boutique hotel or collection of cool glamping accomodations, the essential factor is the aesthetic of the offering. These kinds of accomodations appeal to guests looking for something unusual, and unusual can be different things to different people.

Resort Village Anchors

A new Resort Village is possible with the relocation of the driving range to a new North Village events complex. Each of the following venues could help to anchor a Resort Village on the site of the current driving range.

- **Common Excursions Desk / IWGR Outfitters** – a common excursions desk can be provided at a new Resort Village at IWGR, to assist guests of the five Hotel Partners in booking their more adventurous off-site activities in the Coachella Valley. We have all seen these kinds of booking centers on holiday in visitor destinations. If an Adventure Park is added to IWGR's facilities, this kind of common excursions desk could be placed there.

- **Natural Grass Putting Course** – Golf architects have been busy adding "natural grass" putting courses at top golf clubs throughout the U.S. Many of these courses are described as being inspired by the original such course, the Himalayas Putting Course at The Old Course in St Andrews. IWGR has a small putting venue on a site of about 30,000 SF; these fuller version putting courses are typically about or about 2 acres; there are several great examples at 100,000 SF. See prior section for additional information natural grass putting courses. An alternative location for this venue is in the potential IWGR North Village.

- **Golf Entertainment Venue** – Tiger Woods' PopStroke would be a viable option for the Resort Village. Its Fort Myers site includes a building pad of about 1.4 acres, with adjacent parking (for a total project area of about 3 acres). PopStroke is one of new mini-golf inspired venues that is of growing interest in the U.S. location-based entertainment industry. See prior section for additional information about PopStroke.



Shown above, aerial view of PopStroke Fort Myers.

- **Smash Park** – Smash Park promotes itself as "your local Pickleball Headquarters, with dedicated pickleball courts that host leagues, lessons, and tournaments for all ages and skill. The venues will include 30,000 square feet of indoor space and 15,000 square feet of outdoor space. In addition to pickleball, the venues will include craft food and drinks, a 21-and-over "Paddle Club," axe throwing, duckpin bowling, a private karaoke "Sing Suite," events and live music. The outdoor space will include a premier patio, rooftop bar, televisions, and yard games including Bocce Ball.

A first unit is open in West Des Moines (Iowa). The company plans to open two locations in the Minneapolis-St. Paul area in 2023 and 2024, with construction on the first venue expected to start in summer 2022. www.smashpark.com



- **Punch Bowl Social –** Punch Bowl Social is an interesting take on a more adult-focused entertainment center with a "gathering place" (hang out) sensibility. The venues include a scratch kitchen, craft cocktails and experiential gaming such as karaoke, bowling, and a vintage arcade.

Punch Bowl Social struggled during the Pandemic and declared bankruptcy in December 2020. The company has since emerged from bankruptcy. The company currently has a presence in Southern California, in the former Coliseum Athletic Club in San Diego's Makers Quarter. www.punchbowlsocial.com





Shown above, Punch Bowl Social's take on an adult-focused entertainment center, with bowling, karaoke, and the like.

- **Beach Club -** A "way cool" beach club could be added to the (new) Resort Village complex, a common water amenity exclusive to the City's five Partner Hotels. An alternative format would be as a seasonal pop-up operation, which can be well received. Urban pop-up beaches in London are quite popular, as an example. Beach clubs are an efficient format for adding live entertainment in the evenings. Sell-outs for private events are common.

Regional and "Destination" Restaurants

IWGR's Vue Restaurant exists in a region that is highly competitive among a myriad of full-service restaurants. Part of the fun in visiting "the Desert" is dining out at a restaurant with some unique aspect (whether menu, vibe, and/or venue aesthetics) and often al fresco. All the better if an F&B offering is situated within a "restaurant row" or at least with some street life for wandering after dinner.

The following table highlights many of the top dining experiences in the area. A location like The Vue has the difficult of competing with such top restaurants if it aims for that kind of customer. If The Vue is marked more as a general upscale restaurant, there are another set of restaurants that offer those experiences, often in much more convenient locations.

Regarding estimate venue sales, Total Sales, Total Daytime Business Population, Total Number of Businesses, and the Daytime Business (pop)/Residential Ratio are calculated using the collection of business points that fall within the area of study. Source: Copyright 2021 Data Axle and Esri. Esri Total Residential Population forecasts for 2021. Data Axle Business Locations (Q4 2021).

STONE CREEK PARTNERS

Select Coachella Valley Restaurants

	Facility	Cuisine/Chef/Owner/Concept	Street Address
1	1501 Uptown	Chad Gardner and Willie Rhine	1501 N Palm Canyon Drive
2	4 Saints		100 W Tahquitz Canyon Way
3	Bar Cecil	Farm to table bistro; Gabe Woo	1555 S. Palm Canyon Drive
4	Birba Palm Springs	Farm-to-table fare, and pizza	622 N. Palm Canyon Drive
5	Boozehounds Palm Springs	Asian-influenced menu; dogs encouraged	2080 N. Palm Canyon Drive
6	Cactus Jack's		74450 CA-111
7	Cheeky's		622 N Palm Canyon Drive
8	Counter Reformation at the Parker Hotel	Wine bar; Jonathan Adler	4200 E. Palm Canyon Drive
9	Del Rey at the Villa Royale	Spanish	1620 S. Indian Trail
10	Don Diego's of Indian Wells	Mexican; known for green corn tamales	74969 Us Highway 111
11	El Jefe at the Saguaro Hotel	Mexican tequila bar and restaurant	1800 E. Palm Canyon Drive
12	Eureka!	Burgers	74985 Highway 111
13	Farm	French inspired bistro; Liz and Mark Ostoich	6 La Plaza
14	French Miso Café	French café; owners Tomoko Jones and Eric Bovy	19 L:a Plaza
15	Gabino's Creperie	Poultry "craft crepes"; chef-owner Marcel Ramirez	170 E. Palm Canyon Drive, #4
16	King's Highway at the Ace Hotel	Roadside diner	701 E Palm Canyon Drive
17	La Quinta Cliffhouse	Classic American	78250 CA-111, La Quinta, CA 9225:
18	Lantana at the Hyatt Regency IW		44600 Indian Wells Lane
19	Mr. Lyons	Steakhouse	233 E Palm Canyon Drive
20	Rooster and the Pig	Vietnamese-American; chef-owner Tai Spendley	356 S. Indian Canyon Drive
21	Sandfish Sushi and Whiskey	Sushi and maki rolls; chef Engin Onural	1556 N Palm Canyon Drive
22	Tac/Quila	Mexican; with innovative margaritas	415 N Palm Canyon Drive
23	The Colony Club		572 N Indian Canyon Drive
24	The Heyday	Burgers	400 E Tahquitz Canyon Way
25	The Pantry at Holiday House	Chef Sebastian Lowrey	171-199 S. Belardo Road
26	The Pink Cabana at the Sands Hotel	Mediterranean, with Moroccan influence	44-985 Province Way
27	The Tropicale Palm Springs	Old Havana supper club vibe	330 E Amado Road
28	Truss & Twine	Michael Beckman	800 N Palm Canyon Drive
29	Willie's Modern Fare		69830 CA-111
30	Workshop Kitchen + Bar	Michael Beckman	800 N Palm Canyon Drive

Source: StoneCreek Partners LLC

Golf Restaurants

IWGR's clubs and Vue restaurant as a physical facility, compares favorably to other public golf facilities in the Coachella Valley. In terms of the municipal facilities, IWGR

Cimarron Golf Resort	Cathedral City	Public	"On the Rocks" Restaurant		
Classic Club	Palm Desert	Public	Bellatrix Restaurant		Classic Grille
Desert Princess Country Club	Cathedral City	Public	Mountain View Grille		Mountain View Grille
Desert Willow Golf Resort	Palm Desert	Public/Muni	Terrace Restaurant		Cook's Grill, two bar areas
Eagle Falls Golf Resort	Indio	Public	Snack Bar		Beverage cart and other casino F&B

Escena Golf Club	Palm Springs	Public	Grill		
Heritage Palms Golf Club	Indio	Public	Palms Dining Room		Grill Room, Tiki Bar
Indian Canyons Golf Club	Palm Springs	Public	South Restaurant		North Course Bar
Indian Wells Golf Resort	Indian Wells	Public/Muni	The Vue		
JW Marriott Desert Springs	Palm Desert	Resort	Two snack bars		
La Quinta Resort	La Quinta	Resort	MD Grill		
Marriott's Shadow Ridge	Palm Desert	Resort	Grill closed		
Mission Hills North	Rancho Mirage	Public	Lakeview Grill		
Mission Lakes Country Club	Desert Hot Springs	Public	San Jacinto Dining Room		Sand Wedge Café
Palm Desert Country Club	Palm Desert	Public	Cactus Club Restaurant		
Palm Royale	La Quinta	Public	n/a		
PGA West Golf Club - public	La Quinta	Public	Ernie's Bar & Grill		Wallaby's West, Pete's Grill
Rancho Las Palmas	Rancho Mirage	Resort	Between The 9s At The Club		Snack Bar
Rancho Mirage Country Club	Rancho Mirage	Public			
Shadow Hills Golf Club	Indio	Public	Shadows Restaurant		Montecito Café, Santa Rosa Bistro, Snack Bar
SilverRock Resort	La Quinta	Public/Muni	SilverRock Grill		
Tahquitz Creek Golf Resort	Palm Springs	Public/Muni	Traditions Café		
Terra Lago	Indio	Public			
Coral Mountain Golf Club	La Quinta	Public	The Scene (closed)		Irons Club (closed)
The Lights at Indio Golf Course	Indio	Public	Snack Bar		
Woodhaven Country Club	Palm Desert	Public			

Destination Restaurants

The difficulties of IWGR for general commercial purpose, are not a limitation in the case of a so-called "destination restaurant." Most every region has one or more unique destination restaurants. These can be particularly intriguing for customers when just a bit off the beaten path and/or requiring a short journey.

Some "critical success factors" for destination restaurant include a compelling if not unique setting, whether location-based, story-based, or thematic. Remote locations can be preferable, where the journey (anticipation), approach, and arrival are part of the experience. Other factors critical to a destination restaurant include a compelling menu, a special food preparation method, and possibly a noted chef.

Destinations restaurant typically fulfill unique trip purposes, such as "doing something special," or commemorating a special occasion. In today's world, such an experience can fulfill the unique need for "selfie" shares on social media. Our creative affiliate, Adventure Entertainment, refers to these places and moments, as those "great places, great moments, and great memories of a person's life™."

Some examples of regional destination restaurant around the U.S include:

- **Fox & Hounds Restaurant & Tavern** (Hubertus, Wisconsin) - is such an example, situated outside of Milwaukee. First established in 1933 after decades of family experience hosting fox hunts from their Kettle Moraine cabin and basement bar.

- **Blue Bill at Stone Barns** (Pocantico Hills, New York) – Chef Dan Barber's farm-to-table restaurant serving tasting menus in a refurbished barn. Located about 30 miles north of Manhattan.

- **Single Thread Farms** (Healdsburg, California) - Guests of the restaurant are treated to an 11-course tasting menu, showcasing the seasonal bounty from the owner/chef's farm.

- **Popeye's on Lake Geneva** (Southern Wisconsin) - is another example. Lake Geneva and environs has long been a 2nd home and weekend escape destination for residents of norther Illinois, and the Milwaukee metro area. Customers may enjoy these restaurants more in having to travel for the experience.

As noted in the discussion of Coachella Restaurants herein, the area's restaurant include many noted local chefs and experienced restauranteurs, each with followings. In such a market, there could be a strategy for bringing in a noted chef from a market such as Los Angeles.

Here are some examples of lesser-known chefs or fresh ideas:

- **Nancy Silverton** - Osteria Mozza, Pizzeria Mozza and Mozz2Go, Los Angeles - Nancy won the James Beard Foundation's Outstanding Chef Award in 2014 and her restaurants in Los Angeles have a cult following. It is arguably the most innovative Italian in LA and can be hard to book a table. www.la.osteriamozza.com

- **Walter Manzke** - Republique, Los Angeles - Before opening Republique, a wildly successful, hip eatery in LA, Walter opened three successful restaurants in Carmel, CA and two more in LA. www.republiquela.com

- **Jose Acevedo** - Mercado, Los Angeles - I believe an upscale nouveau style Mexican offering would be well received in the Coachella Valley. Mercado co-owner and Executive Chef, Acevedo began his extensive career training in the kitchens of Wolfgang Puck and the Hillstone Restaurant Group. Acevedo comes from Guanajuato, Mexico. www.cocinasycalaveras.com

- **Galpão Gaucho Brazilian Steakhouse**, multiple locations, US - Brazilian Steakhouse are becoming increasingly popular in the US. I believe an upscale chain would be a welcome addition to the Coachella Valley. www.galpaogauchousa.com

Live Entertainment

Should the North Village alternative be explored, the new road access, parking, and natural grass amphitheater would be a place for offering live entertainment for hotel guests and for residents/visitors from the surrounding area.

Live music performance, from intimate to major festivals, are part of the charm of the Coachella Valley. The region's temperate evening temperatures during much of year make outdoor events particularly compelling.

Live Entertainment & Sports Venues, Coachella Valley

	Facility	City	Type	Capacity	Facility Description
1	Cathedral City Community Amphitheatre	Cathedral City	Outdoor	2,909	A 2.5-acre community park, lawn seating.
2	Empire Polo Club	Indio	Outdoor	90,000	Major venue; hosts Stagecoach, Coachella.
3	Indian Wells Tennis Garden	Indian Wells	Outdoor	16,100	Tennis club; hosts BNP Paribas Open.
4	Ramona Bowl Amphitheatre	Hemet	Outdoor	5,400	Seating in tiered concrete benches.
5	The Rock Yard at Fantasy Springs Resort	Indio	Outdoor	1,500	Outdoor venue
6	Acrisure Arena	Thousand Palms	Indoor	11,000	Opening 2022, home of the CV Firebirds (AHL)
7	Annenberg Theater, Palm Springs Art Museum	Palm Springs	Indoor	430	Capacity for 430 patrons
8	Coachella Valley Repertory	Cathedral City	Indoor	206	Performing arts theater, seating capacity.
9	Indian Wells Theater / CSUB	Palm Desert	Indoor	394	Theater seating capacity.
10	Indio Performing Arts Center	Indio	Indoor	500	Capacity for the exhibition/ concert hall.
11	McCallum Theatre	Palm Desert	Indoor	1,125	Capacity for 1,125
12	Palm Canyon Theatre	Palm Springs	Indoor	230	230-seat theater
13	The Show at Agua Caliente Resort	Rancho Mirage	Indoor	2,057	Capacity for 2,057 patrons
14	Yucca Valley Visual & Performing Arts Center	Yucca Valley	Indoor	291	Includes a multi-purpose theater, capacity for 291

Source: StoneCreek Partners LLC

East Valley Convention Center

Stakeholders familiar with the convention business cite need for a convention facility in the east Coachella Valley, given the limitations and distance to the Palm Springs Convention Center.

There could be demand for a major unique meetings and exhibition hall as part of Indian Wells Golf Resort, if viewed with a planning horizon well beyond the Pandemic. While there are competitive meeting and convention facilities in the Coachella Valley, there is minimal large indoor exhibit space in the Coachella Valley.

- The five City Hotel Partners operate almost 114,000 SF of indoor (4 wall) meeting space, not including pre-function foyers, terraces, and lawns. The largest space among the five hotels is 20,000 square feet at the Hyatt Regency. This is not a large space for accommodating conventions and trade shows. See the About IWGR section herein for more information about Hotel Partner meeting space.

- IWGR could add a convention center at IWGR, to help propel business at the five Partner Hotels and area restaurants. The essential feature of such an IWGR Convention Center would be a large clear-span event

space larger than 20,000 square feet. Such a facility could, for example, include a 60,000 SF exhibit space, divisible into three parts (with retractable elephant doors) when needed.

- The Palm Springs Convention Center is a large exhibit hall at 92,454 square feet, a ballroom and various ancillary meeting spaces for a total of 133,082 of indoor space. That's about it over 30,000 square feet, except for casinos.

- Among the largest of area meeting, event, and convention facilities, the largest facilities don't exceed about 73,000 square feet of various indoor spaces (this, the Palm Springs Convention Center space can be configured somewhat larger with a contiguous adjacent space) and it is difficult to find venues with column-free spaces exceeding 20,000 square feet.

- The new Acrisure Arena will undoubtedly serve some aspect of the convention center business, once opened.

The following table highlights some of the larger event facilities in the area.

Major Coachella Valley Event Facilities

	Facility		Indoor SF	Largest Space	Rooms
1	Palm Springs Convention Center	Palm Springs	133,082	92,545	n/a
2	JW Marriott Desert Springs Resort & Spa	Palm Desert	73,316	-	884
3	Fantasy Springs Resort	Indio	62,926	-	250
4	IWGR - Renaissance Esmeralda Resort	Indian Wells	53,291	-	560
5	Westin Mission Hills Golf Resort & Spa	Rancho Mirage	44,922	-	512
6	La Quinta Resort & Club	La Quinta	43,600	-	781
7	Margaritaville Resort Palm Springs	Palm Springs	39,000	-	398
8	IWGR - Hyatt Regency Indian Wells	Indian Wells	37,626	-	530
9	Omni Rancho Las Palmas	Rancho Mirage	30,000	12,900	444
10	Renaissance Palm Springs Hotel	Palm Springs	26,025	-	410
11	DoubleTree by Hilton Hotel Golf Resort	Palm Springs	23,000	7,400	289

Source: StoneCreek Partners LLC, Cvent.com, and hotel websites.

Exhibit re Adventure Parks

Additional information is included here regarding Adventure Parks. Along with Sports Mega-complexes, the various forms of outdoor and/or indoor adventure parks has become an increasingly common asset class in the U.S. and worldwide. Consumers are attracted for many reasons but in part because outdoor adventures are typically disbursed throughout a Trade Area, where an Adventure Park seeks to offer such activities with somewhat a "category killer" sensibility. A single place for multiple activities.

STONE CREEK PARTNERS

ADVENTURE RESORTS, PARKS, EVENTS, AND VENDORS

We note that the ongoing operating status of each of the facilities and projects listed and described here, cannot be known due to the impact of the 2020 Covid-19 pandemic.

	Region	Facility	Description	Logo
Z	US	**Ace Adventure – Oak Hill** 1 Concho road Oak Hill, West Virginia www.aceraft.com	1,500-acre adventure resort, anchored by rafting adventures, with overnight accommodations, along with disc golf, mud obstacle course, climbing, zip lines, hiking, and the like. Night zip lines are a feature.	
Z	US	**Adventures on the Gorge: The Adventure Resort** Lansing, West Virginia www.adventuresonthegorge.com	Adventure resort anchored by its river adventures, with overnight accommodations, along with zip lines, battle games (paintball and outdoor laser tag), team building, hiking, horseback riding, fishing, and more.	
A	EUR	**Afan Valley Adventure Resort** Cymmer, Port Talbot, Wales UK www.northernpd.com/asset/afan-valley-adventure-resort/	*Northern Powerhouse Developments* plans a year-round 450-acre adventure sports facility, to include outdoor ski slopes, forest-based zip wires and treetop adventures, bike trails, an extreme sports center, aqua park, indoor trampolining, and, spas, bars and restaurants.	
A	US	**Aman Resorts Amangiri** 1 Kayenta Road Canyon Point, Utah www.aman.com/resorts/amangiri	Ultra-chic 34-suite luxury resort in Utah's Canyon Country. Hiking with your own personal guide, horseback riding through the fiery red-rock canyons, indulging in amazing organic meals and spa treatments, under the region's dark skies.	
Z		**Bávaro Adventure Park** Bulevar Turístico del Este, Punta Cana 23000, Dominican Republic www.bavaroadventurepark.com	110 acres. Includes a mountain bike pump track featuring a technical track full of curves, ridges, and trails through tropical forests. Also paintball, rope climbing, zip lines and ATV rides.	
A	Can	**Blue Mountain Resort** 108 Jozo Weider Blvd, The Blue Mountains Ontario, Canada www.bluemountain.ca	Fall/summer activities include putting course, the 21-FT Apex BagJump, climbing wall, natural excursions at this ski resort. Hiking, hummer tours, mountain biking, Segway mountaintop tours, Ridge Runner mountain coaster, rock climbing, ropes course, zip line, etc.	
Z	US	**Bromley Mountain Ski Resort** 3984 Vermont Route 11 Peru, Vermont www.bromley.com	Has an alpine slide, climbing wall, mini golf, trampoline "thing", water slides, scenic chairlift, bumper boats, aerial adventure park (ropes type experiences), and the Sun Mountain Flyer – a half-mile 4-track zip line.	
Z	EUR	**Center Parcs Resorts** New Ollerton, Nottinghamshire, UK www.centerparcs.co.uk	A chain of short-break holiday UK villages each covering about 400 acres of woodland, each offering an array of active recreation sports. A similar but separately owned enterprise operates in Europe under the same name.	
Z	Can	**Clayoquot Wilderness Resort** British Columbia, Canada www.wildretreat.com	Remote "Eco-safari" glamping resort, offering horseback riding, ghost town tours, whitewater and flatwater kayaking, hiking, and tented spa. At Strathcona Provincial Park: river, lake and deep-sea fishing, climbing, sporting clays, archery and mountain biking.	
A		**Della Extreme Adventure Park** Kunegaon, Lonavala, Maharashtra 410 401, India www.dellaadventure.com	Promoted as India's largest adventure park, offers a massive array of activities – fulfilling the "bucket list fulfillment" concept mentioned the subject property.	

STONE CREEK PARTNERS

ADVENTURE RESORTS, PARKS, EVENTS, AND VENDORS

We note that the ongoing operating status of each of the facilities and projects listed and described here, cannot be known due to the impact of the 2020 Covid-19 pandemic.

	Region	Facility	Description	Logo
Z	US	**Florida Tracks & Trails** 39450 Bermont Road Punta Gorda, Florida 33982 www.floridatracksandtrails.com	Many activities, the 40 acres of paintball includes wooded jungles, urban tactical sites, a Hyperball field, and two professional PSP regulation speedball fields complete with permanent pits and fill stations.	FLORIDA TRACKS & TRAILS
Z	US	**Foxwoods HighFlyer** **Operator: Redwood Parks Co.** www.redwoodparkscompany.com	Operator of outdoor adventure and resort destinations on behalf of clients. Founded in 2015. Current operations are for Trunk Bay and Cinnamon Bay for the National Park Service, and the new HighFlyer at Foxwood.	REDWOOD
Z	US	**Guest Services, Inc.** 3055 Prosperity Ave Fairfax, Virginia	Chase Leonard. Ready to meet. As we've discussed, more of the insititutional player in the mix.	GUEST SERVICES
Z	Mex	**Hard Rock Hotel Riviera Maya** Puerto Aventuras, Mexico	The all-inclusive Hard Rock Hotel Riviera Maya has partnered with extreme sports lifestyle leader Woodward for its first ever action-sport facility in Mexico.	Hard Rock HOTEL RIVIERA MAYA
A	US	**Lawson Adventure Park** 3440 Alvarado Rd, Dumont, Colorado www.lawsonadventurepark.com	Self-described "outdoor family playground" covering 40 acres in Clear Creek County an hour's drive from Denver. Includes an 8-element challenge course, climbing wall, disc golf, a bungee trampoline, and other activities.	LAWSON ADVENTURE PARK
Z		**Marmoom Desert Conservation Reserve (proposed)** Dubai, UAE www.ddcr.org	Unfenced 40-hectare desert reserve, to include ten animal and bird observation platforms, star and sunset observations decks, an outdoor 350-seat theater, along with hosting more than 20 annual sporting events.	
Z	US	**Massanutten Resort Park** 1822 Resort Drive McGaheysville, Virginia www.massresort.com	Includes an escape room experience.	MASSANUTTEN
Z	AuNz	**Mega Adventure Park** 4 Hamra Avenue Adelaide, Australia www.megaadventure.com.au	The four-level park has 120 activities including free-fall jumps and swings. Has a promoted specialty for team building using their aerial adventure experiences.	MEGA ADVENTURE
Z	US	**Moab Adventure Center** 225 South Main Street, Moab, Utah www.moabadventurecenter.com	For visitors to the 4-state region, this is "your" convenient "One Stop for Adventure" in world famous Moab, Utah. Included here for its regional "function" and as a possible name for the subject project.	MOAB ADVENTURE CENTER
1	US	**Nemacolin Woodlands Resort** 1001 Lafayette Drive, Farmington, PA www.nemacolin.com	Life Experiences - these are things you've always wanted to do, but just didn't have the access or the time to do them. From off-road driving, animal safaris and zip lines to fine-dining, spa treatments and golf, with ocean to come.	NEMACOLIN WOODLANDS RESORT
Z	US	**Niagara International Sports & Entertainment (NISE) Center** 6929 Williams Road, Niagara Falls NY www.nisesports.com	Repurposing of Summit Mall Niagara to a dedicated sports, recreation, and entertainment complex. Featuring year-round domed athletic fields, shooting range, paintball, FEC, batting cages, and the like.	COCOV Destinations

STONE CREEK PARTNERS

ADVENTURE RESORTS, PARKS, EVENTS, AND VENDORS

We note that the ongoing operating status of each of the facilities and projects listed and described here, cannot be known due to the impact of the 2020 Covid-19 pandemic.

	Region	Facility	Description	Logo
1	US	**Noble House Hotels & Resorts** **Gateway Canyons Colorado** 43200 Colorado 141, Gateway, Colorado www.gatewaycanyons.com	Visitors driven by a passion for learning play in the company of experts with Curiosity Adventures, a series of daily, hands-on workshops and discussions led by resident curiosity experts, on subjects such as stargazing, geology, dinosaurs and Native American history. A project of Discovery Channel founder John Hendricks.	GATEWAY CANYONS COLORADO Resort & Spa
Z	AuNz	**Porirua Adventure Park** (proposed) Porirua, New Zealand	A $21 million venue. The network of trails on Rangituhi, or Colonial Knob, is expected to attract walkers and mountain bikers; other attractions will include two cafes, a chairlift, and an indoor surf simulator.	PORIRUA ADVENTURE PARK
Z	EUR	**PowerPark** Puistotie 3, 62300 Harma, Finland www.powerpark.fi	Amusement and adventure park, with a horse center, large F1-style karting track, the largest indoor track in Europe, and other attractions.	POWERPARK
Z	US	**Preston Riverwalk** Across Thames River from Mohegan Sun Preston, Connecticut www.mohegan.nsn.us	The Mohegan Tribe plans a 393-acre non-gaming resort on Norwich State Hospital site, with campground, hotels, shopping, restaurants, water park, outdoor adventure park, marina, water taxi, and sporting complex. For 2023.	PRESTON RIVERWALK
Z	US	**Purgatory Resort** #1 Skier Place, Durango, Colorado www.purgatoryresort.com	Purgatory Resort is located in the rugged San Juan Mountains in southwestern Colorado, and 25 miles north of historic downtown Durango.	PURGATORY
A	Can	**Revelstoke Adventure Park** Revelstoke Mountain Resort 122 Mackenzie Avenue Revelstoke BC, Canada www.revelstokemountainresort.com	First phase to open in 2018 with next phases within five years. Activities to include ziplines, a 1.4-km mountain coaster, bungee jumping, fishing, canoeing, mountain biking, rock climbing and horseback riding, with camping, including an RV park and yurts. 321 hectares.	REVELSTOKE ADVENTURE PARK
Z	AuNz	**Select Contracts** Whistler, British Columbia **Christchurch Adventure Park** Christchurch, New Zealand www.christchurchadventurepark.com	Future facilities include five lodges and 14 cottages, accommodating 252 people, and a mountain coaster will be built within two or three years.	CHRISTCHURCH ADVENTURE PARK
Z	US	**The Edge Adventure Park** (proposed) Sunset Road and Las Vegas Blvd. Las Vegas, Nevada	Proposed (approved) 130-acre project to include off-road dirt biking, wakeboarding and surfing lakes, indoor mountain-biking, indoor skydiving, rock climbing, bungee jumping, zip lines, with a hotel, casino, and meeting sp.	TBD
A	US	**Three Camel Lodge** Gobi Altai Mountains Gobi, Mongolia www.threecamellodge.com	5-star eco resort offering hiking, biking and guided tours, meetings with local nomads, and musical and dance performances. Each ger (tent) with hand-painted carved furniture, camel-hair blankets, and wood-burning stoves.	THREE CAMEL LODGE The Gobi, Mongolia
1	US	**Triple Creek Ranch** 5551 West Fork Road Darby, Montana www.triplecreekranch.com	All-inclusive mountain ranch resort in western Montana, for those aged 16 and older. In 2014, readers of Travel + Leisure magazine named Triple Creek Ranch the #1 Hotel in the World. Offers all manner of recreation activities.	Triple Creek Ranch A Montana Hideaway

ADVENTURE RESORTS, PARKS, EVENTS, AND VENDORS

We note that the ongoing operating status of each of the facilities and projects listed and described here, cannot be known due to the impact of the 2020 Covid-19 pandemic.

	Region	Facility	Description	Logo
Z	EUR	**UniPark Ltd.** Lidická 81, 602 00 Brno Czech Republic www.unipark.cz/en	Manufacturer and installer of adventure park attractions and equipment. Installations throughout Europe.	
Z	US	**Warrior Tech OCR** 220 Dominion Dr. Suite G Morrisville, North Carolina www.warriortechocr.com	Training facility where members can use the methodologies of obstacle course readiness and ninja warrior training to get fit and healthy. Included to highlight an interesting activity potential.	
Z	US	**Wildman Adventure Resort** N12080 Allison Lane Athelstane, Wisconsin www.wildmanranch.com	Anchored by its rapids (whitewater)-adjacent setting. Along with river adventures, there is rock climbing, rappelling, golf, zip lies, paintball, ropes course, snowmobiling, and the like. Two locations in the state.	
1	US	**Wolfe Mountain Branson** 2339 US Hwy 65 Walnut Shade, Missouri www.wolfemountainbranson.com	A *Snowflex* snowtubing and zipline park. Combs Family Ventures. Worth a visit simply to see the Snowflex artificial ski/snow surface installation. Included to highlight an interesting activity potential using *Snowflex*.	
1	US	**Zion Ponderosa Ranch Resort** Twin Knolls Road, Orderville, Utah www.zionponderosa.com	The resort is built from a 10,000-acre ranch purchased by Neeleman's grandparents, Ray and Ruth Lewis. "Zion Ponderosa Named Top 6 Adventure Resort by U.S. News and World Report Travel"	

Source: GoBOLD Adventure, LLC. Note – not every adventure park that was operating or planned prior the Pandemic has been individually reviewed for operating conditions and/or viability.

8

INDIAN WELLS GOLF RESORT

THE TRADE AREA

STONE CREEK PARTNERS

8 - The Trade Area

Airport Activity

Thirteen airlines serve Palm Springs International Airport with nonstop flights to more than 30 airports and offer one-stop travel possibilities to over 500 cities worldwide. Compared to other airports in the region, the Palm Springs Airport experienced the best recovery in 2021 activity, as compared to 2019. In 2021, Palm Springs Airport completed a $43 million renovation and expansion of the airport's ticket lobby, installation of a new baggage handling system, and replacement of passenger boarding bridges.

Of importance, according to DK Shifflet & Associates, approximately 85% of Palm Springs visitors arrive by car, while 15% arrive by plane (from "2011 Visitor Transportation Study" by TNS, DK Shifflet & Associates).

The following table shows Palm Springs International Airport passenger activity (total deplanements / enplanements) for the 2018 through 2021 period.

Annual Total Passengers, 2018-2021

Airport	2018	2019	2020	2021	2021 as % of 2019
Palm Springs International Airport	2,327,018	2,563,955	1,252,094	2,092,943	81.6 %
Ontario International Airport	5,115,894	5,583,732	2,538,482	4,496,592	80.5 %
John Wayne Airport	10,664,038	10,656,986	3,794,850	7,700,489	72.3 %
Los Angeles International Airport	87,533,177	88,068,013	28,779,527	48,000,000	54.5 %

Source: Southern California Association of Governments, StoneCreek Partners LLC

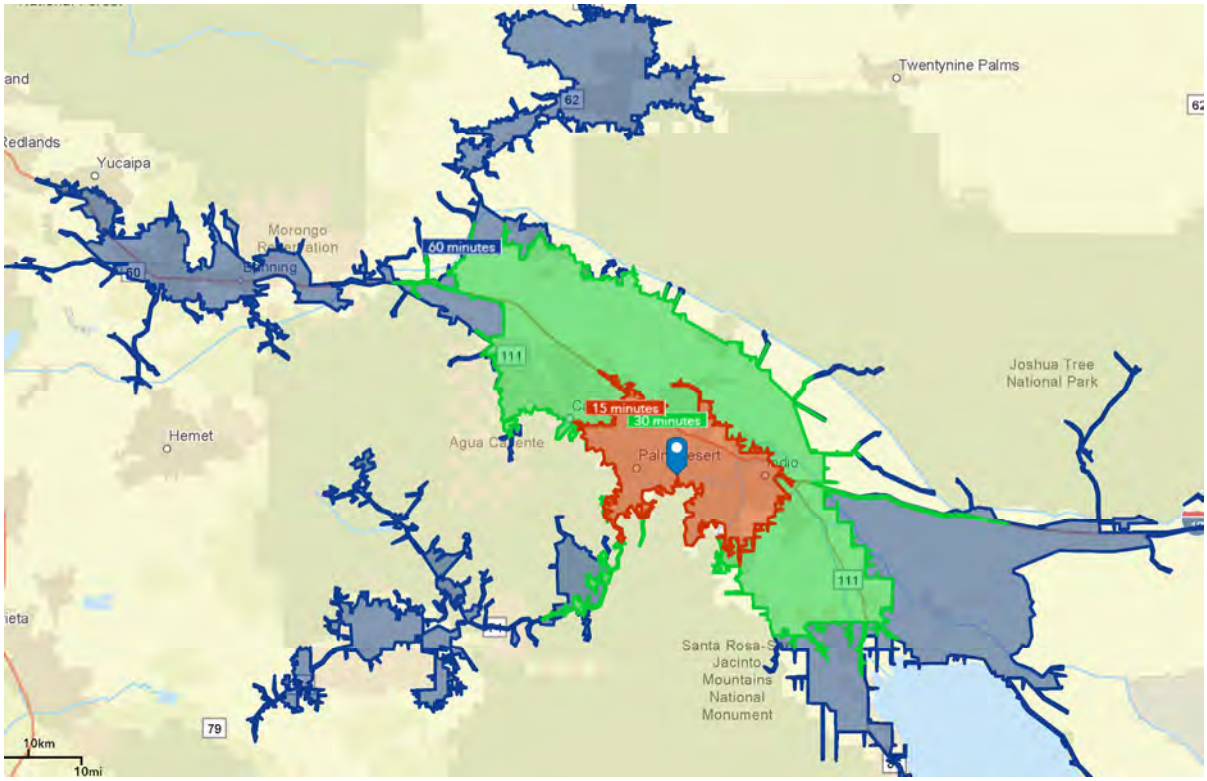
Resident Populations

It is interesting to see review the demographic differences between the residents of Indian Wells, and those residents within 15-, 30- and 60-minute drivetimes of the IWGR clubhouse.

Drive-time population are helpful to know, since some IWGR facilities and activities, particularly special events, can draw support from area residents. The total population residing with a 60-minute drive-time is estimated to reach 637,521 by 2026. The close-in population residing within a 15-minute drive time is included in the overall total and is estimated at 201,596 (2026).

Population and Median Age			
	2010	**2021**	**2026**
Indian Wells population	4,958	5,672	5,948
Indian Wells median age	66.8	66.4	68.0
Population within 15-minutes	179,307	192,459	201,596
15-Minute median age	43.5	46.4	46.9
Population, 15-30 minutes	210,649	232,156	245,302
30-Minute median age	37.4	39.0	39.7
Population 30-60 minutes	158,335	180,577	190,623
60-Minute median age	36.9	39.0	39.8
Population total, 60-minute	548,291	605,126	637,521

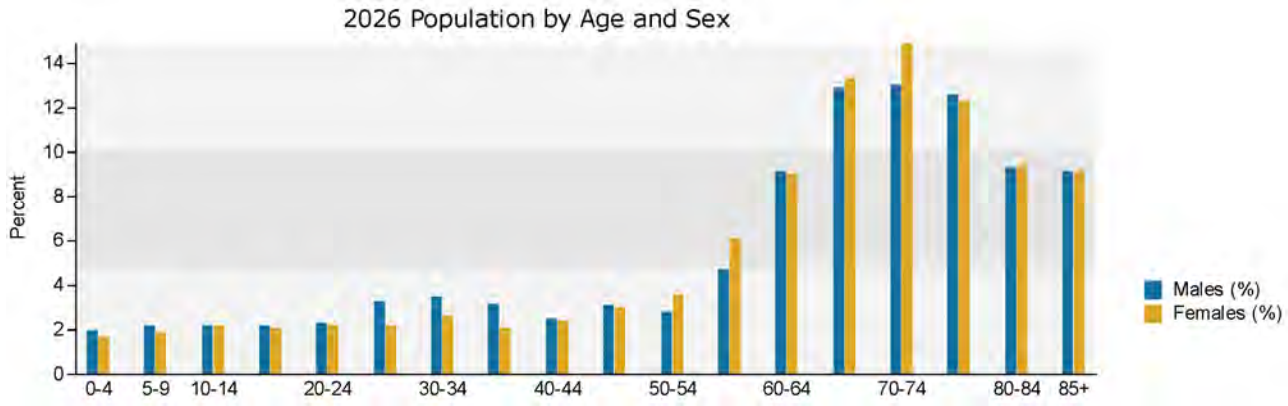
Source: ESRI ArcGis, StoneCreek Partners LLC



Shown above, Regional Drive-time Reach - The drive-time map below illustrates drive-times of 15, 30, and 60-minutes, from IWGR. To the west, the 60-minute drive-time reaches beyond Yucaipa, almost to Redlands. To the east, the 60-minute drive-time reaches to shores of the Salton Sea, and beyond.

Age Distribution in Indian Wells – As noted, by 2026 the median age of Indian Wells' population is estimated at 68.0 years. Average household size is projected to be 1.81 in the same year, on average just under 2.0 persons per household. In the surrounding region the median age is estimated for the same year at 46.9, 39.7, and 39.8 years, for residents in the separate bands 15, 30, and 60 minutes from the clubhouse.

The following graphic shows this age distribution information by age groupings.



Source: ESRI ArcGIS, StoneCreek Partners LLC

By 2026, just under 84% of Indian Wells' population is expected to be 55+ years of age. In that same year, the population is estimated to consist of 2,494 females and 2,011 males.

Population by Age and Sex | City of Indian Wells

	2021		2026	
Male Population	**Number**	**% of 50+**	**Number**	**% of 50+**
Total (50+)	1,938	100.0%	2,011	100.0%
50-54	101	5.2%	77	3.8%
55-59	190	9.8%	128	6.4%
60-64	261	13.5%	250	12.4%
65-69	302	15.6%	353	17.6%
70-74	336	17.3%	357	17.8%
75-79	299	15.4%	344	17.1%
80-84	242	12.5%	254	12.6%
85+	207	10.7%	248	12.3%
	2021		**2026**	
Female Populatio	**Number**	**% of 50+**	**Number**	**% of 50+**
Total (50+)	2,346	100.0%	2,494	100.0%
50-54	148	6.3%	116	4.7%
55-59	219	9.3%	195	7.8%
60-64	330	14.1%	289	11.6%
65-69	419	17.9%	427	17.1%
70-74	392	16.7%	479	19.2%
75-79	351	15.0%	396	15.9%
80-84	257	11.0%	301	12.1%
85+	230	9.8%	291	11.7%

Sources: ESRI ArcGIS, StoneCreek Partners LLC

Market Support for Major Events

The Coachella Valley is acknowledged as a place for major special events, and the east Coachella hosts the largest of such gatherings.

- **Established Major Event Traditions** - Events such as Coachella at the Empire Polo Grounds (Indio) attract about 125,000 each day, over a 5-day festival. The polo grounds are just a 17-minute drive from IWGR, so an interesting comparable for what's possible in Indian Wells. Of course, Indian Wells is already a host community for major events; just before the Pandemic the BNP Paribas Open attracted a record attendance of 475,372 (2019) during the event's two-week run.

- **4-Hour Drive Population** - There is a resident population 26.5 million (2021), living within a four-hour drive-time of Indian Wells. By 2026, ESRI estimates this population will have increased to 27.3 million, or more than 9 million households. This drive-time population extends along the coast to Santa Barbara and south into Mexico, and to the east to include a significant portion of the metro Phoenix metro area.

  The closer-in 2-hour drive-time population is still a large base for special events, estimated to be 7.8 million residents by 2026, in 2. 4 million households.



Source: ESRI ArcGIS, StoneCreek Partners LLC

Indian Wells Hotels

There are 1,506 hotel rooms within five hotels, in Indian Wells. Four of the hotels are within IWGR or are adjacent to the IWGR resort property. The Sands Hotel & Spa is located a short distance away. All can be considered Partner Hotels.

We commissioned an STR report for just Indian Wells hotels, and the summary results are provided in the table below. We note that the Indian Wells Resort Hotel does not participate in reporting to STR. For the 2019 operating year, just before the Pandemic impacts began, the average daily rate among these hotels was $209.46. The occupancy was 54.1%

It is difficult to draw any conclusion from operating performance for 2020 and 2021, since hotels were either closed by public health order, or operating partially with safety protocols in place.

ADR & Occupancy – Partner Hotels

	2018	**2019**	**2020**	**2021**	**2022** January
Average Daily Rate	n/a	$209.46	n/a	$257.23	$253.92
Occupancy	n/a	54.1%	n/a	37.5%	36.8%
Room-nights Supply	n/a	549,690	n/a	549,690	46,686
Rooms Count	n/a	1,506	n/a	1,506	1,506

Notes – There were not enough hotels reporting to STR in 2018, to allow a trade area report. Areawide operating results for 2019 may have been negatively impacted by the construction of the water park at the Hyatt Regency which opened in 2020.

Participating hotels include Hyatt Regency, Renaissance Esmerelda, Miramontes Indian Wells, and Sands Hotel & Spa. Indian Wells Resort Hotel has not participated in reporting to STR.

Source: STR, Inc., StoneCreek Partners, LLC

It is helpful to note here that in a variety of studies of the market, hotel consultant HVS has described hotel demand in the Coachella Valley as primarily dependent on FIT-related leisure demand, at about 65% of the market. This is confirmed by information tracked by the Palm Springs Convention Bureau.

The balance of accommodated hotel demand comprises demand from the commercial and group segments, at about 15% and 20%, respectively.

9

INDIAN WELLS GOLF RESORT

ABOUT IGWR & PARTNER HOTELS

STONE CREEK PARTNERS

9 - About IGWR & Partner Hotels

SCP and this team are aware of the quality of the subject facilities which include two championship golf courses, as first established by parties to the 1985 Easement Agreement which established the Indian Wells Golf Resort.

The golf facility, then called the Golf Resort at Indian Wells, was first established in 1986 with two 18-hole courses (designed by golf architect Ted Robinson. The courses were named simply, the East Course and the West Course.

The IWGR facility consists of the Players and Celebrity courses, driving range, and clubhouse. The two courses are of a "core course" configuration but requiring golfers to cross the Wash as part of their routing golf experience.

Players Course

The John Fought-designed Players course opened a year after the Celebrity course, in November 2007. The golf resort facility itself was renamed the Indian Wells Golf Resort in 2007 with the opening of this course. Our golf architects on the team have provided input to the design schemes included in the illustrations that are part of the 'Repurposing and Redevelopment Concepts' section.

Celebrity Course

The Celebrity course was designed by Clive Clark and opened in November 2006. Our golf architects on the team have provided input to the design schemes included in the illustrations that are part of the 'Repurposing and Redevelopment Concepts' section.

IWGR Golf Clubhouse

- The IWGR clubhouse opened in 2008, a 53,000 square foot venue designed by Douglas Fredrikson Architects. It is a quality facility but could include some design "layering" to encourage its role as a central gathering place at the resort – at this time it is bit austere for a fun place of informal gathering.

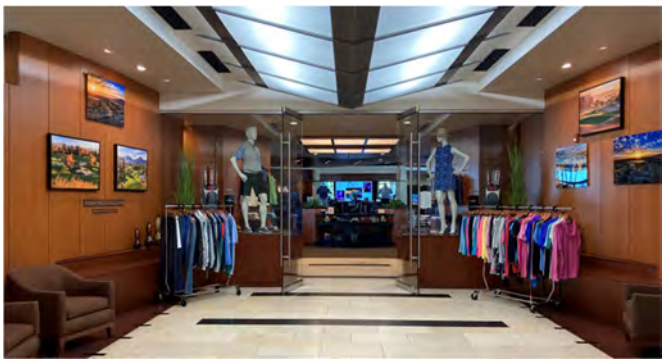
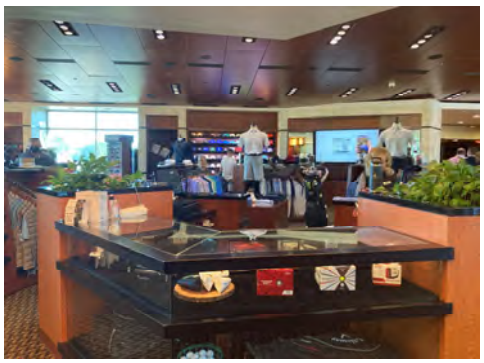




Shown above, the south elevation of the IWGR clubhouse.

Clubhouse Pro Shop

The IWGR pro shop is located off to right, at the main entry to the clubhouse. Stakeholder comments were generally quite positive about the pro shop, including the layout, merchandise, staff, and knowledge of the team there.

Clubhouse Vue Restaurant

The Vue is situated on the 2nd floor of the clubhouse. The restaurant includes two large terraces, one facing north and one of the terraces facing south. Each of the terraces are large, making table placement relatively straight-forward.

As noted in the Operations Financial Review (Appendix), there was one commonality among all Stakeholders, and that was a dislike of this operation.




Driving Range and Putting Venue

IWGR's driving range and putting venue are situated in a terrific location, just outside the pro shop and adjacent to the cart barn. The issue with these facilities is simply that the quality does not match the topnotch caliber of the golf courses. One of the scenarios explored for the Strategic Asset Plan is relocation of the driving range to allow a best-of-class kind of facility.



Shown above, the driving range at Indian Wells Golf Resort. Shown below, the existing 9-hole putting venue adjacent to the Indian Wells Golf Resort clubhouse situated on just under an acre.



IWGR Event Space

Indian Wells Golf Resort offers several facility options for meetings, social events, and weddings.

The Event Pavilion is the signature event space at IWGR, first opened in January 2014 offering a large, enclosed space in a setting with beautiful landscaping and mountain views. 2017 - Indian Wells Golf Resort recently completed a renovation and expansion project on its 5,600 square foot Event Pavilion.

A 25,000 square foot Event Lawn has been added directly east of the Pavilion with easy walkout access from the Pavilion. The Event Lawn can host 700 for alfresco dining or more than 1,000 for a reception.

Added an 800 square foot Pavilion Suite directly behind the Pavilion. The Pavilion Suite was designed with input from wedding planners and can be used as a bridal salon, a bridal party suite, a green room or a private room for executive meetings.




Shown above, the 2nd level meeting room at IWGR's clubhouse.




Shown above left, a separate 2nd level dining room available for private dining. At above right, the 2nd level outdoor South terrace that faces Highway 111.




Shown above, the Event Pavilion at Indian Wells Golf Resort.

The Bridge

The bridge over the wash that bisects IWGR is a major aspect of the golf and Event Pavilion event experience. The bridge structure itself is about 400 feet in length and has a posted weight limit of 2 tons. There is an emergency vehicle access problem when events are in progress at the Events Pavilion.

We have explored an alternative as one of the Strategic Asset Plan options, to allow emergency vehicle and event guest access from the north side of IWGR, at an entry point along Fred Waring Drive.





Shown above, the Wash bridge at Indian Wells Golf Course.

Maintenance

IWGR has a 60,600 square foot maintenance compound on the north end of the property off Fred Waring Dr. The former halfway house is proximate to the pavilion and is used for restrooms, storage and a banquet finishing kitchen.

IWGR Approach Zone & Entry

The approach and entry to Indian Wells Golf Resort is situated along Highway 111, between Eldorado Drive and Miles Avenue. Fred Waring Drive bounds the north boundary of the resort.

- The intersection at Highway 111 and Indian Wells Lane is signalized and provides the primary highway identity and presence for IWGR. A portion of the clubhouse roofline is visible from this intersection once a turn onto IWGR property is made.





Shown above, Highway 111 and ingress/egress entrance to Indian Wells Golf Resort.

IWGR Hotel Partners

The Indian Wells Golf Resort was established to provide an amenity sufficient to encourage the development of two major convention hotels to be directly associated with the golf facility. An Easement Agreement (April 1985) provided for the contribution of real property, easements, development envelopes, and golf-related polices pertaining to the two hotels and two golf courses.

The hotel partners include:

- *Hyatt Regency Indian Wells Resort & Spa* – first established in 1986. The Hyatt's current owner is the successor to Desert Horizon, Inc. and GSH Limited, parties to the original 1985 Easement Agreement. In September 2020, the HyTides Plunge Waterpark and Desert Twist Lazy River, opened at the hotel. Prior to its recent change in ownership, the hotel changed hands in November 2018 with Grand Champion LLC selling to Hyatt Corporation. The hotel first opened as the Grand Champions Resort.

- *Renaissance Esmeralda Resort & Spa* – first established in 1989. The hotel's current owner is the successor to Daon Corporation and Stouffer Investment Corporation, who together were a party to the original 1985 Easement Agreement. The hotel first opened as the Stouffer Esmeralda Resort

- *Miramonte Indian Wells Resort & Spa* – the 11-acre property was first established in 1963 with an Asian themed design as the Erawan Gardens hotel. The Miramonte's owner is not a party to the 1985 Easement Agreement but is certainly an interested party to Indian Wells Golf Resort.

- *Indian Wells Resort Hotel* – first established in 1962. The hotel's owner is not a party to the 1985 Easement Agreement but is certainly an interested party to Indian Wells Golf Resort.

- *Sands Hotel & Spa* – was first established in the late 1950's. The 46-room hotel was redesigned and repurposed in 2018, with interior design by Martyn Lawrence Bullard. As with the Miramonte and Indian Wells Resort Hotel, the Sands Hotel is not a party the 1985 Easement Agreement.

Rooms Etc. at Partner Hotels					
	Hyatt Regency	**Renaissance Esmeralda**	**Miramonte**	**Indian Wells Resort**	**Sands Hotel**
Guest rooms	530	560	215	155	46
Spa / Wellness	Agua Serena Spa	Spa Esmeralda	The WELL Spa	n/a	The Sands Spa
Water features	"Water park" added in 2020.	Beautiful resort-style pool.	Hollywood-style gathering pool.	Well-sized resort pool.	Hollywood-style gathering pool.

Note – For meeting space at these hotels, see below.

Source: Cvent, Inc., Partner Hotel websites, StoneCreek Partners, LLC

IWGR Hotel Partners – Meeting Space

IWGR Hotel Partners accommodate groups for their MICE events (meetings, incentives, conferences, and exhibitions), in addition to accommodating their FIT's (free and independent travelers) guests. In fact, the facilities program for the two hotels developed pursuant to the 1985 Easement, assumed a significant portion of business from groups.

The Pandemic caused a virtual cessation of group business for hotels. The hotel industry watches now for recovery in group travel. The rise in videoconferencing during the Pandemic is a factor that will impact the nature of future group travel.

Meeting Space at Partner Hotels					
	Hyatt Regency	**Renaissance Esmeralda**	**Miramonte**	**Indian Wells Resort**	**Sands Hotel**
Indoor Space - SF	37,626	53,291	15,983	6,120	700
Largest Space - SF	20,000	18,392	6,000	4,800	--

Meeting Space at Partner Hotels					
	Hyatt Regency	**Renaissance Esmeralda**	**Miramonte**	**Indian Wells Resort**	**Sands Hotel**
Notes / comments	Includes space in Mezzanine and Conference Center. Does not include indoor pre-function space and outside terraces.	Includes Esmeralda, Crystal, and Valencia ballrooms, and meeting rooms. Does not include lawn and pre-function.	Includes Upper Level, Lobby, and Mesquite ballroom. Excludes pre-function and outside terraces.	Includes Ballroom, Rooms 3 and 4, and Club 100.	

Note - each IWGR Partner Hotel has additional outdoor meeting space available to groups. As explained in the table, the indoor space square feet shown excluded pre-function space including terraces and lawns.

Source: Cvent, Inc., Partner Hotel websites, StoneCreek Partners, LLC

IWGR Golf Resort Advisory Committee

We suggest a change in how IWGR is "asset managed" on behalf of the City. The asset management (owner representation) function is different than hands-on facilities management by Troon.

- The Golf Committee meets often to review all aspects of IWGR marketing, operations, and financial results. The facilities manager (Troon Golf) is part of the Committee as are representatives of four IWGR's Hotel Partners. This is an awkward construct and ineffective as a means of monitoring a facility manager's monthly results as against an approved annual budget.

- From all we have observed, and what we've learned in reviewing financial reports over the past several years, Troon Golf is a capable facilities manager. We believe it is difficult for a facilities manager, no matter the type of facility, to report to a committee and be part of the committee at the same time.

As it is presently organized, the Indian Wells Golf Resort Advisory Committee ("Golf Committee" or the "Committee") is established to advise and make recommendations to the City Council on service levels, maintenance, and quality of its guest's experiences pertaining to the Indian Wells Golf Resort.

- The Golf Committee members with voting authority include the General Managers from each of the City's Resort Hotels, the General Manager of the Indian Wells Golf Resort, the Indian Wells Golf Resort's Director of Golf, the Indian Wells Golf Resort's Director of Agronomy, and five (5) resident members.

- Along with the City itself, the General Managers of the Hyatt Regency and Renaissance Esmerelda hotels also represent successors to the parties in the 1985 Easement Agreement.

- Policies regarding the Golf Committee were most recently modified by City Council resolution number 2018-43, effective December 18, 2018. The revised policies include requirements in appointment and term of Golf Committee members.

- The City Manager and/or his/her designees, provide staff assistance to the Golf Committee, including preparation of agendas, background reports, and required Brown Act postings.

Management Agreement

Indian Wells Golf Resort is currently managed by Troon Golf, pursuant to a management agreement (the "Management Agreement") first established with a 3-year term, in May 2009.

Troon Golf leads the U.S. golf industry with the most golf courses under management. American Golf Corp. was the opening manager of IWGR, effective July 1, 1992, with American Golf Corporation.

We understand that Troon Golf reports to the IWGR Golf Committee (see prior section), with significant interaction by and between Troon Golf representatives and City staff. As noted in the prior section, City staff are a resource to the IWGR Golf Committee in organizing information, preparing recommendations, and handling committee information requests, which requires interaction with Troon Golf.

The Management Agreement has been amended since first established. The following is a recap of the agreement and its amendments:

- "*Golf Course Management Agreement*," between City of Indian Wells and Troon Golf, L.L.C., June 1, 2009.
- "*Golf Course Management Agreement - Addendum*," between City of Indian Wells and Troon Golf, L.L.C., May 1, 2012.
- "*Golf Course Management Agreement – Second Addendum*," between City of Indian Wells and Troon Golf, L.L.C., March 21, 2013.
- "*Golf Course Management Agreement – Third Addendum*," between City of Indian Wells and Troon Golf, L.L.C., January 1, 2014.
- "*Golf Course Management Agreement – Fourth Addendum*," between City of Indian Wells and Troon Golf, L.L.C., January 1, 2019.
- "*Golf Course Management Agreement – Fifth Addendum*," between City of Indian Wells and Troon Golf, L.L.C., May _, 2020.

Resident Program

Resolution 2007-44 (September 20, 2007) modified the criteria for issuance of Property Identification Cards establishing a calendar year basis for the program, referencing prior resolutions of January 7, 1993, February 20, 1997, November 4, 2004, and June 2, 2005.

Resolution No. 2005-27 (January 2, 2005) provided for changes to Exhibit "A" concerning Property Owner Identification Cards modifying the determination of eligibility requirements and referenced prior resolutions on the same subject approved on January 7, 1993 (97-14), February 20, 1997, and November 4, 2004.

Resolution No. 2004-58

A Reduced Golf Fee Policy for the Golf Resort at Indian Wells was established on April 17, 1997, by and between the Indian Wells Golf Resort Joint Venture, Grand Champions LLC, and the Redevelopment Agency of the City of Indian Wells. This agreement confirmed the original easement agreement dated April 8, 1985, and the Reduced Golf Fee Agreement dated January 7, 1993 (see below). This agreement again clarified policies for reduced fee players.

Resolution No. 2007-44

Resolution 97-14 (January 7, 1993) provided for modification of the policy for issuance of Property Owner Identification Cards that had been established through prior Resolution 93-75 (see below). The resolution clarified how cards would be issued to the Property Owner, spouse or domestic partner, and each dependent child under twenty-one years, and that those with interests in a lease or time share property would not qualify for the Property Owner Identification Cards. Resolution 97-14 also confirmed other enabling details for card issuance.

Resolution 93-75 (June 3, 1993) provided for a first amendment to the prior resolution regarding complimentary golf play (Resolution 93-5), with a modification to the prior agreement's Paragraph 6. The modification confirmed the resident green fee rate not to exceed $35.00 and confirmed that the criteria for issuing Property Owner Identification Cards would be at the sole discretion of the Indian Wells City Council.

Resolution 93-5 (January 7, 1993) authorized an agreement with Stouffer Esmeralda Resort, Hyatt Grand Champions Resorts, and American Golf Corporation to provide a complimentary golf play policy and included Exhibit "A" Complimentary Golf Policy for the Indian Wells Golf Resort.

- Exhibit "A" to Resolution 93-5 provided detailing of the complimentary golf policy, including a definition of complimentary play and identification of categories of complimentary play. Per Exhibit "A," categories included City Council and city staff, senior management at IWGR partner hotels, IWGR staff, professional members of golf sanctioning organizations, visiting government officials, tour and travel professionals, and select event participants. This Agreement included a 30-day cancellation provision. Exhibit "A" also established a green fee not to exceed $35.00 with proper resident identification and family relationship.

- The resolution also rescinded prior Resolution No. 85-71, which has first established a resident classification of participants for the Indian Wells Golf Resort, on November 21, 1985, wherein an identification card and script would be established to enable resident play at the golf resort.

Resolution 85-68 (November 7, 1985) amended the schedule of fees for the operation of Indian Wells Golf Resort at its opening, setting rates for on-season, shoulder season, and off-season, and for regular and twilight play, along with car fees. The resolution also confirmed fees for use of the driving range.

Easement Agreement

An Easement Agreement Amendment was executed on April 17, 1997, confirming that Indian Wells Golf Resort Joint Venture and Grand Champions LLC were successors in interest to Daon Corporation with

Stouffer Investment Corporation and Desert Horizon, Inc with GSH Limited, respectively. This first amendment clarified the setting of green fees and confirmed the policy for complimentary play.

The Easement Agreement that became the foundation for developing Indian Wells Golf Resort was executed on April 8, 1985. Parties to the Easement Agreement included Daon Corporation, Stouffer Investment Corporation, Desert Horizons, Inc, GSH Limited, and the Redevelopment Agency of the City of Indian Wells.

- The Renaissance Esmeralda Resort was developed on the Daon and Stouffer (Exhibit A) parcel.
- The Hyatt Regency Indian Wells was developed on the Horizons (Exhibit B) parcel.
- GSH (Exhibit C)
- Agency (Exhibit D)

Whitewater River Stormwater Channel

IWGR operates with several permits granted by the Coachella Valley Water District, concerning Whitewater River Stormwater Channel (the "Channel"). The permits concern the operation of the golf courses, two drop structures, and maintenance responsibilities. The permits have no term and are cancellable upon 30-day's notice.

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STAKEHOLDER INPUT AND IDEAS

STONE CREEK PARTNERS

10 - Stakeholder Input and Ideas

As noted herein, several stakeholder groups were interviewed and/or attended workshops, including Indian Wells residents, representatives of Hotel Partners, the City Council, and the IWGR Golf Committee.

These specific comments from various stakeholders are representative of the ideas, comments, and critiques made in meetings and workshops:

Golf Courses

- The courses themselves are real fun to play because they're different.
- The bunkers slow down play – remove some of them.
- Redesign Players course for less holes and faster play.
- Love the golf courses.
- Going from hole 16 to 17 (Players course) is unpleasant because of the route one must take to get there.
- Golf course maintenance could be better; was better before the Pandemic.
- Don't like the resident subsidy.
- Our hotel guests might come over if there was something to do besides golf.
- Our (hotel) customers hang out at bars, and the pool, and go to concerts when they are in town.
- City giving away too much in subsidies (resident green fees).
- A small group of residents is abusing the reservation system.

The Vue Restaurant

- The menu at The Venue is not good.
- The Vue has no identity – it looks like a sports bar or is it an upscale restaurant?
- Inconsistent service at the Vue.
- I wouldn't bring my relatives, or visiting friends, to the Vue.
- Bring in a 3rd-party to manage the restaurant.
- Ruth's Chris Steakhouse and Cliffhouse are packed during happy hours, why not Vue?
- The food truck diminishes the prestige of IWGR.
- Entrance has a private club feel, too intimidating for a public course and restaurant.

Other Comments

- Aspire to be like Pebble Beach.

- Zip lines wouldn't match the prestige of IWGR.
- Do something like Pebble Beach's "Clam Bake."
- Lack of parking is a real problem, especially when weddings and events are underway.
- Add programs and venues that the hotels could use to bring conventions.
- Add outdoor concerts and festivals to bring more business.
- Put the waterfall to better use.
- We could use something new and cool for our hotel guests, that would be of interest.
- Can we add Bocce Ball; can we add Pickleball courts?
- Golf Committee is dysfunctional and power hungry. Leave the job to Troon.
- "Shots in the Night" is a great idea.
- "Shots in the Night" hurts our prestige.
- Wasted clubhouse lobby space.
- Bike paths would be great.
- Pro shop is well run.
- Whatever the plan, make sure the community's prestige and property values are maintained.

Additional details about Stakeholder input and ideas is included in the Appendix.



DATA SOURCES

The City of Indian Wells, Troon Golf, and the Palm Springs Convention, among other sources, have provided information to assist SCP with the preparation of this Strategic Asset Plan. This information includes (but was not limited to) the source documents listed below. Some documents were not dated for their release date; in those cases, we note the "created date" recorded as file information.

- "Agronomy memo to Jonas _____", Brian Hampson, Troon Golf, November 10, 2020.
- "Agronomy memo to Jonas _____", Brian Hampson, Troon Golf, February 17, 2021.
- Airbnb and Vrbo Short-Term Rental Activity, Indian Wells, AirDNA
- "Background Report for Infrastructure Analysis for the City of Indian Wells," De Novo Planning Group, memorandum of January 18, 2021
- "Capital Spreadsheet," IWGR FY2021 and prior years, Troon (Brandon Kary)
- "Case Study, Event Pavilion, Indian Wells Golf Resort," Structureflex
- "City of Indian Wells General Plan," City Resolution No. 96-9, adopted February 1, 1996, as amended.
- "City of Indian Wells General Plan Update: Demographic, Economic, and Real Estate Profile," Economic & Planning Systems, September 2020.
- "City of Indian Wells Highway 111 Specific Plan," approved February 18, 1993.
- "City of Indian Wells Town Center Specific Plan," Keisker & Wiggle Architects, Inc., January 31, 2013
- Clubhouse Design Drawings, Douglas Fredrikson Architects, August 31, 2008
- "Construct a Banquet Event Center and Enhance Restaurant and Bar to increase profitability," Troon Golf, July 11, 2013.
- "Covid-19 Operations, Indian Wells Golf Resort," March 17 – present
- "CVWD permits for golf course improvements in wash and water drop structures," memorandum by Stephen P. Deitsch (Best Best & Krieger), October 8, 2015.
- "Destination Experience Plan," Indian Wells, MMGY NextFactor, March 4, 2021.
- "Easement Agreement" with accompanying exhibits, effective April 8, 1985.
- "Event Calendar, 2018-2021" Michael Tebbetts, IWGR
- "Facility Enhancement Ideas," Troon, June 29, 2021
- "Facility Enhancement Ideas," Troon, September 2021
- "Fairway Grill + Comfort Station, Site Improvement Plans," Golf Resort at Indian Wells, April 17, 2007, PDF
- "Flash Reports," IWGR, monthly 2021

- "Food Truck/Entertainment Zone Proposal," Troon, April 2018
- GIS-based demographics and economic analytics, various, ESRI ArcGIS
- "*Golf Course Management Agreement*," between City of Indian Wells and Troon Golf, L.L.C., June 1, 2009.
- "*Golf Course Management Agreement - Addendum*," between City of Indian Wells and Troon Golf, L.L.C., May 1, 2012.
- "*Golf Course Management Agreement – Second Addendum*," between City of Indian Wells and Troon Golf, L.L.C., March 21, 2013.
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- "*Golf Course Management Agreement – Fifth Addendum*," between City of Indian Wells and Troon Golf, L.L.C., May _, 2020.
- "Highway 111 Specific Plan, City of Indian Wells," Johnson Fain and Pereira Associates, November 4, 1991.
- "History of Indian Wells," City website
- "Indian Wells Golf Resort Strategic Plan," City Staff memorandum of June 18-19, 2013, PDF
- "Indian Wells Golf Resort Strategic Planning," Greenskeeper.org, 2016
- "Indian Wells Golf Resort Valuation Report," City Staff report of July 1, 2013, PDF
- "IWGR 5-Year Capital Plan by Category," through FY 2025/26
- "Job Positions by Department, IWGR, Troon (Cathy Oshann)
- "Marketing Budget, 2019-2020," Troon (Brandon Kary)
- "Monthly Financial Update," IWGR, Troon, 2018 through June 2021.
- Placer Labs, various visitor mobile tracking, 2019 to 2021
- "POI Cross-Visitation IW Golf Resort," City of Indian Wells, May through November 2021
- Resolution No. 2018-43, A resolution of the City Council of the City of Indian Wells, California, rescinding resolution No. 2013-58 and reestablishing the Golf Resort Advisory Committee, effective October 18, 2018.
- "Schedule of Positions FY 20-21, IWGR" City of Indian Wells, June 4, 2020.
- "Shots in the Night," financials, December 2019

- "*Special Council Meeting Handout*," City of Indian Wells, February 1, 2017.
- "Strategic Guidance for Proposed New Golf Entertainment Amenity," National Golf Foundation Consulting, Inc., January 2017
- "Town Center Specific Plan," City of Indian Wells, Keisker & Wiggle Architects, Inc., May 15, 2008.
- "Town Center Specific Plan," City of Indian Wells Specific Plan No. 2007-01 Amendment One, Keisker & Wiggle Architects, Inc., January 31, 2013.
- "Trend Report, Indian Wells Hotels," STR, February 2022.
- "VUE Kitchen Renovation," May 16, 2019, PPT
- "Zero Based Staffing,"

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ABOUT STONECREEK PARTNERS

11 - About StoneCreek Partners

StoneCreek Partners LLC ("SCP") is a development advisory and asset management firm, established in 1984, with associated predecessor firms established ten years before.

SCP is an advisory service and creative design firm, with partners and offices in the U.S. and abroad. SCP is a limited liability company registered in the U.S. State of Nevada, entity number E0818882007-3.

Our firm's foundation is with feasibility evaluations, business planning, and deal structuring and negotiations. As well, we often act as an extension of an Owner's team as an Owner's representative and/or project manager.

Our project team has included support from our affiliated owned companies, for creative and outdoor recreation considerations.

- Adventure Entertainment Cos. LLC
- GoBOLD Adventures, LLC

Additional Team Support

For this advisory assignment, SCP was joined by additional professionals with experience in assets and subjects of interest. In addition to the team members listed below, Timothy Brown and Mark Taylor also provided additional peer review support. Timothy Brown is a hospitality professional with extensive F&B experience. Mary Taylor is a golf pro based in the Los Angeles area.

Mark Mungeam | Mungeam Golf Design

Much of the work of Mungeam Golf Design involves the sympathetic renovation of existing courses but Mungeam also has a nationally recognized reputation for the sensitive restoration of classic layouts. He is adept at injecting new life and visual appeal into tired or unexciting course designs. Some of his experience includes:

- Olympia Fields CC, Chicago, Illinois (Park, Jr.) (Top 100)
- Wellesley Country Club, Wellesley, Massachusetts (Stiles)
- LaGrange Country Club, Illinois (Langston & Moreau)
- Abenaqui Country Club, Rye Beach, New Hampshire
- Farm Neck GC, Oak Bluffs (Top 5 Public in MA)
- The Broadmoor (East), Colorado (Top 100 Classic)
- Briarwood CC, Illinois (Colt & Alison)
- Golden Valley CC, MN (Tillinghast Top 100 Classic)

Mungeam is a full member of the American Society of Golf Course Architects ("ASGCA"), since 1994. He recently spent six years on the Membership Committee, serving as Chair in 2013-2014. He also was formerly a member of the Board of Governors (2002-2005) and served on the Environmental Committee. In addition to the ASGCA, Mungeam is also a member of the National Golf Course Owners Association ("NGCOA") and the Golf Course Superintendents Association of New England.

Upon graduating from college and working summers in course maintenance, Mungeam began employment in golf course construction. He was responsible for the day-to-day project operation at several sites throughout the East, thus learning the construction process in different terrain and soil conditions. In 1995 Mungeam became a principal in the firm of Cornish, Silva and Mungeam, Inc. Notable course designs include Shaker Hills & Cyprian Keyes in Massachusetts and The Links at Hiawatha Landing in New York. In 1999 Mungeam oversaw the renovation of Olympia Fields Country Club in Chicago in preparation for the 2003 U.S. Open.

Mark was assisted in this assignment by golf architect John Robinson of John F. Robinson Golf Design.

Larry Hirsh | Golf Property Analysts

Larry Hirsh is a core member of our golf course highest-and-best-use collaboration. Highly regarded and with his CRE, MAI, and SGA credentials, he will lead our team's efforts in evaluating Owner's golf facilities in the competitive marketplace, as well as analytics related to Owner's current facility operations and its performance.

Larry Hirsh's Golf Property Analysts brings a vast geographical reach to its practice, having completed assignments in most areas of the U.S., as well as Canada, The Caribbean, Central America, and the UK. From its base in the Philadelphia area, Larry Hirsh and his firm have served clients in 45 states with vast experience in all types of golf properties, including private, semi-private, daily-fee, resort, and municipal facilities. Over his professional career, he has completed more than 3,500 golf property assignments and has developed a golf course and consulted on several new development projects.

Mr. Hirsh has been a competitive amateur golfer for much of his life, including local, state, national, and international competitions. He is a licensed commercial pilot and certified flight instructor.

Among his industry credentials, Hirsh is a member of The National Golf Foundation, National Golf Course Owners Association and Golf Course Superintendents Association of America. Mr. Hirsh is a certified general appraiser in 13 states. Mr. Hirsh is premiere member of the Golfweek "America's Best" course ranking panel. He has authored and is a lecturer for his award winning "Golf Property Analysis & Valuation - A Modern Approach" for the Appraisal Institute.

Craig Gladstone | F&B professional

Most recently, Mr. Gladstone was recruited by SCP on behalf of Tyffon, Inc. to act as Director of Operations and First Unit General Manager for a roll-out of location-based VR and restaurant venues in the U.S. That business folded due to Covid-19 shuttering's preventing the opening of Tyffon's first unit in Santa Monica. Gladstone was selected after an extensive nationwide search for a creative F&B general manager that could grow a substantial specialty dining, group, banquets, and experiential (commemorative) F&B offerings.

Gladstone has similarly led food and beverage and entertainment venues, as General Manager and Head of Operations for such companies as Coolhaus (Los Angeles), Carluccio's (London), Hula Hut (Carmel), and All-Star Lanes (London). For Coolhaus he became extremely familiar with operating food trucks, operating food trucks in Los Angeles, New York and oversaw a franchise in Dallas.

Mr. Gladstone lived until recently in the Coachella Valley, and as a restauranteur is familiar with the restaurant, club, and food and beverage offerings in the region. He understands the nature of retirees in the marketplace and the seasonal nature of the visitor and resident population. He would note that if trends continue following Covid-19, there may be some additional diversity and year-round population in place.