



MEADOWCREEK HISTORY

1983-2008

In 1981 the Simonson family pursued their dream of a golf course in the Meadows Valley with a dedicated community surrounding it. They completed the course and opened it for public use in 1983. It was named Kimberland Meadows. Kimberland Meadows was the center piece of the Meadows Valley as they continued to construct homes around the resort. There were multiple owners during the following years due to bankruptcy, mortgage foreclosure and other financial issues.

In 1989, the golf course and properties surrounding the golf course were sold to a San Diego developer, who envisioned the Kimberland Meadows community as a Western Idaho form of Sun Valley. Two additional phases of the original development were sold off – now known as The Highlands and Little Salmon River Estates. During this period the name was changed to MeadowCreek, initially intended to be operated as a private club - MeadowCreek Golf & Field Club - which included a trap shooting range and an equestrian center. Some of the smaller lots were combined and Phase 3 was developed. The Osprey swimming pool complex was built and the Clubhouse was remodeled in 1992. The Fairways condos were part of the resort and were available for rent. Many improvements to the golf course, clubhouse and pool facilities were completed in hopes of achieving a private and exclusive club. When sales failed to materialize, the resort and remaining improved and unimproved property were put up for sale at very attractive prices; the community name was changed to **MeadowCreek Golf Resort**.

In the late 1990s MeadowCreek was sold, along with its undeveloped properties, to a Boise family. With a \$3.6M loan from Hopkins Financial Services, the new owners moved Fairway #2 from its original location on the west side of Hot Springs Road to its present-day location on the east side; built 20 cottages adjacent to it and began creating lots for homes on the old #2 fairway.

In 2008 the US economic crisis, created by inappropriate housing loan policies, forced Hopkins to foreclose on the loan. Hopkins operated the course for one year, and then announced they would close the resort.

2009-2010

Faced with the prospect of the center of the MeadowCreek community becoming pasture land, weed fields, or possible high-density housing controlled by an outside developer, two separate proposals were submitted to the MCPOA membership seeking the purchase of the golf course and accompanying properties (maintenance facilities, the Osprey and pool, tennis courts, Club House, and properties and pond adjacent to the 45th Parallel Road). Shortly before each mailed balloting deadline, a small group of MCPOA members opposed the proposals.

Each proposal was defeated due to the lack of a 2/3 majority vote. On the second proposal, a six (6) percent vote difference prevented the purchase of the properties and facilities in question. In this instance, the minority won the vote. Real estate sales in the Meadow Creek community came to a halt.

2011

To save the resort community and return home values to their appropriate market values for **all** MCPOA members (including those property owners who voted NO), sixty (60) MCPOA property owners and Meadows Valley residents stepped forward, formed the MeadowCreek Resort

Association, and pledged up to \$10,000 dollars each to purchase the golf course and all facilities attached to it. They did this in addition to paying their annual MCPOA dues.

Today, the market value of these properties and facilities is between \$500,000 / \$1,000,000. The MCPOA/MCRA members understood that they would never realize any annual financial return from the golf course for their equity investment. Additionally, as an MCRA family of two, each successive year they have paid \$2100 above their MCPOA annual dues to help maintain the golf course, Osprey and Pool, racquet courts, and cross country ski trails that all MCPOA members/families/friends and surrounding communities use and enjoy.

Presently, new homes are being constructed and/or purchased in MeadowCreek, and we have many new owners and their extended families who are enjoying the recreational facilities that are primarily funded and maintained by the MCRA membership. Since the formation of the MCRA, very few additional residents of MeadowCreek or Meadows Valley have joined the MCRA effort. The MCPOA has supported the effort by agreeing to an annual recreation fee of \$48,000 or \$95/member/year (\$8 per month). While this fee has been helpful to the effort, it is not sufficient to support the long-term viability of the resort and capital needs.

2012-2019

Golf Course

During this time period, the golf course has maintained a gross income each year that has allowed seasonal operation of all resort facilities, provided employment for Meadows Valley residents and been able to maintain the equipment and infrastructure necessary to operate the resort. A great deal of the supplemental support has been provided through voluntary efforts by the MCRA and MCPOA membership to provide leadership support, physical labor for repairs, maintenance and improvements of the resort. Efforts to enhance resources for the resort have included marketing of additional classes of membership, season passes and a snow removal business to provide additional income. In spite of all these efforts, the resort runs on a narrow margin and has not been able to afford professional management, personnel, or capital improvements to upgrade the aging infrastructure.

MCRA Membership

The original core group of MCPOA property owners, who saw the value of maintaining the present and future integrity of the MeadowCreek Golf Resort, were primarily retirees. In the past four years there has been a 20% loss in membership due to death or sale of property.

Additionally, the MCRA has offered for sale shares in the resort to all community residents. However, to date, very few have been purchased. It has been very difficult to sell new memberships because all of the recreational benefits of MeadowCreek are available to all residents without having to join the MCRA. Although the current MCPOA recreation fee, along with the purchase of seasonal passes and daily golf fees, helps to sustain the resort, this source of funding is insufficient to alleviate the costs borne by the shrinking membership of the MCRA in the long term.

STRATEGIC PLANNING for the FUTURE OF MEADOWCREEK

It is imperative that our community be united for the benefit of all who live here in our beautiful and unique MeadowCreek environment that is genuinely second to none in Idaho. As we move progressively forward as a community, there are several significant factors that must be kept foremost in mind as critical considerations.

The members of the MCRA have successfully maintained and improved the resort properties for almost 10 years. This has been a highly successful effort as the property and business are in much better condition than they were previously. A local realtor has confirmed 45 parcels

were available for sale last year, with only 11 currently available this year. Property values at MeadowCreek have increased substantially.

Unfortunately, the MCRA membership and accompanying gradual attrition of its active members makes sustaining the current business unlikely unless significant participation by all MeadowCreek residents is recruited. It is imperative that a strategic planning process be undertaken jointly by the MCRA and the MCPOA because the alternative is that it is very likely that the status quo of the resort will once again become a major concern for all residents and owners as it did in 2008.

◆ **Unacceptable Options for All Community Members**

MCRA Auctions the Land to a Third Party

A third party would acquire the 159 acres of land, irrigation systems, maintenance facility, storage building on Hot Springs road, developable land adjacent to holes 7, 12, and behind the condos, the land between holes 8 & 11, the land behind the driving range and the Osprey pool complex. **They would also own the water rights.**

Possible scenarios would be:

- (a) rezoning the properties with Adams County to allow housing development (this would become a separate community within the MeadowCreek community)
- (b) a single owner could purchase and replace the Osprey with a single-family home and use the remaining property for ranch or other purposes, etc.

Dissolution or Bankruptcy

The land and property would deteriorate and fall into disuse similar to what happened to the Tamarack Resort. Recovery of the resort property quickly becomes exceedingly expensive and it would be highly unlikely that an interested investor could be found. In addition, substantial deterioration of lot and home values would occur.

◆ **Acceptable Option to Consider for 2020-2022**

Increased Recreational Fee

To provide significant stability to the resort operations, the MCRA recommends that additional resources be provided by an increase in the current MCPOA recreational fee of \$48,000.

We are proposing an additional annual amount of \$100,000 phased in over a three year period. This figure matches the current MCRA member dues of \$100,000 per year and would increase POA dues by \$16.50 per month for each lot owner by the end of the three years.

The MCRA believes that this amount will provide substantial improvement in resources for the resort and provide funds to improve essential aging infrastructure. During this 3-year period existing MCRA members would continue to pay their annual dues contribution (which includes season golf pass), in addition to paying the increased MCPOA dues.

Phasing of the Recreational Fee Increase

The MCPOA and MCRA would agree to a 3-year period of phased increases to achieve the necessary requested funds. At the end of two years, an assessment would be made as to the best future course of action for the resort community.

Merger of MCRA and MCPOA

As the MCRA and MCPOA look to the long-term future of our community, it is rapidly becoming apparent that having a very small subgroup of the MCPOA membership bear the entire burden of supporting the resort both financially and more importantly through their leadership effort is not sustainable.

The MCRA would propose that a merger be considered which would become effective with the transfer of the resort assets from the MCRA to the MCPOA following a 3-year period of transition. During this transition period, the MCRA would continue to maintain ownership and operational control of the resort for continuity purposes while receiving additional financial support for operations and leadership from the MCPOA.

At the conclusion of this three-year period, either by mutual agreement or independently, either party could decide to withdraw or revise the plan.

MCPOA Seats on the MCRA Board

The MCRA would provide the MCPOA two seats on the MCRA board of directors to support the leadership of the resort operations. This would be beneficial to both organizations by offering improved oversight and communication. The MCPOA representatives on the MCRA board would be appointed by the MCPOA Board of Directors.

The MCRA has considered three options:

- Option One - execute a merge within one year.
- Option Two - execute a merge over a three-year engagement period.
- Option Three - the MCRA would continue to operate the facility with limited funds, until they can find a suitable purchase agreement with a third party.

We consider this document as a starting point in determining the future of MeadowCreek Resort. Details should be worked out by a joint committee of MCRA and MCPOA members.
