

## Comeback on Course at Warner Springs Resort

PROPERTY: Renovation's First Phase Brings Back Golfing

By Lou Hirsh Friday, March 28, 2014



The 18-hole golf course and related clubhouse amenities at Warner Springs Ranch Resort are expected to be completed this summer. Photo by Pacific Hospitality Group Inc.

A \$50 million overhaul undertaken last year by Pacific Hospitality Group Inc. will begin to bear fruit this summer, when the developer reopens the newly renovated golf course at the historic Warner Springs Ranch Resort.

It is the first of an expected three-phase renovation of the property, which the San Diego-based developer bought out of a bankruptcy auction in spring 2013 for about \$15 million. The makeover is on track for full completion by mid-2016, with upgrades being planned for its 250 guest rooms, hot springs, spa and equestrian center, among other amenities.

Spanning 2,400 acres in the unincorporated community of Warner Springs, off Highway 79 in San Diego County's northeastern corner, the property was founded as a working ranch in the mid-1800s and debuted as a health resort in the 1920s. It has been essentially closed to the general traveling public for the past two years.

The property sports a 27,000-square-foot main lodge, 250 casitas and two restaurants. It also has its own on-site — and currently functioning — airport, fire station and public school.

Pacific Hospitality chose first to take on the challenging makeover of Warner Springs Ranch's long-dormant, 144-acre golf course.

"Things had become way overgrown, and there was just a lot of work to do to get that back in shape," company President Fred Grand said.

By the time it reopens this summer, the 18-hole course will have a renovated clubhouse

## Commercial Center Plans

Also this summer, resort operators plan to reopen its commercial center, including its rehabilitated Country Market convenience store and a remodeled automotive service station. And they will establish nature preserves along the property, with related elements to commemorate the resort's cultural heritage.

Grand said the renovation's second big phase, set to conclude by summer 2015, will cover a portion of the guest casitas, along with the spa, natural hot springs and other amenities. The resort is expected to employ about 250 people when it resumes full operations around mid-2016, after remaining room renovations and other improvements are completed.

Pacific Hospitality aims to market Warner Springs Ranch more effectively to a global audience, targeting travelers seeking a quiet location with therapeutic elements, like its natural hot springs

For Pacific Hospitality Group, founded in 1986 by entrepreneur William H. McWethy Jr., Warner Springs Ranch combines elements found in several of the company's projects and acquisitions in recent years. It is a golf property with long ties to San Diego County's history, and it struggled financially for several years under prior owners.

In 2012, the company acquired and renovated the Salt Creek Golf Club in Chula Vista. The developer has since completed a multimillion-dollar makeover of that course's clubhouse, restaurant and pro shop, Grand said, and the site's event space has hosted several high-profile gatherings organized by local charitable groups.

Earlier, Pacific Hospitality acquired and renovated a former Old Town San Diego retail center, transforming it into the Hacienda Hotel. It subsequently partnered with the city and San Diego County on a \$4 million renovation of Victorian buildings in Old Town's Heritage Park.

At the Hacienda, the company recently completed an extensive renovation and repositioning of the hotel's former Acapulco Restaurant, now known as Old Town Tequila Factory, Grand said, adding that it has been well-received so far.

The developer also has plans for a roughly \$3 million renovation of Palm Mountain Resort & Spa, a Palm Springs hotel that it acquired in the early 1990s. The makeover will add 20 rooms and meeting spaces to the 120-room property.

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