

Autry talks of Running Horse transfer City of Fresno could buy golf land, then sell it to the billionaire.

By Sanford Nax / The Fresno Bee

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Saying time is critical to save the Running Horse golf course development, Fresno Mayor Alan Autry on Wednesday said city officials are working on a plan to acquire all 420 acres of the project and sell the land to billionaire real estate developer Donald Trump.

Autry, stressing that he approached Trump with the idea, said the city's involvement would speed the process and possibly lead to a PGA Tour golf tournament in Fresno in 2009. A PGA event scheduled for this year was canceled after the project fell apart.

"I'm determined to keep the PGA here," Autry said, adding that he was worried about the possibility of lawsuits and liens delaying or killing the project.

"Time is not an ally."

Autry said the prospect of Trump National Golf Course Fresno in southwest Fresno, which has struggled economically, is too good to pass up. "Something like this hasn't come down the pike of southwest Fresno in 100 years."

Trump attorney Michael Cohen supports the city's plan because it is more efficient than acquiring the property piecemeal.

"The Trump organization would rather have the city acquire the property because only the city can save the PGA Tour by assembling the 38 lots," he said.

Autry and City Manager Andy Souza were vague on the details, saying a framework has been negotiated with Trump. The City Council will learn more about the proposal in closed session Tuesday.

City officials did not divulge how they planned to convey the property directly to a developer without going through a bidding process.

The plan calls for the city to assemble much of the property from whoever acquires the parcels at a foreclosure auction Oct. 26. A major lender, La Jolla Loans, is set to foreclose on 33 of the 38 lots. Other parcels, including some that are privately owned, also would have to be assembled by the city.

Trump apparently is staying in close contact.

"We're working with the creditors right now to acquire the property post-foreclosure," Cohen said.

Autry and Souza said the city, as a government agency, has more tools to accomplish such a deal, including the possible use of eminent domain and other legal remedies.

The mayor called eminent domain, where a municipality pays fair-market value for property in a public project, a last resort. "I'm confident that at the end of the day we will work it out without eminent domain. We have come up with ideas and are getting creative."

At one point, Trump offered to buy the land from Running Horse owner Mick Evans for \$30 million in a deal that fell through. Trump later said he would consider bidding on the land at an auction.

Evans, who was hired to build the course and is owed \$9 million, acquired the project from original developer Tom O'Meara, put it into bankruptcy protection to hold off creditors and has been seeking a buyer.

Trump is the leading candidate, although an entity known as Twin Fresno LLC also is interested. Souza said Twin Fresno, which approached city officials three weeks ago, wants too many concessions from the city.

Now with the city offering to step in, Trump has said he would use the same contractors who filed \$15 million in mechanic's liens to complete the project. The removal of the liens would help speed up the process.

"Let everybody get back to work and let everybody start making money," Cohen said, adding that Trump has the financial strength to carry a time-consuming project like this to its end.

The City Council hasn't seen much of the proposal. Council Member Mike Dages said a friendly purchase is fine, but he is not comfortable using eminent domain laws to acquire stray parcels.

"I don't care if it is Donald Trump or ABC developer. It doesn't seem right for the city to use the power it has and then give it to a developer," Dages said.

He said that before he signs off on the plan, he would want assurance from the PGA that a tournament would be held in Fresno, and he would want to know the potential cost to the city.

"I won't jump off this cliff with the rest of the council members until we know the figures," he said.

Council Member Jerry Duncan said he is confident the PGA would go ahead. "They've indicated very clearly we are the last major market they want to work with," he said.

Duncan said all options are on the table.

"Nothing is ruled out and nothing is ruled in, either. We want to make sure the project goes forward and protect taxpayers at the same time."

Duncan said he has been impressed with the willingness of city officials to find a solution, and is happy that Trump's team is willing to work with local contractors affiliated with the development.

Cohen said the big picture is impossible to ignore.

"Take all the hype and celebrity status out of this thing: If you believe your children and grandchildren will be in Fresno, then you want to bring this thing to fruition."

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