

THE CITY OF JACKSONVILLE & JACKSONVILLE EDC



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MEDIA RELEASE

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For Immediate Release

Joint Partnership Secures the Future of Cherokee Ranch Golf Course and Clubhouse

(JACKSONVILLE, TEXAS) – The Jacksonville Economic Development Corporation (JEDCO) and the City of Jacksonville (City) are pleased to announce the purchase of the Cherokee Ranch Golf Course in partnership with Cherokee Ranch Golf Inc. (CRG). CRG has leased and operated the course since 2016, but with a lease expiring in early 2022 and the property owner’s desire to sell, the partnered-purchase “saved the course”. The February 22nd closing marked the end of a successful transaction, the beginning of a new long-term lease, and the return of local control.

This announcement follows months of on-going work between the three entities and negotiations with the property’s former out-of-state, individual owner. The approximately 190-acre, 18-hole public course and its complimenting 14,500 square-foot clubhouse and pro shop facility, located on the east side of Jacksonville, came at total cost of \$2.036 million. JEDCO contributed \$1.036 million with the City and CRG contributing \$750,000 and \$250,000 respectively.

CRG has entered a 25-year, triple net lease agreement with JEDCO for continued operation of the golf course and pro shop. CRG has demonstrated its ability to successfully improve course conditions, grow membership, manage public play, and give back to the community. The lease will yield JEDCO the full amount of investment over the full term. In addition, the approximately 190-acres which comprise the course will be annexed into the City of Jacksonville. This will result in new sales tax income for JEDCO and the City. No privately-held individual properties will be included in the annexation proceedings.

“The golf course serves those living here, but also draws people and business to Jacksonville”, said Chairman of the Board Darrell Dement. “This is a true asset, and it is vital we do not lose an amenity of this caliber as we compete for new growth. The Board’s decision to back this project is evidence of our commitment to this community.”

As the City plans to transform the existing clubhouse into a public civic center, the City’s outlay of \$750,000 to purchase the clubhouse facility was funded by Hotel Occupancy Taxes (HOT). These funds are strictly limited to expenditures that promote and increase stays at local hotels. The City currently collects approximately \$250,000 in HOT funds annually. Proceeds are

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generated by a 7% local tax levied on hotel stays. The clubhouse appraised for more than \$1.5 million prior to the City's commitment to the purchase. Efforts to transform the facility into a civic center are currently in the planning stages.

"As a lifelong citizen of Jacksonville, I am aware of the course's legacy, but I am more optimistic about what it will become, than what it has been", said Jacksonville Mayor Randy Gorham. "The City's contribution was necessary to bring this deal to fruition and I am pleased with the Council's resolve to bring back a place for us to gather."

"Today's announcement is monumental", said Anthony Williams, President of Cherokee Ranch Golf Inc. "We look forward to working with our community partners and serving the residents and visitors of the City of Jacksonville. The course is in great shape, and we have plans to continue improving it in the years to come. We believe Jacksonville's course can be one of the premier courses in Texas."

About Cherokee Ranch Golf Club

Built in 1936, Cherokee Ranch Golf Club represents one of the earliest golf courses in Texas. This 18-hole course, with its beautiful East Texas pines, flush fairways, and champion greens, sprawls almost 190 acres. The course attracts visitors from all over the state with many sponsored events held annually. The course hosts hundreds of students through high school UIL tournaments bringing families to eat, shop, and stay locally. Annual fundraisers for local non-profit and civic organizations attract visitors and generate contributions to organizations helping people in the community.

About JEDCO

The Jacksonville Economic Development Corporation (JEDCO) was established in 1995 by the voters of Jacksonville. JEDCO is a Type B corporation governed by State Law and operates on revenue from a ½ cent sales tax. JEDCO is led by a seven-member board of directors appointed by the Jacksonville City Council.

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