**Recap for the October 21, 2025, City Council meeting**

**SILVERROCK UPDATE**

On Tuesday, October 21, 2025, a bankruptcy judge granted a motion to sell land owned by the SilverRock Development Company and affiliates (collectively known as SDC or debtors) to Turnbridge Equity, allowing the property to enter into escrow.

After defaulting on the project formerly known as Talus La Quinta, SDC filed for Chapter 11 protection on August 5, 2024, in a U.S. Bankruptcy Court in Delaware, where SDC was formed.

The motion to sell the "raw and partially improved land," which comprises about 134 acres of the 525-acre SilverRock site, was filed by the debtors on August 15, 2025. It followed a lengthy bidding process and live auction held in early August, City Attorney Bill Ihrke said in his update at Tuesday's City Council meeting.

In a lengthy ruling from the bench on Tuesday, the court found that:

1. The sale process was fair and was conducted in a manner to try and obtain the most qualified bidders and highest sale price for the debtors' assets.
2. The City "went out of its way to ensure an open process" to allow for potential qualified bidders, as well as work with them to have project approvals in place by the time a sale would occur, which the court found added value and certainty to the debtors' sale assets, and allowed for adjacent City-owned "option property" to be part of a proposed project.
3. A creditor's proposed, substitute plan would not be accepted because (a) it did not comply with the bid procedures, (b) was untimely, (c) lacked firm financial commitments, and (d) did not have the approval from the City.

The debtors and the City have worked together from early on in the bankruptcy case, and as required by the bid procedures ordered by the court, it was a "team effort" to reach a result that both the City and debtors view as very favorable, Ihrke said.

The court's ruling on Tuesday allows Turnbridge Equities to proceed with purchasing the debtors' assets, "free and clear of prior monetary liens," Ihrke said.

The next step in the process for the City will involve working with the debtors and Turnbridge as part of the escrow process, Ihrke said.

On Tuesday, the court also approved an amended Debtor-in-Possession (DIP) credit arrangement between the City and the debtors in an amount not to exceed $13 million which would provide the debtors with liquidity to sell the 134 acres including partially built structures, wind down their estate and initiate a plan of liquidation through the bankruptcy court. The City conservatively estimates that $5.5 million will be repaid, resulting in a net incentive of $7.5 million.

**Turnbridge's Plan for SilverRock**

In a special public hearing held September 22, the La Quinta City Council conditionally approved a reinstated and amended development agreement (ADA) for the SilverRock Resort with TBE RE Acquisition Co. II LLC, an affiliate of Turnbridge Equities.

Approval of the ADA was contingent upon the bankruptcy court's authorization of the sale. It includes some changes to the site development plans outlined by Turnbridge that include:

- One luxury hotel with approximately 154 guest rooms.
- 55,000-square-foot banquet/shared use facilities.
- 445 residences to include 29 branded residences north of the hotel with a private clubhouse, 70 condos and 293 homes east of the hotel, which can be short-term vacation rentals from which the City would receive TOT.
- 40,000-square-foot commercial area.
- 17,000 square-foot public golf clubhouse which will be moved closer to the entrance off of Avenue 52 and other public amenities for easier public access.
- 20,000-square-foot residential amenities building.

Many of the partially built structures will be demolished including some of the residential units.

Hear Ihrke's report on the Council meeting video at www.laquintaca.gov/pastmeetings.

The website, www.laquintaca.gov/taluslq, also provides a timeline of the project from the beginning to now and previous updates by Ihrke and City Manager Jon McMillen.

**NEXT MEETING**

The next regularly scheduled City Council meeting is Tuesday, November 4, at 4 p.m. at City Hall.

If you can't make it to a meeting or missed a meeting, you can livestream or watch the video online at www.laquintaca.gov/livemeetings or www.laquintaca.gov/pastmeetings.

Agenda packets with staff reports can be viewed on the City's website, www.laquintaca.gov, or received via email or text by signing up for Quail Mail.