


MINUTES
BOARD OF DIRECTORS
OF THE
SAN BERNARDINO ECONOMIC DEVELOPMENT CORPORATION

PATRICK J. MORRIS, PRESIDENT
BOARD MEMBERS RIKKE VAN JOHNSON, TOBIN BRINKER, DENNIS CRAIG AND MIKE
GALLO

REGULAR MEETING
JANUARY 12, 2012
BOARD ROOM

The Regular Meeting of the Board of Directors of the San Bernardino Economic Development Corporation ("SBEDC") was not held due to the lack of quorum and the meeting was adjourned by the Recording Secretary to the Board of Directors of the San Bernardino Economic Development Corporation at 4:00 p.m., Thursday, January 12, 2012, to Thursday, January 12, 2012 at 5:00 p.m. in the Economic Development Agency Board Room, 201 North "E" Street, Suite 301, San Bernardino, California. A Notice of Adjournment was duly posted.

By:  _____
Sheree Meier, Secretary

MINUTES

BOARD OF DIRECTORS
OF THE
SAN BERNARDINO ECONOMIC DEVELOPMENT CORPORATION
(SBEDC)

PATRICK J. MORRIS, PRESIDENT
BOARD MEMBERS RIKKE VAN JOHNSON, DENNIS CRAIG,
TOBIN BRINKER AND MIKE GALLO

ADJOURNED REGULAR MEETING
JANUARY 12, 2012
BOARD ROOM

The Adjourned Regular Meeting of the Board of Directors of the San Bernardino Economic Development Corporation ("SBEDC") was called to order by President Morris at 5:03 p.m., Thursday, January 12, 2012 in the Economic Development Agency Board Room, 201 North "E" Street, Suite 301, San Bernardino, California.

ROLL CALL

Roll call was taken by Secretary Meier with the following being present: President Morris, Board Members Johnson, Brinker and Craig; Chief Executive Officer Marzullo; Legal Counsel Sabo and Martyn; Deputy City Attorney Onstot; Interim Chief Financial Officer Tillery; Administrative Services Director Baker; Financial Analyst Crosby.

Also Present: Mayor's Chief of Staff Jim Morris and Assistant to the City Manager James Graham.

Absent: Board Member Gallo.

1. **CALL TO ORDER** – President, Mayor Patrick Morris.
2. **INTRODUCTION OF DIRECTORS (IF ATTENDING FROM COUNTY)**

There were no new Directors to introduce.

3. **MINUTES**

Board Member Brinker made a motion, seconded by Board Member Johnson that the minutes for the Board of Directors of the SBEDC meeting of the November 17, 2011, November 29, 2011 and December 8, 2011 be approved as submitted in typewritten form.

The motion carried unanimously 4-0.

4. **PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA**

There were no public comments.

5. **DESMOND & LOUIS – PROFESSIONAL SERVICES AGREEMENT FOR PUBLIC RELATION SERVICES FOR THE SAN BERNARDINO VALLEY ENTERPRISE ZONE ("SBVEZ")**

- a. That the Board of Directors approve and authorize the Chief Executive Officer of the San Bernardino Economic Development Corporation ("SBEDC") to execute the Professional Services Agreement ("Agreement") by and between the SBEDC and Desmond & Louis and authorize the funding of said Agreement in the amount of \$49,200 for public relations services for the SBVEZ.

President Morris stated there may not be funds available for this project and moved to table the item. Board concurred.

6. WASHINGTON AVENUE - CONVEYANCE AND ACCEPTANCE OF PROPERTY (IVDA REDEVELOPMENT PROJECT AREA)

- a. That the Board of Directors approve the conveyance and acceptance of the Washington Avenue property.

President Morris addressed this issue with Item No. 7 below.

7. ELISENAL, LLC/SAN LUIS REY, LLC - CONVEYANCE OF INTEREST FOR REMNANT PARCEL AT TIPPECANOE AVENUE AND ROSEWOOD DRIVE (IVDA REDEVELOPMENT PROJECT AREA)

- a. That the Board of Directors approve the conveyance of interest to Elisenal, LLC/San Luis Rey, LLC for remnant parcel at Tippecanoe Avenue and Rosewood Drive.

President Morris stated that due to the Supreme Court decision on AB 1x 26, the SBEDC does not have jurisdiction over parcels listed on Item No. 6 and Item No. 7 and moved to table the items. Board concurred.

8. PUBLIC WORKS CONSTRUCTION CONTRACT FOR THE CONSTRUCTION OF THE STADIUM PARKING LOT IMPROVEMENTS (CENTRAL CITY SOUTH REDEVELOPMENT PROJECT AREA)

- a. That the SBEDC Board of Directors award a Public Works Contract ("Construction Contract"), approve and authorize the Chief Executive Officer of the San Bernardino Economic Development Corporation ("SBEDC") to execute the Construction Contract by and between the SBEDC and lowest responsible bidder and authorize the funding of said Construction Contract amount for the construction of the Stadium Parking Lot Improvements and that the Board of Directors authorize a 10% construction contingency for the Construction Contract. (Central City South Redevelopment Area)

Chief Executive Officer Marzullo informed the Board of details regarding Stadium Parking Lot Improvement repairs.

The motion carried unanimously 4-0.

Board Member Brinker announced his resignation as a Board Member of the SBEDC and submitted a letter of resignation to Mr. Marzullo effective 1/13/12. President Morris and the Board thanked him for his service.

9. CHIEF EXECUTIVE OFFICER REPORT

- a. Update as to the status of SBEDC properties and activities.
 - Mr. Marzullo stated that 45 students in Cal Poly Pomona's Undergrad/Grad Urban Design Studio Program (through AECOM) will conduct a 10 week shorette consisting of field work, analysis' and

term papers to study the area from Rialto South to Mill Street and from the 215 Freeway east to Waterman Avenue (south of the City's Downtown Core Plan). Jeff Smith is working with the students regarding background information. At the end of the 10 weeks, the students will present their findings to City Officials in March and are requesting it be held at the California Theatre California Room.

- President Morris informed the Board of a one million square foot Hillwood facility currently underway at the airport.
- Member Johnson announced the Highland Magnolia Project grand opening January 26.

10. NOTIFICATION OF PURCHASES OVER \$25,000 (UNDER \$50,000)

- Purchase Order No. 80047 in the amount of \$32,500 to AECOM for preparation of the 4th Street Construction Documents Downtown Streetscape Project.
- Purchase Order No. 80049 in the amount of \$30,000 to Vanir Construction Management for Construction Management Services for Regal Cinema Development Contractor.
- Purchase Order No. 80051 in the amount of \$49,864 to W. Wood & Associates Development, Inc. for irrigation improvements & landscaping at Arrowhead Stadium.
- Purchase Order No. 80053 in the amount of \$48,600 to NBI General Contractors, Inc. for construction of driveway approach at 1064 "E" Street.

11. CLOSED SESSION - PURSUANT TO GOVERNMENT CODE SECTIONS:

- Conference with legal counsel - existing litigation - pursuant to Government Code Section 54956.9(a).
- Conference with legal counsel -- pending or threatened litigation - Government Code Section 54956.9(b).
- Conference with legal counsel -- anticipated litigation -- initiation of litigation -- pursuant to subdivision (c) of Government Code Section 54956.9.
- Conference with Labor Negotiators pursuant to Government Code Section 54957.6. Labor Negotiators designated as: Timothy J. Sabo, Legal Counsel and Emil Marzullo, Chief Executive Officer with regard to the following unrepresented employee positions (approved positions as of July 1, 2010):

Management

- Executive Director
- Deputy Director - EDA
- Deputy Director -- RDA
- Chief Financial Officer
- Director of Administrative Services
- Director of Housing and Community Development
- Director of Marketing and Special Events

Confidential

- Accounting Manager
- Financial Analyst
- Executive Secretary

Mid-Management

- Project Manager
- Marketing/Public Relations Manager
- Senior Urban Planner
- CATV / IEMG Broadcast Engineering Coordinator
- CATV / IEMG Production Coordinator

General

- Assistant Project Manager

- b. Senior Admin Analyst Real Estate Acquisition
- c. GIS / Graphic Analyst
- d. Administrative Analyst
- e. Business Solutions Coordinator
- f. Senior Accounting Technician
- g. Records Management Specialist
- h. CATV / IEMG Production Technician
- i. CATV / IEMG Production/Traffic Specialist
- j. Administrative Assistant
- k. Secretary
- l. Operations Specialist II
- m. Administrative Clerk III

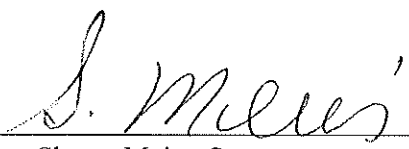
Public Service Temporary Employees/Part Time Employees

- a. Receptionist
 - b. CATV / IEMG Production/Programming Assistant
 - c. CATV / IEMG Administrative Assistant
 - d. Public Service Temporary Employees
- E. Closed Session with Chief of Police on matters posing a threat to the security of public buildings or threat to the public's right of access to public services or public facilities – pursuant to Government Code Section 54957.
- F. Conference with labor negotiator- pursuant to Government Code Section 54957.6.
- G. Conference with real property negotiator – pursuant to Government Code Section 54956.8.

Per Mr. Marzullo, the Closed Session items were cancelled.

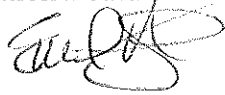
12. ADJOURNMENT

At 5:22 p.m., the meeting adjourned. The next regularly scheduled meeting of the SBEDC Board of Directors is Thursday, January 26, 2012 at 4:00 p.m. (or immediately upon conclusion of the Redevelopment Committee Meeting) in the Economic Development Agency Board Room.

By:  _____
 Sheree Meier, Secretary

SAN BERNARDINO ECONOMIC DEVELOPMENT CORPORATION

STAFF REPORT

DATE: January 24, 2012
TO: San Bernardino Economic Development Corporation Board of Directors
FROM: Emil A. Marzullo, Chief Executive Officer 
SUBJECT: Joe Baca Campaign Office Lease in 201-A North "E" Street Building

Recommendation:

That the Board of Directors approve the Joe Baca Campaign Office Lease in 201-A North "E" Street building and authorize execution by the Chief Executive Officer of the San Bernardino Economic Development Corporation ("SBEDC").

Background:

Congressman Joe Baca approached the SBEDC seeking office space for his local campaign office. The SBEDC offered 138 square feet of office space located in the 201-A North "E" Street building, which in the same building as his current District Office. The SBEDC will enter into a separate Lease Agreement commencing January 1, 2012, and ending December 31, 2012.

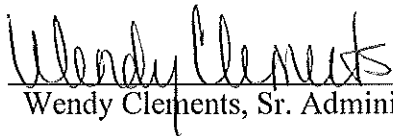
Fiscal Impact:

There is no fiscal impact to the SBEDC. Under the proposed Lease Agreement, the Tenant will be paying rent in the amount of \$133.24 per month with a total value of \$1,598.88.

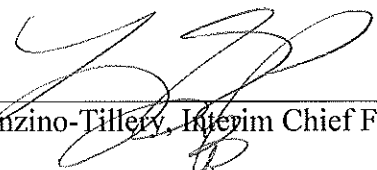
Attachments:

Lease Agreement for execution
Floor Plan

Prepared By:


Wendy Clements, Sr. Administrative Analyst

Certified to Funds Availability:


Lori Panzino-Tillery, Interim Chief Financial Officer

LEASE AGREEMENT

This Lease Agreement ("Agreement") is made this January 1, 2012, by and between the San Bernardino Economic Development Corporation, a non-profit public benefit corporation (hereinafter known as the "Lessor" or "SBEDC") and Joe Baca, a member of the U.S. House of Representatives (hereinafter known as "Lessee") (sometimes jointly referred to herein as the "Parties") on the following terms and conditions.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Property Lease and Terms:

- (A) Lessor hereby leases to Lessee and Lessee hereby leases from Lessor for the purposes of operations pursuant to Section 4, the 138 square foot portion of Suite 107 located at 201-A North "E" Street, in the City of San Bernardino, California shown on Exhibit "A," attached and incorporated here.
- (B) The term of this Agreement is for 12 months, commencing January 1, 2012, and terminating on December 31, 2012. This Agreement may be terminated during the lease term for breach of this Agreement.

2. Lease Payments: The total lease payment shall be \$133.24 per month for the 12 month period, payable monthly by the 10th day of the month to SBEDC at 201 North "E" Street, Suite 301, San Bernardino, CA 92401. Any amount unpaid as of the 11th of the month shall bear interest at 10% simple interest per annum. Any amount paid shall be applied first to interest owing and then to the amount of rent due. If the lease payment becomes 30 days late, Lessee shall be in breach of this Agreement. The lease payment includes all utilities, maintenance and repair as set out here.

3. Utilities and Taxes: The SBEDC shall pay before delinquency any and all taxes, charges, assessments or other costs, including, but not limited to, those for utilities and other services connected or supplied to the property. In addition, LESSEE UNDERSTANDS THAT THIS AGREEMENT MAY SUBJECT LESSEE TO PROPERTY AND POSSESSORY INTEREST PROPERTY TAXATION AS SET OUT IN THE REVENUE & TAXATION SECTION 107.6 ET SEQ.

4. Use of Property: Lessee accepts the Premises as is. Lessee shall use the Property only for the operation of the campaign office to carry out its campaign for re-election and for related necessary uses. Lessee shall use the Property in compliance with all applicable federal, state and local ordinances and regulations. Lessee shall not commit any waste or any public or private nuisance upon the Premises.

5. Maintenance: At all times during the term of this Agreement, the SBEDC shall at sole cost and expense, keep and maintain the interior and exterior of the Property in good order and repair in a safe and clean condition, including any and all walls, roof, landscaping, fencing and parking lots. The SBEDC will be responsible for repairing the interior structure of the building, including, but not limited to, the plumbing, electrical and HVAC. Notwithstanding, in the event of damage to the property which makes it unusable for the purposes set out here, the SBEDC shall not be obligated in any way to repair the property.

6. Improvements provided by Lessee/Modifications: Lessee shall pay for all furniture and equipment (FF&E) and signage. All such property shall be and remain the personal property of Lessee. Lessee may not modify the property as necessary to utilize it for the purposes set out under Section 4, above. All signage shall meet current codes and have any necessary City approvals.

7. Inspection by Lessor: Lessor and its agents have the right to enter said Property for the purpose of making any inspection desired provided that at least 24 hours prior notice is given. Such inspections shall be during business hours and shall not disrupt business operations.

8. Surrender of the Property: Upon any termination of this Agreement, Lessee shall promptly and peaceably remove its goods and effects, and other personal property, and surrender to Lessor the Property in as good condition as when received by Lessee, reasonable wear and tear excepted.

9. Attorney's Fees: In the event that either party to this Agreement shall employ an attorney to enforce the terms of this Agreement then the prevailing party shall be entitled to receive, in addition to all other relief awarded, a reasonable sum for attorneys' fees.

10. Non-Liability of Lessor for Damage: As additional consideration for this Agreement, and without regard to the limits of any insurance, Lessee hereby indemnifies and defends Lessor, its officers, employees, agents and authorized volunteers (collectively "Lessor") and holds Lessor free and harmless from and against any and all liability, loss, claims, obligations, demands or costs (including, but not limited to, costs or attorneys fees for counsel acceptable to Lessor) for damages from injury or death to person or persons, including Lessee, or damage to the property arising or alleged to arise as a result of Lessee's occupancy, actions or failure to act under this Agreement, except as such may arise from the sole negligence or willful misconduct of Lessor.

11. Insurance: As additional consideration for this Agreement, Lessee shall, at Lessee's sole expense, to provide and keep in force throughout the term of this Agreement and any extension thereof, public liability insurance from a company and in a form acceptable to Lessor for accident or incident occurring in or about the Property in the minimum amount of One Million Dollars (\$1,000,000). Lessee shall provide Lessor a certificate of insurance evidencing such insurance from a company acceptable to Lessor and primary to Lessor, with an endorsement naming Lessor as an

additional insured and providing for thirty (30) days prior notice of any suspension or cancellation of such policy. Lessee also shall obtain workers' compensation insurance as required by law.

12. Assignment of Subletting: Lessee shall not assign this Agreement or any interest thereof nor sublet the Property.

13. Heirs and Successors: Each and all of the terms and conditions in this Agreement shall inure to the benefit of and be binding upon the Parties hereto and respective successors, heirs, legatees and legal representatives.

14. General Waivers: Lessor's consent to or approval of any act by Lessee shall not be deemed to waive or render unnecessary the consent or approval of Lessor of any subsequent similar act by Lessee. No waiver of any provision hereof shall be effective unless it is in writing and is signed by the waiving party nor shall it be deemed a continuing waiver hereof. This Agreement may be amended only in writing signed by both parties. This Agreement represents the entire agreement of the parties as to the subject matter thereof.

15. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of California. Venue for any litigation shall be the Central District of San Bernardino.

16. Notices: The addresses of Lessor and Lessee for all purposes under this Agreement shall be:

LESSOR: San Bernardino Economic Development Corporation
201 North "E" Street, Suite 301
San Bernardino, CA 92401-1507
Attn: Chief Executive Officer

LESSEE: Joe Baca
201-A North "E" Street, Suite 102
San Bernardino, CA 92401-1507
Attn: Sam Garcia

Notice shall be deemed given hereunder when writing and delivered personally or by fax (with fax return) or three (3) days after deposit in the U.S. Mail, first-class, postage prepaid, addressed as set out above.

17. No Joint Venture: Nothing set out herein shall cause Lessee and Lessor to be deemed to be in a joint venture nor shall employees of Lessee be or be deemed to be employees of Lessor as a result of this Agreement. Lessee at all times shall be and remain an independent contractor.

The undersigned represent and warrant they are duly authorized to execute this Agreement and to bind the Parties.

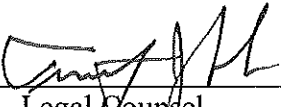
LESSOR

San Bernardino Economic Development Corporation,
a non-profit public benefit corporation

Dated: _____

By: _____
Emil A. Marzullo, Chief Executive Officer

Approved As to Form and Legal Content

By:  _____
Legal Counsel

LESSEE

Joe Baca,
a member of the U.S. House of Representatives

Dated: _____

By: _____
Joe Baca

The undersigned represent and warrant they are duly authorized to execute this Agreement and to bind the Parties.

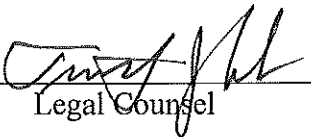
LESSOR

San Bernardino Economic Development Corporation,
a non-profit public benefit corporation

Dated: _____

By: _____
Emil A. Marzullo, Chief Executive Officer

Approved As to Form and Legal Content

By:  _____
Legal Counsel

LESSEE

Joe Baca,
a member of the U.S. House of Representatives

Dated: _____


By: _____
Joe Baca

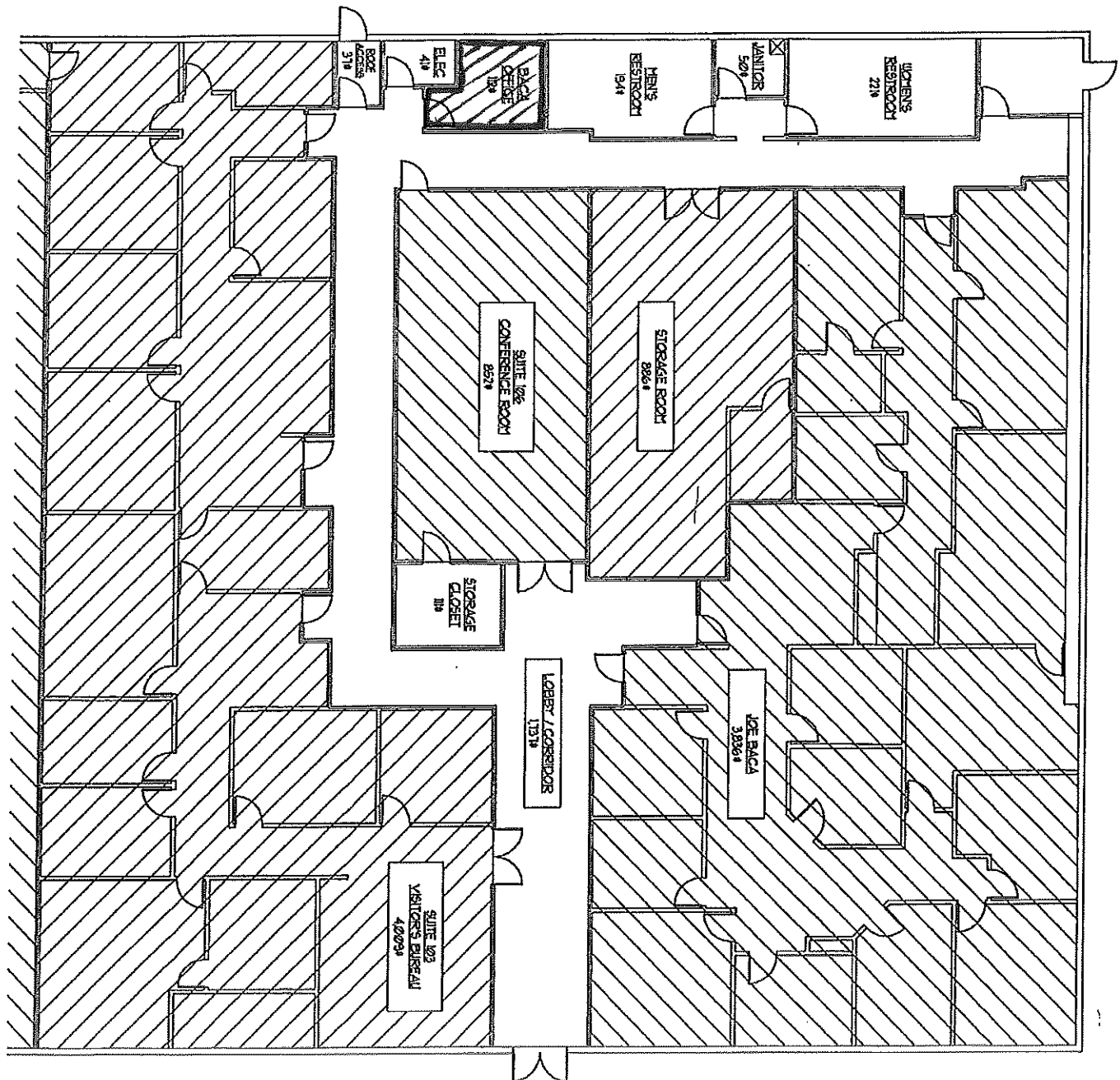
EXHIBIT "A"

FLOOR PLAN

201-A North "E" Street, Suite 107
San Bernardino, California

201-A North E Street, 1st Floor
San Bernardino


 Baca Campaign Office



"E" Street

SAN BERNARDINO ECONOMIC DEVELOPMENT CORPORATION

STAFF REPORT

DATE: January 31, 2012
TO: San Bernardino Economic Development Corporation Board of Directors
FROM: Emil A. Marzullo, Chief Executive Officer 
SUBJECT: Shandin Hills Golf Club - Transition of Operations

Recommendation:

That the Board of Directors approve the transfer of operation of Shandin Hills Golf Club and authorize execution by the Chief Executive Officer of the San Bernardino Economic Development Corporation ("SBEDC") of a Consent to Assignment and an Estoppel Certificate.

Background:

On January 1, 1985, the Redevelopment Agency of the City of San Bernardino ("Agency") and Shandin Hills Golf Club entered into a Ground Lease Agreement ("Ground Lease") to operate the Shandin Hills Golf Club. On March 7, 2008, the Ground Lease was assigned to CNL Income EAGL Leasehold Golf, LLC ("CNL"). CNL sub-leased its interest in the Ground Lease to Evergreen Alliance Golf Limited, L.P. The sublease was approved by the Agency on March 6, 2008.

The Property which is the subject of the Lease, was transferred from the Agency to the SBEDC. Pursuant to applicable provisions of state law, the Lease obligation transferred with the Property. CNL has now determined that it is in the best interest of Shandin Hills Golf Club and the parties involved to transition golf operations from EAGL to Fore Golf Management, LLC. Fore Golf Management, LLC., has significant experience in Southern California that will benefit the patrons and the overall performance of the Golf Club.

Article 16 of the Ground Lease requires that a change in operator be pre-approved in the same manner as the sub-lease. The criteria for review are whether the proposed operator has the experience and personnel to do the job.

Staff has reviewed the information provided with the request for approval and independent research etc. and as determined that Fore Golf Management LLC., has the personnel and experience to operate the facilities.

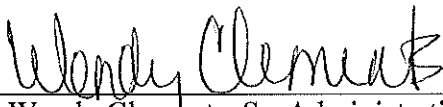
Fiscal Impact:

Under the proposed Ground Lease, the Tenant will be paying rent in the amount of \$16,666.67 per month with a total value of \$200,000.04.

Attachments:

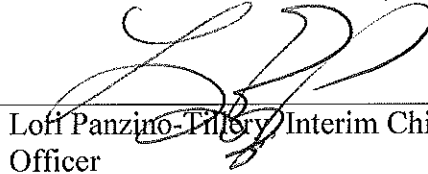
Executive Summary - Fore Golf Services (For Informational Purposes Only)

Prepared By:



Wendy Clements, Sr. Administrative Analyst

Certified to Funds Availability:



Lofi Panzino-Tillery, Interim Chief Financial Officer

Executive Summary

Fore Golf was formed in 1978 by Charles K. Staples and is currently the third longest running active golf course ownership and management company in the industry. Fore Golf is a community golf management company which acquires, leases, owns, improves, repositions, and manages public, semiprivate, private and resort golf facilities in the United States. From 1978 to today Fore Golf has acquired and managed over 80 golf courses, country clubs and resorts. In March 1990 Fore Golf, Inc. merged with other entities to form a new company called U.S. Golf Properties. This new company acquired additional courses before becoming The Fairways Group in 1992. In July 1993 The Fairways Group was acquired by KSL Recreation forming the vital nucleus for KSL Recreation to enter the resort golf market with Mr. Staples being the catalyst for the company acquiring and managing numerous resorts and clubs including Miami's Florida's legendary Doral Golf Resort and Spa, The "Western home of Golf in America" Palm Springs, PGA West, and the idyllic and iconic La Quinta Resort and Club also in Palm Springs. In 1995 The Fairways Group became KSL Fairways.

In July 1996 Mr. Staples resigned his position as Chairman/CEO of KSL Fairways to once again develop and build a new startup golf course acquisition & management company. Fore Golf has acquired 21 golf courses since 1997.

The current portfolio of Fore Golf includes fourteen courses:

Bardmoor Golf & Tennis Club	18 hole public	Largo, FL	www.bardmoorgolf.com
The Bayou Club	18 hole private	Largo, FL	www.bayouclubgolf.com
Baytree National Golf Links	18 hole public	Melbourne, FL	www.baytreenational.com
Beckett Ridge Golf Club	18 hole public	West Chester, OH	www.beckettridgegolf.com
Bloomington Golfers Club	18 hole public	Valrico, FL	www.bloomingtongolf.com
Feather Sound Country Club	18 hole private	Clearwater, FL	www.feathersoundcc.com
Hidden Creek Country Club	18 hole private	Reston, VA	www.hiddencreekcc.com
Lansbrook Golf Club	18 hole public	Palm Harbor, FL	www.lansbrook-golf.com
The Majors at Bayside Lakes	18 hole public	Palm Bay, FL	www.majorsgolfclub.com
National Golf Club	18 hole private	Ft. Washington, MD	www.nationalgolfclubusa.com
Northdale Golf & Tennis Club	18 hole public	Tampa, FL	www.northdalegolf.com
Patuxent Greens Golf Club	18 hole public	Laurel, MD	www.patuxentgolf.com
The Preserve at Tara	18 hole public	Bradenton, FL	www.golfthepreserve.com
River Hills Country Club	18 hole private	Valrico, FL	www.riverhillscountryclub.com

Senior Management

Chairman & Chief Executive Officer

Charles K. Staples began his golf career in 1961 and became a Class A Member of the PGA of America in 1967. He has served the Middle Atlantic PGA as vice-president, secretary, treasurer and tournament chairman. In addition, he has served on the PGA employment committee, THE committee to select the "Golf Professional of the Year" and the Horton Smith Award Committee. Mr. Staples has lectured widely for the PGA of America on golf course acquisition and management and was commissioned to write the PGA book, *Buying or Leasing a Golf Course*. The PGA

originally published the book in the fall of 1985 and a revised edition in 1989. Mr. Staples also conducted several two-day seminars on golf course acquisitions, leasing and management for the PGA.

Prior to his work in the golf course management business, Mr. Staples had 14 years of experience as a Golf Professional at various championship golf courses. From 1976 to 1977, he was Director of Golf at Aronomink Golf Club in Newtown Square, Pennsylvania. There he was host professional to the 1977 U.S. Amateur Championship. Between 1970 and 1975, he was Director of golf at International Town and country Club in Fairfax, Virginia and between 1965 and 1970 he was the Head Professional and Greens Superintendent at Ft. Eustis Golf Club at Fort Eustis, Virginia, where he hosted an All Army Championship. Earlier, Mr. Staples was an assistant professional and teaching professional at various golf courses, including: The Country Club of Miami, Miami Florida; Ocean Reef Club, North Key Largo, Florida; The Country Club in Cleaveland, Ohio; the Pulaski Country Club in Pulaski, Virginia; and the Blue Hills Golf Club in Roanoke, Virginia.

Mr. Staples has dedicated more than 30 years of his 44 years in the golf business to acquiring, repositioning, developing and operating all types of golf facilities throughout the United States. Mr. Staples has been responsible for the acquisition, development and operation of over 80 golf facilities throughout the United States. His first company, established in 1978, was Fore Golf, Inc. From 1978 to 1990 Fore Golf, Inc. acquired and leased 15 golf courses. In March 1990, Fore Golf, Inc. merged with other entities to form a new company called U. S. Golf Properties. This new company acquired additional courses before becoming The Fairways Group in 1992. In July 1993, The Fairways Group was acquired by KSL Recreation; later renamed KSL Fairways. This acquisition formed the vital nucleus that assisted KSL Recreation in entering the market of resort golf. Mr. Staples was a major contributor in KSL's early acquisitions of PGA West, LaQuinta and Doral resorts. In July 1996, Mr. Staples resigned his position as Chairman/CEO of KSL Fairways, maintaining his ownership interest in KSL Recreation. In October of 1999, Meadowbrook Golf acquired KSL Fairways, resulting in the largest acquisition of a community golf course company at that time. Later, in 2002, CNL acquired KSL Recreation.

After Mr. Staples' departure from KSL in 1996 he decided to once again develop and build a new startup golf management company called Fore Golf Services, LLC ("FGS"). FGS acquired four golf facilities in its first two years: Lake Arbor Golf Club, Robin Dale Golf Club, Edgewood in the Pines, and Hidden Creek Country Club. In January of 1998, FGS sold Lake Arbor, Robin Dale, and Edgewood in the Pines to Gotham Golf Partners and currently continues to operate Hidden Creek Country Club in Reston, Virginia.

In 1999, Mr. Staples became a managing partner of Kinloch Management Company, which developed Kinloch Golf Club. In April of 2001 course construction was completed and the course was opened. Kinloch was rated the #1 Best New Private Golf Course for 2001 by Golf Digest Magazine (December 2001). Golf Week ranked Kinloch #7 (2008) in the top 100 modern courses built in the United States since 1960. Golf Digest (2007-2008) ranked Kinloch #29 in America's 100 Greatest Courses. Kinloch clubhouse construction was completed in late summer 2002. Kinloch was sold to the members in December 2009.

Fore Golf Partners, LLC ("FGP") was organized and developed in 2000 to acquire properties in Florida. FGP purchased Riviera Golf Club in Naples in August 2000. Inverrary Country Club in the Ft. Lauderdale area was purchased in June 2001. Inverrary has 54 holes; two championship courses and one executive course. The purchase of Baymeadows Golf Club in Jacksonville was completed in August 2001. Each of these properties completed extensive course and clubhouse restorations in their first year. Both Baymeadows and Riviera were sold in the first quarter of 2005 and Inverrary was sold in March of 2006. Beckett Ridge Golf Club, LLC owns and operates Beckett Ridge Country Club in Ohio which was acquired in August 2002.

In December 2003 two more Florida clubs were acquired under the ownership of Fore Golf Associates. Both are located in Valrico, Florida—Bloomingdale Golfers Club, a Ron Garl design (voted #1 public course in the Tampa area 10 years in a row), and River Hills Country Club, an 18-hole private club, which is a Joe Lee design.

Baytree National Golf Links located in Melbourne, Florida was purchased by Fore Golf Associates in December 2004, has been voted #1 in Brevard County 9 years in a row and is a Gary Player design.

Fore Golf Associates III, LLC ("FGA III"), an affiliate of the Fore Golf Associates entities, acquired two properties in Prince Georges County Maryland: Tantallon Country Club (now named National Golf Club) and Patuxent Greens Country Club. The acquisition was completed in July 2005 and extensive capital improvements have been completed at both courses.

In December of 2006, a portfolio of four courses were purchased by Fore Golf Associates, all of which are located in the Tampa/Clearwater area—Bardmoor Golf & Tennis Club, The Bayou Club, Lansbrook Golf Club and Northdale Golf & Tennis Club.

In June 2008, Fore Golf Associates acquired another property—The Majors at Bayside Lakes, which is located in Palm Bay and is an Arnold Palmer signature design.

The latest 2 clubs in the current portfolio are The Preserve at Tara, located in Bradenton Florida was purchased In December 2008 and Feather Sound Country Club, located in Clearwater Florida purchased in August 2011.

As of December 2011, the ten Florida golf courses are now run under a newly created entity, the Fore Golf Trail, LLC. The courses now offer reciprocal privileges and are marketed as the Florida Golf Trail.

President & Chief Operating Officer

Michael L. Miraglia serves as President and Chief Operating Officer of the Fore Golf Associates entities. Mr. Miraglia has over 28 years experience in the golf industry. Over 20 of those years have been spent working with and learning from Charles K. Staples. The acquisitions of River Hills Country Club and Bloomingdale Golfers Club along with the creation of Fore Golf Associates presented him with his first opportunity to become a true owner/operator. Mr. Miraglia is now directly responsible for acquisitions, development and operations for all "Fore Golf" properties.

Mr. Miraglia began his golf career in 1983 and became a Class A PGA Member in 1994. Mr. Miraglia has served in every capacity of club management including Assistant Professional, Head Professional, Director of Golf, F&B Manager, Greens Superintendent, Controller/Accountant, General Manager and Regional Manager.

Prior to his return to working with Mr. Staples at Fore Golf, Mr. Miraglia successfully operated the World-Famous Doral Golf Resort and Spa in Miami Florida for over four years. In this capacity he oversaw an operation with 90-holes of golf playing over 150,000 rounds per year. He was the host professional for six PGA Tour (two Doral Ryder Opens, two Genuity Championships, one Shark Shootout and one PGA Q-School Finals) and one LPGA Tour event. During his tenure he also completed restoration projects to the Famous Blue Monster course and the Red Course as well as oversaw the entire reconstruction of the Great White course by Greg Norman, which received high reviews from both Golf Magazine and Golf Digest.

Prior to his tenure at Doral Golf Resort and Spa, Mr. Miraglia was Regional Vice President for KSL Fairways operating nine clubs (Private, Semi-Private, and Public) in the Middle Atlantic Region. While with KSL Fairways he served in the positions of Regional VP (Middle Atlantic),

Regional VP (South) and General Manager.

In December 2003 Mr. Miraglia teamed up with Charles K. Staples to form the Fore Golf Associates entities. Since that time they have purchased, through Fore Golf Associates and FGA III, eleven golf courses, which they currently own and operate.

Management

Fore Golf's management team has successfully owned and managed golf courses in all segments of the golf industry. Fore Golf believes that its success will lie in its management's ability to analyze each facility as a unique property and identify cash flow growth opportunities for each, to create and implement marketing plans that properly position each facility within its local market, and to develop management programs that emphasize customer service, labor productivity, rate/volume balance and expense control. Fore Golf's management culture emphasizes creativity, loyalty, and entrepreneurship and emphasizes management from an owner's perspective with an owner's involvement. Key to this effort are the Property Managers ("PMs"), who will dedicate their full time and attention to hands-on involvement in all aspects of operations at the property level. Fore Golf trains and leads the PMs in all aspects of successful golf operations, remaining accessible at all times. Fore Golf shares ideas and resources between clubs and assists in marketing, inventory control, agronomic planning, financial management and human resource management to insure the best allocation of resources.