

Jucchou Corp
Updated Response to Request for Proposal
Palm Lake Golf Course
RFP No: 2017-14

City of Pomona
City Hall
City Clerk's Office
505 S. Garey Avenue
Pomona, CA 91766

Jucchou Corp
3103 Cove Landing Road
Chino Hills, CA 91709

Jucchou Corp

September 25, 2017

City of Pomona
City Hall
City Clerk's Office
505 S. Garey Avenue
Pomona, CA 91766

Re: Updated Response to Request For Proposal, Palm Lake Golf Course, RFP NO. 2017-14

To: Pomona City Clerk:

On behalf of Jucchou Corp, please accept this letter and accompanying materials as an update to the Response to Request for Proposal for the operation of Palm Lake Golf Course dated April 10, 2017. We have reviewed the Request for Proposal and understand the scope of services required by the City of Pomona for the golf course operator.

Sincerely,

Jeffrey Hirose, President

3103 Cove Landing Road, Chino Hills, CA 91709
<http://www.jucchougolf.com/>

To more effectively serve the obligations associated with the Palm Lake Golf Course lease agreement, and to better assure the long-term success of the endeavor, Juccho Corp has elected to restructure its financial configuration, and is thereby modifying its proposal in the following manners:

The opportunity to secure much more substantive investment capital, for a significantly longer term, is reflected in an MOU with Chino Development League. Therein, CDL has committed to making over \$600,000 in capital improvements, with a long-term commitment of 15-30 years. These resources far surpass any such funding previously available; therefore Juccho has chosen to consolidate with CDL, and place them at the center of the acquisition, refurbishment and management process.

Outside this change, nothing of the proposal has been altered. Every aspect of the scope of services, business plan, projections, and commitment to excellence remain as stated; neither modified nor diluted.

It is hoped that, to satisfy the RFP process, a simple update of page 7 of the proposal dated April 10, 2017 (SUMMARY, Capital Investment), can be modified to state:

CAPITAL INVESTMENT

Palm Lake Golf Course is in need of major repairs. Specifically:

- 1) The netting and support structure require upgrades.
- 2) The palm trees on the course are in need of replacement.
- 3) From recent neglect, the trees and grounds are dead or dying.
- 4) The entire watering system needs to be replaced.
- 5) The pro shop and restaurant need to be razed and rebuilt.
- 6) Maintenance equipment will need to be procured to service the course and driving range.

It is pledged that some \$600,000 will be spent for such upgrades and improvements, including the lake, driving range, clubhouse, parking lot, fencing, grounds, and restaurant. A timeline for the improvements is included herein.

LEASE

Juccho Corp requests a twenty-year lease, with two five-year renewal options, to lease the Palm Lake Golf Course for \$1 per year. The signatory for Juccho Corp is Celso Palafox, whose agency assumes all responsibilities and enjoys all rights to the properties herein referred.

The renewal options would be cancellable by the City of Pomona in the event that Juccho Corp failed to invest at least \$100,000 in capital improvements and equipment during the initial term. In the event that net profits after repayment of investor funds exceed \$150,000 during any calendar year, Juccho Corp will pay the City of Pomona a fee of 10% of the net profit.