



THE CITY OF

SAN DIEGO

REAL ESTATE ASSETS DEPARTMENT, MAIL STATION 51-A

CIVIC CENTER PLAZA, 1200 THIRD AVENUE, SUITE 1700

SAN DIEGO, CALIFORNIA 92101-4199 TELEPHONE: (619) 236-6020

FAX: (619) 236-6706

March 22, 1995

Ernest Klemm
KLEMM RANCH
505 Ash Street
Ramona CA 92065

Dear Mr. Klemm:

Re: Holdover Agreement - Right of Entry Permit Between City of
San Diego and Ernest Klemm Dated February 8, 1992

The above-referenced agreement, which was scheduled to terminate on February 28, 1995, shall continue in effect on a month-to-month holdover basis retroactive to March 1, 1995.

Please sign and return the enclosed copy of this letter in the enclosed self-addressed envelope. If you have any questions, please call C. V. Svensson, Agricultural Asset Manager, at 236-5548.

Sincerely,

Robert J. Collins, Deputy Director
Asset Management & Marketing Division

CVS:jw(klemm.ho)

Enclosures

cc: Susan Drake, Auditor's Office
Lease Billing Supervisor

ACKNOWLEDGED AND ACCEPTED:

Ernest Klemm



DIVERSITY
BRINGS US ALL TOGETHER



THE CITY

SAN DIEGO

CITY ADMINISTRATION BUILDING • 202 C STREET • SAN DIEGO, CA 92101

OFFICE OF THE
PROPERTY DIRECTOR
236-6144

February 8, 1992

Files: Property File - Klemm Ranch

Ernest H. Klemm
Klemm Ranch
505 Ash Street
Ramona, CA 92065

Dear Mr. Klemm:

Re: Right of Entry Permit - City-owned Property Consisting of a Maintenance Building and Adjacent Sheds Situated on Approximately Two Acres of Land in San Pasqual Valley

The City of San Diego ("City") hereby grants permission to Ernest H. Klemm ("Permittee") to enter upon the above-referenced City-owned property ("permit area"), as delineated on the attached Exhibit "A," upon the following terms and conditions:

1. Permittee's use of the permit area shall be limited to repair, maintenance and storage of farm machinery, trucks, trailers and related equipment.
2. Consideration to City for granting this permit shall be Seven Hundred Fifty Dollars (\$750) per month payable monthly in advance on or before the first day of each successive new month.
3. This permit shall be in effect March 1, 1992 to February 28, 1994.
4. Permittee certifies that a policy of public liability and property damage insurance, in which "The City of San Diego" is named as an additional insured, has been secured in an amount of not less than \$1 million combined single limit liability with an occurrence claims form and that said policy shall be kept in force for the duration of this permit. A certificate of said insurance shall be filed with the City Property Department upon execution of this permit.
5. Permittee agrees to defend, indemnify, protect, and hold City and its agents, officers, and employees harmless from and against any and all claims asserted or liability established for damages or injuries to any person or property, including injury to Permittee's employees, agents, or officers, which arise from or are connected with or are caused or claimed to be caused by the acts or omissions of Permittee and its agents, officers, or employees in performing the work or services herein and all expenses of investigating and

defending against same; provided, however, that Permittee's duty to indemnify and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the City, its agents, officers, or employees.

6. All risks in connection with Permittee's use of the permit area and any damages to the improvements thereon, thereunder, or in the vicinity thereof shall be borne in full by Permittee.
7. Permittee shall not use the permit area in any manner which, in the opinion of the City Manager, creates a nuisance or disturbs the quiet enjoyment of persons in the surrounding area.
8. Either party may cancel this permit upon 90 days' written notice to the other party.
9. It is mutually agreed that the City of San Diego shall not be obligated for any loss, financial or otherwise, which may be incurred by Permittee as a result of termination of this permit, and, further, that Permittee expressly waives any claim for expense or loss which Permittee might incur as a result of termination of this permit.
10. Permittee recognizes and understands that this permit may create a possessory interest subject to property taxation and that Permittee may be subject to the payment of property taxes levied on such interest. Permittee further agrees that such tax payment shall not reduce any fee paid the City of San Diego hereunder and that such tax shall be paid by Permittee before becoming delinquent.
11. Permittee shall at its sole cost and expense comply with all the requirements of all municipal, state, and federal authorities now in effect or which may hereafter be in effect, which pertain to the permit area.
12. Permittee shall not assign any rights granted by this permit nor any interest therein without the prior written approval of the City Manager. Approval of any such proposed assignment may be withheld in the sole and absolute discretion of the City Manager. Any assignment by operation of law shall automatically terminate this permit.
13. No signs shall be displayed on the permit area without the prior written consent of the City Manager.
14. Maintenance and cleanliness of the permit area shall be the sole responsibility of Permittee during the entire term of this permit.

15. Upon expiration or in the event this permit is cancelled by either party as provided by paragraph 8 above, permittee shall leave the premises in an orderly condition. All trash and/or debris shall be removed from the property, and the shop and adjacent sheds shall be cleaned prior to permittee vacating the premises.
16. Upon the expiration in the event this permit is cancelled by either party as provided in paragraph 8 above, all utility and/or other bills related to the use of the premises during the term this permit was valid shall be paid by permittee.
17. Permittee shall not allow any other party(s) to maintain, repair or store equipment, trucks, vehicles and related equipment on the premises without prior written permission to do so by the City Manager.
18. Permittee shall not remove any native trees or shrubs from the premises with the exception of those necessary for the ordinary repair and maintenance of the property.
19. EX Permittee agrees to accept sole responsibility for maintaining the water well on the premises which presently provides potable water to Houses 6 ~~and 7~~ and the packing shed. In the event the well becomes inoperative, Permittee shall immediately make the necessary repairs to restore water to the occupants of the aforementioned buildings as soon as possible. Except as set forth herein, all costs related to said repair shall be the sole responsibility of permittee. It is specifically understood and agreed that permittee shall not be responsible for any costs or damages in the aggregate in excess of \$1,000 for maintaining/repairing the water well and/or providing water to Houses 6 and 7 and the packing shed.
20. Hazardous/Toxic Waste. Other than approved agricultural chemicals, i.e., insecticides, pesticides, herbicides, and fungicides applied in accordance with all applicable regulations, LESSEE will not allow the installation or release of hazardous substances in, on, under or from the premises. For the purposes of this provision, a release shall include, but not be limited to, any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leeching, dumping, or otherwise disposing of hazardous substance. "Hazardous substances" shall mean those hazardous substances listed by the Environmental Protection Agency in regularly released reports and any other substances incorporated into the State's list of hazardous substances. A copy of the presently effective EPA and the State lists is on file in the City Clerk's office as City Clerk Document 769704.

In the event of any release of a hazardous substance, LESSEE shall be responsible for all costs of remediation and removal of such substances in accordance with applicable rules and regulations of governmental authorities.

LESSEE agrees to assume the defense of, indemnify and hold the CITY harmless from any and claims, costs and expenses related to environmental liabilities resulting from LESSEE'S operations on the premises, including, but not limited to, costs of environmental assessments, cost of remediation and removal, any necessary response costs, damage for injury to natural resources or the public, and costs of any health assessment or health effect studies.

If LESSEE knows or has reasonable cause to believe that any hazardous substance has been released on or beneath the premises, LESSEE shall give written notice to the City Manager within ten (10) days of receipt of such knowledge or cause for belief. Provided, however, if LESSEE knows, or has reasonable cause to believe that such substance is an imminent and substantial danger to public health and safety, LESSEE shall notify the City Manager immediately upon receipt of this knowledge or belief and shall take all acts necessary to alleviate such danger. LESSEE will notify the City Manager immediately of any notice of violation received or initiation of environmental action or private suits relative to the premises. In addition, LESSEE and LESSEE'S sublessees shall not utilize or sell any hazardous substance on the property without the prior written consent of the CITY.

Notwithstanding the above, LESSEE shall not be responsible for any toxic waste or hazardous substance disposed of or discharged on the premises prior to the effective date of this lease agreement.

Please acknowledge your agreement to the foregoing terms and conditions on the enclosed copy of this letter and return it to the City Property Department, together with your insurance certificate. You will be billed shortly for \$750, which covers the rent for the period March 1, 1992 to March 31, 1992. Thereafter, you will be billed for the rent approximately 30 days prior to the due date which is on or before the first day of each successive month. The \$360 processing fee for the permit should be paid by separate check along with the first month's rent.

If you should require additional information or have any questions, please call William R. Knowles, Agricultural Lease Manager, at 236-5548.

Very truly yours,


James L. Spotts
Property Director

JLS:WRK:jw(3)

Enclosures

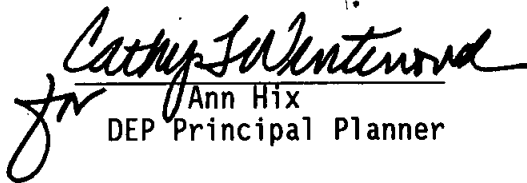
cc: County Assessor
Auditor
Financial Management

THE ABOVE IS ACKNOWLEDGED AND ACCEPTED THIS ____ DAY OF _____, 19__.

KLEMM RANCH

By 
Ernest H. Klemm

CEQA EXEMPTION VERIFIED


Ann Hix
DEP Principal Planner

APPROVED AS TO FORM AND LEGALITY BY:

JOHN W. WITT, City Attorney

By 
Deputy City Attorney

