

**FIRST AMENDMENT TO FLAT RATE LEASE
CITY OF SAN DIEGO AND CHONG FLOWER GROWERS**

This First Amendment to Flat Rate Lease [First Amendment] is entered into between the City of San Diego [CITY] and Chong Flower Growers [LESSEE] with reference to the following Recitals:

Recitals

A. WHEREAS, CITY and LESSEE entered into a Flat Rate Lease filed June 28, 1992, in the Office of the City Clerk as Document No. RR-280244 [Lease]; and

B. WHEREAS, pursuant to the terms of the Lease, LESSEE currently occupies 300 acres of APN No. 760-170-58, as shown on Exhibit A of the Lease; and

C. WHEREAS, Section 9.1 of the Lease permits CITY to delete property from the leasehold that is needed for a system of public hiking, biking, and riding trails for the San Dieguito River Valley Park [Trail System]; and

D. WHEREAS, if CITY deletes property from the leasehold, Section 9.1 of the Lease also requires CITY to reduce the minimum or fixed rent accordingly; and

E. WHEREAS, CITY has determined that .23 of an acre of LESSEE's leasehold is needed for the Trail System, which will be approximately 8 feet wide and 1,237 feet long; and

F. WHEREAS, pursuant to Section 3.2 of the Lease, the current annual rent for the leasehold is \$32,100 or \$8,025 per quarter, and the rent is subject to adjustments based on increases, if any, in the Consumer Price Index (CPI) and in the fair market value of the leasehold.

NOW, THEREFORE, in consideration of the above Recitals and the mutual obligations of the Parties as herein expressed, CITY and LESSEE agree as follows:

1. Exhibit A of the Lease, titled Legal Description in the Lease Outline, is deleted in its entirety and a new Exhibit "A," a copy of which is attached hereto and incorporated herein by this reference, is substituted.
2. Pursuant to Section 9.1 of the Lease, effective September 1, 2000, the annual rent for the leasehold shall be reduced by \$24.61 (\$107 per acre x .23 acre) to \$32,075.39 with future CPI adjustments being applied to the reduced figure.
3. Nothing in this First Amendment is intended to modify or alter any other terms of the Lease. All other terms and conditions of the Lease shall remain in full force and effect.
4. This First Amendment shall be effective on September 1, 2000.

IN WITNESS WHEREOF, this First Amendment is executed by CITY, acting by and through its City Manager, and by LESSEE, acting by and through its lawfully authorized officers.

CITY OF SAN DIEGO

Date 8-3-00

By William T. Griffith
William T. Griffith, Director
Real Estate Assets Department

CHONG FLOWER GROWERS

Date 8-2-00

By Chul Boo Chong
Mr. Chul Boo Chong, General Partner

Date 8-2-00

By Chong Hui Chong
Mrs. Chong Hui Chong, General Partner

APPROVED AS TO FORM AND LEGALITY

CASEY GWINN, City Attorney

Date 8-21-00

By Deputy City Attorney
Deputy City Attorney

JAB/csn
05/18/00
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