

March 25, 1958.

Col. Ed Fletcher,  
Ed Fletcher Company,  
1018-1020 Ninth Avenue,  
San Diego, California.

Dear Col. Fletcher:

Replying to your letter of March 22, 1958 and to our telephone conversation of this morning, this is to advise you that I have had a talk with Mr. V. H. Rossetti, president of The Farmers and Merchants National Bank of Los Angeles, as a result of which that Bank and ourselves are agreeable to the following procedure in connection with the proposed dissolution of Acquisition and Improvement District #19, San Diego County:

(For the purposes of simplicity hereinafter, The Farmers and Merchants National Bank of Los Angeles will be indicated as the "Bank", the Municipal Bond Company as the "Company" and the term "Fletcher" will include Ed Fletcher personally, Ed Fletcher Company, Grossmont Park Company, and any other persons or companies owning property within Acquisition and Improvement District #19 or Acquisition and Improvement District #12 which are controlled by or closely related to any of the above named persons or companies.)

Within thirty days from the date hereof an escrow expiring at the end of sixty days from the date hereof is to be opened by you at the Union Trust Company of San Diego, in which escrow you will deposit the following mentioned documents together with appropriate written escrow instructions:

A deed conveying to George H. Naegle, as trustee, the fee title to all of the Fletcher property in Acquisition and Improvement District #19, save and excepting only that portion thereof lying north of the paved street known as Broadway (which street was the improvement constructed under Acquisition and Improvement District #4) and the Northeasterly five acres of Lot 11, Fletcher Hills No. 2 (upon which is the house known as the Pedroarnas Home), together with a like deed covering the fee title to all of the Fletcher property lying within Acquisition and Improvement District #12 of San Diego County. All of said property shall be conveyed free and clear of all encumbrances, save and excepting only unpaid taxes, Acquisition and Improvement District respreads and Irrigation District assessments. It is understood that the Fletcher properties in Acquisition and Improvement District #19 to be deeded to the said Naegle comprise all of Fletcher Hills No. 2 south of Broadway, excepting properties known as the Pedroarnas, above referred to, and the Frisius property, and also all of Fletcher

#2

Hills No. 1, excepting properties known as Butterfield and Keeney properties. Accompanying said deeds shall be a policy of title insurance for an amount not less than \$50 per acre showing the title to said property to be vested as aforesaid, the Bank and/or the Company to pay the cost of said policy. You will authorize the escrow holder to deliver the said deeds and policy of title insurance to the order of The Farmers and Merchants National Bank of Los Angeles when the escrow holder has received written notification from the Bank that there have been surrendered to the County Treasurer of the County of San Diego all of the outstanding bonds of Acquisition and Improvement District #19 of San Diego County for cancellation under the County's Refunding Plan, which plan, it is to be understood, contemplates that a portion of the bonds are to be held by the County uncanceled in an amount sufficient to cover the respread provided for by the County's plan.

It is to be understood that all of the cash to be paid by the County upon the surrender of the bonds to the County is to be paid to the Bank and that Fletcher shall have no right, claim or interest therein or thereto.

The obligation of the Bank and the Company to surrender said bonds to the County shall be contingent upon:

(a) Arrangements satisfactory to the Bank and the Company, in their sole discretion, being made by the Bank and the Company with the owners of the properties lying within Acquisition and Improvement District #19, known as the Murray Estate and affiliated interests, M. Hall and Giacoli for additional contributions to the bondholders.

(b) The Bank and the Company having first received from the La Mesa, Lemon Grove and Spring Valley Irrigation District a written option to pay at any time within three years from the date that the bonds of Acquisition and Improvement District #19 are surrendered to the County for payment at 15¢ on the dollar, 50% of the total amount due, exclusive of interest and penalties, in full satisfaction of all Irrigation District taxes and assessments, including interest and penalties thereon, on all property of Acquisition and Improvement District #19 lying within the boundaries of the Irrigation District, which are unpaid as of the date that the bonds of Acquisition and Improvement District #19 are so surrendered. Said option shall provide that it may be exercised as to payment of such taxes and assessments on part or all of the property in Acquisition and Improvement District #19. Said option by its terms shall also include the settlement of all unpaid State and County taxes on said properties, including interest and penalties thereon, on the same basis, including a like reduction in the amount of the respread of Acquisition and Improvement District #19 and #4 assessments.



It is understood that Fletcher is to receive and retain all monies and property contributed by the property owners in Acquisition and Improvement District #19 other than Fletcher, Murray Estate and affiliated interests, M. Hall and Giaciolli, but Fletcher shall make his own arrangements to effect such contributions, the Company, however, agreeing to give him reasonable assistance in this regard without expense to him where it may be necessary to assist in arranging a settlement. Neither the Bank nor the Company shall be in anyway obligated to pay any taxes or assessments on any of the property retained by Fletcher, it being understood that, in consideration of Fletcher being allowed to retain that part of the property owners' contribution mentioned above, Fletcher will make his own arrangements regarding the payment of taxes, assessments and respreads on all such property.

In the event that the escrow hereinabove referred to has not been completed within the term provided therein and if an extension has not been agreed upon by all of the parties thereto, then and in that case each of the parties thereto shall be at liberty to withdraw from the escrow any and all of the documents and instruments deposited by them, respectively, in said escrow and shall thereupon be relieved of any obligation.

Sincerely yours,

President.

R.T

July 31, 1939.

Honorable Board of Supervisors,  
County of San Diego,  
Civic Center,  
San Diego, California.

Dear Sirs:

The undersigned, The Farmers and Merchants National Bank of Los Angeles (hereinafter called "Bank"), is the owner of or is in a position to deliver to the County of San Diego all of the outstanding bonds and coupons of San Diego County Acquisition & Improvement District No. 19 and San Diego County Acquisition & Improvement District No. 12, and is willing to deliver all of said bonds and coupons to the said County of San Diego for cancellation under the Special Assessment District Refunding Plan of said County, subject however, to the following terms and conditions:

- (1) That upon delivery to the County of San Diego of all of the outstanding bonds and coupons of Acquisition & Improvement District No. 19, the County of San Diego shall issue and deliver to The Farmers and Merchants National Bank of Los Angeles, or its order, a county warrant in an amount equal to 15% of the aggregate principal face amount of the bonds of said District so delivered.
- (2) That upon delivery to the County of San Diego of all of the outstanding bonds and coupons of Acquisition & Improvement District No. 12, the County of San Diego shall issue and deliver to The Farmers and Merchants National Bank of Los Angeles, or its order, a county warrant in an amount equal to 15% of the aggregate principal face amount of the bonds of said District so delivered.
- (3) That pursuant to the provisions of Chapter 10, Statutes of 1935, the Board of Supervisors of said County will upon the sale and delivery of said bonds and coupons to the County, by ordinance waive its right to sell any of said bonds or coupons, it being intended that the bonds and coupons then owned by said County be retained and owned by said County until the said bonds and coupons are destroyed or cancelled or until paid by the collection of district assessments remaining uncanceled against lands not included in the tax sale, hereinafter in Paragraphs (5) and (6) referred to.



- (4) That said County will further waive in and by said ordinance its right as owner of said bonds and coupons of said Districts to require any further assessments for the payment thereof, it being intended that the County will look exclusively to the assessments remaining uncancelled against the lands of said Districts not included in the tax sale hereinafter referred to in Paragraphs (5) and (6), for the payment of the said bonds and coupons then owned or retained by said County.
- (5) That the said Bank shall not be obligated to deliver any of said bonds or coupons to the County of San Diego, as above provided, unless and until the said County of San Diego and the La Mesa, Lemon Grove & Spring Valley Irrigation District shall have first caused all of the real property (excepting those certain parcels of real property hereinafter specifically described and excepted, unless the record owners of said parcels hereinafter specifically described shall request the County to include such parcels in the tax sale) lying within the boundaries of said Acquisition & Improvement District No. 19 and said Acquisition & Improvement District No. 12, excepting such parcels as are by law exempt from tax sale, to be conveyed to the said Bank. In this connection, it is contemplated that the real property hereinabove mentioned which lies within the boundaries of said Irrigation District shall be sold by the County of San Diego to said Irrigation District under the provisions of Section 36974 of the Political Code of the State of California and shall in turn by the said Irrigation District be sold and conveyed to said Bank for and at a sales price of not to exceed Two Dollars (\$2.00) per parcel, plus the costs and expenses of such sale including the costs of advertising. It is further contemplated that all of the said real property lying within the boundaries of said Acquisition & Improvement District No. 19 and/or said Acquisition & Improvement District No. 12 which is not situate within the boundaries of the said Irrigation District shall be sold at public auction by the County of San Diego at tax sale in the manner provided by law and that the said Bank will purchase such property at not to exceed One Dollar (\$1.00) per parcel plus the costs of advertising; provided, however, that no higher or better bidders appear at the time of said sale. The property hereinabove referred to as being excepted from the provisions of this Paragraph (5) and which is not to be sold to the Bank is more specifically described as follows, to-wit:

Lot 19, Block 14 of Fletcher Hills

Lots M and B of Block 13 of Fletcher Hills,  
containing 4.81 acres

Lot 8 of Block 8, Fletcher Hills

Lots 23 and 24 of Murray Hills

- (6) It is understood by the Bank, however, that if the record owner of any parcel of real property hereinabove mentioned shall make protest to the Board of Supervisors of said County and object to the sale of such parcel, then and in that event the County of San Diego will not offer for sale at said tax sale any parcel of real property in respect of which such protest and objection shall have been made; provided, however, that in the event any such objections or protests are made, and in the event the County of San Diego withholds such parcels from sale, then and in such event the Bank shall not be obligated to deliver the said bonds and coupons to the County of San Diego in the manner hereinabove in (1) and (2) set forth unless the Bank elects so to do, but in any event the Bank shall be obligated to reimburse the said County and the said Irrigation District for any and all advertising costs theretofore expended. It is further understood, however, that if the contingency in this Paragraph (6) should occur and if the Bank should elect not to surrender its said bonds, then and in such event the County of San Diego and the La Mesa, Lemon Grove & Spring Valley Irrigation District shall not be obligated to sell to the Bank any of said real property lying within Acquisition & Improvement Districts Nos. 19 and 12, as is hereinabove provided.
- (7) In the event that the said real property is sold to the Bank at tax sale in the manner hereinabove set forth, and in consideration of said sale and as a part of the settlement program herein contemplated, the Bank agrees that it will not present for payment against the Interest and Sinking Fund of Acquisition & Improvement District No. 19 and of Acquisition & Improvement District No. 12 any of the bonds or coupons of said Districts, respectively, prior to the final delivery of said bonds and coupons to the County of San Diego, as hereinabove specified in Paragraphs (1) and (2); provided, however, that if the owner of any real property situate in said Acquisition & Improvement Districts, or either of them, shall pay into said Interest and Sinking Funds, or either of them, any assessments heretofore levied or assessed against said real property prior to the delivery of said bonds to the County



of San Diego, as hereinabove specified, then and in such event the Bank may present for payment against the said Interest and Sinking Funds, or either of them, an amount of bonds and/or coupons of said Districts equal to the amount of such assessments which shall have been paid into said funds, or either of them, by said property owner. It is the intent of this Paragraph, however, that any and all monies coming into the said Interest and Sinking Funds of said Districts, respectively, as a result of the tax sales hereinabove referred to (as distinguished from money coming into the funds as a result of the payment by a property owner of assessments heretofore levied or assessed) shall be and become the property of the County of San Diego.

- (8) This letter shall be deemed to be an offer and proposal for the complete settlement and adjustment of the indebtedness of Acquisition & Improvement Districts Nos. 19 and 12 of the County of San Diego upon the terms and conditions hereinabove specified, and shall be a continuing offer for a period of ninety (90) days from the date hereof, in consideration of which the proper officers and agents of the County of San Diego are to proceed with all due diligence to cause the said settlement to be made in accordance with the terms and conditions hereinabove specified.
- (9) The acceptance of this offer and proposal by the County of San Diego shall be evidenced by a resolution of the Board of Supervisors of said County of San Diego, which resolution shall set forth this entire offer and proposal in full and said resolution shall state the acceptance by the County of San Diego of said offer and proposal, and the adoption of said resolution shall constitute the agreement on the part of the said County of San Diego to proceed with all due diligence to do the things and perform the acts hereinabove required to be done and performed to the end that the said settlement may be consummated within the period of time hereinabove mentioned.

Yours very truly,

THE FARMERS AND MERCHANTS NATIONAL  
BANK OF LOS ANGELES,

By

August 2, 1939.

The Farmers and Merchants National  
Bank of Los Angeles,  
401 South Main Street,  
Los Angeles, California.

Dear Sirs:

The undersigned understands that you are about to make an offer and proposal to the Board of Supervisors of the County of San Diego for the settlement of Acquisition & Improvement Districts Nos. 19 and 12, said proposal to be substantially in accordance with the terms and conditions set forth in the copy thereof hereto attached.

We understand that in connection with said settlement it is contemplated that the County of San Diego and/or the La Mesa, Lemon Grove & Spring Valley Irrigation District, as the case may be, will convey to you at tax or other sale all of the property lying within the boundaries of said Acquisition & Improvement Districts and/or said Irrigation District, as the case may be, excepting the properties specifically excepted in the proposal attached hereto.

We, and each of us, hereby agree that we will not in any manner, either directly or indirectly, protest or object to the sale of said property to you upon condition that when, as and if you acquire tax title to the said property, you will convey by quit-claim deed to such person or persons, firm or corporation, as the undersigned may designate, all of your right, title and interest in and to that portion of said real property so acquired by you which lies northerly of the paved highway which runs through the northerly portion of said property and is commonly known as Broadway, being the highway also known as Bostonia Cutoff, together with the Northeast five (5) acres of Lot 11 of Fletcher Hills Unit #2 (commonly known as the Pedroarenas Parcel).

Furthermore, we agree that concurrently with the conveyance to us, or our nominee, of the property hereinabove mentioned, we will execute or cause to be executed, acknowledged and delivered to you a quit-claim deed covering that portion of said property so acquired by you lying southerly of the said highway hereinabove mentioned (excepting the Pedroarenas Parcel) lying within the boundaries of Acquisition & Improvement District No. 19, together with all of the property lying within the boundaries of Acquisition & Improvement District No. 12, which is now owned by or standing of record in the name of the undersigned or any of us.

Yours very truly,



**Ed Fletcher Papers**

**1870-1955**

**MSS.81**

**Box: 7 Folder: 17**

**General Correspondence - Farmers and  
Merchants National Bank, Los Angeles**



**Copyright:** UC Regents

**Use:** This work is available from the UC San Diego Libraries. This digital copy of the work is intended to support research, teaching, and private study.

**Constraints:** This work is protected by the U.S. Copyright Law (Title 17, U.S.C.). Use of this work beyond that allowed by "fair use" requires written permission of the UC Regents. Permission may be obtained from the UC San Diego Libraries department having custody of the work (<http://libraries.ucsd.edu/collections/mscl/>). Responsibility for obtaining permissions and any use and distribution of this work rests exclusively with the user and not the UC San Diego Libraries.