



PUBLIC WORKS DEPARTMENT
1370 North Benson Avenue
Upland, California 91786-0460
Telephone (909) 291-2930
Facsimile (909) 291-2974

September 22, 2025

KB Homes
36310 Inland Valley Drive
Wildomar, Ca 92595

Dear Mr. Jonathon Siemsen:

Letter Agreement for Tract 20045 Use of City Owned Property for Stockpile

This Letter Agreement replaces all prior license agreements concerning the "Site", as hereinafter defined and described, and is entered into by and between the City of Upland, a municipal corporation (the "City") and KB Homes Coastal, a California Corporation (the "Developer" or "KB Home"), pursuant to which the City grants to the Developer a License for the temporary use of certain property owned by the City of Upland generally located at the northwest section of Pit #3, east of Parkview Promenade (APN 1005-261-01 and 1005-471-01), as identified on the attached Exhibit A attached hereto and Incorporated herein by reference (the "Site"). It is understood that the Developer requests, and the City hereby grants a license, to use the Site as a temporary construction stockpile area for rock and soil (the "License"). The City and the Developer are sometimes referred to herein individually as "Party" and collectively as "Parties."

The City hereby grants the Developer a temporary, non-exclusive license for the Developer to use the Site, subject to all of the following conditions:

- 1) The Developer shall assume sole and complete responsibility regarding this request, in an effort to utilize the temporary construction stockpile area associated with the Developer's construction of Tract No. 20045.
- 2) The Site shall be used solely for the stockpiling of rock and soil material and placement of equipment and materials necessary for the rock and soil stockpiling operation and shall not be used for any other purpose without prior written approval by the City, which may be withheld by the City in its sole and absolute discretion.
- 3) Only the Developer's authorized personnel and/or its agents shall be allowed access to the Site, and only for conduct of activities allowed by this authorization under conditions (1) and (2) above.
- 4) The Developer shall keep the Site secure at all times. Fencing and gate(s) to the Site shall be kept closed and locked whenever the Developer's crews are not actively on the Site. Any materials deposited on the Site from illegal dumping or trespass, resulting from unauthorized access to the

City of Upland

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Site during the Developer's occupancy, shall be immediately removed and properly disposed of at the sole expense of KB Home.

- 5) The Developer shall implement good housekeeping and best management practices to preclude the generation of pollutants from equipment and storage of material(s).
- 6) Working hours within the Site shall be limited to **7:00 a.m. to 5:00 p.m., Monday through Friday**. No work shall take place on the weekends or City recognized holidays, without prior approval of the City Engineer, which may be withheld by the City Engineer in his/her sole and absolute discretion.
- 7) As compensation for the use of City property as a temporary construction and stockpile area for rock and soil, the Developer shall provide a one-time payment to the City in the amount of \$0.07 per square foot per month. The area of use shall be measured after removal of the material and verified by the City. The term will begin from date covered by the last payment and end when the material is removed.
- 8) KB Home occupancy on the Site is permitted only from **5/17/2024** to **12/31/2026**. At the end of this period, the Developer shall restore the Site to its original condition prior to the Developer's temporary use of the Site. The restoration condition is subject to the sole and absolute discretion and approval of the City.
- 9) The Developer shall indemnify and hold harmless the City and all its officers, employees, and agents free and harmless from any and all claims, demands, or other actions for damages or injury to any person or persons or property of any kind whatsoever, and any cost or expense in connection herewith, and agrees to defend, with counsel of the City's choosing, the City and all its officers, employees, and agents from any and all claims, demands, or other actions which may arise out of or as a result of KB Home's temporary use and occupancy of the Site.
- 10) The City reserves the right to terminate this License use at any time and for any reason, in its sole and absolute discretion. Should the City terminate this License, the Developer shall remove all equipment, materials, etc. from the Site within three (3) business days following written or verbal notification by City.
- 11) The Developer shall adhere to the insurance requirements set forth in Exhibit B attached hereto and incorporated herein by this reference.

DocuSigned by:

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Authorized Signature
City of Upland

9/30/2025 | 1:46 PM PDT

Date

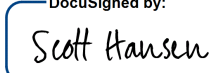
Signed by:

819184E38BF34C4...

Authorized Signature
KB Home

9/29/2025 | 1:37 PM PDT

Date

DocuSigned by:

B87C8A334024434...

Authorized Signature
KB Home

9/30/2025 | 1:43 PM PDT


Date

CC: Bob Critchfield, P.E., Engineering Manager
Mark Liles, Senior Public Works Inspector

EXHIBIT A

Default Title



<p>1" = 500 ft</p>	<p>Sub Title</p>	<p>05/17/2023</p>	
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This map may represent a visual display of related geographic information. Data provided here on is not guarantee of accuracy. To be sure of complete accuracy, please come to the responsible staff for more up-to-date information.

EXHIBIT B

KB Home agrees to adhere to all of the following insurance requirements:

1. Time for Compliance. KB Home shall not commence use of the Site under this Letter Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this Exhibit B. Failure to provide and maintain all required insurance shall be grounds for the City to terminate this Letter Agreement for cause.
2. Types of Insurance Required. As a condition precedent to the effectiveness of this Letter Agreement for use of the Site hereunder, and without limiting the indemnity provisions of the Letter Agreement, the KB Home, in partial performance of its obligations under such Letter Agreement, shall procure and maintain in full force and effect during the term of the Letter Agreement the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, KB Home agrees to amend, supplement or endorse the policies to do so.
 - 2.1 Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 00 01, or the exact equivalent, with limits of not less than \$1,000,000 per occurrence and no less than \$2,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions (1) limiting coverage for contractual liability; (2) excluding coverage for claims or suits by one insured against another (cross-liability); (3) products/completed operations liability; or (4) containing any other exclusion(s) contrary to the terms or purposes of this Letter Agreement.
3. Insurance Endorsements. Required insurance policies shall contain the following provisions, or KB Home shall provide endorsements on forms approved by the City to add the following provisions to the insurance policies:
 - 3.1 Commercial General Liability: (1) Additional Insured: The City, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Letter Agreement. Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of KB Home; or (4) contain any other exclusions contrary to the terms or purposes of this Letter Agreement. For all policies of Commercial General Liability insurance, KB Home shall provide endorsements in the form of ISO CG 20 10 10 01 and 20 37 10 01 (or endorsements providing the exact same coverage) to effectuate this requirement. (2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.
4. Primary and Non-Contributing Insurance. All policies of Commercial General Liability shall be primary and any other insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.
5. Waiver of Subrogation. All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to waiver of subrogation in favor of the City, its officials, officers, employees, agents, and volunteers or shall specifically allow KB Home or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. KB Home hereby waives its own right of recovery against City.
6. Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by the City and shall protect the City, its officials, officers, employees, agents, and volunteers in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.
7. Evidence of Insurance. The KB Home, concurrently with the execution of the Letter Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates on forms approved by the City, together with all endorsements affecting each policy. Required insurance policies shall not be in compliance if they include any limiting provision or

endorsement that has not been submitted to the City for approval. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, KB Home shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

8. Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A: VII and authorized to transact business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

9. Enforcement of Letter Agreement Provisions (non estoppel). KB Home acknowledges and agrees that actual or alleged failure on the part of the City to inform KB Home of non-compliance with any requirement imposes no additional obligation on the City nor does it waive any rights hereunder.

10. Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this Exhibit B are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance.

11. Additional Insurance Provisions

11.1 The foregoing requirements as to the types and limits of insurance coverage to be maintained by KB Home, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the KB Home pursuant to this Letter Agreement, including but not limited to, the provisions concerning indemnification.

11.2 If at any time during the life of the Letter Agreement, any policy of insurance required under this Letter Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by KB Home. In the alternative, City may cancel this Letter Agreement.

11.3 The City may require the KB Home to provide complete copies of all insurance policies in effect for the duration of KB Home's use of the Site.

11.4 Neither the City nor any of its officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Letter Agreement.

11.5 The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the KB Home from liability in excess of such coverage, nor shall it limit the KB Home's indemnification obligations to the City and shall not preclude the City from taking such other actions available to the City under other provisions of the Letter Agreement or law.

11.6 KB Home shall report to the City, in addition to KB Home's insurer, any and all insurance claims submitted by KB Home in connection with the use of the Site under this Letter Agreement.