

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Supervisor Bob Buster – 1st District

SUBMITTAL DATE: October 16, 2012

SUBJECT: Fast Track authorization for modification to SP 325 and approval-in-concept for a Development Impact Fee Credit Agreement for the construction of "A" Street in the Woodcrest area.

RECOMMENDED MOTION: That the Board of Supervisors join me in:

- 1) Authorizing Fast Track status for modifications to SP 325 and the tract maps associated with this Specific Plan, and;
- 2) Approve-in- concept the attached Project Agreement between the County of Riverside and CV Communities, LLC, and;
- 3) Authorize the Director of Transportation and Land Management and County Counsel to approve a final agreement in substantial conformance to the attached draft.

BACKGROUND: The "A" Street project is a proposed two lane collector road connecting McAllister Parkway to Van Buren Boulevard that is on the County's General Plan. Engineering and environmental work was initiated for this road approximately 3-4 years ago by an approved golf-course residential tentative tract (SP 325, Tract Map 30153) in the unincorporated area, which was required to construct the road referenced to as Fairway Drive in the development approval ("A" Street on the County's General Plan). Design was nearly completed and right-of-way acquisition was about to commence when work ceased and the development project went into foreclosure due to the economic downturn. Since that time, the community's desires to see "A" Street move forward has been heightened by the closure of the extension of McAllister north into the City of Riverside. The "A" Street project is approximately 40% within County jurisdiction and 60% City of Riverside Jurisdiction.

The engineering firm that performed the original road design for the developer was retained by the County Transportation Department to modify the design plans for the project and update environmental work in order to reduce the amount of grading, cost, and environmental impact of this road alignment. The modified design is now completed and the County has started the right-of-way acquisition process.

Bob Buster
1st District Supervisor

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Buster, seconded by Supervisor Stone and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: October 16, 2012
xc: Supvr. Buster, TLMA, Co.Co.

Kecia Harper-Ihem
Clerk of the Board

By:
Deputy

Prev. Agn. ref. 3.63 (11/30/10)

Dist. 1/1

AGENDA NO.

3.55

The Honorable Board of Supervisors

RE: Fast Track authorization for modification to SP 325 and approval-in-concept for a Development Impact Fee Credit Agreement for the construction of "A" Street in the Woodcrest area.

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CV Communities is presently seeking entitlement for the development of 345 single family dwellings within a modified SP 325 and associated maps, which will replace TM 30153. In an effort to expedite the construction of the "A" Street project, the County and the developer wish to enter into a Project Agreement for a cash contribution of \$1,600,000 from CV Communities, LLC towards the construction of "A" Street. "A" Street is in the County's Development Impact Fee Program, which make it eligible to receive fee credit credits as allowed under that program in recognition for the up-front funding contribution. The County will work with the City of Riverside to seek other funding to complete the road project, including advancing other Transportation funds that can be repaid out of the DIF Program as other future development in the area moves forward and pays their DIF fees.

Without this up-front funding contribution and the County's efforts to take the lead role on this project, this road would not be built in the current economic cycle for the foreseeable future. Given this significant funding contribution, and the importance of this roadway connection to the community, I am recommending that the Fast Track Procedures for development approval be implemented for the CV Communities Specific Plan 325A1 and its associated tract maps, per ordinance 348.

**PROJECT AGREEMENT
ROADS, BRIDGES, MAJOR IMPROVEMENTS
FOR DEVELOPMENT IMPACT FEE (DIF) CREDIT
“A” Street**

THIS PROJECT AGREEMENT (this "Agreement"), entered into this _____ day of _____, 20___, by and between the County of Riverside, a public subdivision of the State of California (the "County") and CV Communities, LLC, a Delaware limited liability company (the "Developer"). County and Developer are sometimes hereinafter referred to individually as "Party" and collectively as "Parties".

RECITALS

WHEREAS, Developer presently owns property for which Developer is seeking entitlement approval, specifically to modify TTM 36390 as a replacement of previously approved TTM 30153, approval of an addendum to EIR No. 433 to comply with the California Environmental Quality Act ("CEQA") and a modification of SP 325A1 (the "Entitlements"), from the County for 345 single-family dwelling units, as described in Exhibit A, attached hereto and incorporated herein (the "Property");

WHEREAS, Developer also holds an option to purchase property for which Developer is seeking entitlement approval, specifically TTM 36475 (collectively, the "Other Entitlements"), from the County for approximately 177 single-family dwelling units, as described in Exhibit B, attached hereto and incorporated herein (the "Other Property");

WHEREAS, as a condition of development of the Property, the Developer was required to construct or cause to be constructed "A" Street roadway improvements from McAllister Street to Van Buren Boulevard, also known as Capital Project C1-0641 (the "Capital Project"), as shown and described in Exhibit C, attached hereto and incorporated herein, to partially mitigate identified impacts resulting from the residential development of the Property (see Conditions of Approval for TTM 30153 10 TRANS. 1, 30 TRANS 3, 50 TRANS 2, 3, 20, 21, 25 and 30);

WHEREAS, should the Entitlements or Other Entitlements be granted, Developer will still be required to construct or cause to be constructed the Capital Project and to obtain and dedicate the road right of way for the Capital Project.

WHEREAS, the County and Developer desire to designate County as the lead agency for the Capital Project, and County will therefore provide the administrative, technical, managerial, and support services necessary to develop and construct the Capital Project;

WHEREAS, rather than construct the Capital Project itself, the Developer desires to cause the construction of the Capital Project by the County and to pay a fair share cash contribution towards the development and construction of the Capital Project and will obtain and dedicate of the road right-of-way for the Capital Project on the Property;

WHEREAS, the County Board of Supervisors (the "Board") adopted Ordinance No. 659, as amended (the "Ordinance"), establishing the Development Impact Fee Program (DIF), which Ordinance provides general conditions under which County may grant credits against a portion of the DIF required

for the Property and the Other Property and requires a fee to be paid in a stated dollar amount after development approval but before final inspection or certificate of occupancy, for the construction of roads, bridges and other major improvements within the unincorporated area of the County;

WHEREAS, Developer has agreed, as a condition of any fast track authorization for the processing of applications for the Entitlements and Other Entitlements, to expedite the payment to County of DIF for the construction of roads, bridges and other major improvements specifically to construct the Capital Project (the "DIF Obligation") at the time of approval of the Entitlements and the Other Entitlements rather than at the time of final inspection or any certificate of occupancy for the Property or Other Property.

WHEREAS, Developer acknowledges and agrees that the County retains its sole and absolute discretion to approve or deny fast track authorization and to approve, deny or condition any of the Entitlements or Other Entitlements for the Property or Other Property.

WHEREAS, the Developer and the County desire to enter into this Agreement to establish the fee credit to be earned by the Developer, and the manner in which the fee credit is to be applied against the Developer's DIF Obligation for the Property and Other Property should the Entitlements or Other Entitlements be approved for the Property or Other Property.

NOW, THEREFORE, for the purposes set forth herein, and for good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties hereby agree as follows:

TERMS

Section 1. Purpose of the Agreement: Should fast track authorization be granted, a condition of approval of such authorization will be that the Developer pay the DIF Obligation to the County at the time of any approval of the Entitlements or Other Entitlements for the Property or Other Property, rather than at the time of final inspection or certificate of occupancy, to allow for the expedited construction of the Capital Project by the County. Developer is required to construct or cause to be constructed the Capital Project as a condition of approval of TTM 30153. Early payment by the Developer of the DIF Obligation and dedication of the right of way for the Capital Project will expedite the construction of the Capital Project for the benefit of the Developer and the County.

Section 2. Fee Credit The Developer acknowledges that the Property and the Other Property would be subject to a DIF of \$5,142 per dwelling unit, which includes \$1,897 per dwelling unit specifically for the roads, bridges, major improvements, and traffic signals (Transportation Components), as of the date of this Agreement. The resulting total of the Transportation-Fee Components within the Property is estimated to be \$654,465 ("Transportation Fee"), based upon a project density of 345 single-family residential lots. The County will provide the Developer with DIF credits equal to the total Transportation Fee amount in consideration of Developer's payment of \$4,637.68 per approved single-family residential lot, which is estimated to total One Million Six Hundred Thousand Dollars (\$1,600,000) ("County Payment") toward the Project, based upon the Developer's project consisting of 345 single-family residential lots on the Property. The actual DIF credit amount for Developer's project shall be equal to the lesser of the Transportation Fee or the County Payment. The amount of the County Payment shall be decreased by \$4,637.68 per lot, if the

Entitlements authorize less than 345 single-family residential lots on the Property. The Developer accepts that this Agreement does not serve to estop the County from making adjustments to the Developer Impact Fee, by amending the Ordinance, or making consumer price index adjustments, consistent with State law. The Developer acknowledges that the Board will annually consider adjustments to the DIF, including the roads, bridges, major improvements, and traffic signals fee components, which address, at minimum, increases in the consumer price index. Any adjustments to the DIF shall not affect the Developer's eligibility to receive DIF credits under this Agreement. The Fee Credit can be used for both the Property and the Other Property.

Section 3. Developer's Obligations: Developer shall be obligated to pay Seventy-Five Percent (75%), estimated to be One Million Two Hundred Thousand Dollars (\$1,200,000) of the County Payment ("75% Payment") following the County approval of the Entitlements and after thirty-five days have expired from the posting of the Notice of Determination by the County Clerk and no litigation contesting the Entitlements has been filed by a third party and shall immediately deposit the 75% Payment in an escrow account, with the escrow holder to be mutually agreed upon by the parties. The County shall be authorized to withdraw the 75% Payment from the escrow account upon the County's issuance of written notice to Developer and the escrow holder that the County has awarded the contract to a licensed contractor who shall construct the Capital Project. If County fails to award the contract for the Capital Project within one hundred eighty (180) days of when the 75% Payment is deposited into the escrow account, then Developer may request the escrow holder to release the 75% Payment to Developer, unless both parties mutually agree otherwise. The remaining twenty-five percent (25%) of the County Payment, estimated to be Four Hundred Thousand Dollars, or (\$400,000) ("25% Payment"), shall be paid six (6) months after the contract for construction of the Capital Project has been awarded. The Developer, at its sole expense, shall obtain the road right-of-way for the Capital Project and dedicate the right of way immediately upon County approval of the Entitlements or Other Entitlements and before the County awards the contract for construction of the Capital Project.

Section 4. County's Obligation: The County agrees that should the Entitlements be approved within one-hundred and eighty (180) days of the approval of this Agreement by the County and provided the Developer obtains and dedicates the road right of way and pays the DIF Obligation for the construction of the Capital Project as set forth in Section 3 above, it will bid and commence construction of the Project in a timely manner and will continuously proceed toward completion. County further agrees to provide periodic updates to the construction schedule for the Capital Project as requested by the Developer. Other than the DIF Obligation, the County will not impose any additional fee or other exaction for the construction or maintenance of the Capital Project on the Property or Other Property. All other mitigation and fees, including but not limited to traffic signal and other DIF impact fees shall not be affected by this Agreement. If County does not commence with the Capital Project, the Developer's condition to construct or cause to be constructed of the Capital Project will remain.

Section 5. Affordable Housing: The County currently does not have an inclusionary housing ordinance or an affordable housing fee established by ordinance. Should the County exercise its sole discretion to approve fast tract authorization, it would be solely on the basis of approval by a vote of the majority of the Board of Supervisors under Board Policy A-32, Eligibility Criteria No. 5. Should the Board, in its sole discretion, approve the Entitlements and Other Entitlements within one hundred and eighty (180) days of the date of the County's approval of this Agreement, no affordable housing fee or regulation will be imposed by the County on the Property or the Other Property.

Section 6. Agreement Null and Void: This Agreement shall be null and void and shall have no force and effect, except for the Indemnification Provisions of Section 10, if the County, in its sole discretion, does not approve the Entitlements within one-hundred and eighty (180) days of the date of approval of this Agreement by the County. In such event, the condition and obligation of the Developer to construct or cause the Capital Project to be constructed will remain intact and the amount of DIF Credit will be determined pursuant to Ordinance No. 659.

Section 7. Representations, Warranties and Covenants of the Developer: The Developer makes the following representations, warranties and covenants for the benefit of the County, as of the date hereof:

(a) **Organization.** The Developer represents and warrants that the Developer is a legal business entity duly organized and validly existing under the laws of the State of California, is in good standing under the laws of the State of California, and has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated.

(b) **Authority.** The Developer represents and warrants that the Developer has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of the Developer.

(c) **Binding Obligation.** The Developer represents and warrants that this Agreement is a valid and binding obligation of the Developer and is enforceable against the Developer in accordance with its terms, subject to bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles.

Section 8. Representations, Warranties and Covenants of County: County makes the following representations, warranties and covenants for the benefit of the Developer:

(a) **Authority.** County represents and warrants that County has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of County.

(b) **Binding Obligation.** County represents and warrants that this Agreement is a valid and binding obligation of County and is enforceable against County in accordance with its terms, subject to bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles.

Section 9. Indemnification: Should the County, in its sole discretion, approve fast track authorization for the processing of applications for the Entitlements or Other Entitlements or approve the Entitlements or Other Entitlements, as a condition of approval, the Developer (including any successor in interest) will defend, indemnify and hold harmless the County, its agents, officers or employees from any claim, action, or proceeding against the County its agents, officers or employees to attack, set aside, void or annul an approval of the County, its advisory agencies, appeal boards, or legislative body concerning the fast track authorization, the Entitlements or Other Entitlements and this

Agreement. Such indemnification includes all costs and attorney fees incurred in defending against such claim, action or proceeding.

Section 10. Developer as a Private Developer: Should the County construct the Capital Project under this Agreement, it is mutually understood that the Developer is acting as a private developer, and not as an agent of the County. Following the County's approval of the certificate of completion for the Capital Project the Developer shall have no liability with respect to the design of the Capital Project, the selection of the contractor to construct the Capital Project, or construction or ultimate operation of the Capital Projects.

Section 11. Other Agreements: Nothing contained herein shall be construed as affecting the County's or the Developer's respective duty to perform its respective obligations under other agreements, land use regulations or subdivision requirements relating to the development of the Property, which obligations are and shall remain independent of the Developer's rights and obligations, and the County's rights and obligations, under this Agreement.

Section 12. Entire Agreement: This Agreement contains the entire agreement between the Parties with respect to the matters herein provided for.

Section 13. Assignment: Developer shall have the right to sell, mortgage, hypothecate, assign or transfer this Agreement, and any and all of its rights, duties and obligations hereunder, to any person, partnership, joint venture, firm or corporation at any time during the term of this Agreement. In the event of any such sale, mortgage, hypothecation, assignment or transfer, (i) Developer shall notify the County of such event and the name of the transferee, together with the corresponding entitlements being transferred to such transferee, and (ii) written confirmation between Developer and such transferee shall provide that either Developer or the transferee or both shall be liable for the performance of all obligations of Developer pursuant to this Agreement. Such transferee and/or Developer shall notify the County in writing which entity shall be liable for the performance of such obligations, and upon the express written assumption of any or all of the obligations of Developer under this Agreement by such assignee, transferee or purchaser shall, without any act of or concurrent by the County, relieve Developer of its legal duty to perform said obligations under this Termination Agreement with respect to the Property or portion thereof, so transferred, except to the extent Developer is in default under the terms of this Agreement.

Section 14. Amendments: This Agreement can only be amended by an instrument in writing executed and delivered by the County and the Developer.

Section 15. Waivers: No waiver of, or consent with respect to, any provision of this Agreement by a Party hereto shall in any event be effective unless the same shall be in writing and signed by such Party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given.

Section 16. No Third Party Beneficiaries: No person or entity, other than the County, shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than the County and the Developer (and their respective successors and assigns), any rights, remedies, obligations or liabilities under or by reason of this Agreement.

Section 17. Notices: All notices, demands, authorizations, invoices, and other communications required or permitted hereunder shall be in writing and delivered to the following addresses or such other address as the Parties may designate:

COUNTY: Juan C. Perez, Director
Transportation and Land Management
County of Riverside
4080 Lemon Street, 8th Floor
Riverside, CA 92501
Phone: (951) 955-6740
Fax: (951) 955-3198

DEVELOPER: Mike White
Vice President
CV Communities, LLC
1900 Quail Street
Newport Beach, CA 92660
Phone: (949) 258-7555
Fax: (949) 200-8070

Section 18. Jurisdiction and Venue: Each of the Parties (a) agrees that any suit action or other legal proceeding arising out of or relating to this Agreement shall be brought in the Courts of the United States of America in the district in which said County is located, (b) consents to the jurisdiction of each such court in any suit, action or proceeding, and (c) waives any objection that it may have to the laying of venue or any suit, action or proceeding in any of such courts and any claim that any such suit, action or proceeding has been brought in an inconvenient forum. Each of the Parties agrees that a final and non-appealable judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

Section 19. Ambiguities. This Agreement has been fully negotiated by the Parties, with opportunity to receive advice and assistance of their respective counsel, and shall not be construed in favor of or against either Party, regardless of who may have drafted it or any of its terms. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in interpreting this Agreement.

Section 20. Governing Law: This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

Section 21. Usage of Words: As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

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Section 22. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original.

[SIGNATURES ON NEXT PAGE]IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

COUNTY OF RIVERSIDE

DEVELOPER

RECOMMENDED FOR APPROVAL:

CV Communities, LLC

By: _____ Date: _____
Juan C. Perez, Director
Transportation and Land Management

By: _____

August Belmont

APPROVED AS TO FORM:

Authorized Representative

By: _____ Date: _____
County Counsel

By: _____

Michael White

APPROVAL BY THE COUNTY BOARD OF SUPERVISORS:

Authorized Representative

By: _____ Date: _____
Chairman, County Board of Supervisors

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: _____ Date: _____
Deputy

EXHIBIT A

DESCRIPTION OF THE PROPERTY

The land referred to herein is situated in the State of California, County of Riverside and is described as follows:

PARCEL 1: (APN: 269-100-011 and 012)

THE SOUTHEAST ONE-QUARTER OF SECTION 29, TOWNSHIP 3 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY SECTIONALIZED SURVEY OF THE RANCHO EL SORBANTE DE SAN JACINTO BY MAP RECORDED IN BOOK 1, PAGE 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.

EXCEPTING THEREFROM ALL THAT PORTION CONVEYED TO METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, A PUBLIC CORPORATION BY DEED RECORDED SEPTEMBER 30, 1976 AS INSTRUMENT NO. 146106, OFFICIAL RECORDS.

PARCEL 2: (APN: 269-100-014 and 015)

THAT PORTION OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 29, TOWNSHIP 3 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY SECTIONALIZED SURVEY OF THE RANCHO EL SORBANTE DE SAN JACINTO, RECORDED IN BOOK 1, PAGE 8 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO BEING A PORTION OF LOTS 8, 13, 14, 15, 16, 18, 21, 23 AND 28 OF EL SORBANTE LEMON TRACT NO. 1 AS PER MAP RECORDED IN BOOK 9, PAGE 13 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID RIVERSIDE COUNTY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION; THENCE NORTH 0° 28' 59" WEST, 483 FEET MORE OR LESS AND ON THE WEST LINE OF SAID SECTION TO THE INTERSECTION WITH THE CENTER LINE OF HAZEL ROAD, SHOWN ON SAID MAP; THENCE NORTH 31° 25' EAST, ON SAID CENTER LINE TO AN ANGLE POINT THEREON; THENCE NORTH 42° 17' EAST, 531 FEET ON SAID CENTER LINE TO AN ANGLE POINT THEREON; THENCE NORTH 12° 28' EAST, 155 FEET ON SAID CENTER LINE TO AN ANGLE POINT THEREON; THENCE NORTH 12° 50' WEST ON SAID CENTER LINE TO THE INTERSECTION WITH THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION; THENCE SOUTH 89° 59' 21" EAST, 803 FEET MORE OR LESS, AND ON SAID NORTH LINE TO THE NORTHWEST CORNER OF THAT CERTAIN PARCEL DESCRIBED IN DEED TO RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, RECORDED SEPTEMBER 4, 1953 AS INSTRUMENT NO. 43598, OFFICIAL RECORDS OF SAID RIVERSIDE COUNTY; THENCE SOUTH 0° 28' 59" EAST, 985 FEET ON THE WEST LINE OF SAID PARCEL TO THE SOUTHWEST CORNER THEREOF; THENCE SOUTH 89° 59' 21" EAST, 880 FEET TO THE SOUTH LINE OF SAID PARCEL TO THE SOUTHEAST CORNER THEREOF; THENCE NORTH 0° 28' 59" WEST 985 FEET ON THE EAST LINE OF SAID PARCEL TO THE NORTHEAST CORNER THEREOF, BEING A POINT ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION; THENCE SOUTH 89° 59'

21" EAST, 537.29 FEET ON SAID NORTH LINE TO THE CENTER QUARTER CORNER OF SAID SECTION; THENCE SOUTH 0° 19' 40" WEST, 1311.04 FEET ON THE EAST LINE OF THE SOUTHWEST QUARTER TO THE SOUTHEAST CORNER OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION; THENCE NORTH 82° 59' 46" WEST, 2578.74 FEET ON THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION TO THE POINT OF BEGINNING.

EXCEPT THAT PORTION INCLUDED WITHIN HAZEL ROAD, SHOWN BY MAP ON SAID EL SOBRANTE LEMON TRACT NO. 1.

ALSO EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE COUNTY OF RIVERSIDE BY DEED RECORDED FEBRUARY 4, 1988 AS INSTRUMENT NO. 30943, OFFICIAL RECORDS.

PARCEL 3: (APN: 269-060-004, 005 and 006, 239-270-002)

THAT PORTION OF THE NORTHWEST ONE-QUARTER OF SECTION 29, TOWNSHIP 3 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY SECTIONALIZED SURVEY OF THE RANCHO EL SOBRANTE DE SAN JACINTO MAP ON FILE IN BOOK 1 PAGE 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO BEING A PORTION OF LOTS 1, 2, 5, 6, 7, 8 AND 9, OF EL SOBRANTE LEMON TRACT NO. 1, AS SHOWN BY MAP ON FILE IN BOOK 9 PAGE 13 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE WEST LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION AND THE NORTHERLY LINE OF LOT 3 OF SAID EL SOBRANTE LEMON TRACT NO. 1; THENCE NORTH 67 DEGREES 57' EAST, 38.29 FEET; THENCE SOUTH 89 DEGREES 52' EAST 87.2 FEET; THENCE NORTH 55 DEGREES 35' EAST, 73.5 FEET; THENCE NORTH 88 DEGREES 28' EAST, 160.9 FEET; THENCE SOUTH 70 DEGREES 06' EAST, 130.00 FEET; THENCE SOUTH 44 DEGREES 43' EAST, 296.4 FEET TO THE NORTHEAST CORNER OF SAID LOT 3; THE PRECEDING SIX COURSES ARE ALONG THE NORTHERLY LINE OF SAID LOT 3; THENCE NORTH 72 DEGREES 30' EAST, A DISTANCE OF 95.5 FEET; THENCE NORTH 46 DEGREES 44' EAST, A DISTANCE OF 398.76 FEET TO THE POINT OF BEGINNING; THE PRECEDING TWO COURSES ARE ALONG THE NORTHERLY LINE OF SAID LOT 2;

THENCE SOUTH 0 DEGREES 28' 59" EAST, PARALLEL WITH THE WESTERLY LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION, 1901.58 FEET TO THE SOUTH LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION; THENCE SOUTH 89 DEGREES 59' 21" EAST ALONG THE SOUTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 1539.99 FEET TO THE SOUTHEAST CORNER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION; THENCE NORTH 0 DEGREES 19' 40" EAST ALONG THE EAST LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 2626.63 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION; THENCE SOUTH 89 DEGREES 55' 33" WEST ALONG THE NORTH LINE OF SAID SECTION 1334.41 FEET TO A POINT THAT BEARS NORTH 89 DEGREES 55' 33" EAST, A DISTANCE OF 1300.00 FEET FROM THE NORTHWEST CORNER OF SAID SECTION, SAID POINT BEING THE NORTHEAST CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED TO RIVERSIDE TRUST COMPANY BY DEED RECORDED OCTOBER 22, 1898 IN BOOK 76 PAGE 18 OF DEEDS, RECORDS OF RIVERSIDE COUNTY,

CALIFORNIA; THENCE SOUTH 0 DEGREES 04' 27" EAST ALONG THE EAST LINE OF SAID PARCEL, 185.00 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL; THENCE SOUTH 89 DEGREES 55' 33" WEST ALONG THE SOUTHERLY LINE OF SAID PARCEL 278.26 FEET TO A POINT THAT BEARS NORTH 89 DEGREES 55' 33" EAST, 82.22 FEET FROM THE NORTHWEST CORNER OF SAID LOT 2; THENCE SOUTH 23 DEGREES 57' EAST PARALLEL WITH THE EASTERLY LINE OF SAID LOT 2, 444.98 FEET TO A POINT ON THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF SAID LOT 2; THENCE SOUTH 46 DEGREES 44' WEST ALONG THE NORTHWESTERLY LINE OF SAID LOT 2 AND ITS NORTHEASTERLY PROLONGATION, 191.21 FEET TO THE POINT OF BEGINNING;

TOGETHER WITH THAT PORTION OF ARLINGTON HEIGHTS IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 11 PAGES 20 AND 21 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS;

COMMENCING AT THE INTERSECTION OF THE SOUTHEASTERLY RIGHT OF WAY LINE OF THE GAGE CANAL AS SHOWN ON SAID MAP OF ARLINGTON HEIGHTS AND THE SOUTHEASTERLY EXTENSION OF THE SOUTHWESTERLY LINE OF HARRISON STREET; THENCE NORTHEASTERLY ALONG THE SOUTHEASTERLY RIGHT OF WAY LINE OF SAID GAGE CANAL, 68.94 FEET; THENCE SOUTH 34 DEGREES 14' EAST PARALLEL WITH THE SOUTHWESTERLY LINE OF HARRISON STREET 898.74 FEET TO THE SOUTHERLY LINE OF BLOCK "C" OF SAID ARLINGTON HEIGHTS; THENCE SOUTH 89 DEGREES 55' 33" WEST ALONG THE SOUTHERLY LINE OF SAID BLOCK "C", 117.00 FEET TO ITS INTERSECTION WITH THE SOUTHEASTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF SAID HARRISON STREET; THENCE NORTH 34 DEGREES 14' WEST, ALONG THE SOUTHEASTERLY PROLONGATION SOUTHWESTERLY LINE OF SAID HARRISON STREET, 546.90 FEET TO A POINT THAT BEARS SOUTH 34 DEGREES 14' EAST, 260.00 FEET FROM THE POINT OF COMMENCEMENT; THENCE NORTH 08 DEGREES 14' 58" EAST, 44.43 FEET; THENCE NORTH 34 DEGREES 14' WEST PARALLEL WITH THE SOUTHWESTERLY LINE OF SAID HARRISON STREET, 236.37 FEET TO THE POINT OF BEGINNING.

PARCEL 4: (APN: 269-100-009)

THE SOUTHEAST ONE QUARTER OF THE SOUTHWEST ONE-QUARTER OF SECTION 29, TOWNSHIP 3 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY SECTIONALIZED SURVEY OF THE RANCHO EL SOBRANTE DE SAN JACINTO BY MAP RECORDED IN BOOK 1, PAGE 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.

EXCEPTING THEREFROM ALL THAT PORTION CONVEYED TO METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, A PUBLIC CORPORATION BY DEED RECORDED SEPTEMBER 30, 1976 AS INSTRUMENT NO. 146106, OFFICIAL RECORDS.

PARCEL 5:

EASEMENTS REASONABLY NECESSARY FOR INGRESS, EGRESS, AND UTILITIES UPON THE CONDITIONS CONTAINED THEREIN AS RESERVED BY VALLEY DRIVE-IN THEATER

CORPORATION IN THE DEED RECORDED SEPTEMBER 30, 1976 AS INSTRUMENT NO.
146106 OFFICIAL RECORDS.

END OF LEGAL DESCRIPTION

EXHIBIT B

DESCRIPTION OF THE OTHER PROPERTY

PARCEL 1: (APN 270-070-004-4)

ALL THAT PORTION OF SECTION 32, TOWNSHIP 2 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, AS SHOWN BY SECTIONIZED SURVEYOR OF THE RANCHO DEL SOBRANTE DE SAN JACINTO ON FILE IN BOOK 7 PAGE 10 OF MAPS, SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE EAST QUARTER CORNER OF SAID SECTION 32; THENCE NORTH 00° 15' EAST ALONG THE EAST LINE OF SAID SECTION 32, 2624.18 FEET TO THE NORTHEAST CORNER THEREOF; THENCE NORTH 89° 52' 45" WEST ALONG THE NORTH LINE OF SAID SECTION 32, 2638.69 FEET TO THE NORTH QUARTER CORNER THEREOF; THENCE CONTINUING ALONG THE NORTH LINE OF SAID SECTION 32, SOUTH 89° 57' 45" WEST, 586.21 FEET TO A POINT THEREON; THENCE SOUTH 33° 37' 45" WEST, 81.20 FEET; THENCE SOUTH 87° 10' 45" WEST, 115.16 FEET; THENCE SOUTH 45° 32' 15" WEST, 144.50 FEET; THENCE SOUTH 15° 06' 45" EAST, 355.50 FEET; THENCE SOUTH 12° 23' 45" WEST 181.24 FEET; THENCE SOUTH 34° 13' 45" EAST, 426.60 FEET SOUTH 36° 38' 30" EAST, 199.36 FEET; THENCE SOUTH 08° 18' 45" EAST, 247.78 FEET; THENCE SOUTH 43° 38' 45" EAST, 280.70 FEET; THENCE NORTH 77° 21' 00" EAST, 558.40 FEET; THENCE SOUTH 85° 46' 00" EAST, 258.30 FEET; THENCE SOUTH 73° 30' 00" EAST, 446.36 FEET; THENCE SOUTH 48° 57' 45" EAST, 1202.10 FEET; THENCE NORTH 84° 22' 15" EAST, 263.78 FEET; THENCE SOUTH 20° 44' 00" EAST, 941.75 FEET; THENCE NORTH 61° 38' 00" EAST, 112.80 FEET, MORE OR LESS, TO A POINT IN THE EAST LINE OF SAID SECTION 32, DISTANT THEREON SOUTH 00° 10' WEST, 640.44 FEET FROM SAID EAST QUARTER CORNER THEREOF; THENCE NORTH 00° 10' EAST ALONG SAID LINE OF SAID SECTION 32, 640.44 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

AN EASEMENT FOR ROADWAY PURPOSES, 40.00 FEET IN WIDTH, LYING 20.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTER LINE:

COMMENCING AT THE MOST SOUTHERLY CORNER OF PARCEL 1 AS SHOWN ON RECORD OF SURVEY RECORDED IN BOOK 2, PAGE 15 OF RECORDS OF SURVEY, RIVERSIDE COUNTY RECORDS; THENCE SOUTH 61° 38' WEST, A DISTANCE OF 95.17 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 24° 39' WEST, A DISTANCE OF 85.81 FEET; THENCE NORTH 64° 33' 30" WEST, A DISTANCE OF 288.56 FEET; THENCE NORTH 36° 02' 30" WEST, A DISTANCE OF 165.07 FEET; THENCE SOUTH 71° 25' 15" WEST, A DISTANCE OF 109.75 FEET; THENCE SOUTH 23° 21' 30" WEST, A DISTANCE OF 137.96 FEET; THENCE SOUTH 54° 08' WEST, A DISTANCE OF 168.92 FEET; THENCE NORTH 49° 03' 30" WEST, A DISTANCE OF 114.28 FEET; THENCE SOUTH 81° 01' WEST, DISTANCE OF 116.54 FEET; THENCE NORTH 32° 10' 30" WEST, A DISTANCE OF 162.18 FEET; THENCE SOUTH 59° 59' 45" WEST, A DISTANCE OF 141.30 FEET; THENCE NORTH 52° 27' 30" WEST, A DISTANCE OF 94.79 FEET; THENCE SOUTH 85° 52' 30" WEST, A DISTANCE OF 105.69 FEET; THENCE NORTH 69° 36' 45" WEST, A DISTANCE OF 204.63 FEET; THENCE SOUTH 54° 35' 45" WEST, A DISTANCE OF 169.25 FEET; THENCE NORTH 69° 13' 45" WEST, A DISTANCE

OF 227.25 FEET; THENCE SOUTH 73° 51' 30" WEST, A DISTANCE OF 246.28 FEET; THENCE NORTH 45° 30' 30" WEST, A DISTANCE OF 535.46 FEET; THENCE NORTH 43° 59' WEST, A DISTANCE OF 325.929 FEET; THENCE NORTH 69° 17' WEST, A DISTANCE OF 1074.54 FEET; THENCE NORTH 34° 10' 45" WEST, A DISTANCE OF 548.92 FEET; THENCE NORTH 00° 05' 15" EAST, A DISTANCE OF 345.98 FEET; THENCE NORTH 58° 15' WEST, A DISTANCE OF 166.05 FEET; THENCE NORTH 52° 08' 15" WEST, A DISTANCE OF 277.05 FEET; THENCE NORTH 47° 50' 15" WEST, A DISTANCE OF 552.83 FEET; THENCE NORTH 66° 08' 30" WEST, A DISTANCE OF 251.09 FEET; THENCE NORTH 87° 59' 15" WEST, A DISTANCE OF 127.62 FEET TO A POINT IN THE WEST LINE OF SAID SECTION 32, DISTANT THEREON SOUTH 01° 06' 30" WEST, A DISTANCE OF 649.70 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 32.

PARCEL 3: (APN 270-090-002-4)

THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 3 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, AS SHOWN BY MAP OF SAID RANCHO ON FILE IN BOOK 7 PAGE 10 OF MAPS, SAN BERNARDINO COUNTY RECORDS.

PARCEL 4: (APN 270-090-001-3)

THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 3 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN.

PARCEL 5: (APN 270-080-017-7)

THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 3 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, RIVERSIDE COUNTY RECORDS.

EXHIBIT C

DESCRIPTION OF IMPROVEMENTS

The proposed "A" Street improvements are located in the Lake Mathews area. This Project would provide a new two-lane (one lane in each direction) connection from McAllister Street in unincorporated Riverside County to Van Buren Boulevard in the City of Riverside. Approximately 40% of the Project is located within the jurisdictional boundaries of the County and approximately 60% is located within the jurisdictional boundaries of the City of Riverside.

