

RESOLUTION NO. 2005 - 97

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, FORMING AND ESTABLISHING COMMUNITY FACILITIES DISTRICT NO. 4 – MAINTENANCE OF THE CITY OF MORENO VALLEY AND AUTHORIZING THE SUBMITTAL OF THE LEVY OF SPECIAL TAXES TO THE QUALIFIED ELECTORS THEREOF

WHEREAS, a public hearing has been held and concluded, and the CITY COUNCIL of the CITY OF MORENO VALLEY, CALIFORNIA (the “City Council”), now desires to proceed with the establishment of a community facilities district, pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982”, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”) to finance certain public services involving the maintenance of certain storm water and detention basin facilities described in Exhibit A attached hereto and incorporated herein by this reference (the “Storm Water Facilities Maintenance”). Such Community Facilities District shall hereinafter be referred to as Community Facilities District No. 4 - Maintenance of the City of Moreno Valley (the “District”); and,

WHEREAS, notice of a public hearing relating to the establishment of the District, the extent of the District, the financing of the maintenance of the Storm Water Facilities and all other related matters has been given, and a Community Facilities District Report, as ordered by this City Council, has been presented to this City Council and has been made a part of the record of the hearing to establish such District; and,

WHEREAS, the City Council desires to remove certain territory originally proposed to be included in the District; and

WHEREAS, all communications relating to the establishment of the District, the Storm Water Facilities Maintenance and the rates and methods of apportionment of the special tax proposed to be levied within the District have been presented, and it has further been determined that a majority protest as defined by law has not been received against these proceedings or the levy of the special tax within the District; and

WHEREAS, inasmuch as there have been less than twelve (12) registered voters residing within the territory of the District for at least the preceding ninety (90) days, the authorization to levy special taxes within the District shall be submitted to the landowners of the District, such landowners being the qualified electors as authorized by law.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Recitals. The above recitals are all true and correct.

SECTION 2. Determinations. It is hereby determined by this City Council that:

- A. All prior proceedings pertaining to the formation of the District were valid and taken in conformity with the requirements of the law, and specifically the provisions of the Act, and that this finding and determination is made pursuant to the provisions of Government Code Section 53325.1.
- B. The public services proposed to be financed by the District are in addition to those public services provided in the territory proposed to be included within the District prior to the establishment of the District and do not supplant services already available within the territory proposed to be included in the District. Such public services are necessary to meet the increased demand for such services resulting from new development within the District.
- C. The written protests received, if any, do not represent a majority protest as defined by the applicable provisions of the Act and, therefore, the special tax proposed to be levied within the District has not been precluded by majority protest pursuant to Section 53324 of the Government Code of the State of California.
- D. The District as proposed conforms to the City of Moreno Valley statement of goals and policies regarding the establishment of community facilities districts (the "Goals and Policies").
- E. Less than twelve (12) registered voters have resided within the territory within the District for each of the ninety (90) days preceding the close of the public hearing, therefore, pursuant to the Act the qualified electors of the District shall be the landowners of such District as such term is defined in Government Code Section 53317(f) and each such landowner who is the owner of record as of the close of the public hearing, or the authorized representative thereof, shall have one vote for each acre or portion of an acre of land that she or he owns within the District.
- F. The time limit specified by the Act for conducting an election to submit the levy of the special taxes to the qualified electors of the District and the requirements for impartial analysis and ballot arguments have been waived with the unanimous consent of the qualified electors of the District.
- G. The City Clerk, acting as the election official, has consented to conducting any required election on a date which is less than 125 days following the adoption of any resolution forming and establishing the District.

SECTION 3. Community Facilities District Report. The Community Facilities District Report, as now submitted, shall stand as the Community Facilities District Report for all future proceedings and all terms and contents are approved as set forth therein.

SECTION 4. Name of District. This legislative body does hereby establish and declare the formation of the Community Facilities District known and designated as "Community Facilities District No. 4 – Maintenance of the City of Moreno Valley."

SECTION 5. Boundaries of the District. The boundaries of the District are generally described as follows:

All property within the boundaries of the District, as shown on a boundary map as previously approved by this legislative body, such map designated "PROPOSED BOUNDARY OF COMMUNITY FACILITIES DISTRICT NO. 4 - MAINTENANCE OF THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA", a copy of which is on file in the Office of the City Clerk. The boundary map of the proposed District has been filed pursuant to Sections 3111 and 3113 of the Streets and Highways Code of the State of California in the Office of the County Recorder of the County of Riverside, as Instrument No. 2005-0785280 at Page 19 of Book 64 of the Book of Maps of Assessment and Community Facilities Districts for such County.

SECTION 6. Public Services. A general description of the Storm Water Facilities Maintenance proposed to be financed by the District is set forth in Exhibit A attached hereto and incorporated herein by this reference.

Such maintenance shall include, but not be limited to, the provision of all labor, material, administration, personnel, equipment and utilities necessary to provide such Storm Water Facilities Maintenance.

The cost of the Storm Water Facilities Maintenance may include those Incidental Expenses as such term is defined in Government Code Section 53317(e) related to the Storm Water Facilities Maintenance.

SECTION 7. Special Tax. Except where funds are otherwise available, special taxes, secured by recordation of a continuing lien against all non-exempt real property in the District, are hereby authorized, subject to voter approval, to be levied annually within the boundaries of such District to (a) finance the Storm Water Facilities Maintenance, and (b) pay Incidental Expenses including, but not limited to, all costs associated with the establishment of the District, the determination of the amount of any special taxes to be levied, the costs of collecting any special taxes, and costs otherwise incurred in order to carry out the authorized purposes of the District. For further particulars as to the rate and method of apportionment of the special tax proposed to be levied within the District, reference is made to the attached and incorporated as Exhibit "B", which sets forth in sufficient detail the method of apportionment to allow each landowner or resident within the District to clearly estimate the maximum amount that such person will have to pay for such services.

The special taxes herein authorized shall be collected in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale and lien priority in any case of delinquency, as applicable for ad valorem taxes; however, as applicable, this legislative body may, by resolution, establish and adopt an alternate or supplemental procedure as necessary. Any special taxes that may not be collected on the County tax roll shall be collected through a direct billing procedure by the Treasurer of the City of Moreno Valley, acting for and on behalf of the District.

Upon recordation of a Notice of Special Tax Lien pursuant to Section 3114.5 of the Streets and Highways Code of the State of California, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property in the District and this lien shall continue in force and effect until the collection of the tax by the legislative body ceases.

SECTION 8. Special Tax Accountability Measures. Pursuant to and in compliance with the provisions of Government Code Section 50075.1, this City Council hereby establishes the following accountability measures pertaining to the levy by the District of the special taxes described in Section 7 above:

- A. The special taxes shall be levied for the specific purposes set forth in Sections 6 and 7. above.
- B. The proceeds of the levy of the special taxes shall be applied only to the specific applicable purposes set forth in Sections 6 and 7. above.
- C. The District shall establish a separate account into which the proceeds of such special taxes shall be deposited.
- D. The City Manager or his or her designee, acting for and on behalf of the District, shall annually file a report with the City Council as required pursuant to Government Code Section 50075.3.

SECTION 9. Preparation of Annual Tax Roll. The name, address and telephone number of the office, department or bureau which will be responsible for preparing annually a current roll of special tax levy obligations by Assessor's parcel number and which shall be responsible for estimating future special tax levies pursuant to Section 53340.1 of the Government Code of the State of California, are as follows:

City of Moreno Valley
Public Works/Enterprise Services Administration
14325 Frederick Street, Suite 9
P.O. Box 88005
Moreno Valley, CA 92552-0805
(951) 413-3480

SECTION 10. Election. This legislative body herewith submits the levy of the special taxes to the qualified electors of the District, such electors being the landowners

within the District with each landowner having one (1) vote for each acre or portion thereof of land which he or she owns within the District.

This legislative body hereby further directs that the separate ballot propositions relating to the levy of the above referenced special taxes within the District be combined and consolidated with the proposition set forth in Section 11 below relating to the establishment of an appropriations limit for the District.

The proposition related to the levy of the special taxes shall, together with a proposition to establish an appropriations limit for the District, shall be submitted to the qualified voters at a special election to be held on (a) October 25, 2005 or (b) such other date as the qualified electors and the City Clerk may mutually agree and such election shall be a special election to be conducted by the City Clerk (hereinafter referred to as the "Election Official"). If the proposition for the levy of the special taxes receive the approval of more than two-thirds (2/3) of the votes cast on the proposition, the special tax thereby approved may be levied as provided for in this Resolution.

SECTION 11. Ballot Proposals. The ballot proposals to be submitted to the qualified voters at the election shall generally be as follows:

PROPOSITION A

Shall the Community Facilities District No. 4 - Maintenance, subject to the accountability measures set forth in Government Code Section 50075.1, levy a special tax throughout such district pursuant to the rate and method of apportionment thereof set forth in such resolution (the "Rate and Method") for the purposes of financing the maintenance storm drain and detention basin improvements, the administration of such district, the levy and collection of such special tax and the replenishment of the contingency reserve for such district?

PROPOSITION B

Shall the City of Moreno Valley Community Facilities District No. 4 - Maintenance establish an Article XIIB appropriations limit equal to \$5,000,000?

SECTION 12. Vote. The appropriate mark placed on the line preceding the word "YES" shall be counted in favor of the adoption of the proposition, and the appropriate mark placed on the line preceding the word "NO" in the manner as authorized, shall be counted against the adoption of such proposition.

SECTION 13. Election Procedure. The Election Official is hereby authorized to take any and all steps necessary for holding the above election. The Election Official shall perform and render all services and proceedings incidental to and connected with the conduct of the election, including but not limited to, the following:

- A. Prepare and furnish to the necessary election supplies for the conduct of the election.
- B. Cause to be printed the requisite number of official ballots, tally sheets and other necessary forms.
- C. Furnish official ballots for the qualified electors of the District.
- D. Cause the official ballots to be presented to the qualified electors, as required by law.
- E. Receive the returns of the election and supplies.
- F. Sort and assemble the election material and supplies in preparation for the canvassing of the returns.
- G. Canvass the returns of the election.
- H. Furnish a tabulation of the number of votes given in the election.
- I. Conduct and handle all other matters relating to the proceedings and conduct of the election in the manner and form as required by law.

SECTION 14. Notice of Exemption. The City Manager or his designee is hereby directed to file a Notice of Exemption 15062 of the California Code of Regulations with the County Clerk of the County of Riverside pertaining to the formation of the District and the authorization to levy special taxes therein.

SECTION 15. Effective Date: This Resolution shall become effective upon its adoption.

APPROVED AND ADOPTED this 25th day of October, 2005.

Ricard A. Steiner
Mayor of the City of Moreno Valley

ATTEST:

Oliver Reed
City Clerk

APPROVED AS TO FORM:

Robert O'Hernim
City Attorney

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, ALICE REED, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2005-97 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 25th day of October, 2005, by the following vote:

- AYES: Council Members Batey, Flickinger, West, White, and Mayor Stewart
- NOES: None
- ABSENT: None
- ABSTAIN: None



CITY CLERK

(SEAL)

EXHIBIT "A"

COMMUNITY FACILITIES DISTRICT NO. 4 – MAINTENANCE OF THE CITY OF MORENO VALLEY

Maintenance Services

In accordance with the following Upstream Improvement Maintenance Tasks and Schedule, the City will perform the below operation and maintenance services.

Task	Access Road	Detention Basin Side Slopes	Detention Basin Bottom	Detention Basin Inlets	Detention Basin Outlet or Overflow Control Structures	Catch Basin Inlets	Catch Basin Sumps	Storm Drain System	Schedule
Inspect for Sediment Accumulation			▪	▪	▪	▪	▪	▪	Annually
Remove Sediment Accumulation			▪	▪	▪	▪	▪	▪	Every 5-10 Years
Inspect for Debris (dead vegetation and Trash)	▪	▪	▪	▪	▪	▪	▪	▪	Early Spring, fall and after major storms
Clean Debris	▪	▪	▪	▪	▪	▪	▪	▪	As needed
Inspect for Erosion	▪	▪	▪	▪					Early Spring, fall and after major storms
Reestablish permanent vegetation		▪	▪						As needed
Remove dead vegetation				▪	▪				Annually—early spring
Spray Herbicide	▪			▪	▪				Annually—early spring
Apply pre-emergent	▪			▪	▪				Annually--fall
Replace stone rip-rap				▪	▪				Every 3-5 years as needed
Mowing		▪	▪						0-2 times annually
Inspect structural elements during wet weather and compare to as-built plans				▪	▪			▪	Annually

Task	Access Road	Detention Basin Side Slopes	Detention Basin Bottom	Detention Basin Inlets	Detention Basin Outlet: or Overflow Control Structures	Catch Basin Inlets	Catch Basin Sumps	Storm Drain System	Schedule
Make adjustments or replacements as determined by annual wet weather inspections			▪	▪	▪			▪	As needed
Keep records of all inspections and maintenance activities	▪	▪	▪	▪	▪	▪	▪	▪	Annually
Keep records of all costs for inspections, maintenance and repairs	▪	▪	▪	▪	▪	▪	▪	▪	Annually

City shall not perform or otherwise be responsible to implement any monitoring or mitigation compliance or certify to monitoring or mitigation compliance affecting the Upstream Improvements pursuant to, (i) any conservation covenant or easement, and (ii) any permits issued by the United States Army Corps of Engineers or other similar governmental regulatory agencies.

EXHIBIT "B"

**COMMUNITY FACILITIES DISTRICT NO. 4 – MAINTENANCE
OF THE CITY OF MORENO VALLEY**

**RATE AND METHOD OF APPORTIONMENT
OF SPECIAL TAXES**

Rate and Method of Apportionment

**RATE AND METHOD OF APPORTIONMENT FOR
COMMUNITY FACILITIES DISTRICT NO. 4 - MAINTENANCE
OF THE CITY OF MORENO VALLEY**

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in Community Facilities District No. 4 - Maintenance of the City of Moreno Valley ("CFD No. 4M") and collected each Fiscal Year commencing in Fiscal Year 2006-07, in an amount determined by the City Council through the application of the appropriate Special Tax for "Developed Property" and "Undeveloped Property" as described below. All of the real property in CFD No. 4M shall be taxed for the purposes, to the extent and in the manner herein provided, except property defined as Exempt Property and subject to Section E below.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 4M: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs to the City, CFD No. 4M or any designee thereof related to any appeal of the Special Tax; the costs associated with the release of funds from an escrow or appeals account, including appraisal costs; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated by the CFD Administrator or advanced by the City or CFD No. 4M for any other administrative purposes of CFD No. 4M, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Annual Construction Inflation Index" means the annual percentage change in the Engineering News-Record Building Cost Index for the City of Los Angeles, measured as of the calendar year, which ends in the previous Fiscal Year. In the event this index ceases to be published, the inflation index shall be another index as determined by the CFD Administrator that is reasonably comparable to the Engineering News-Record Building Cost Index for the City of Los Angeles.

"Assessor's Parcel" means a parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel Number.

Rate and Method of Apportionment

“**CFD Administrator**” means the Enterprise Services Manager of the City of Moreno Valley, or designee thereof, responsible for determining the Annual Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“**CFD No. 4M**” means Community Facilities District No. 4 - Maintenance of the City of Moreno Valley.

“**CFD Public Facilities**” means those public facilities authorized to be maintained by CFD No. 4M.

“**CFD Public Facilities Costs**” means either \$35,000, indexed annually by the Annual Construction Inflation Index, or such lower number as shall be determined by the CFD Administrator as sufficient to finance the maintenance of CFD No. 4M public facilities.

“**City**” means the City of Moreno Valley.

“**City Council**” means the City Council of the City, acting as the legislative body of CFD No. 4M.

“**County**” means the County of Riverside.

“**Final Map**” means a final map or parcel map, or portion thereof, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) that creates individual lots for which building permits may be issued.

“**Fiscal Year**” means the period starting July 1 and ending on the following June 30.

“**Land Area**” means the square footage of land on a Parcel, excluding rights-of-way, as shown on the applicable final map, parcel map, condominium plan, or other recorded parcel map or if the Land Area is not shown on said map, the Land Area of an Assessor’s Parcel as shown on an Assessor’s Parcel Map, excluding rights-of-way. If the Land Area is presented in acreage, then the square footage equals the acreage multiplied by 43,560 (square footage per acre).

“**Maintenance Fund**” means the fund that is used to disburse funds to pay the cost to maintain public flood control improvements funded with bond proceeds or Special Taxes within the boundaries of CFD No. 4M.

“**Parcel**” means the land that corresponds to the descriptions shown in Exhibit “A” attached hereto and incorporated herein.

“**Property**”:

“**Developed Property**” means for each Fiscal Year, all Taxable Property not otherwise classified as Undeveloped Property or for which a building permit for new construction was issued prior to March 1 of the prior Fiscal Year.

Rate and Method of Apportionment

“Exempt Property” means any property not subject to Special Tax as described under Section E, herein.

“Taxable Property” means all of the Assessor’s Parcels within the boundaries of CFD No. 4M, which are not classified as Exempt Property from the Special Tax pursuant to law or Section E, herein.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property.

“Proportionately” means the ratio of the Annual Special Tax Requirement to the total of the Maximum Annual Special Taxes for Developed Property plus the Maximum Annual Special Taxes for Undeveloped Property.

“State” means the State of California.

“Tax”:

“Annual Special Tax Requirement” means that amount required in any Fiscal Year for CFD No. 4M to pay the CFD Public Facilities Costs and Administrative Expenses. In arriving at the Annual Special Tax Requirement, the CFD Administrator shall take into account the reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and shall give a credit for funds available to reduce the Special Tax levy.

“Maximum Annual Special Tax” means the maximum Special Tax, determined in accordance with Section C, that can be levied in any Fiscal Year on any Assessor’s Parcel.

“Special Tax” means the special tax to be levied in each Fiscal Year on each Assessor’s Parcel of Developed Property and Undeveloped Property to fund the Annual Special Tax Requirement.

B. CLASSIFICATION OF PROPERTIES

Each Fiscal Year, all Property within CFD No. 4M shall be classified as Developed Property, Undeveloped Property or Exempt Property and shall be subject to the Special Taxes in accordance with the rate and method of apportionment determined pursuant to Sections C and D.

Rate and Method of Apportionment

C. SPECIAL TAX RATE

1. Developed Property

a. Maximum Annual Special Tax

The Maximum Annual Special Tax for each Assessor's Parcel shall be \$0.007370 per square foot of Land Area for Fiscal Year 2006-07 and shall increase each year thereafter, commencing on July 1, 2007 and on July 1 of each Fiscal Year thereafter, by an amount equal to the Annual Construction Inflation Index increase. A summary of the Maximum Annual Special Tax for FY 2006-07 is shown below:

2. Undeveloped Property

a. Maximum Annual Special Tax

The Maximum Annual Special Tax for each Assessor's Parcel shall be \$0.007370 per square foot of Land Area for Fiscal Year 2006-07 and shall increase each year thereafter, commencing on July 1, 2007 and on July 1 of each Fiscal Year thereafter, by an amount equal to the Annual Construction Inflation Index increase.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2006-07 and for each following Fiscal Year, the City Council shall levy the Maximum Annual Special Tax until the amount of Special Taxes levied equals the Annual Special Tax Requirement. The Maximum Annual Special Tax shall be levied each Fiscal Year as follows:

The Maximum Annual Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property and Undeveloped Property at up to 100% of the applicable Maximum Annual Special Tax.

E. EXEMPTIONS

The City Council shall classify as Exempt Property: (i) Assessor's Parcels owned by the State of California, Federal or other local governments; (ii) Assessor's Parcels which are used as places of worship and are exempt from *ad valorem* property taxes because they are owned by a religious organization; (iii) Assessor's Parcels used exclusively by a homeowners association; (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement; and (v) any other Assessor's Parcels at the reasonable discretion of the City Council

Rate and Method of Apportionment

F. MANNER OF COLLECTION

The Maximum Annual Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 4M may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

G. TERM OF SPECIAL TAX

The Maximum Annual Special Tax shall be levied on Developed and Undeveloped Property in perpetuity from the Fiscal Year after which the tax is first levied, unless sooner rescinded by the City Council.

H. APPEALS

Any landowner who feels that the amount of the Special Tax levied on their Assessor's Parcel is in error may submit a written appeal to CFD No. 4M. The CFD Administrator shall review the appeal and if the CFD Administrator concurs, the amount of the Special Tax levied shall be appropriately modified.

The City Council may interpret this Rate and Method of Apportionment for purposes of clarifying any ambiguity and make determinations relative to the annual administration of the Special Tax and any landowner appeals. Any decision of the City Council shall be final and binding as to all persons.

Exhibit A

**EXHIBIT "A"
PROPERTY DESCRIPTION OF PARCELS WITHIN
COMMUNITY FACILITIES DISTRICT NO. 4 - MAINTENANCE**

PARCEL 1/PORCION OF APN# 297-170-007:

A PARCEL OF LAND IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA INCLUDED WITHIN LOT 6, BLOCK 242 OF MAP NO. 1, BEAR VALLEY AND ALESSANDRO DEVELOPMENT CO., AS SHOWN BY MAP ON FILE IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, WHICH LIES WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 6; THENCE ALONG THE WESTERLY LINE OF SAID LOT 6 NORTH 00°25'46" EAST 660.16 FEET TO THE NORTHWEST CORNER OF SAID LOT 6; THENCE ALONG THE NORTHERLY LINE OF SAID LOT 6 SOUTH 89°34'17" EAST 300.21 FEET; THENCE SOUTH 00°27'30" WEST 660.17 FEET TO THE SOUTHERLY LINE OF SAID LOT 6; THENCE ALONG SAID SOUTHERLY LINE NORTH 89°34'09" WEST 299.87 FEET TO THE POINT OF BEGINNING.

EXCLUDING THAT PORTION LYING WITHIN BRODIAEA AVENUE.

PARCEL 2/PORCION OF APN# 297-170-007:

A PARCEL OF LAND IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA INCLUDED WITHIN LOT 6, BLOCK 242 OF MAP NO. 1, BEAR VALLEY AND ALESSANDRO DEVELOPMENT CO., AS SHOWN BY MAP ON FILE IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, WHICH LIES WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

COMMENCING AT THE SOUTHWEST CORNER OF SAID LOT 6; THENCE ALONG THE WESTERLY LINE OF SAID LOT 6 NORTH 00°25'46" EAST 660.16 FEET TO THE NORTHWEST CORNER OF SAID LOT 6; THENCE ALONG THE NORTHERLY LINE OF SAID LOT 6 SOUTH 89°34'17" EAST 300.21 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID NORTHERLY LINE SOUTH 89°34'17" EAST 359.91 FEET TO THE NORTHEAST CORNER OF SAID LOT 6; THENCE ALONG THE EASTERLY LINE OF SAID LOT 6 SOUTH 00°25'48" WEST 660.18 FEET TO THE SOUTHEAST CORNER OF SAID LOT 6; THENCE ALONG THE SOUTHERLY LINE OF SAID LOT 6 NORTH 89°34'09" WEST 360.24 FEET TO A LINE THAT BEARS SOUTH 00°27'30" WEST FROM THE POINT OF BEGINNING; THENCE ALONG SAID LINE NORTH 00°27'30" EAST 660.17 FEET TO THE POINT OF BEGINNING.

EXCLUDING THAT PORTION LYING WITHIN BRODIAEA AVENUE.

Exhibit A

PARCEL 3/APN# 297-170-006:

LOT 7, BLOCK 242 OF MAP NO. 1, BEAR VALLEY AND ALESSANDRO DEVELOPMENT CO., AS SHOWN BY MAP ON FILE IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY LOCATED IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

EXCLUDING THAT PORTION LYING WITHIN BRODIAEA AVENUE.

PARCEL 4/APN# 297-170-013, 014, 030 & 031:

LOTS 1, 2, 7 AND 8, BLOCK 259 OF MAP NO. 1, BEAR VALLEY AND ALESSANDRO DEVELOPMENT CO., AS SHOWN BY MAP ON FILE IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY LOCATED IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

EXCLUDING THOSE PORTIONS LYING WITHIN BRODIAEA AVENUE, GRAHAM STREET AND CACTUS AVENUE.

PARCEL 5/APN# 297-170-033:

LOT 4, BLOCK 260 OF MAP NO. 1, BEAR VALLEY AND ALESSANDRO DEVELOPMENT CO., AS SHOWN BY MAP ON FILE IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY LOCATED IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

EXCLUDING THOSE PORTIONS LYING WITHIN BRODIAEA AVENUE AND GRAHAM STREET.

PARCEL 6/PORIONS OF APN# 297-170-023 & 025 and 297-190-005:

A PARCEL OF LAND IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA INCLUDED WITHIN LOTS 2, 3, 6 AND 7, BLOCK 260 OF MAP NO. 1, BEAR VALLEY AND ALESSANDRO DEVELOPMENT CO., AS SHOWN BY MAP ON FILE IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, WHICH LIES WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

Exhibit A

BEGINNING AT THE NORTHWEST CORNER OF SAID LOT 3; THENCE ALONG THE NORTHERLY LINES OF SAID LOTS 2 AND 3 SOUTH 89°34'31" EAST 950.22 FEET TO A POINT THAT BEARS NORTH 89°34'31" WEST 369.97 FEET ALONG SAID NORTHERLY LINE OF LOT 2 FROM THE NORTHEAST CORNER OF SAID LOT 2; THENCE SOUTH 00°26'28" WEST 1,320.24 FEET TO THE CENTERLINE OF CACTUS AVENUE; THENCE ALONG SAID CENTERLINE NORTH 89°35'02" WEST 949.99 FEET TO THE WESTERLY LINE OF SAID LOT 6; THENCE ALONG SAID WESTERLY LINE AND THE WESTERLY LINE OF SAID LOT 3 NORTH 00°25'52" EAST 1,320.38 FEET TO THE POINT OF BEGINNING.

EXCLUDING THOSE PORTIONS LYING WITHIN BRODIAEA AVENUE AND CACTUS AVENUE.

PARCEL 7/PORCTIONS OF APN# 297-170-023 & 041:

A PARCEL OF LAND IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA INCLUDED WITHIN LOTS 1, 2 AND 8, BLOCK 260 OF MAP NO. 1, BEAR VALLEY AND ALESSANDRO DEVELOPMENT CO., AS SHOWN BY MAP ON FILE IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, WHICH LIES WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

BEGINNING AT THE INTERSECTION OF THE NORTHERLY LINE OF SAID LOT 1 AND A LINE PARALLEL WITH AND 83.50 FEET WESTERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF HEACOCK STREET, SAID PARALLEL LINE ALSO BEING THE WESTERLY RIGHT OF WAY LINE OF HEACOCK CHANNEL; THENCE ALONG SAID PARALLEL LINE SOUTH 00°25'53" WEST 1,046.73 FEET; THENCE NORTH 35°07'47" WEST 501.39 FEET TO A LINE PARALLEL WITH AND 285.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES FROM THE WESTERLY LINE OF SAID LOT 1; THENCE ALONG SAID PARALLEL LINE NORTH 00°25'53" EAST 85.97 FEET; THENCE NORTH 35°07'47" WEST 163.67 FEET; THENCE NORTH 89°33'32" WEST 61.47 FEET; THENCE NORTH 35°07'47" WEST 467.90 FEET TO A LINE PARALLEL WITH AND 39.00 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES FROM THE NORTHERLY LINE OF SAID LOT 2; THENCE NORTH 00°25'29" EAST 39.00 FEET TO THE NORTERLY LINE OF SAID LOT 2; THENCE ALONG THE NORTHERLY LINES OF SAID LOTS 1 AND 2 SOUTH 89°34'31" EAST 720.37 FEET TO THE POINT OF BEGINNING.

EXCLUDING THAT PORTION LYING WITHIN BRODIAEA AVENUE.

PARCEL 8/PORCTIONS OF APN# 297-170-023, 025 & 041:

A PARCEL OF LAND IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA INCLUDED WITHIN LOTS 1, 2, 7 AND 8, BLOCK 260 OF MAP NO. 1, BEAR VALLEY AND ALESSANDRO DEVELOPMENT CO., AS SHOWN BY MAP ON FILE IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, WHICH LIES WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

Exhibit A

COMMENCING AT A POINT ON THE NORTHERLY LINE OF SAID LOT 2, SAID POINT BEARS NORTH 89°34'31" WEST 369.97 FEET ALONG SAID NORTHERLY LINE OF LOT 2 FROM THE NORTHEAST CORNER OF SAID LOT 2; THENCE SOUTH 00°26'28" WEST 419.53 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 89°33'32" EAST 559.85 FEET; THENCE SOUTH 35°07'47" EAST 163.67 FEET TO A LINE PARALLEL WITH AND 285.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES FROM THE WESTERLY LINES OF SAID LOTS 1 AND 8; THENCE ALONG SAID PARALLEL LINE SOUTH 00°25'53" WEST 767.30 FEET TO THE CENTERLINE OF CACTUS AVENUE; THENCE ALONG SAID CENTERLINE NORTH 89°35'02" WEST 655.20 FEET TO A LINE THAT BEARS SOUTH 00°26'28" WEST FROM THE POINT OF BEGINNING; THENCE NORTH 00°26'28" EAST 900.71 FEET TO THE POINT OF BEGINNING.

EXCLUDING THAT PORTION LYING WITHIN CACTUS AVENUE.

PARCEL 9/PORITION OF APN# 297-170-020:

PARCEL 2 OF LOT LINE ADJUSTMENT NO. 931 RECORDED JUNE 11, 2003 AS INSTRUMENT NO. 2003-425288 AND RE-RECORDED JANUARY 7, 2005 AS INSTRUMENT NO. 2005-19171 BOTH OF OFFICIAL RECORDS OF RIVERSIDE COUNTY LOCATED IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

EXCLUDING THAT PORTION LYING WITHIN BRODIAEA AVENUE.

NOTE: THESE DESCRIPTIONS HAVE BEEN PREPARED FOR ASSESSMENT PURPOSES ONLY AND SHOULD NOT BE USED FOR CONVEYANCE OF TITLE.