

RECORDING REQUESTED BY
AND WHEN RECORDED, MAIL TO:

City Ventures, LLC
1900 Quail Street
Newport Beach, CA 92660
Attn: R. Mark Buckland

(Space Above For Recorder's Use)

ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT AGREEMENT (this "Assignment") is made as of December 21, 2012 ("Effective Date"), by and between Sunny-Cal Egg & Poultry Company, a California corporation ("Assignor"), and CV Communities, LLC, a Delaware limited liability company ("Assignee").

RECITALS

A. Assignor is the owner of certain real property in Riverside County, California more particularly described on Exhibit "A" attached hereto ("Property").

B. Assignor is an "Owner" under that certain Pre-Annexation and Development Agreement No. 06-DA-01, entered into to be effective on September 18, 2007, between the City of Beaumont, a municipal corporation organized and existing under the laws of the State of California ("City"), Assignor and Manheim, Manheim & Berman, a California general partnership, recorded on October 18, 2012, as Document No. 2012-0497525, in the Official Records of the County Recorder of Riverside County, California (the "Development Agreement").

C. Assignor is selling the Property to Assignee and Assignor desires to assign to Assignee all of its rights and obligations under the Development Agreement relating to the Property, and Assignee wishes to accept such assignment as more particularly set forth below.

Agreement

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Assignment. Assignor does hereby transfer and assign to Assignee all of its right, title and interest in and to, and obligations under, the Development Agreement (and all documents and instruments relating to or implementing the Development Agreement) with respect to the Property.

2. Assumption. Assignee hereby accepts said assignment and agrees to keep, perform and be bound by all the terms, covenants and conditions contained in the Development Agreement (and all documents and instruments relating to or implementing the Development Agreement) relating to the Property on the part of the "Owner" therein, first arising on and after the Effective Date, as though Assignee were the original "Owner" under the Development Agreement.

3. Miscellaneous. This Assignment can only be amended only by an amendment in writing signed by all the parties, and any term herein can be waived only by a written waiver signed by the party against whom such waiver is to be asserted. This Assignment is intended to be the final expression of the parties' agreement and supersedes any and all prior restrictions, promises, representations, warranties, agreements, understandings and undertakings between the parties with respect to the within subject matter. There are no restrictions, promises, representations, warranties, agreements, understandings or undertakings with respect to such subject matter other than those set forth or referred to herein.

IN WITNESS WHEREOF, Assignor and Assignee have duly executed this Assignment as of the Effective Date.

"Assignor"

"Assignee"

Sunny-Cal Egg & Poultry Company,
a California corporation

CV Communities, LLC,
a Delaware limited liability company

By: Kathi L. Berman VP
Kathi L. Berman, Vice President

By: August Belmont
August Belmont, President

By: Michael G. Manheim pres.
Michael G. Manheim, President

By: Mark Buckland R.
Mark Buckland
Chief Executive Officer

ACKNOWLEDGMENT BY SECOND OWNER

As the second "Owner" under the Development Agreement, but not the owner and seller of the Property, the undersigned hereby acknowledges and agrees to this Assignment to the extent such agreement is necessary for its effectiveness.

Manheim, Manheim & Berman, a California
general partnership

By: Kathi Berman
Title: VP

CONSENT TO ASSIGNMENT

City hereby consents to and approves the Assignment, which consent is conditioned on the purchase of the Property by Assignee and shall be effective on the effective date of the Development Agreement.

“City”

The City of Beaumont, a municipal corporation organized and existing under the laws of the State of California

By: Ron By

Title: Mayor City Council

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE MAYOR AND THE CITY COUNCIL

By: Karen Thompson
City Clerk

Exhibit "A"
to
Assignment and Assumption of Development Agreement

Description of the Property

That certain real property located in the unincorporated area of the County of Riverside, State of California, more particularly described as follows:

PARCEL ONE:

THE WESTERLY 208.71 FEET OF THE NORTHERLY 1,073.55 FEET OF THE SOUTH HALF OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM THE NORTHERLY 30 FEET IN WOODLAND AVENUE, NOW CHERRY VALLEY BOULEVARD.

ALSO EXCEPTING THAT PORTION CONVEYED TO THE COUNTY OF RIVERSIDE BY DEED RECORDED NOVEMBER 14, 1974 AS INSTRUMENT NO. 146636.

PARCEL TWO:

THAT PORTION OF THE SOUTH HALF OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID SOUTH HALF OF SECTION 29, SAID POINT BEING ALSO A POINT IN THE CENTER OF WOODLAND AVENUE;

THENCE NORTH 89° 33' 30" EAST ON THE CENTER LINE OF WOODLAND AVENUE, 786.12 FEET, MORE OR LESS, TO A POINT DISTANT SOUTH 89° 33' 30" WEST, 791 FEET, FROM THE NORTHWEST CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED TO J. VINCENT HANNON AND JEREMIAH C. HANNON BY DEED RECORDED JANUARY 28, 1909 IN BOOK 276, PAGE 324 OF DEEDS, RIVERSIDE COUNTY RECORDS;

THENCE SOUTH 0° 28' 50" WEST AND PARALLEL WITH THE WESTERLY LINE OF SAID PARCEL CONVEYED TO HANNON, 1975 FEET TO A POINT ON THE NORTHERLY LINE OF THAT CERTAIN PARCEL CONVEYED TO MELVIN F. KLAGUOS AND PAULINE M. KLAGUOS, HUSBAND AND WIFE BY DEED RECORDED AUGUST 4, 1959 AS INSTRUMENT NO. 67500;

THENCE WESTERLY ON THE NORTHERLY LINE OF SAID PARCEL
CONVEYED TO KLAGUOS TO A POINT IN THE WEST LINE OF SAID SECTION
29;

THENCE NORTH 0° 07' 40" EAST ON THE WEST LINE OF SAID SECTION 29,
TO THE POINT OF BEGINNING;

EXCEPTING THEREFROM THE WESTERLY 208.71 FEET OF THE NORTHERLY
1,073.55 FEET; ALSO EXCEPTING THEREFROM THE NORTHERLY 30 FEET IN
WOODLAND AVENUE, NOW CHERRY VALLEY BOULEVARD.

ALSO EXCEPTING THAT PORTION CONVEYED TO THE COUNTY OF RIVERSIDE
BY DEED RECORDED NOVEMBER 14, 1974 AS INSTRUMENT NO. 146646.

PARCEL TWO A:

THAT PORTION OF THE SOUTHWEST QUARTER OF SECTION 29, TOWNSHIP 2
SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE
OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE NORTHERLY LINE OF SAID
SOUTHWEST QUARTER DISTANT SOUTH 89° 33' 30" WEST, 791 FEET FROM
THE NORTHWEST CORNER OF THAT CERTAIN PARCEL OF LAND
CONVEYED TO J. VINCENT HANNAN BY DEED RECORDED JANUARY 28,
1909 IN BOOK 276, PAGE 324 OF DEEDS, RIVERSIDE COUNTY RECORDS;
SAID POINT ALSO BEING DISTANT NORTH 89° 33' 30" EAST 786.12 FEET
FROM THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF SAID
SECTION;

THENCE SOUTH 0° 28' 50" WEST, PARALLEL WITH THE WEST LINE OF THE
PARCEL CONVEYED TO J. VINCENT HANNON 313.5 FEET TO THE TRUE
POINT OF BEGINNING;

THENCE EASTERLY ON SAID SOUTHERLY LINE OF THE PARCEL
CONVEYED TO GEORGEUS GEORGE AND ELIZABETH B. GEORGE, BY
DEED FILED FOR RECORD AUGUST 21, 1952 AS INSTRUMENT NO. 35786, IN
BOOK 1394 PAGE 352 OFFICIAL RECORDS, 11 FEET;

THENCE SOUTHERLY 1, 221.5 FEET TO A POINT ON THE SOUTHERLY LINE
OF THAT CERTAIN PARCEL CONVEYED TO FRANK J. FABIAN AND MARY R.
FABIAN BY DEED RECORDED NOVEMBER 4, 1939 IN BOOK 434, PAGE 587 OF
OFFICIAL RECORDS, RIVERSIDE COUNTY RECORDS, 20.5 FEET OF THE
SOUTHWEST CORNER OF SAID PARCEL SO CONVEYED TO FRANK J.
FABIAN AND WIFE;

THENCE WEST ON SAID SOUTH LINE 20.5 FEET;

THENCE NORTH 1,221.5 FEET TO THE POINT OF BEGINNING.

PARCEL TWO C:

THAT PORTION OF THE SOUTHWEST QUARTER OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF SAID SOUTHWEST QUARTER DISTANT SOUTH 89° 33' 30" WEST, 791 FEET FROM THE NORTHWEST CORNER OF THAT CERTAIN PARCEL CONVEYED TO J. VINCENT HANNON BY DEED RECORDED JANUARY 28, 1909 IN BOOK 276, PAGE 324 OF DEEDS, RIVERSIDE COUNTY RECORDS; SAID POINT ALSO BEING DISTANT NORTH 89° 33' 30" EAST 786.12 FEET FROM THE NORTHWEST CORNER OF SAID SOUTHWEST QUARTER;

THENCE SOUTH 0° 28' 50" WEST, PARALLEL WITH THE WEST LINE OF THE PARCEL CONVEYED TO J. VINCENT HANNON 313.4 FEET;

THENCE NORTH 89° 33' 30" EAST, 30 FEET;

THENCE NORTH 0° 28' 50" EAST, 313.4 FEET, TO THE NORTH LINE OF SAID SOUTHWEST QUARTER;

THENCE SOUTH 89° 33' 30" WEST, 30 FEET TO THE POINT OF BEGINNING;

EXCEPTING THEREFROM THE NORTH 30 FEET IN WOODLAND AVENUE, NOW CHERRY VALLEY BOULEVARD.

ALSO EXCEPTING THAT PORTION CONVEYED TO THE COUNTY OF RIVERSIDE BY DEED RECORDED NOVEMBER 14, 1974 AS INSTRUMENT NO. 146646.

PARCEL THREE:

PARCELS 1 TO 5, INCLUSIVE, AND 7, AND LOTS A TO K, INCLUSIVE OF PARCEL MAP NO. 12218, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN PARCEL MAP BOOK 85, PAGE 66 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

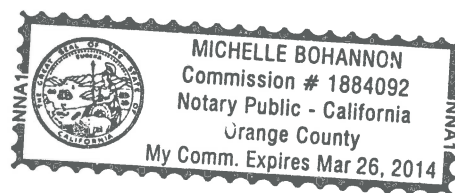
State of California)
County of Orange) ss.

On December 17, 2012, before me, Michelle Bohannon, Notary Public, personally appeared August Belmont & Mark Burkland who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Michelle Bohannon (Seal)



State of California)
County of Riverside) ss.

On December 18, 2012, before me, Jennifer D. Oberg, Notary Public, personally appeared Kathi L. Burman and Michael G. Mandim, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Jennifer D. Oberg (Seal)



CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Riverside

On 12/18/2012 before me, Chelsea Sinske
(Here insert name and title of the officer)

personally appeared Roger Berg

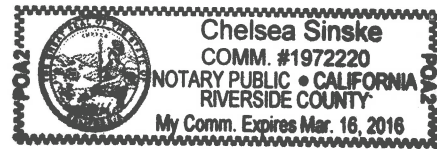
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ are subscribed to the within instrument and acknowledged to me that ~~he~~ she ~~they~~ executed the same in ~~his~~ her ~~their~~ authorized capacity(ies), and that by ~~his~~ her ~~their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Signature]
Signature of Notary Public

(Notary Seal)



ADDITIONAL OPTIONAL INFORMATION

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/~~she~~/~~they~~, is /~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

DESCRIPTION OF THE ATTACHED DOCUMENT

Assignment + Assumption
(Title or description of attached document)
of Development Agreement
(Title or description of attached document continued)

Number of Pages 7 Document Date 12/18/12

(Additional information)

CAPACITY CLAIMED BY THE SIGNER

- Individual (s)
 Corporate Officer

(Title)

- Partner(s)
 Attorney-in-Fact
 Trustee(s)
 Other _____

STAFF REPORT

To: Mayor and Council Members
From: Community and Economic Development Department
Date: December 18, 2012
Subject: Approval of Assignment and Assumption of the Sunny-Cal Pre-annexation and Development Agreement 06-DA-01.

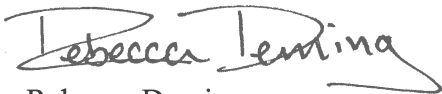
Background and Analysis:

The Sunny-Cal Pre-annexation and Development Agreement requires the City approve any assignment or transfer of the rights, duties and obligation under the terms of the agreement. The Sunny-Cal property is being sold to CV Communities, LLC and therefore staff recommends approval of the assignment subject to the purchase of the Property by Assignee and shall be effective on the effective date of the Development Agreement.

Recommendation:

Staff recommends APPROVAL of the proposed Assignment and Assumption of Development Agreement 06-DA-01.

Respectfully submitted;
CITY OF BEAUMONT



Rebecca Deming,
Director of Planning

DOC # 2012-0497525

10/18/2012 08:28A Fee:NC

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Recorded in Official Records

County of Riverside

Larry W. Ward

Assessor, County Clerk & Recorder

RECORDING REQUESTED BY, AND
WHEN RECORDED, MAIL TO:

City Clerk
City of Beaumont
550 East Sixth Street
Beaumont, California 92223



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**PRE-ANNEXATION AND
DEVELOPMENT AGREEMENT**

NO. 06-DA-01

BETWEEN

THE CITY OF BEAUMONT

AND

SUNNY-CAL EGG & POULTRY, INC. AND MANHEIM, MANHEIM & BERMAN



*(Pursuant to California Government Code Sections 65864 - 65869.5
and City of Beaumont Resolution No. 1987-34)*

September 18, 2007

ORIGINAL

**PRE-ANNEXATION AND
DEVELOPMENT AGREEMENT**

This **PRE-ANNEXATION AND DEVELOPMENT AGREEMENT** ("**Agreement**") is entered into to be effective on September 18, 2007, between **SUNNY-CAL EGG & POULTRY, INC.**, a California corporation and **MANHEIM, MANHEIM & BERMAN**, a California general partnership (collectively the "**Owner**"), and the **CITY OF BEAUMONT**, a municipal corporation organized and existing under the laws of the State of California (the "**City**"). The Owner and the City are sometimes collectively referred to herein as the "**parties**."

RECITALS:

This Agreement is predicated upon the following facts:

A. These Recitals use certain capitalized terms which are defined in this Agreement.

B. Government Code Sections 65864 - 65869.5 authorize the City to enter into binding development agreements with persons having a legal or equitable interest in real property for the development of such property, all for the purpose of strengthening the public planning process, encouraging private participation and comprehensive planning and reducing the economic costs of such development. The City has implemented the law contained in such sections by adopting Resolution No. 1987-34, titled "Establishing Procedures and Requirements for Consideration of Development Agreements" (such Resolution, together with the aforementioned Government Code Sections, are being referred to herein as the "**Development Agreement Law**").

C. This Agreement is adopted pursuant to the Development Agreement Law.

D. The Owner is the owner of approximately 200 acres of land currently located in unincorporated Riverside County, California ("**County**"), but which the parties intend to be annexed to the City, all as more particularly described on Exhibit "A" attached hereto and shown on Exhibit "B" attached hereto (the "**Property**").

E. The Owner desires that the Property be developed in accordance with the Development Plan (as hereinafter defined) (the "**Project**"). The Project is highly capital intensive, especially in its initial phases, which, in order to make the Project economically and fiscally feasible, requires major commitment to and investment in public facilities and on-site and off-site improvements prior to the construction and sale or leasing of residential buildings. This Agreement is intended to facilitate the logical and orderly development of the Project in the City.

F. The City has determined that the Development Plan is consistent with the City General Plan and has approved the Development Plan in order to promote the health, safety

and welfare of its citizens and to protect the quality of the community and environment. The Development Plan includes The Sunny-Cal Specific Plan which was approved for the Property by the City on August 21, 2007, for which the City prepared and certified the Environmental Impact Report for the Sunny-Cal Specific Plan, Annexation, and Sphere of Influence Amendment (State Clearinghouse No. 2004121092"), adopted Findings of Fact, Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program (collectively the "EIR"). As part of that process of approving the Development Plan, the City has prepared and reviewed the EIR, pursuant to the California Environmental Quality Act ("CEQA"), with respect to the potential significant impacts of the Project resulting from its annexation to the City. The City has determined, based on that review, that the EIR adequately addresses the potential significant impacts of the Project, and that accordingly neither a supplemental nor subsequent environmental impact report is required for the Development Plan and this Agreement.

G. All of the proceedings relating to the approval of this Agreement have been conducted in accordance with the Development Agreement Law.

H. On August 21, 2007, the City Council of the City adopted Ordinance No. 918 approving this Agreement with the Owner, as an inducement for the Owner to support annexation of the Property to the City.

I. The terms and conditions of this Agreement have undergone extensive review by the City and its City Council and have been found to be fair, just and reasonable, and the City has found and determined that the execution of this Agreement is in the best interest of the public health, safety and general welfare of the City and its residents and that adopting this Agreement constitutes a present exercise of its police power.

AGREEMENT

In light of the foregoing Recitals, which are an operative part of this Agreement, the parties agree as follows:

1 DEFINITIONS.

"**Agreement**" is this Pre-Annexation and Development Agreement.

"**Agreement Date**" is the date this Agreement is approved by the City Council.

"**Alternative Financing Mechanism**" has the meaning given that phrase in Section 10.8 below.

"**CEQA**" is the California Environmental Quality Act, Public Resources Code Section 21000, *et seq.*

"**CFD**" is a Community Facilities District formed pursuant to the Mello Roos Community Facilities Act of 1982, Government Code Section 53312, *et seq.*

"**City**" is the City of Beaumont, California

"City's Discretion" is discretion exercised by the City in accordance with the policies and principles set forth in the Development Plan, this Agreement and the procedures in effect as of the Effective Date such that the approvals given by the City to the Owner pursuant to the exercise of such discretion shall not be unreasonably withheld or delayed.

"Development Agreement Law" is Government Code Sections 65864, *et seq.*, and Resolution No. 1987-34, titled "Establishing Procedures and Requirements for Consideration of Development Agreements."

"Development Plan" is, collectively, the permits and approvals listed on Exhibit "C."

"Effective Date" is that date which is the later to occur of (a) the expiration of the time for filing a referendum petition relating to this Agreement if no such petition is filed within such period, and (b) the certification of the results of a referendum election are declared approving this Agreement if a referendum petition is filed within the applicable period, or (c) the date that the annexation of the Property to the City is completed.

"EIR" is, collectively, the Sunny-Cal Specific Plan, Annexation, and Sphere of Influence Amendment Environmental Impact Report (State Clearinghouse No. 2004121092) certified by the City on August 21, 2007, prepared for the Project and dated August 18, 2006, Findings of Fact, Statement of Overriding Considerations, and the Mitigation Monitoring and Reporting Program adopted by the City on August 21, 2007, copies of the EIR are on file with the City.

"Owner" is Sunny-Cal Egg & Poultry, Inc., a California corporation and Manheim, Manheim & Berman, a California general partnership, and their successors in interest to all or any part of the Property.

"Project" is the proposed development of the Property included within the Development Plan and associated amenities, including, without limitation, on-site and off-site improvements contemplated by the Development Plan, as the same may be further defined, enhanced or modified pursuant to the provisions of this Agreement.

"Property" is the real property on which the Project is, or will be, located as described on Exhibit "A" attached hereto and shown on Exhibit "B" attached hereto

2 **EXHIBITS.** The following documents are referred to in this Agreement, attached hereto and incorporated herein by this reference:

<u>Exhibit Designation</u>	<u>Description</u>
A	Legal Description of the Property
B	Map of the Property
C	List of Permits and Approvals
D	City Conditions of Approval
E	Statement of Benefits to the City

3 MUTUAL BENEFITS. This Agreement is entered into for the purpose of annexing the Property to the City and implementing the Development Plan for the Project in a manner that will secure certain assurances to the Owner that the Property may be developed in accordance with the Development Plan and this Agreement, and certain benefits to the City as set forth on Exhibit "E" as set forth in this section. The City and the Owner agree that, due to the size and duration of the Project, the Agreement is necessary to achieve those desired benefits.

4 INTEREST OF THE OWNER. The Owner represents that the Owner owns fee title to the Property.

5 BINDING EFFECT OF AGREEMENT. The terms and conditions of this Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns as set forth herein

6 PROJECT AS A PRIVATE UNDERTAKING. It is specifically understood and agreed that the development of the Project is a private and not a public sector development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between the City and the Owner is that of a government entity regulating the development of private property by the owner of such Property

7 TERM. The term of this Agreement shall be twenty five (25) years following the Effective Date. Expiration of the term of this Agreement shall not in any manner affect rights which have otherwise vested under applicable law

8 HOLD HARMLESS. The Owner shall hold the City, its officers, agents, employees and representatives harmless from liability for damage or claims for damage for personal injury, including death and claims for property damage, arising on the Property from the wrongful or negligent activities of the Owner or those of the Owner's contractors, subcontractors, agents, employees or other persons acting on the Owner's behalf which relate to the Project. In the event any person not a party or a successor to a party to this Agreement institutes any type of action against the City with respect to this Agreement, City and Owner shall cooperate in defending against the action, provided that City may, in its sole discretion, elect to tender the defense of such action to the Owner. If the Owner accepts the tender, the Owner shall thereafter hold City harmless from and defend City from all costs and expenses incurred in the defense of such action, provided that City frilly cooperates with the Owner in the defense of such action. If the Owner declines the tender, then City shall have no further obligation or duty to defend the action.

9 VESTED RIGHT. By entering into this Agreement the City grants to the Owner a vested right to develop the Property in accordance with the Development Plan. The City shall not enact and enforce against the Project an ordinance, policy, rule, regulation or other measure which significantly alters the rate, type, manner, density, timing or sequencing of the Project. In addition to and not in limitation of the foregoing, it is the intent of the Owner and the City that no moratorium, whether relating to the rate, type, manner, density, timing or sequencing of the Project and whether or not enacted by initiative or otherwise, except a moratorium imposed by the City to implement State or Federal laws, statutes, regulations, policies or orders as provided in Section 11.2, affecting parcel or subdivision maps, building permits, plot plans, special use

permits, conditional use permits, occupancy certificates or other entitlements to use or permits approved, issued or granted within the City, or portions of the City, shall apply to the Project to the extent such moratorium or other limitation is in conflict with the Development Plan. Notwithstanding the foregoing, should an ordinance, general plan or zoning amendment, measure, moratorium, policy, rule, regulation or other limitation enacted by the citizens of the City through the initiative process be determined by a court of competent jurisdiction to invalidate or prevail over all or any part of the Development Plan, the Owner shall have no recourse against the City pursuant to this Agreement. The foregoing shall not be deemed to limit the Owner's right to appeal any such determination of such ordinance, general plan or zoning amendment, measure, policy, rule, regulation, moratorium or other limitation which purports to invalidate or prevail over all or any part of this Agreement.

10 DEVELOPMENT OF THE PROJECT.

10.1 Annexation. The City and the Owner shall cooperate and use their best reasonable efforts to cause the Property to be annexed into the City, subject only to terms and conditions set forth in the Development Plan and Exhibit "D" hereto, and the mitigation measures set forth in the EIR.

10.2 Phasing and Timing of Development. When or the order in which Project phases will be developed, or whether it will be developed at all, depend upon numerous factors which are not within the control of the Owner or City, such as market orientation and demand, interest rates, availability of funding, competition and other similar factors. Accordingly, to the extent permitted by the Development Plan and this Agreement, the Owner shall have the right to develop the Project in phases in such order and at such times as the Owner, in its sole discretion, deems appropriate within the exercise of its subjective business judgment; provided, however, that the City reserves the right to review, condition and approve each phase through discretionary and ministerial approvals consistent with this Agreement.

10.3 Effect of Agreement on Land Use Regulations. The rules, regulations and policies governing permitted uses of property, the density and intensity of use of property, the maximum height and size of proposed buildings and the design, improvement, construction and development standards and specifications applicable to development of property are those rules, regulations and policies in force as of the date of the Agreement, and those rules, regulations and official policies which may hereinafter be adopted by the City in accordance with Section 11.1 hereof or State or Federal laws, statutes, regulations, policies or orders as provided in Section 11.2.

10.4 Application Processing. In connection with any approval which the City is permitted or has the right to make under this Agreement relating to the Project, or otherwise under its rules, regulations and official policies, the City shall exercise the City's Discretion or take action in a manner which is as expeditious as reasonably possible.

10.5 Administrative Changes and Amendments. The parties acknowledge that further planning and development of the Project may demonstrate that refinements and changes are appropriate with respect to the details of the Project or interpretation of the Development Plan. If and when the parties find that minor changes or adjustments are necessary or appropriate to the Project or the Development Plan, they shall, unless otherwise required by law, effectuate such

changes or adjustments through administrative amendments approved by the Director of Planning, which, after execution, shall be attached hereto as addenda and become a part hereof, and may be further changed and amended from time to time as necessary, with approval by the Director of Planning as may be requested by the Owner. Minor changes or amendments shall be those which are consistent with the overall intent of the Development Plan and this Agreement and which do not materially alter the overall nature, scope, or design of the Project. Any such minor administrative changes or amendments shall not be deemed to be an amendment to this Agreement under Government Code Section 65868 and, unless otherwise required by law, no such administrative amendments shall require prior notice or hearing.

10.6 Mello Roos Communities Facilities Districts; Other Assessment Districts or Financing Mechanisms. Pursuant to Chapter 2.5 (commencing with Section 53312) Part 1, Division 2, Title 5 of the Government Code of the State of California, commonly known as the "Mello Roos Community Facilities Act of 1982," the Owner may, at its sole election, petition the City Council of the City or a joint powers agency in which the City is a member to establish a Community Facilities District ("CFD"), in accordance with the City's policies in existence on the Effective Date. Alternatively, or in addition thereto, the Owner may request that the City initiate and complete proceedings under the Municipal Improvement Act of 1911, the Municipal Improvement Act of 1913, the Improvement Bond Act of 1915, the Landscaping and Lighting Act of 1972, or any and all other available public financing mechanisms, to provide public conduit financing for the construction of public infrastructure improvements on the Property ("**Alternative Financing Mechanisms**"). If so requested by the Owner, the City shall cooperate with the Owner (or, for matters beyond its control, shall use its best efforts) in taking all steps necessary to cause the CFD or Alternative Financing Mechanisms to issue bonds for such purposes. If the Property is included within a CFD or Alternative Funding Mechanism with other surrounding properties, the special taxes or special assessments burdening the various properties so included shall be apportioned on a fair share basis related to the benefit derived by each of such properties in accordance with City policies at the time such property is included.

10.7 Public Services and Facilities. The Development Plan requires an integrated roadway system, and other public facilities including parks, schools, storm drains, and water and sewer facilities. City will reasonably assist Owner in obtaining public facilities and services for the Project on a timely basis in keeping with the pace of development of the Property. To the extent that the Owner constructs, installs or provides financing for public facilities or other public infrastructure improvements that benefit lands outside of the Property, the City shall use best reasonable efforts to adopt such ordinances, mitigation fees, liens or assessments as are necessary to provide credits, reimbursements, or in kind funding to the Owner for the fair share of the benefits conferred upon such lands other than the Property by such public facilities or infrastructure improvements.

10.8 Other Governmental or Quasi Governmental Permits. The Owner shall apply for such other permits and approvals as may be required by other governmental or quasi governmental agencies having jurisdiction over the Project (such as public utilities or utility districts, or other federal or state agencies) to the extent required for the development of, or provision of services and facilities to the Project as set forth in the Development Plan. The City shall cooperate with and assist the Owner in obtaining such permits and approvals, and, where

necessary in making application for such approvals or permits. The Owner shall be solely responsible for all costs and shall be responsible for the processing of all such permits.

10.9 Consistency Between This Agreement and Current Laws. The City represents that as of the date of the execution of this Agreement, there are no rules, regulations, ordinances or official policies of the City that would interfere with the development of the Project according to the Development Plan, provided the Property is annexed into the City.

10.10 Assessments, Fees, Mitigation and Exactions. The City shall not impose any future assessment, fee, mitigation measure or exaction on the Project or any portion thereof except (a) those existing and proposed assessments, fees, mitigation measures and exactions included in Exhibit "C", (b) such other fees, assessments and exactions as may be adopted or imposed by the City in conformance with the requirements of Article XIII D of the California Constitution, (c) such other development impact fees or categories of development impact fees which are adopted on a City or County wide basis or as required as a condition to obtaining County funding, such as the County of Riverside Traffic Uniform Mitigation Fee; and (d) such other development impact fees or categories of development impact fees which are imposed on other development projects in the City and are adopted and levied based on a benefit assessment. Fees payable to City shall be at rates applicable on the date the fee is paid. City shall recognize and apply a dollar for dollar in lieu credit against any and all fees, for and equal to the cost of improvements and/or dedications made in the development of the Project by the Owner, or funded by any CFD or Alternative Funding Mechanism including the Property, and for which the fees would otherwise be imposed. City further agrees to use any fees paid with respect to development of the Project to fund improvements which benefit the Project, to the fullest reasonable extent available and applicable under the law.

10.11 Reimbursement by the City. Pursuant to Government Code Section 65865.2, the City hereby agrees that as future development fees, assessments and exactions are imposed on future projects which have benefited from the fees, assessments and exactions paid by the Owner, the City shall promptly reimburse the Owner to the extent that such fees, assessments and exactions paid by Owner benefited lands outside of the Property, but only to the extent that the City actually receives or collects such fees, assessments or exactions for a period of ten years from the date the fee was paid.

11 RULES, REGULATIONS, REQUIREMENTS AND OFFICIAL POLICIES.

11.1 New Rules. This Agreement shall not prevent the City from applying the following new rules, regulations, requirements and policies, if applied on a City-wide or area of benefit basis:

11.1.1 Processing fees and charges imposed by the City which cover only the estimated actual costs to the City of processing applications for development approvals, for monitoring compliance with any development approvals or for monitoring compliance with environmental impact mitigation measures.

11.1.2 Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure, provided that such changes in procedural regulations do not

have the effect of materially interfering with the benefits conferred by this Agreement.

- 11.1.3 Regulations governing construction standards and specifications including, without limitation, the City's Building Code, Plumbing Code, Mechanical Code, Electrical Code and Fire Code.
- 11.1.4 Regulations which are necessary to protect public health and safety, provided that to the maximum extent possible such regulations shall be designed, construed and applied in a manner to preserve the benefits of this Agreement.
- 11.1.5 New or increased fees or categories of fees imposed as a condition of development, for the purpose of defraying all or a portion of the cost of public facilities (as defined in Government Code Sections 66000, *et seq.*) related to development projects.
- 11.1.6 Regulations which are in conflict with the Development Plan or this Agreement if such regulations have been consented to in writing by the Owner.

11.2 State and Federal Laws. In the event that State or Federal laws or regulations enacted after this Agreement is executed prevent or preclude compliance with one or more of the provisions of this Agreement, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations; provided, however, that this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provisions impractical to enforce.

12 AMENDMENT OR CANCELLATION OF AGREEMENT. This Agreement may be amended or canceled in whole or in part only by mutual consent of the parties in the manner provided for in Government Code Section 65868.

13 ENFORCEMENT. Unless amended or canceled as provided in Section 12 above, or modified or suspended pursuant to Government Code Section 65869.5, this Agreement is enforceable by either party hereto notwithstanding any change in any applicable general or specific plan, zoning, or subdivision regulation or standard adopted by the City (or by the voters of the City unless found by a court of competent and final jurisdiction to prevail over this Agreement) which alters or amends the Development Plan or is inconsistent with this Agreement.

14 PERIODIC REVIEW OF COMPLIANCE WITH AGREEMENT. The City shall review this Agreement at least once every year from the date this Agreement is executed. During each periodic review, each party is required to demonstrate good faith compliance with the terms of this Agreement. Such periodic review shall be conducted administratively by the City Manager and any appropriate department heads designated by the City Manager to perform such periodic review. If the City Manager finds that the Owner is not in good faith compliance with this Agreement, the Owner shall have the right to appeal such finding to the City Council. The City Council on appeal shall not hold a public hearing to review a finding that the Owner is not in good faith compliance with this Agreement unless so requested by the Owner in writing at the time of the submission of such appeal. The City shall notify the Owner in writing of the date

for review at least thirty (30) days prior thereto. The Owner shall pay or reimburse the City for the City's reasonable costs incurred in connection with such periodic reviews.

15 EVENTS OF DEFAULT.

15.1 Default by the Owner. If the City Council determines on the basis of substantial evidence upon appeal of the City Manager's decision pursuant to Section 14 hereof that the Owner has not complied in good faith with the terms and conditions of this Agreement, it shall, by written notice to the Owner, specify the manner in which the Owner has failed to so comply and state the steps the Owner must take to bring itself into compliance. If, within sixty (60) days after the effective date of notice from the City specifying the manner in which the Owner has failed to so comply, the Owner does not commence action reasonably necessary to bring itself into compliance as required and thereafter diligently pursue such steps to completion, then the Owner shall be deemed to be in default under the terms of this Agreement and the City may, if such failure persists after thirty (30) days' prior written notice, exercise its rights and remedies pursuant to Section 15.3.

15.2 Default by the City. If the Owner determines on the basis of substantial evidence that the City has not complied in good faith with the terms and conditions of this Agreement, the Owner shall, by written notice to the City, specify the manner in which the City has failed to so comply and state the steps the City must take to bring itself into compliance. If, within sixty (60) days after the effective date of notice from the Owner specifying the manner in which the City has failed to so comply, the City does not commence steps reasonably necessary to bring itself into compliance as required and thereafter diligently pursue such steps to completion, then the City shall be deemed to be in default under the terms of this Agreement and if such failure persists after thirty (30) days prior written notice, the Owner may terminate this Agreement or seek specific performance as set forth in Section 15.3.

15.3 Specific Performance Remedy. Due to the size, nature and scope of the Project, it will not be practical or possible to restore the Property to its natural condition following development of all or any portion of the Property. After such development, the Owner may be foreclosed from other choices it may have had to utilize the Property. The Owner has invested significant time and resources and performed extensive planning and processing of the Project in agreeing to the terms of this Agreement and will be investing substantially more time and resources in implementing the Project in reliance upon the terms of this Agreement. It would be difficult or impossible to accurately determine the sum of money which would adequately compensate the Owner for such efforts. For the above reasons, the City and the Owner agree that damages alone would not be an adequate remedy if the City fails to carry out its obligations under this Agreement. Similarly, if the Owner breaches certain of its obligations hereunder, monetary damages may not constitute an adequate remedy for the City. Therefore, the parties agree that specific performance of this Agreement is an appropriate remedy if either party defaults and fails to perform its non-monetary obligations under this Agreement. Similarly, if the Owner breaches certain of its obligations hereunder, monetary damages may not constitute an adequate remedy for the City. Therefore, the parties agree that specific performance of this Agreement is an appropriate remedy if either party defaults and fails to perform its non-monetary obligations under this Agreement. Notwithstanding the foregoing, nothing in this Agreement is intended to prevent either party from seeking recovery of appropriate damages in the event that the terms of this Agreement are breached. The City and the Owner acknowledge that if the Owner is in

default of its obligations under this Agreement, the City shall have the right to refuse to issue any permits or other approvals to which the Owner would not otherwise have been entitled but for this Agreement.

16 INSTITUTION OF LEGAL ACTION. In addition to any other rights or remedies, either party may institute legal action to cure, correct or remedy any default, to enforce any covenants or agreements herein, to enjoin any threatened or attempted violation hereof, to recover damages for any default or to obtain any other remedies consistent with the purpose of this Agreement. Any such legal action shall be brought in the Superior Court of the State of California for the County of Riverside. The parties hereto waive any right to trial by jury.

17 WAIVERS AND DELAYS.

17.1 Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, and failure by a party to exercise its rights upon a default by the other party hereto, shall not constitute a waiver of such party's right to demand strict compliance by such other party in the future.

17.2 Third Parties. Nonperformance shall not be excused because of a failure of a third person except as provided in Section 17.3 below.

17.3 Force Majeure. Neither party shall be deemed to be in default for failure or delay in performance of any of its obligations under this Agreement if caused by floods, earthquakes, other Acts of God, fires, wars, riots or similar hostilities, strikes, other labor difficulties, government regulations (other than actions by the City in violation of or not consistent with the terms and provisions of this Agreement) or other causes beyond either of the parties' control. If any such event shall occur, the term of this Agreement and the time for performance by the Owner of any of its obligations hereunder or pursuant to the Development Plan shall be extended by the period of time that such events prevent or delay development of the Project.

18 NOTICES. All notices required or provided for under this Agreement shall be in writing and delivered in person and deposited in the United States mail, postage prepaid and addressed as follows:

To the City:	The City of Beaumont 550 East Sixth Street Beaumont, California 92223 Attn: City Manager
With a copy to:	Mr. Joseph Aklufi, Esq. Aklufi & Wysocki 3403 Tenth Street, Suite 610 Riverside, CA 92501
To the Owner:	Sunny-Cal Egg & Poultry, Inc. 37251 Cherry Valley Boulevard Cherry Valley, CA 92223 Attn: Kathi L. Berman

With a copy to: Best Best & Krieger, LLP
3750 University Avenue, Suite 500
Riverside, CA 92502
Attn: Michael Grant, Esq.

Any party may change its address stated herein by giving notice, in writing, to the other parties.

19 ATTORNEYS' FEES. If legal action is brought by either party against the other for breach of this Agreement, or to compel performance under this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees and costs.

20 TRANSFERS AND ASSIGNMENTS.

20.1 Right to Assign. The Owner shall have the right to sell, assign or transfer this Agreement and any and all of its rights, duties and obligations hereunder, in whole or in part, to any person or entity at any time during the term of this Agreement; provided, however, in no event shall the rights, duties and obligations conferred upon the Owner pursuant to this Agreement be at any time so transferred or assigned except through a transfer of an interest of the Owner in the Property or a portion thereof. An assignment shall not be effective without the City's prior approval, which shall not be unreasonably withheld, to ensure that the assignment will not prevent the orderly development of the Project consistent with the Agreement or Development Plan. In the event of any such assignment, the transferee shall thereafter be solely liable for the performance of all obligations of the Owner relating to the portion of the Property, or interest therein, so transferred. Such transferee or the Owner shall notify the City, in advance, and in writing of their intent to transfer such obligations.

20.2 Release Upon Transfer. Upon the sale, transfer or assignment of the Owner's rights and interests under this Agreement as permitted pursuant to Section 20.1, the Owner shall be released from its obligations under this Agreement and all of the Owner's obligations pursuant to the Development Plan, or other agreements assumed by transferee with respect to the Property, or portion thereof so transferred, provided that (a) the Owner is not then in default under the Agreement, (b) the Owner or transferee has provided the City notice of such transfer and (c) the transferee executes and delivers to the City a written agreement in which (i) the name and address of the transferee is set forth and (ii) the transferee expressly and unconditionally assumes all of the obligations of the Owner under this Agreement with respect to the Property, or a portion thereof, so transferred. Regardless of whether such notice is given or such documents are executed by the transferee, no such sale, transfer or assignment shall relieve the City from any of its obligations hereunder.

21 COOPERATION IN THE EVENT OF LEGAL CHALLENGE. In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of this Agreement or any portion thereof the parties hereby agree to cooperate in defending such action, subject to the provisions of Section 8. In the event of any litigation challenging the effectiveness of this Agreement, or any portion hereof, this Agreement shall remain in full force and effect while such litigation, including any appellate review, is pending.

22 EMINENT DOMAIN. No provision of this Agreement shall be construed to limit or restrict the exercise by the City of its power of eminent domain.

23 AUTHORITY TO EXECUTE. The person or persons executing this Agreement on behalf of the Owner warrant and represent that they have the authority to execute this Agreement on behalf of the Owner and to bind the Owner to the performance of its obligations hereunder.

24 ESTOPPEL CERTIFICATES. The City shall at any time, upon not less than thirty (30) days' prior written notice from the Owner, execute, acknowledge and deliver to the Owner a statement in writing (i) certifying that this Agreement is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Agreement, as so modified, is in full force and effect); (ii) certifying the amounts of the fees, assessments and exactions that have been received from the Owner and what amounts, if any, remain outstanding; and (iii) acknowledging that there are not, to the City's knowledge, any defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective purchaser, lender or joint venture partner.

25 RECORDATION. This Agreement and any amendment or cancellation hereto shall be recorded in the Official Records of the County of Riverside, by the City Clerk within the period required by Section 65868.5 of the Government Code.

26 PROTECTION OF MORTGAGE HOLDERS. The parties hereto agree that this Agreement shall not prevent or limit the Owner, in any manner, at the Owner's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property. The City acknowledges that the lenders providing such financing may require certain interpretations, estoppel certificates and modifications to this Agreement and agrees upon request, from time to time, to meet with the Owner and representatives of such lenders to negotiate in good faith any such request for interpretations, estoppel certificates or modifications. The City will not unreasonably withhold its consent to any such requested interpretation, estoppel certificate or modification provided the same is consistent with the intent and purposes of this Agreement. The holder(s) of any mortgage, deed of trust or other security instrument encumbering the Property (each, a "**Mortgagee**") shall have the following rights and privileges:

26.1.1 Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Property made in good faith and for value, unless otherwise required by law.

26.1.2 Any Mortgagee which has submitted a request in writing to the City in the manner specified herein for giving notices, shall be entitled to receive written notification from City of any default by the Owner in the performance of the Owner's obligations under this Agreement.

26.1.3 If the City timely receives a request from a Mortgagee requesting a copy of any notice of default given to the Owner under the terms of this Agreement, the City shall provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of default to the Owner. If the cure period for a default by the Owner set forth in Section 15.1 above has expired and such default has not been cured, the Mortgagee shall be provided with an additional thirty (30) day period after the expiration of such cure period in which to commence all steps reasonably necessary to bring the Owner in compliance as required under this Agreement and

thereafter diligently pursue such steps to completion. During such cure period, and if the default is ultimately cured, the City shall not terminate this Agreement.

26.1.4 Any Mortgagee who comes into possession of the Property, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Property, or part thereof subject to the terms of this Agreement. Notwithstanding any other provision of this Agreement to the contrary, no Mortgagee shall have an obligation or duty under this Agreement to perform any of the Owner's obligations or other affirmative covenants of the Owner hereunder, or to guarantee such performance; provided, however, that to the extent that any covenant to be performed by the Owner is a condition precedent to the performance of a covenant by City, the performance thereof shall continue to be a condition precedent to City's performance hereunder, and further provided that any sale, transfer or assignment by any Mortgagee in possession shall be subject to the provisions of this Agreement.

27 **SEVERABILITY OF TERMS.** If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to enforce.

28 **SUBSEQUENT AMENDMENT TO AUTHORIZING STATUTE.** This Agreement has been entered into in reliance upon the provisions of the Development Agreement Law in effect as of the Agreement Date. Accordingly, subject to Section 11.2 above, to the extent a subsequent amendment to the Development Agreement Law would affect the provisions of this Agreement, such amendment shall not be applicable to the Agreement unless necessary for this Agreement to be enforceable or unless this Agreement is modified pursuant to the provisions set forth in the Agreement and Government Code Section 65868 in effect on the Agreement Date.

29 **INTERPRETATION AND GOVERNING LAW.** This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. Unless otherwise provided, any ambiguity concerning the content or application of the Development Agreement, arising as a result of any apparent conflict between (a) the conditions, terms and requirements to be applied by City under the Development Agreement and (b) the conditions, terms and requirements previously imposed on the Project by the County of Riverside, shall be resolved by the City's Planning Director, subject to the appeal procedure set forth in the Development Code for appeals of staff determinations.

30 **SECTION HEADINGS.** All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

31 **INCORPORATION OF RECITALS AND EXHIBITS.** Recitals A through I and attached Exhibits "A" through "E" are hereby incorporated herein by this reference as though set forth in full.

32 RULES OF CONSTRUCTION AND MISCELLANEOUS TERMS.

32.1 Gender. The singular includes the plural; the masculine gender includes the feminine; "shall" is mandatory, "may" is permissive.

32.2 Time of Essence. Time is of the essence regarding each provision of this Agreement in which time is an element.

32.3 Cooperation. Each party covenants to take such reasonable actions and execute all documents that may be necessary to achieve the purposes and objectives of this Agreement.

The parties have executed this Development Agreement on the date and year first written above.

"City"

THE CITY OF BEAUMONT, a municipal corporation of the State of California

By: _____

Mayor

[Handwritten signature] 8-29-12

"Owner"

SUNNY-CAL EGG & POULTRY, INC., a California corporation

By: _____

By: _____

[Handwritten signature: Kahi Beeman]

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

32 RULES OF CONSTRUCTION AND MISCELLANEOUS TERMS.

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"City"

THE CITY OF BEAUMONT, a municipal corporation of the State of California

By: _____

Mayor

8-29-12

"Owner"

SUNNY-CAL EGG & POULTRY, INC., a California corporation

By: _____

By: _____

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of Riverside

On 8/29/2012 before me, Karee Trinidad, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Jeff Fox
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Karee Trinidad
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer — Title(s): _____

Individual

Partner — Limited General

Attorney in Fact

Trustee

Guardian or Conservator

Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer's Name: _____

Corporate Officer — Title(s): _____

Individual

Partner — Limited General

Attorney in Fact

Trustee

Guardian or Conservator

Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

MANHEIM, MANHEIM & BERMAN, a
California general partnership

By: ⁶ ~~Michael Manheim~~ ⁸

By: _____

SIGNED AND CERTIFIED THAT A COPY OF
THIS DOCUMENT HAS BEEN DELIVERED TO
THE MAYOR AND THE CITY COUNCIL

By: Shucky Ramsey (Deputy)
City Clerk

MANHEIM, MANHEIM & BERMAN, a
California general partnership

By: _____

By: Hani Berman

SIGNED AND CERTIFIED THAT A COPY OF
THIS DOCUMENT HAS BEEN DELIVERED TO
THE MAYOR AND THE CITY COUNCIL

By: Shirley Samson (Deputy)
City Clerk

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of Riverside

On 8/29/2012 before me, Karee Trinidad, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Shelby Harvey
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Karee Trinidad
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer — Title(s): _____

Individual

Partner — Limited General

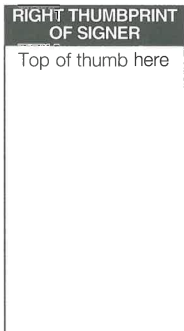
Attorney in Fact

Trustee

Guardian or Conservator

Other: _____

Signer Is Representing: _____



Signer's Name: _____

Corporate Officer — Title(s): _____

Individual

Partner — Limited General

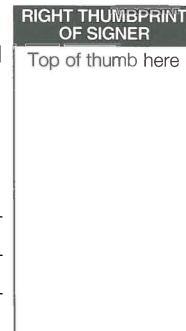
Attorney in Fact

Trustee

Guardian or Conservator

Other: _____

Signer Is Representing: _____



STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

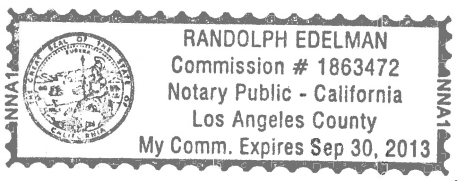
On Aug. 15, 2012 before me, RANDOLPH EDELMAN (here insert name and title of the officer), personally appeared NATHY DEZMAN, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Randolph Edelman*

(Seal)



STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

On AUG 15, 2012 before me, RANDOLPH EDELMAN ^{NOTARY PUBLIC} (here insert name and title of the officer), personally appeared KATHY BERMAN, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Randolph Edelman*

(Seal)



**EXHIBIT A-2
LEGAL DESCRIPTION OF THE PROPERTY**

Exhibit A-2-1

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

PARCEL A:

THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE QUARTER SECTION LINE RUNNING EAST AND WEST THROUGH SECTIONS 29 AND 30 OF SAID TOWNSHIP AND RANGE, 23 CHAINS AND 90 LINKS EAST OF THE QUARTER SECTION CORNER OF SAID SECTIONS 29 AND 30;

THENCE EAST ON SAID QUARTER SECTION LINE, 10 CHAINS;

THENCE SOUTH 0° 8' EAST, 10 CHAINS; THENCE WEST 10 CHAINS;

THENCE NORTH 0° 8' WEST 10 CHAINS TO THE POINT OF BEGINNING;

EXCEPTING THEREFROM A RIGHT OF WAY OVER CHERRY VALLEY BOULEVARD;

ALSO EXCEPTING THEREFROM THAT PORTION DEEDED TO THE COUNTY OF RIVERSIDE BY DEEDS RECORDED MARCH 8, 1974 AS INSTRUMENT NO. 27055 AND 27056 RESPECTIVELY.

PARCEL B:

THAT PORTION OF THE SOUTHWEST QUARTER OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE LAND DESCRIBED IN THE DEED OF J. VINCENT HANNON, RECORDED JANUARY 28 1909 IN BOOK 276, PAGE 324 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

THENCE SOUTHERLY, 313.50 FEET ON THE WEST LINE OF SAID LAND;

THENCE WESTERLY, 395.50 FEET; PARALLEL WITH THE NORTH LINE OF SAID SOUTHWEST QUARTER;

THENCE NORTHERLY, 313.50 FEET, PARALLEL WITH SAID WEST LINE TO THE NORTH LINE OF SAID SOUTHWEST QUARTER;

THENCE EASTERLY 395.50 FEET ON SAID NORTH LINE TO THE POINT OF BEGINNING.

EXCEPT THE WEST 150.00 FEET OF THE NORTH 145.50 FEET THEREOF;

ALSO EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE COUNTY OF RIVERSIDE BY INSTRUMENT RECORDED FEBRUARY 13, 1974 AS INSTRUMENT NO. 17483 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL C:

THE WESTERLY 150.00 FEET OF THE NORTHERLY 145.50 FEET OF THAT CERTAIN PARCEL OF LAND IN THE SOUTHWEST QUARTER OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWESTERLY CORNER OF THAT CERTAIN TRACT OF LAND CONVEYED TO J. VINCENT HANNON BY JEREMIAH C. HANNON, BY DEED RECORDED JANUARY 28, 1909 IN BOOK 276, PAGE 324 OF DEEDS, RIVERSIDE COUNTY RECORDS;

THENCE SOUTHERLY ON THE WESTERLY LINE OF SAID TRACT OF LAND SO CONVEYED TO HANNON, 313 FEET, 6 INCHES;

THENCE WESTERLY, PARALLEL WITH THE NORTHERLY LINE OF SAID SOUTHWEST QUARTER, 395 FEET, 6 INCHES;

THENCE NORTHERLY, PARALLEL WITH THE WESTERLY LINE OF SAID TRACT SO CONVEYED TO HANNON, 313 FEET, 6 INCHES, TO THE NORTHERLY LINE OF THE SOUTHWEST QUARTER;

THENCE EASTERLY ON THE NORTHERLY LINE OF THE SOUTHWEST QUARTER, 395 FEET, 6 INCHES, TO THE POINT OF BEGINNING.

EXCEPT THAT PORTION CONVEYED TO THE COUNTY OF RIVERSIDE BY DEED RECORDED FEBRUARY 13, 1974 AS INSTRUMENT NO. 17484.

PARCEL D:

THAT PORTION OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION, A DISTANCE OF 395.50 FEET WEST OF THE NORTHWEST CORNER OF THAT CERTAIN PARCEL DESCRIBED IN DEED TO J. VINCENT HANNON, RECORDED JANUARY 28, 1909 IN BOOK 276, PAGE 324 OF DEEDS,

THENCE CONTINUING WEST, A DISTANCE OF 215.00 FEET ON SAID NORTH LINE TO THE NORTHEAST CORNER OF THAT CERTAIN PARCEL DESCRIBED IN DEED TO SEBASTIANO CONSALYO, ET UX, RECORDED MARCH 15, 1968 AS INSTRUMENT NO. 23714, OFFICIAL RECORDS;

THENCE SOUTH, A DISTANCE OF 313.58 FEET ON THE EAST LINE OF SAID PARCEL TO THE SOUTHEAST CORNER THEREOF;

THENCE EAST, A DISTANCE OF 215.00 FEET, PARALLEL WITH THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION;

THENCE NORTH, A DISTANCE OF 313.58 FEET, PARALLEL WITH THE WEST LINE OF SAID HANNON PARCEL, HEREIN ABOVE REFERRED TO, TO THE POINT OF BEGINNING;

EXCEPT THEREFROM THAT PORTION LYING NORTHERLY OF THE SOUTHERLY LINE OF CHERRY VALLEY BOULEVARD AS DESCRIBED IN THE DEED TO THE COUNTY OF RIVERSIDE, RECORDED FEBRUARY 13, 1974 AS INSTRUMENT NO. 17482 OF OFFICIAL RECORDS OF THE COUNTY OF RIVERSIDE.

PARCEL E:

THE WESTERLY 208.71 FEET OF THE NORTHERLY 1,073.55 FEET OF THE SOUTH HALF OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM THE NORTHERLY 30 FEET IN WOODLAND AVENUE, NOW CHERRY VALLEY BOULEVARD.

ALSO EXCEPTING THAT PORTION CONVEYED TO THE COUNTY OF RIVERSIDE BY DEED RECORDED NOVEMBER 14, 1975 AS INSTRUMENT NO. 146636

PARCEL F-1:

THAT PORTION OF THE SOUTH HALF OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID SOUTH HALF OF SECTION 29, SAID POINT BEING ALSO A POINT IN THE CENTER OF WOODLAND AVENUE;

THENCE NORTH 89° 33' 30" EAST ON THE CENTER LINE OF WOODLAND AVENUE, 786.12 FEET, MORE OR LESS, TO A POINT DISTANT SOUTH 89° 33' 30" WEST, 791 FEET, FROM THE NORTHWEST CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED TO J. VINCENT HANNON AND JEREMIAH C. HANNON BY DEED RECORDED JANUARY 28, 1909 IN BOOK 276, PAGE 324 OF DEEDS, RIVERSIDE COUNTY RECORDS;

THENCE SOUTH 0° 28' 50" WEST AND PARALLEL WITH THE WESTERLY LINE OF SAID PARCEL CONVEYED TO HANNON, 1975 FEET TO A POINT ON THE NORTHERLY LINE OF THAT CERTAIN PARCEL CONVEYED TO MELVIN F. KLAGUOS AND PAULINE M. KLAGUOS, HUSBAND AND WIFE BY DEED RECORDED AUGUST 4, 1959 AS INSTRUMENT NO. 67500;

THENCE WESTERLY ON THE NORTHERLY LINE OF SAID PARCEL CONVEYED TO KLAGUOS TO A POINT IN THE WEST LINE OF SAID SECTION 29;

THENCE NORTH 0° 07' 40" EAST ON THE WEST LINE OF SAID SECTION 29, TO THE POINT OF BEGINNING;

EXCEPTING THEREFROM THE WESTERLY 208.71 FEET OF THE NORTHERLY 1,073.55 FEET;

ALSO EXCEPTING THEREFROM THE NORTHERLY 30 FEET IN WOODLAND AVENUE, NOW CHERRY VALLEY BOULEVARD.

ALSO EXCEPTING THAT PORTION CONVEYED TO THE COUNTY OF RIVERSIDE BY DEED RECORDED NOVEMBER 14, 1974 AS INSTRUMENT NO. 146646.

PARCEL F-2:

THAT PORTION OF THE SOUTHWEST QUARTER OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE NORTHERLY LINE OF SAID SOUTHWEST QUARTER DISTANT SOUTH 89° 33' 30" WEST, 791 FEET FROM THE NORTHWEST CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED TO J. VINCENT HANNON BY DEED RECORDED JANUARY 28, 1909 IN BOOK 276, PAGE 324 OF DEEDS, RIVERSIDE COUNTY RECORDS; SAID POINT ALSO BEING DISTANT NORTH 89° 33' 30" EAST 786.12 FEET FROM THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION;

THENCE SOUTH 0° 28' 50" WEST, PARALLEL WITH THE WEST LINE OF THE PARCEL CONVEYED TO J. VINCENT HANNON 313.5 FEET TO THE TRUE POINT OF BEGINNING;

THENCE EASTERLY ON SAID SOUTHERLY LINE OF THE PARCEL CONVEYED TO GEORGEUS GEORGE AND ELIZABETH B. GEORGE, BY DEED FILED FOR RECORD AUGUST 21, 1952 AS INSTRUMENT NO. 35786, IN BOOK 1394 PAGE 352 OFFICIAL RECORDS, 11 FEET;

THENCE SOUTHERLY 1,221.5 FEET TO A POINT ON THE SOUTHERLY LINE OF THAT CERTAIN PARCEL CONVEYED TO FRANK J. FABIAN AND MARY R. FABIAN BY DEED RECORDED NOVEMBER 4, 1939 IN BOOK 434, PAGE 587 OF OFFICIAL RECORDS, RIVERSIDE COUNTY RECORDS, 20.5 FEET OF THE SOUTHWEST CORNER OF SAID PARCEL SO CONVEYED TO FRANK J. FABIAN AND WIFE;

THENCE WEST ON SAID SOUTH LINE 20.5 FEET;

THENCE NORTH 1,221.5 FEET TO THE POINT OF BEGINNING.

PARCEL F-3:

THAT PORTION OF THE SOUTHWEST QUARTER OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF SAID SOUTHWEST QUARTER DISTANT SOUTH 89° 33' 30" WEST, 791 FEET FROM THE NORTHWEST CORNER OF THAT CERTAIN PARCEL CONVEYED TO J. VINCENT HANNON BY DEED RECORDED JANUARY 28, 1909 IN BOOK 276, PAGE 324 OF DEEDS, RIVERSIDE COUNTY RECORDS; SAID POINT ALSO BEING DISTANT NORTH 89° 33' 30" EAST 786.12 FEET FROM THE NORTHWEST CORNER OF SAID SOUTHWEST QUARTER;

THENCE SOUTH 0° 28' 50" WEST, PARALLEL WITH THE WEST LINE OF THE PARCEL CONVEYED TO J. VINCENT HANNON 313.4 FEET;

THENCE NORTH 89° 33' 30" EAST, 30 FEET;

THENCE NORTH 0° 28' 50" EAST, 313.4 FEET, TO THE NORTH LINE OF SAID SOUTHWEST QUARTER;

THENCE SOUTH 89° 33' 30" WEST, 30 FEET TO THE POINT OF BEGINNING;

EXCEPTING THEREFROM THE NORTH 30 FEET IN WOODLAND AVENUE, NOW CHERRY VALLEY BOULEVARD.

ALSO EXCEPTING THAT PORTION CONVEYED TO THE COUNTY OF RIVERSIDE BY DEED RECORDED NOVEMBER 14, 1974 AS INSTRUMENT NO. 146646.

PARCEL G:

THAT PORTION OF THE SOUTHWEST QUARTER OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 395.50 FEET WESTERLY FROM THE NORTHWEST CORNER OF THAT CERTAIN TRACT, DESCRIBED BY DEED TO J. VINCENT HANNON BY JEREMIAH C. HANNON, RECORDED JANUARY 28, 1909 IN BOOK 276, PAGE 324 OF DEEDS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE WESTERLY ON THE NORTHERLY LINE OF SAID SOUTHWEST QUARTER, 395.50 FEET;

THENCE SOUTHERLY, PARALLEL WITH THE WESTERLY LINE OF THE TRACT OF LAND SO DESCRIBED TO J. VINCENT HANNON, 313.50 FEET;

THENCE EASTERLY, PARALLEL WITH THE NORTHERLY LINE OF SAID SOUTHWEST QUARTER, 395.50 FEET;

THENCE NORTHERLY, PARALLEL WITH THE WESTERLY LINE OF TRACT OF LAND DESCRIBED TO J. VINCENT HANNON, 313.50 FEET TO THE POINT OF BEGINNING;

EXCEPT THAT PORTION DESCRIBED BY DEED TO GEORGEUS GEORGE, ET UX RECORDED AUGUST 21, 1952 IN BOOK 1394, PAGE 352 AS INSTRUMENT NO. 35786 OF OFFICIAL RECORDS; SAID WESTERLY PORTION THEREOF BEING DESCRIBED IN SAID DEED TO GEORGEUS GEORGE AS FOLLOWS:

THE PORTION OF THE SOUTH HALF OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, AS SHOWN BY UNITED STATES GOVERNMENT SURVEY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTH LINE OF SAID SOUTH HALF OF SECTION 29, DISTANT SOUTH 89° 33' 30" WEST, 791.00 FEET FROM THE NORTHWEST CORNER OF THE LAND DESCRIBED BY DEED TO J. VINCENT HANNON BY JEREMIAH C. HANNON RECORDED JANUARY 28, 1909 IN BOOK 276, PAGE 324 OF DEEDS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, SAID POINT BEING DISTANT NORTH 89° 33' 30" EAST, 786.12 FEET, FROM THE NORTHWEST CORNER OF SAID <SOUTH HALF OF SECTION 29;

THENCE SOUTH 0° 28' 50" WEST, AND PARALLEL WITH THE WESTERLY LINE OF SAID PARCEL DESCRIBED TO J. VINCENT HANNON 313.50 FEET;

THENCE NORTH 89° 33' 30" EAST AND PARALLEL WITH SAID NORTH LINE OF THE SOUTH HALF OF SECTION 29, 30.00 FEET;

THENCE NORTH 0° 28' 50" EAST, 313.50 FEET TO SAID NORTH LINE;

THENCE SOUTH 89° 33' 30" WEST, 30.00 FEET TO THE POINT OF BEGINNING;

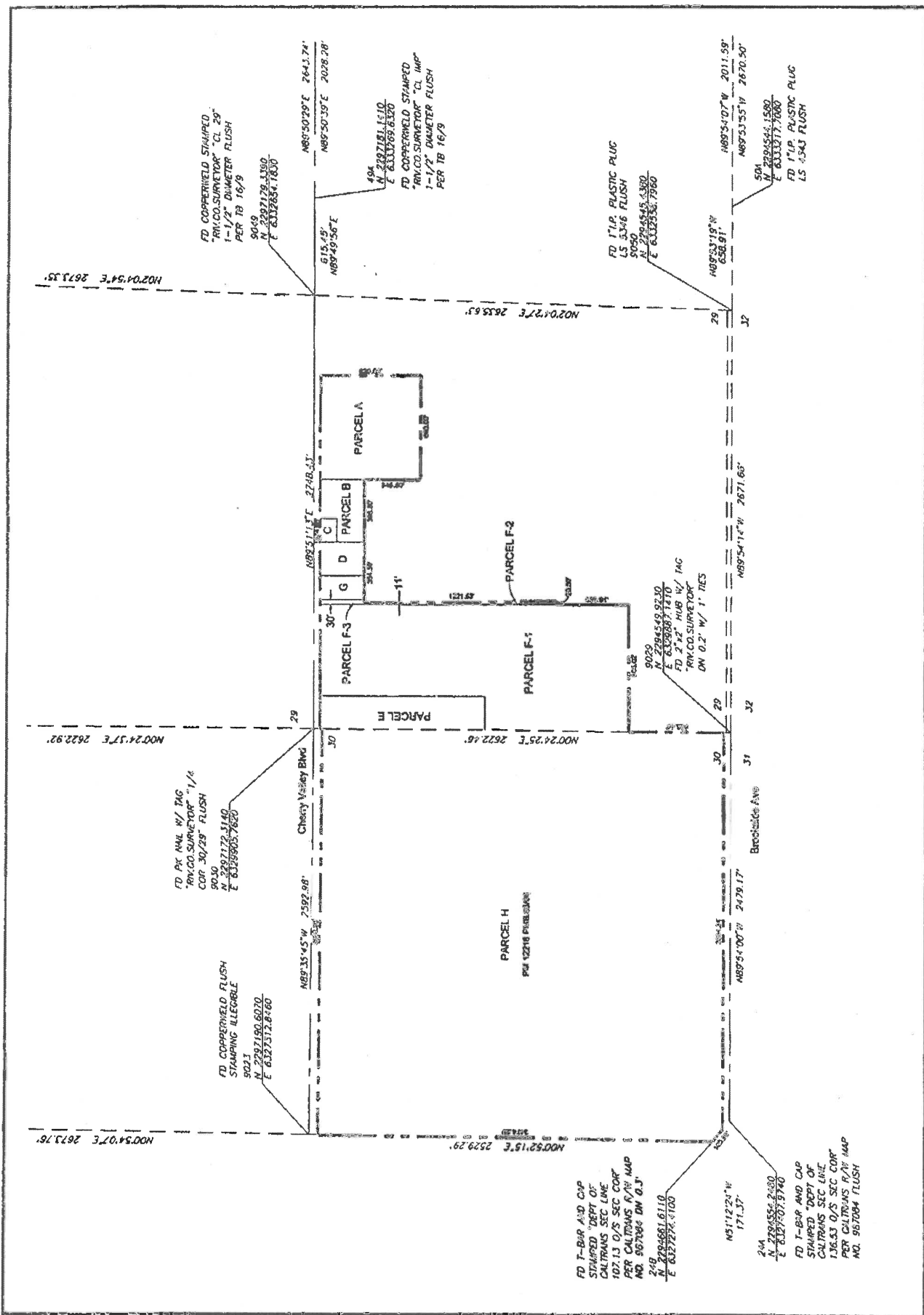
ALSO EXCEPT THE EASTERLY 215.00 FEET THEREOF;

ALSO EXCEPT THAT PORTION IN CHERRY VALLEY BOULEVARD FORMERLY KNOWN AS WOODLAND ROAD.

ALSO EXCEPT THAT PORTION DESCRIBED IN THE DEED TO THE COUNTY OF RIVERSIDE RECORDED JANUARY 20, 1975 AS INSTRUMENT NO. 6757 OF OFFICIAL RECORDS.

PARCEL H:

PARCELS 1 TO 7 INCLUSIVE, AND LOTS A TO K, INCLUSIVE OF PARCEL MAP NO. 12218, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN PARCEL MAP BOOK 85, PAGE 66 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.



2255 OCTAS AVE. SUITE 200, IRVING, CALIF. 92614
 951.261.1111

Specific Plan 05-01 (Sunny-Cal Specific Plan)

Exhibit A



Plotted: Aug 10, 2007 - 3:57pm By: ccorcoran DWG: P:\31944160\dwg\spk0071-corr-cor-sfp.dwg

**EXHIBIT B
MAP OF THE PROPERTY**

EXHIBIT C

LIST OF PERMITS AND APPROVALS

Actions and entitlements to implement the Specific Plan include:

- Amendment of the Sphere of influence and Annexation to the City of Beaumont
- Annexation to Beaumont-Cherry Valley Water District
- Detachment from the Riverside County Waste Management Resources District
- City of Beaumont General Plan Amendment
- City of Beaumont Sunny-Cal Specific Plan
- Rezoning
- Parcel Map
- Tentative Tract Maps
- Environmental Impact Report, Findings of Fact, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program
- Grading and Improvement Plans
- Final Map Review, Approval, and Recordation
- Discretionary Approvals

EXHIBIT "D"

**SUNNY-CAL
SPECIFIC PLAN
CONDITIONS OF APPROVAL**

GENERAL CONDITIONS

1. The following conditions of approval are for the **SUNNY-CAL SPECIFIC PLAN** and consist of **Conditions 1 through 34 inclusive**.
2. The Sunny-Cal Specific Plan shall consist of the following, components as approved through City of Beaumont City Council Resolution No. 2007-46.
 - a. Approved Sunny-Cal Specific Plan Text (final document incorporating all changes made through public hearing process).
 - b. Final Environmental Impact Report, Findings of Fact and Mitigation Monitoring Program
 - c. Specific Plan Conditions of Approval

All mitigation measures as contained in the Final EIR shall be conditions of approval for the project. Subsequent to the completion of the public hearing process, the Applicant shall finalize the Specific Plan to incorporate all changes and modifications, and provide the Director with five (5) bound and one reproducible copies of the Specific Plan text and exhibits, and the Final Environmental Impact Report. Twenty-five (25) compact disks with each of the aforementioned documents shall also be submitted.

3. If any of the following conditions of approval differ from the specific plan text or exhibits, the conditions enumerated herein shall take precedence.
4. Mitigation measures for impacts to the Beaumont Unified School District and any other districts which may ultimately serve the project shall be identified prior to the recordation of implementing tentative subdivision maps in accordance with the State laws and City Council policies in effect at the time of application submittal.
5. The development standards contained in the approved Specific Plan shall become the prevailing land use regulations for the areas contained within the Sunny-Cal Specific Plan. These regulations will have full force of the Zoning Ordinance of the Beaumont Municipal Code through application of the SPA (Specific Plan Area) Zone. Where conflicts exist between approved Specific Plan and the Beaumont Zoning Ordinance, the Specific Plan regulation shall prevail. Subject to the vesting effect of the Development Agreement, where

SUNNY-CAL SPECIFIC PLAN

Conditions of Approval

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conflicts existing between the Specific Plan and the provisions of the Municipal Code, other than the Zoning Ordinance, the provisions of the Municipal Code shall prevail.

6. Development applications for development portions of the Specific Plan area which incorporate common areas shall be accompanied by design plans for the common area. Such plans shall specify the location and extent of landscaping and irrigation systems. Additionally, all circulation components (vehicular, pedestrian and/or equestrian) shall be indicated, and the approximate locations of structures or groups of structures shall be indicated.
7. A parcel map filed for the purposes of phasing or financing shall not be considered a development application for the purpose of these conditions.
8. The Planning Director may require special studies or reports in connection with implementing development applications for each planning area, if and to the extent reasonably necessary for appropriate review of a development application or as required under applicable law. Such reports may include, where appropriate:

Study/Report

- a. Preliminary Soils and Geotechnical Report
 - b. Erosion and Sedimentation Control Plan
 - c. Streetscape, parkway and median landscape plan
 - d. Fencing and wall plan
 - e. Traffic and circulation assessment to document adequacy/function of proposed improvements
 - f. Fuel modification plan
 - g. Acoustical Study
 - h. Cultural Resource Assessment
9. Common areas identified in the Specific Plan (i.e., parks, entry features, parkways, medians and open space features) shall be owned and maintained either through a Homeowners' Association or through the City's Community Facilities District (CFD), as approved by the Director of Planning, to ensure the long-term maintenance of such improvements.

SUNNY-CAL SPECIFIC PLAN

Conditions of Approval

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10. Prior to issuance of a building permit for the construction of any use contemplated by this approval, any developer shall first obtain clearance from the Planning Department that all pertinent conditions of approval of the specific plan have been satisfied for the subject phase of development.
11. If and to the extent required by applicable law, an environmental assessment shall be conducted for each subsequent development applications including, but not limited to, parcel map, tract, change of zone, plot plan, use permit, variance or specific plan amendment. Said environmental assessment shall, to the greatest extent feasible under the California Environmental Quality Act (CEQA), utilize the evaluation of impacts addressed in the EIR prepared for the Sunny-Cal Specific Plan. The Sunny-Cal Specific Plan EIR shall be used as a Program EIR in evaluating subsequent discretionary entitlement actions.
12. The Sunny-Cal Specific Plan shall remain unmodified (except for modifications requested by the Applicant and approved by the City) for 25 years. Should the entire project not be built out in that period of time, the City shall be entitled to adopt specific plan amendments for any portion of the project which has not been constructed within 25 years.
13. The Applicants (or their successors-in-interest, as the case may be) shall defend, indemnify, and hold harmless the City of Beaumont, its agents, consultants, officers, and employees from any third-party claim, action or proceeding against the City of Beaumont or this agents, consultants, officers, or employees to attach, set aside, void or annul an approval of the City of Beaumont, its advisory agencies, appeal boards or legislative body concerning the Sunny-Cal Specific Plan. The City of Beaumont will promptly notify the Applicants or their successors of any such claim, action, or proceeding against the City of Beaumont and will cooperate fully in the defense.
14. The Applicants shall defend, indemnify and hold harmless the City of Beaumont and its employees, agents, consultants, officers and contractors from any third-party claim, action or proceeding related to the environmental documentation pursuant to the California Environmental Quality Act associated with the Sunny-Cal Specific Plan.
15. In accordance with Section 711.4 of the California Fish and Game Code, the Applicants/subdividers are obligated to pay a filing fee to defray cost incurred by the Department of Fish and Game in managing and protecting fish and wildlife trust resources. The Applicants/subdividers are also obligated to pay a documentary handling fee to defray costs incurred by the City of Beaumont in implementing the Department of Fish and Game filing fee program. These fees shall be paid to the County Clerk if the County of Riverside at the time of filing a notice of determination pursuant to Section 21152 of the Public Resources Code. Applicants shall not be entitled to exercise their rights under the Specific Plan or the Development Agreement until such fees have been paid. The amount of the fees

SUNNY-CAL SPECIFIC PLAN

Conditions of Approval

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shall be in accordance with legally adopted fees at the time of the filing of the notice of determination.

LAND USE CONDITIONS

16. The Specific Plan may be developed up to a maximum yield of 597 dwelling units. Densities for each Planning Area shown the Specific Plan shall be determined through the appropriate development application, but not limited to, the following:
- a. Adequate availability of services;
 - b. Adequate access and circulation;
 - c. Sensitivity to land forms;
 - d. Innovation in housing types, design, conservation, or opportunities; and
 - e. Sensitivity to neighborhood design through appropriate lot and street layouts.

Applicants shall, however, be permitted, through the density transfer provisions contained in the Specific Plan, to achieve the overall maximum densities for each Planning Area specified in the Specific Plan, as modified by these conditions of approval.

17. A multi-purpose trail, subject to the design approval of the Planning Director, shall be provided along the entire Brookside Avenue frontage.
18. Lots created pursuant to this specific plan shall be in conformance with the development standards of the SPA zone as established by this Specific Plan and the corresponding Planning Area standards for each Planning Area. The minimum lot size in the project shall be 7,000 square feet.
19. All grading within the specific plan shall be performed in accordance with the following conditions and development criteria:
- a. All grading shall take place in accordance with the City's adopted policies in effect at the time permits are issued and the grading criteria contained in the Specific Plan.
 - b. Where cut and fill slopes are created in excess of three (3) feet in height, detailed landscaping and irrigation plans shall be submitted to the City prior to approval of grading plans. The plans will be reviewed for type and density of ground cover, seed mix, plant materials, staking details, and sizes and irrigation systems.
20. Applicants shall incorporate the following defensible space concepts into the design of projects which shall be included within all development plans and reviewed and approved by the City Police Department prior to approval of implementing projects:

SUNNY-CAL SPECIFIC PLAN

Conditions of Approval

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- a. Circulation for pedestrians, vehicles and police patrols.
 - b. Lighting of streets, walkways, bikeways, and commercial and industrial areas.
 - c. Visibility of doors and windows from the street and between buildings.
 - d. Fencing heights and materials.
21. In the event that, during or following grading of the project site or portions thereof, economic or other conditions prevent the Developer(s) from continuing with the project within a reasonable amount of time, as determined by the City, the City shall so notify the Developer(s) who shall contact the City Planning Department to identify necessary activities that the Developer must implement to protect public safety and minimize/prevent environmental degradation, particularly due to wind and water erosion. The Developer(s) shall be required to reimburse the City for the cost of activities to satisfy this condition.
 22. Density transfer within the various components of the project and planning areas shall be subject to the limitations contained in the Administrative section of the Sunny-Cal Specific Plan. In conjunction with any request to transfer density, the Developer(s) shall submit a report outlining the status of the entire project in terms of (a) areas developed and undeveloped, (b) density previously transferred, and (c) quantitative impact on remaining development entitlement allocations.
 23. Each developer shall use its best efforts to ensure that all construction contractors and subcontractors properly dispose of all wastes generated in permitted landfills or with a licensed recycling company. If any improper dumping of construction waste occurs, the developer of the portion of the Specific Plan area from which such wastes were taken shall guarantee reimbursement to the City of costs incurred by it associated with clean up, proper disposal, any necessary revegetation and legal penalties and remedies.
 24. Construction areas shall be fenced as required by the City to preclude the creation of an attractive nuisance and to limit access to and disturbance of sensitive habitat areas.
 25. In conjunction with the submittal of any tentative subdivision map, the applicant shall submit conceptual architectural and landscape architectural plans, as determined appropriate by the Planning Director, which illustrate and further develop the architecture and landscape elements suggested in the Specific Plan. The direction of the site design shall reflect the prevailing rural environment and the site's role as a land use transitional area between urban and rural areas.

PHASING CONDITIONS

26. Construction of the development permitted hereby, including recordation of final subdivision maps, may be conducted progressively in stages, provided adequate vehicular access,

SUNNY-CAL SPECIFIC PLAN

Conditions of Approval

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infrastructure and public services are provided for all dwelling units and non-residential land uses in each stage of development, and further, provided that such phase of development conforms substantially with the intent and purpose of the Specific Plan Master Phasing Program and subsequent amendment as determined by the Planning Director.

27. Prior to the approval of any phase of development and/or approval of a tentative tract map, a focused traffic study shall be prepared for the respective phase of development. The purpose of the traffic study shall be to identify the specific traffic improvements necessary to achieve acceptable levels of service, as set forth in the Beaumont General Plan and Sunny Cal Environmental Impact Report. Identified improvements shall be made in conjunction with the respective development phase.

PARKS AND RECREATION CONDITIONS

28. Development of the property shall be accompanied by the concurrent phased dedication and improvement of not less than 10.45 acres of fully improved and usable park area. That phased dedication shall be to the City for maintenance by a Community Facilities District or other suitable maintenance entity as determined by the City.
29. Prior to recordation of the first implementing subdivision map, Applicants shall obtain City (and, if necessary, LAFCO) approval for the formation of a Community Facilities District or other appropriate financing mechanism, as determined by the City, to ensure the perpetual maintenance of dedicated lands for parks and recreational purposes, and for maintenance of other landscaped areas contained within public rights-of-way, or held in fee title by the City of Beaumont.

INFRASTRUCTURE CONDITIONS

30. Drainage and flood control facilities and improvements shall be provided in accordance with Riverside County Flood Control and Water Conservation District standards. A detailed engineered hydrology study shall be submitted for the approval of the Public Works Director prior to the recordation of any subdivision map.
31. An amendment to CEQA required the preparation of a program to ensure that all mitigation measures are fully and completely implemented. The Environmental Impact Report (EIR) prepared for the Sunny-Cal Specific Plan imposes certain mitigation measures on the project. Certain conditions of approval for the Sunny-Cal Specific Plan constitute self contained reporting/monitoring programs for certain mitigation measures. At the time of approval of subsequent development applications, further environmental reporting/monitoring programs may be established if additional mitigation is determined to be necessary through further

SUNNY-CAL SPECIFIC PLAN

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environmental review. The mitigation monitoring program for the Sunny-Cal Specific Plan EIR is hereby incorporated and performance of the mitigation measures set forth therein is a condition of approval of the Specific Plan.

32. Through Community Facilities District No. 93-1, an assessment district and/or through payment of development impact fees, the Developer shall be responsible for funding the project's fair share infrastructure and facility costs, as will be determined by the City of Beaumont Comprehensive Public Facilities Financing Plan.
33. Right-of-way shall be provided for and dedicated for the ultimate improvement of all roadways within or adjoining the project area in accordance with the City of Beaumont General Plan Circulation Element and the Sunny-Cal Specific Plan.
34. The City shall reserve the authority to determine the ultimate disposition and maintenance responsibility for any on- or off-site drainage facilities, water quality basins, and water quality or biological mitigation areas. Such features may, at the City's sole option, be accepted by the City of CFD 93-1 for maintenance, or shall, at the City's direction, be accepted and maintained by a Homeowners' Association or capable third party as approved by the City.

EXHIBIT E

STATEMENT OF BENEFITS TO THE CITY

The City will benefit from the high quality development, as well as the functional integrity, economic viability, environmental sensitivity, and positive aesthetic impact of the Project. As a master planned community the Sunny-Cal Specific Plan:

- Provides a high quality transition from facilities remaining on former egg ranch to suburban land uses consistent with recent development in the surrounding area
- Provides appropriate buffers with the surrounding development through the use of landscaped berms, and placement of large lots along Cherry Valley Boulevard.
- Is sensitive to the existing physical and other environmental and planning constraints of the site and surrounding area;
- Provides for the recreation and open space needs for the Project residents and surrounding community by incorporating a neighborhood park, two pocket parks, and a paseo system;
- Provides for connectivity between residential neighborhood and recreational areas through a network of pedestrian sidewalks paseos, and on- and off-street bicycle trails.
- Provides a land use plan that is sensitive to the environment, aesthetically pleasing, and places compatible land uses and facilities in an appropriate location;
- Establishes a circulation system that contributes to local and regional transportation needs and accommodates transit;
- Provides a system of infrastructure that includes public and private transportation, sewer, water, drainage, solid waste disposal energy, and other essential facilities to serve the needs of Project residents;
- Provide access patterns that minimize traffic conflicts;
- Develops community identity through the identification of project design elements such as architecture, landscaping, walls, fencing, signage, and entry treatments;
- Provides a comprehensive land use plan that designates the distribution, location, and extent of land uses;
- Provides housing opportunities that respond to market demands and provides a reasonable return on investment.
- Develops a project that promotes the public's health, safety and welfare.