

Ordinance No. 2012-16

**ORDINANCE NO. 2012-\_\_\_**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH APPROVING CODE AMENDMENT NO. CA2008-004 TO REZONE THE PORTION OF NEWPORT BANNING RANCH SITE CURRENTLY WITHIN THE INCORPORATED BOUNDARY OF THE CITY FROM PLANNED COMMUNITY PC-25 TO PLANNED COMMUNITY PC-57 AND PREZONE THOSE PORTIONS OF THE SITE LOCATED WITHIN THE CITY'S SPHERE OF INFLUENCE FROM COUNTY ZONING TO PC-57 AND APPROVING PLANNED COMMUNITY DEVELOPMENT PLAN NO. PC2008-002 FOR THE PROJECT SITE**

THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH HEREBY FINDS AS FOLLOWS:

**SECTION 1. STATEMENT OF FACTS.**

1. An application was filed by Newport Banning Ranch, LLC, with respect to a 401-gross-acre property generally located north of West Coast Highway, south of 19th Street, and east of the Santa Ana River, requesting approval of a planned community for development of 1,375 residential dwelling units, a 75-room resort inn and ancillary resort uses, 75,000 square feet of commercial uses, approximately 51.4 gross acres of parklands, and the preservation of approximately gross 252.3 gross acres of permanent open space ("Project").
2. Approximately 40 acres of the Project is located in the City of Newport Beach, and approximately 361 acres of the Project is located under the jurisdiction of the County of Orange. The City intends to annex that portion of the subject property currently within the County of Orange.
3. The subject property is located within the City of Newport Beach Planned Community (PC-25) Zoning District and the County of Orange Zoning Suburban Multi-family Residential (R-4), Local Business Commercial (C-1), Light Industrial (M-1) with Oil Production (O), Sign Restriction (SR), and Floodplain Zone (FP-2) Overlays.
4. The City of Newport Beach General Plan Land Use Element category is Open Space/Residential Village (OS/RV).
5. The subject property is located within the coastal zone. The Coastal Land Use Plan (CLUP) designates this property as a Deferred Certification Area; therefore, the policies of the CLUP do not govern the development of the project site.
6. The Project includes a code amendment to rezone the portion of the project site currently within the incorporated boundary of the City from Planned Community (PC-

25) to Planned Community (PC-57) and prezone those portions of the project site located within the City's Sphere of Influence from County zoning to PC-57.

7. The Project also includes a planned community development plan that would establish the allowable land uses, general development regulations, and implementation and administrative procedures, which would serve as zoning for the Project site.
8. The Planning Commission held study sessions on the Project on January 19, 2012, February 9, 2012, February 23, 2012, and March 8, 2012, in the City Hall Council Chambers, 3300 Newport Boulevard, Newport Beach, California.
9. The Planning Commission held public hearings on the Project on March 22, 2012, April 19, 2012, and June 21, 2012, in the City Hall Council Chambers, 3300 Newport Boulevard, Newport Beach, California. A notice of time, place and purpose of these meetings was given in accordance with the Newport Beach Municipal Code and Government Code Sections 65090 and 65091. Evidence, both written and oral, was presented to, and considered by, the Planning Commission at this meeting.
10. At the June 21, 2012, public hearing with a vote of 6-0, the Planning Commission adopted Resolution No. 2012-1880, recommending to the City Council approval of Code Amendment CA2008-004 and Planned Community Development Plan No. 2008-002.
11. The City Council held a public hearing on the Project on July 23, 2012, in the City Hall Council Chambers, 3300 Newport Boulevard, Newport Beach, California. A notice of time, place and purpose of these meetings was given in accordance with the Newport Beach Municipal Code. Evidence, both written and oral, was presented to, and considered by, the City Council at this meeting.

## SECTION 2. FINDINGS.

1. Code amendments are legislative acts. Neither the City nor State Planning Law set forth any required findings for either approval or denial of such amendments.
2. The proposed Planning Community (PC-57) District and Newport Banning Ranch Planned Community Development Plan (NBR-PC) are consistent with the City's General Plan, including General Plan Land Use Element Open Space/Residential Village (OS/RV) designation, which permits the development of a planned residential community that integrates a mix of single-family detached, single-family attached, two family, and/or multi-family residential, with supporting schools, parks, community services, local-serving convenience commercial uses and services, and open spaces. The NBR-PC requires a City-approved master development plan to depict the uses, street and infrastructure improvements, open spaces, development standards, design guidelines, and financial plan.

3. The proposed PC-57 District and the NBR-PC are consistent with Land Use Element Goal LU 6.4 as the development plan provides for a residential community with supporting uses that provide revenue to restore and protect important habitats.
4. The proposed PC-57 District and the NBR-PC are consistent with Land Use Element Policy LU 6.5.1, LU 6.5.2, and LU 6.5.3 as the development plan provides for the consolidation of the existing oil operations into two areas totaling approximately 16.5 acres, approximately 18 acres of community parkland, and a habitat restoration plan describing habitat areas and methods or plans for habitat preservation and restoration.
5. The proposed PC-57 District and the NBR-PC are consistent with Land Use Element Policy LU 6.4.2, LU 6.4.3, and LU 6.4.4 as the development plan allows a mix of up to 1,375 single-family and multi-family dwelling units; up to 75,000 square feet of neighborhood retail uses; and visitor accommodations with up to 75 guest rooms.
6. The proposed PC-57 District and the NBR-PC are consistent with Land Use Element Policies LU 6.4.5, LU 6.4.6, and LU 6.4.7 as the development plan provides community cohesion and neighborhood identity; a system of local residential streets with the villages and colonies connected by arterials; a system of trails linking residential, mixed-use, resort, parkland, and open space areas; and protection of bluffs, arroyos, and other significant landforms.
7. The proposed PC-57 District and the NBR-PC are consistent with Land Use Element Policy LU 6.4.8 as the development plan provides for a 252.3-acre-open space preserve, 21 acres of bluff top parks, and approximately 18 acres of community parkland.
8. The proposed PC-57 District and the NBR-PC are consistent with Land Use Element Policy LU 6.4.9 as the development plan provides a roadway plan linking Coast Highway with Newport Boulevard to relieve congestion at Superior Avenue.
9. The proposed PC-57 District and the NBR-PC are consistent with Land Use Element Policy LU 6.4.10 as the development plan provides for a mix of uses and housing opportunities and a sustainable and green community that provides the benefits of promoting energy efficiency and resource conservation that will combine to reduce greenhouse gas emissions.
10. The proposed PC-57 District and the NBR-PC are consistent with Land Use Element Policy LU 6.4.11 as the development plan requires a City-approved master development plan to depict the uses, street and infrastructure improvements, open spaces, development standards, design guidelines, processes for oil operations consolidation, habitat preservation and restoration plan, sustainability practices plan, and financial plan.
11. The proposed PC-57 District and the NBR-PC are consistent with Land Use Element Policy LU 6.5.1, LU 6.5.2, and LU 6.5.3 as the development plan provides for the consolidation of the existing oil operations into two areas totaling approximately 16.5

acres, the abandonment, closing, and remediation of the oil operation sites, approximately 18 acres or community parkland, and a habitat restoration plan describing habitat areas and methods or plans for habitat preservation and restoration.

12. The Newport Banning Ranch Final Environmental Impact Report (SCH No. 2009031061) was prepared for the Project in compliance with the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and City Council Policy K-3. By Resolution No. 2012-xxxx, the City Council, having final approval authority over the Project, adopted and certified as complete and adequate the Newport Banning Ranch Final Environmental Impact Report (SCH No. 2009031061), and adopted "Findings and Facts in Support of Findings for the Newport Banning Ranch Project Final Environmental Impact Report, Newport Beach, California" ("CEQA Findings") and a Statement of Overriding Considerations, which CEQA Findings and Statement of Overriding Considerations was adopted and incorporated herein by reference.

THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH DOES HEREBY ORDAIN AS FOLLOWS:

1. Planned Community Development Plan PC2008-002 is hereby approved as contained in Exhibit A, attached hereto and incorporated by reference.
2. Code Amendment CA2008-004 is hereby approved.
3. The portion of the subject property currently located within unincorporated Orange County and within the City's Sphere of Influence shall be rezoned to Planned Community (PC-57).
4. The Zoning Map shall be amended as provided in Exhibit B attached hereto and incorporated by reference to change the zoning district of the subject property legally described in Exhibit C, attached hereto and incorporated by reference, from PC-25 and the County of Orange Zoning Suburban Multi-family Residential (R-4), Local Business Commercial (C-1), Light Industrial (M-1) with Oil Production (O), Sign Restriction (SR), and Floodplain Zone (FP-2) Overlays to PC-57 with all other provisions of the existing Zoning Map remaining unchanged.
5. If any section, subsection, sentence, clause or phrase of this ordinance is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance, and each section, subsection, clause or phrase hereof, irrespective of the fact that anyone or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.
6. The Mayor shall sign and the City Clerk shall attest to the passage of this ordinance. The City Clerk shall cause the same to be published once in the official newspaper of the City, and it shall not become effective until:

- a. The California Coastal Commission approves a coastal development permit for the Project; and
- b. The Orange County Transportation Authority Board of Directors approves the associated amendment to the Master Plan of Arterial Highways and subsequent action is taken to adopt the amendment by the City Council; and
- c. The effective date of the annexation to the City of those portions of the Project site currently under the jurisdiction of the County.

**PASSED, APPROVED, AND ADOPTED this 23rd day of July 2012.**

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM,  
OFFICE OF THE CITY ATTORNEY

  
\_\_\_\_\_  
CITY CLERK

Aaron Harp, City Attorney  
for the City of Newport Beach

Exhibit A

Newport Banning Ranch  
Planned Community Development Plan

Exhibit A is available for review at the offices of the Office of the City Clerk or at [www.newportbeachca.gov](http://www.newportbeachca.gov).

Exhibit A

NBR Planned Community Development Plan Revisions and Errata

Page 2-2

Revise Section 2.2.1.3 as follows:

**2.2.1 Planned Community Districts**

**3. Visitor-Serving Resort/Residential District**, to allow for a maximum 75-room resort inn to include ancillary uses such as restaurants, ~~and bars~~ spas, fitness centers, meeting and banquet facilities, retail shops, and other similar complementary visitor-serving commercial uses or free standing visitor serving retail uses without a resort inn component. Bars and cocktail lounges shall be permitted in the Visitor Serving Resort/Residential District only when ancillary to a restaurant, inn, or hotel. This district also allows for resort-oriented residential units of up to 40.0 dwelling units per gross acre if developed in conjunction with the resort inn. In the event a resort inn is not developed this land use district allows the development of residential land uses of up to 9.0 dwelling units per gross acre within the entire district, with or without visitor-serving commercial uses or visitor serving commercial uses alone.

~~1.~~ **5. Mixed-Use/Residential District**, to allow for the mixed use development of residential uses of up to 40.0 dwelling units per gross acre and a maximum of 75,000 square feet of neighborhood serving commercial uses as vertical mixed use with commercial uses on the ground floor and residential above, or as horizontal mixed use with commercial uses and residential uses in separate buildings designed as a cohesive and unified development. The residential component of mixed use development may include residential single family attached or multi-family residential dwelling units and ancillary private recreational facilities to serve the residents of the development. The neighborhood serving commercial component of mixed use development may include a grocery market (s), restaurants, personal services, and professional offices. Other allowable uses in the Mixed Use/Residential District include hotels and inns which could include a restaurant. Bars and cocktail lounges shall be permitted only when ancillary to a restaurant, inn, or hotel.

Page 2-4

Change the acreage assigned to Community Park as follows:

**2.4.1 Community Park District (CP)**

Approximately 26.8 gross acres designated as CP shall be developed as a public Community Park as part of the Project. Approximately 21.8 gross acres of the CP district comprising the public Community Park shall be offered for dedication to the City to serve the active recreational needs of the Project residents and the community at large. The remaining approximately 5.0 gross acres of the CP district comprising the public Community Park shall be privately maintained by the Project and made permanently available for public use through a deed restriction and/or recorded public easement.

Page 2-5

Add the following text to Section 2.5, Visitor Serving Resort/Residential District (VSR/R), first paragraph as follows:



The purpose of the Visitor-Serving Resort/Residential District is to designate approximately 11.3 gross acres to allow for development of a resort inn and resort oriented residential uses within the NBR-PC. In the event a resort inn is not developed in this land use district pursuant to NBR-PC Sections 4.4.4 "Findings for Approval of a Master Development Plan," or 4.5.3 (Site Development Review) "Application Review," the NBR-PC allows for development of residential uses and/or visitor serving commercial uses within the land use district subject to the provisions of NBR-PC Section 4.18.b, "Transfer of Residential Dwelling Units."

Page 2-5

Revise Section 2.5.1 as follows:

### 2.1. Resort Inn and Resort Oriented Residential Uses

A resort inn ~~of up to~~ with a maximum of 75 overnight accommodations (guest rooms) with a lobby and related guest areas, along with support commercial uses ancillary to a resort, such as, restaurant(s), ~~and bars~~ gift and sundry shops, business center(s), fitness center(s), spa/salon/treatment rooms, swimming pools and recreation facilities, banquet and meeting rooms, areas for food and beverage preparation, administrative offices, housekeeping areas, maintenance areas, and employee facilities. Ancillary commercial uses are those uses customary and proportional to the resort. ~~Visitor serving~~ Commercial uses ~~included as part of ancillary to~~ resort inn development shall not be counted as part of the maximum 75,000 square feet of commercial area permitted within the NBR-PC.

Page 2-5

Add the following text to Section 2.5.3 referencing the NBR-PC provisions for transfer of residential dwelling units into the VSR/R district as follows:

### 2. Residential Uses

~~Up to~~ In the event a resort inn is not developed in the VSR/R district, pursuant to NBR-PC Sections 4.4.4 "Findings for Approval of a Master Development Plan," or 4.5.3 (Site Development Review) "Application Review," development of a maximum of 100 conventionally-owned residential dwelling units is allowed pursuant to the provisions Section 4.18, "Transfer of Residential Dwelling Units," of the NBR-PC. ~~in the event a resort inn is not developed in the VSR/R district.~~ These residential dwelling units shall be counted as part of the maximum 1,375 residential dwelling units permitted within the NBR-PC. An application for Site Development Review for residential development within the entire VSR/R district shall not be permitted to be submitted any earlier than two years from the effective date of an approved Development Agreement for the Project Site.

Page 2-5

Add the following text to Section 2.5.4 referencing the NBR-PC provisions allowing for transfer of visitor serving commercial uses to the VSR/R district and ~~delete~~ clarify "bars" as a visitor serving commercial use:

### 3. Visitor Serving Commercial Uses

In the event a resort inn is not developed in the VSR/R district pursuant to NBR-PC Sections 4.4.4 "Findings for Approval of a Master Development Plan," or 4.5.3 (Site Development Review) "Application Review," development of visitor-serving commercial uses independent of a resort ~~use inn such as,~~ to include but not limited to restaurant(s) ~~and bars,~~ gift and sundry

shops, business centers, fitness centers, spas and salons, swimming pools and recreation facilities and similar uses are permitted subject to the provisions of Section 4.19, "Transfer of Commercial Area from MU/R District to VSR/R District," of the NBR-PC. Bar and cocktail lounges shall be permitted only when ancillary to a restaurant. This type of All visitor serving commercial use developed independently of a resort inn shall be counted as part of the maximum 75,000 square feet of commercial area permitted within the NBR-PC.

Page 3-1, Add the following text to the last sentence of the second paragraph of Section 3.2.1, "Oil Operations," as follows:

All surface oil production facilities located in areas outside of the OF District in existence after the effective date of the NBR-PC shall be legal non-conforming structures, and subject to NBMC Chapter 20.38, "Nonconforming Uses and Structures," ~~and subject solely to the provisions of NBMC Sections 20.38.010 through 20.38.050 of Chapter 20.38~~ and may continue for a maximum period of ten years following completion of annexation of the unincorporated County areas of the Project Site to the City.

Page 3-3

Add the following requirement:

Retaining walls over 8 feet in height shall incorporate strategies to visually soften and/or minimize their appearance from public views. Strategies for visual softening may include the use of stepped retaining walls, the use of crib walls, and/or landscape screening.

Page 3-4

Delete the following text from Section 3.3 Landscape Regulations:

~~. The design and improvement of all developer-installed public parks, including landscape and irrigation plans, within the Project Site shall be subject to approval of a Site Development Review by the City pursuant to Section 4.5 of the NBR-PC, "Site Development Review."~~

Page 3-12

Revise Section 3.9.7, "Legal Non-Conforming Uses," as follows:

### **3.9.7 Legal Non-Conforming Uses**

Any use within the Project Site lawfully existing at the time of the effective date of the NBR-PC including, without limitation, surface and subsurface oil and natural gas production operations, maintenance and operation of existing easements and pipelines, surface leases for storage yards, and other oil-related buildings, structures, and maintenance areas shall be considered legal non-conforming uses and may be continued subject to NBMC Chapter 20.38.010 through 20.38.050, "Nonconforming Uses and Structures," for up to ten years following the completion of annexation of areas located in the unincorporated County to the City, notwithstanding any omission of a particular such use in Table 3-1, "Allowable Uses." ~~Legal non-conforming uses are not permitted to be expanded.~~

Pages 3-14 and 3-15

Revise Table 3-1, Allowable Uses as follows:

1. Delete Bars and Nightclubs

2. Add Bars and cocktail lounges when ancillary to a hotel, resort inn, or restaurant as conditionally permitted in VSR/R and MU/R.
3. Delete Breweries, micro ~~as a conditionally permitted use in the VSR/R district.~~
4. Delete Residential Care Facilities 6 or fewer unlicensed as a conditionally permitted use in the RL, RL/M and RM districts.
5. Delete "Eating and drinking establishments sit down dining" and "Eating and drinking establishments, sit down dining no alcohol service".
6. Add "Restaurants with alcoholic beverage service and/or live entertainment" as conditionally permitted.
7. Add "Restaurants" as permitted.

#### Page 4-4

Revise Section 4.4.4, "Findings for Approval of a Master Development Plan," adding finding number 6 as follows:

6. An application for a Master Development Plan which does not include a resort inn, hotel, or similar visitor accommodation, within the VSR/R District, cannot be approved without first adopting one of the following three findings:

A resort inn, hotel, or similar visitor accommodation has been approved for development in either the VSR/R District or the MU/R District; or

There is sufficient undeveloped land in the VSR/R District adequate to accommodate a 75-room resort inn, hotel, or similar visitor accommodation; or

An independent feasibility analysis prepared by an independent consultant selected by the Director of Community Development and paid for by the applicant, indicates that the development of a 75-room resort inn, hotel, or similar visitor accommodation is not economically viable taking into account any one or all of the following identifiable factors 1) economic, 2) environmental, 2) social, and/or 3) physical site constraints.

#### Page 4-5

Revise Section 4.4.6, "Requirement for Site Development Review" as follows:

#### ~~4.4.6 Requirement for Site Development Review~~

#### **4.4.6 Development Activities Pursuant to Approved MDP and Recordation of Final Map**

##### 4.4.6.1 Activities Subject to Community Park Improvement Plan Approval

The following development activities are permitted pursuant to approval of the MDP for the Project Site, subject to recordation of a final subdivision map, approval of a Community Park Improvement Plan, and approval of all required permits from local, State (including Coastal Commission), and Federal agencies:

1. Construction of public park and recreational facilities in the CP district that are to be offered for dedication to the City.

#### 4.4.6.2 Activities Subject to Requirement for Site Development Review Approval

The following development activities are permitted pursuant to approval of the MDP for the Project Site subject to recordation of a final subdivision map, City approval of Site Development Review, as described in Section 4.5, "Site Development Review," of the NBR-PC, , and approval of all required permits from local, State (including Coastal Commission), and Federal agencies:

1. Development of land uses within the Residential Districts, Visitor Serving Resort and Residential District, Mixed Use and Residential District, ~~Park and Recreation District~~, ~~Bluff Park District~~, ~~Interpretive Park District~~, and areas of the Community Park District not offered for public dedication.

Page 4-6

Revise Section 4.5.3 "Application Review," as follows:

- ~~1. Applications for Site Development Review shall be submitted and reviewed in accordance with NBMC Chapter 20.52.080 "Site Development Reviews," Sections C through H.~~

~~In addition to the above, an application for Site Development Review which does not include a resort inn, hotel, or similar visitor accommodation, within the VSR/R District, cannot be approved without first adopting one of the following three findings:~~

- ~~a. A resort inn, hotel, or similar visitor accommodation has been approved for development in either the VSR/R District or the MU/R District; or~~
- ~~b. There is sufficient undeveloped land in the VSR/R District adequate to accommodate a 75-room resort inn, hotel, or similar visitor accommodation; or~~
- ~~c. An independent feasibility analysis prepared by an independent consultant selected by the Director of Community Development and paid for by the applicant, indicates that the development of a 75-room resort inn, hotel, or similar visitor accommodation is not economically viable taking into account any one or all of the following identifiable factors 1) economic, 2) environmental, 2) social, and/or 3) physical site constraints.~~

Page 4-7

Add a new Section 4.6, Community Park Improvement Plan, and renumber subsequent sections accordingly.

## 4.6 Community Park Improvement Plan

### 4.6.1 Purpose and Intent

The purpose of a Community Park Improvement Plan is to provide for the review of specific park design prior to construction of public park and recreational facilities within areas of the CP district that are to be offered for public dedication.

#### **4.6.2 Applicability**

Approval by the City of a Community Park Improvement Plan is required as described in Section 4.4.6 "Development Activities pursuant to Approved MDP and Recordation of Final Map" prior to any construction activity within the portion of the CP District to be offered for dedication to the City.

#### **4.6.3 Review and Approval**

A Community Park Improvement Plan shall include, a comprehensive site plan for the community park, floor plans and elevations for any community facility buildings and restrooms, landscape and irrigation plans, lighting plans, plans for play fields and passive recreation areas, parking layout, and other public facilities to be located within the Community Park, grading plans, infrastructure improvement plans, and any other information deemed necessary for review by the Director of Recreation and Senior Services. The Community Park Improvement Plan shall be reviewed and approved by the Director of Recreation and Senior Services.

Page 4-8

Revise the last paragraph in Section 4.8 "Coastal Development Permit ," as follows:

When any CDP(s) or MCDP is approved by the Coastal Commission that varies from the approval granted by the City for the same application, ~~said CDP(s) or MCDP shall be resubmitted and reviewed by the City as a new application.~~ the applicant shall submit a request for determination of substantial conformance to the Director. The Director has the authority to refer any request for substantial conformance to the City Council for consideration and final action on the request.

Page 4-11

Revise Section 4.8, "Subdivision Maps," to add the following text:

In addition to the above, an application for a subdivision map which does not include a resort inn, hotel, or similar visitor accommodation, within the VSR/R District, cannot be approved without first adopting one of the following three findings:

1. A resort inn, hotel, or similar visitor accommodation has been approved for development in either the VSR/R District or the MU/R District; or
2. There is sufficient undeveloped land in the VSR/R District adequate to accommodate a 75-room resort inn, hotel, or similar visitor accommodation; or
3. An independent feasibility analysis prepared by an independent consultant selected by the Director of Community Development and paid for by the applicant, indicates that the development of a 75-room resort inn, hotel, or similar visitor accommodation is not economically viable taking into account any one or all of the following identifiable factors 1) economic, 2) environmental, 2) social, and/or 3) physical site constraints.

Page 4-14 through 4-17

Delete Section 4.16, "Land Use Acreage Refinement, Transfer of Residential Dwelling Units, and Transfer of Commercial Area," Delete Section 4.17, "Minor Modifications," as follows

:

#### **4.16 Land Use Acreage Refinement, Transfer of Residential Dwelling Units, and Transfer of Commercial Area**

Land-use acreage refinements, transfer of planned residential dwelling units, and transfer of commercial square footage from that described in Exhibit 2-2, "Planned Community Development Table," may be approved within the NBR-PC in accordance with the provisions of Section 4.17, Minor Modifications."

#### **4.17 Minor Modifications**

This Section describes activities that constitute minor modifications to the NBR-PC and establishes the procedure for approving minor modifications to the NBR-PC. The following are considered minor modifications to the NBR-PC, including Exhibit 2-1, "Planned Community Development Plan," and Exhibit 2-2, "Planned Community Development Table."

##### **4.17.1 Land Use Acreage Refinements**

A change in the Land Use District boundary lines as illustrated on Exhibit 2-1, "Planned Community Development Plan," and corresponding change in the Gross Acres for the respective Land Use District as described on Exhibit 2-2, "Planned Community Development Table," is permitted as part of the approval of either a Master Development Plan, Site Development Review, or subdivision map application submitted for the Project Site, provided the requested change does not result in:

1. An increase in gross acres or gross density of more than fifteen percent (15%) of the land use district for which the change is requested;
2. A reduction in the total area allocated to the Lowland Open Space/Public Trails and Facilities District to less than 115 gross acres;
3. A reduction in the total area allocated to the Upland Open Space /Public Trails and Facilities District to less than 85 gross acres;
4. A reduction in the total area allocated to the CP District to less than 28 gross acres; and
5. The total area within the Project Site boundary does not exceed 401.1 gross acres.

##### **4.17.2 Transfer of Residential Dwelling Units**

A change in the planned number of residential dwelling units for any Land Use District as described on Exhibit 2-2, "Planned Community Development Table," resulting from a transfer of residential dwelling units from one Residential Land Use District to another, is permitted as part of the approval of either a Master Development Plan, Site Development Review, or subdivision map application submitted for the Project Site, provided:

1. The transfer does not result in an increase of more than fifteen percent (15%) in the total number of planned dwelling units described on Exhibit 2-2, "Planned Community Development Table," for the Land Use District receiving additional dwelling units;
2. The total number of dwelling units for the Project Site does not exceed 1,375; applicable development regulations established in NBR-PC Chapter 3, "Land Use and Development Regulations," for the housing types planned for development;
4. A traffic analysis performed by the City's Traffic Engineer evaluating the total number of PM peak hour trips that would be generated by development allowed with and without the transfer concludes that there would not be any greater traffic impact generated as a result of the transfer than would be generated without the transfer. Trip generation rates shall be based on standard trip generation values in the current version of ITE's "Trip Generation," unless the Traffic Engineer determines that other rates are more valid for the uses involved in the transfer.
5. The total number of dwelling units within the MU/R Land Use District does not exceed 730;

and

~~6. A corresponding subdivision map is approved by the City if the transfer results in a change to any previously approved subdivision map.~~

#### **~~4.17.3 Transfer of Commercial Area from MU/R District to VSR/R District~~**

~~In the event a resort inn is not developed in the VSR/R District, a portion of the total commercial area described in Exhibit 2-2, "Planned Community Development Table," may be transferred from the MU/R District to the VSR/R District for development of ancillary visitor-serving commercial uses such as restaurants, bars, visitor and tourist-oriented retail shops, a fitness facility, a full-service health spa, park and recreation facilities, and similar uses provided:~~

- ~~1. The total area of commercial uses developed within the Project Site does not exceed 75,000 square feet.~~
- ~~2. A traffic analysis performed by the City's Traffic Engineer evaluating the total number of PM peak hour trips that would be generated by development allowed with and without the transfer concludes that there would not be any greater traffic impact generated as a result of the transfer than would be generated without the transfer. Trip generation rates shall be based on standard trip generation values in the current version of ITE's "Trip Generation," unless the Traffic Engineer determines that other rates are more valid for the uses involved in the transfer. The visitor-serving commercial uses can be developed pursuant to the applicable development regulations established in NBR-PC Chapter 3, "Land Use and Development Regulations commercial development within in the VSR/R land use district.~~

#### **~~4.17.4 Review Authority~~**

~~The review authority for a minor modification to the NBR-PC shall be the same review authority as established in this Chapter with authority to approve or conditionally approve the development application being considered in conjunction with a request for a minor modification. A minor modification to the NBR Planned Community Development Plan and/or Planned Community Development Table shall be processed in accordance with the following procedures:~~

- ~~1. An application to revise the Planned Community Development Plan and/or Planned Community Development Table shall be submitted as part of an application for approval of either a Master Development Plan for the Project Site or as part of an application for approval of a subdivision map or a Site Development Review;~~
- ~~2. An application for a minor modification to revise the Planned Community Development Plan and/or Planned Community Development Table shall be accompanied by a revised Planned Community Development Table reflecting the proposed changes and any additional background and/or supporting information as determined by the Director; and~~
- ~~3. Unless determined otherwise by the City, the revised NBR-PC document shall serve as the reference document for any future revisions to Exhibit 2-1, "Planned Community Development Plan," and Exhibit 2-2, "Planned Community Development Table," as they may be approved from time to time. Such revisions shall be located in an appendix to the NBR-PC.~~

Page 4-14

Add a new Section 4.17, "Substantial Conformance," as follows:

#### **4.17 Substantial Conformance**

Changes in the Land Use District boundary lines as illustrated on Exhibit 2-1, "Planned Community Development Plan," and a corresponding change in the Gross Acres for the respective Land Use District as described on Exhibit 2-2, "Planned Community Development



Table,” as part of the approval of either a Master Development Plan, Site Development Review, or subdivision map application submitted for the Project Site, is considered to be in substantial conformance with the NBR-PC provided the change complies with the following:

1. Any resulting increase in gross acres or gross density is no more than fifteen percent (15%) of the land use district for which the change is requested;
2. There is no resulting reduction in the total area designated as Open Space District;
3. There is no resulting reduction in the total area allocated to the Public Parks/Recreation District; and
4. The total area within the Project Site boundary does not exceed 401.1 gross acres.

Page 4-15

Add a new Section 4.18, “Transfer of Residential Dwelling Units,” as follows:

#### **4.18 Transfer of Residential Dwelling Units**

##### **4.18.1 General Requirements**

A request for a change in the planned number of residential dwelling units for any Land Use District as described on Exhibit 2-2, “Planned Community Development Table,” resulting from a transfer of residential dwelling units from one Residential Land Use District to another, may be approved as part of the review of either a Master Development Plan, Site Development Review, or subdivision map application submitted for the Project Site, provided the requested change complies with the following:

1. The requested transfer does not result in an increase of more than fifteen percent (15%) in the total number of planned dwelling units described on Exhibit 2-2, “Planned Community Development Table,” for the Land Use District receiving additional dwelling units;
2. The total number of dwelling units for the Project Site does not exceed 1,375;
3. All dwelling units planned within the Land Use District can be developed pursuant to the applicable development regulations established in NBR-PC Chapter 3, “Land Use and Development Regulations,” for the residential land use planned for development;
4. A traffic analysis performed by the City’s Traffic Engineer evaluating the total number of PM peak hour trips that would be generated by development allowed with and without the transfer concludes that there would not be any greater traffic impact generated as a result of the transfer than would be generated without the transfer. Trip generation rates shall be based on standard trip generation values in the current version of ITE’s “Trip Generation,” unless the Traffic Engineer determines that other rates are more valid for the uses involved in the transfer.
5. The total number of dwelling units within the MU/R Land Use District does not exceed 730;
6. A corresponding subdivision map is approved by the City if the transfer results in a change to any previously approved subdivision map.



#### 4.18.2 Requirements for Residential Transfers to the VSR/R District

In addition to the requirement of Section 4.18.1 above, a request to transfer residential dwelling units to the VSR/R District shall comply with the provisions of NBR-PC Section 4.4.4 or NBR-PC Section 4.5.3, as applicable.

#### 4.18.32 Review Requirements

1. A request to transfer residential dwelling units shall be subject to the following requirements:
  - a. The request for a transfer of residential dwelling units from one land use district to another shall be submitted as part of an application for approval of either a Master Development Plan for the Project Site or as part of an application for approval of a subdivision map or a Site Development Review;
  - b. The request for a transfer of residential dwelling units from one land use district to another shall be accompanied by a revised Planned Community Development Table reflecting the proposed changes and any additional background and/or supporting information as determined necessary by the Director. Unless determined otherwise by the City, the revised NBR-PC document shall serve as the reference document for any future revisions to Exhibit 2-1, "Planned Community Development Plan," and Exhibit 2-2, "Planned Community Development Table," as they may be approved from time to time. Such revisions shall be located in an appendix to the NBR-PC.

Page 4-16

Add a new Section 4.19, "Transfer of Commercial Area from MU/R to VSR/R," as follows:

#### **4.19 Transfer of Commercial Area from MU/R District to VSR/R District**

##### **4.19.1 General Requirements**

In the event a resort inn is not developed in the VSR/R District, a request to transfer a portion of the total commercial area as described in Exhibit 2-2, "Planned Community Development Table," from the MU/R District to the VSR/R District for development of ancillary visitor-serving commercial uses such as restaurants visitor and tourist oriented retail shops, a fitness facility, a full service health spa, park and recreation facilities, and similar uses may be approved as part of the review of either a Master Development Plan, Site Development Review, or subdivision map application submitted for the Project Site, provided:

1. The total area of commercial uses developed within the Project Site does not exceed 75,000 square feet.
2. A traffic analysis performed by the City's Traffic Engineer evaluating the total number of PM peak hour trips that would be generated by development allowed with and without the transfer concludes that there would not be any greater traffic impact generated as a result of the transfer than would be generated without the transfer. Trip generation rates shall be based on standard trip generation values in the current version of ITE's "Trip Generation," unless the Traffic Engineer determines that other rates are more valid for the uses involved

in the transfer. The visitor serving commercial uses can be developed pursuant to the applicable development regulations established in NBR-PC Chapter 3, "Land Use and Development Regulations." for commercial development within in the VSR/R land use district.

3. All commercial uses planned for development within the VSR/R district can be developed pursuant to the applicable development regulations established in NBR-PC Chapter 3, "Land Use and Development Regulations," for the type of commercial use planned for development.

#### 4.19.2 Requirements Transfer of Commercial Area to the VSR/R District

In addition to the requirement of Section 4.19.1 above, a request to transfer commercial area to the VSR/R District shall comply with the provisions of NBR-PC Section 4.4.4 or NBR-PC Section 4.5.3, as applicable.

#### 4.19.32 Review Requirements

A request for transfer of commercial square footage from the MU/R District to the VSR/R District shall be subject to the following requirements.

- a. The request shall be submitted as part of an application for approval of either a Master Development Plan for the Project Site or as part of an application for approval of a subdivision map or a Site Development Review;
- b. The request shall be accompanied by a revised Planned Community Development Table reflecting the proposed changes and any additional background and/or supporting information as determined necessary by the Director. Unless determined otherwise by the City, the revised NBR-PC document shall serve as the reference document for any future revisions to Exhibit 2-1, "Planned Community Development Plan," and Exhibit 2-2, "Planned Community Development Table," as they may be approved from time to time. Such revisions shall be located in an appendix to the NBR-PC.

Page 4-17

Add a new Section 4.20, "Transfer of Commercial Area from MU/R District to RL/M or RM District," as follows:

#### 4.20 Transfer of Commercial Area from MU/R District to RL/M or RM District

A request to transfer a maximum of 2,500 square feet of commercial square footage to either the RL/M or RM district may be approved as part of the review of a Site Development Review or subdivision map application submitted for the Project Site, in accordance with the following provisions:

1. The requested transfer is for the development of convenience commercial uses to serve the residential community.
2. Approval of the requested transfer of square footage to either the RL/M or RM district is a one-time allowable transfer and no additional transfers may be approved for any other residential district.

3. The total area of commercial uses developed within the Project Site does not exceed 75,000 square feet.
4. The commercial uses planned for development within either the RL/M or RM district can be developed pursuant to the applicable development regulations established in Section 3.14, "Commercial Regulations," of the NBR-PC.

A request for transfer of commercial square footage from the MU/R District to the RL/M or RM District shall be subject to the following requirements.

- a. The request shall be submitted as part of an application for approval of either a subdivision map or a Site Development Review.
- b. The request shall be accompanied by a revised Planned Community Development Table reflecting the proposed changes and any additional background and/or supporting information as determined necessary by the Director. Unless determined otherwise by the City, the revised NBR-PC document shall serve as the reference document for any future revisions to Exhibit 2-1, "Planned Community Development Plan," and Exhibit 2-2, "Planned Community Development Table," as they may be approved from time to time. Such revisions shall be located in an appendix to the NBR-PC.

Page 4-17, Renumber Section 4-18 to Section 4-20 and revise text as follows:

#### **4.18 20 Amendments**

All proposed changes to the NBR-PC other than those identified in Section ~~4.17~~, "~~Minor Modifications~~," 4.18, "~~Transfer of Residential Dwelling Units~~," Section 4.19, "~~Transfer of Commercial Area from MU/R to VSR/R District~~," and/or Section 4.20 "~~Transfer of Commercial Area from MU/R to RL/M or R/M District~~," of the NBR-PC, or as otherwise provided for within the NBR-PC, shall be considered amendments to the NBR-PC and shall be reviewed pursuant to the provisions of NBMC Chapter 20.56.050 "Planned Community District Application Procedures."

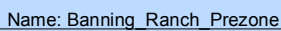
#### Chapter 5 – Definitions

Add the following new definitions to Chapter 5:

Restaurants: Establishments principally engaged in serving prepared food or beverages for consumption on or off the premises.

Bars and Cocktail Lounges: Establishments licensed by the California Department of Alcohol Beverage Control and principally engaged in selling or serving alcoholic beverages for consumption on the premises and with all of the following characteristics:

1. Is ancillary to a primary use such as a restaurant, resort, inn, hotel, or other visitor accommodation as defined in the NBMC, and is limited in area to no more than thirty percent (30%) of the floor area of the primary use.
2. Provides an area for sales, service, and consumption of alcoholic beverages that is operated during the same hours as the primary use.



# EXHIBIT C Legal Description

Real property in the unincorporated area of the County of Orange, State of California, described as follows:

## PARCEL 1:

A PORTION OF LOTS "B", "C" AND "D", ALL IN THE BANNING TRACT, AS SHOWN ON A MAP OF SAID TRACT FILED IN THE CASE OF HANCOCK BANNING AND OTHERS VS. MARY H. BANNING, FOR PARTITION, BEING CASE NO. 6385 UPON THE REGISTER OF ACTIONS OF THE SUPERIOR COURT OF LOS ANGELES COUNTY, CALIFORNIA, AND A PORTION OF RANCHO SANTIAGO DE SANTA ANA, DESCRIBED IN BOOK 3, PAGE 387 OF PATENTS, RECORDS OF LOS ANGELES COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE BOUNDARY LINE BETWEEN LOTS "A" AND "B" OF SAID BANNING TRACT, WHICH POINT IS THE POINT OF INTERSECTION OF THE CENTER LINE OF NINETEENTH STREET AND THE NORTHWESTERLY LINE OF THE FIRST ADDITION TO THE NEWPORT MESA TRACT, AS SHOWN ON A MAP RECORDED IN BOOK 8, PAGE 61 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA; THENCE SOUTH 89 DEGREES 26' 55" WEST ALONG THE NORTHERLY LINE OF SAID LOT "B", 3315.29 FEET TO THE NORTHWESTERLY CORNER OF LOT "B" OF SAID BANNING TRACT; THENCE SOUTHERLY ALONG THE WESTERLY BOUNDARY LINE OF LOT "B" OF SAID BANNING TRACT, THE FOLLOWING COURSES AND DISTANCES: SOUTH 1 DEGREE 45' WEST 462.00 FEET; THENCE SOUTH 34 DEGREES 15' WEST 462.95 FEET; THENCE SOUTH 6 DEGREES 15' EAST 1058.48 FEET; THENCE SOUTH 19 DEGREES 45' WEST 529.21 FEET; THENCE SOUTH 34 DEGREES 30' WEST 463.08 FEET; THENCE SOUTH 42 DEGREES 45' WEST 397.00 FEET; THENCE SOUTH 4 DEGREES 45' WEST 462.00 FEET; THENCE SOUTH 21 DEGREES 15' WEST 198.50 FEET TO THE SOUTHWEST CORNER OF LOT "B", AS SHOWN ON SAID MAP OF THE BANNING TRACT, WHICH CORNER IS ALSO STATION NO. 149 OF THE BOUNDARY LINE OF RANCHO SANTIAGO DE SANTA ANA, AS DESCRIBED IN BOOK 3, PAGE 387 OF PATENTS, RECORDS OF LOS ANGELES COUNTY, CALIFORNIA; THENCE SOUTH 72 DEGREES 51' 36" EAST 807.47 FEET TO A POINT WHICH BEARS NORTH 20 DEGREES 32' 44" EAST 606.79 FEET FROM THE POINT OF INTERSECTION OF THE CENTER LINE OF THE SANTA ANA RIVER, AS SHOWN ON THE MAP FILED IN AND ANNEXED TO THE COMPLAINT IN THE CASE OF J. B. BANNING JR. VS. SMITH AND OTHERS, BEING CASE NO. 22797 OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR ORANGE COUNTY, A COPY OF THE JUDGMENT OF SAID CASE NO. 22797 HAVING BEEN RECORDED JULY 19, 1929 IN BOOK 297, PAGE 76 OF OFFICIAL RECORDS, WITH THE SOUTHEASTERLY LINE OF SUMMIT STREET, 30 FEET IN WIDTH, AS SHOWN ON A MAP OF EL MORO TRACT RECORDED IN BOOK 8, PAGE 75 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA; THENCE EASTERLY, NORTHEASTERLY AND SOUTHEASTERLY, PARALLEL WITH THE SAID CENTER LINE OF THE SANTA ANA RIVER AND 600.00 FEET DISTANT THEREFROM, MEASURED AT RIGHT ANGLES THERETO, THE FOLLOWING COURSES AND DISTANCES: SOUTH 78 DEGREES 02' EAST 486.60 FEET; THENCE SOUTH 66 DEGREES 42' 20" EAST 517.33 FEET; THENCE NORTH 20 DEGREES 06' 15" EAST 539.49 FEET; THENCE NORTH 51 DEGREES 48' EAST 405.76 FEET; THENCE NORTH 74 DEGREES 07' EAST 722.86 FEET; THENCE SOUTH 45 DEGREES 20' 28" EAST 740.97 FEET; THENCE SOUTH 27 DEGREES 46' EAST 498.37 FEET; THENCE SOUTH 13 DEGREES 35' 40" EAST 820.19 FEET; THENCE SOUTH 1 DEGREE 38' 25" WEST 871.22 FEET TO A POINT IN A LINE 600.00 FEET NORTHERLY OF AND PARALLEL WITH THE NORTHERLY LINE OF THE 100-FOOT RIGHT OF WAY OF THE CALIFORNIA STATE HIGHWAY, AS DESCRIBED IN DEED RECORDED APRIL 20, 1936 IN BOOK 822, PAGE 48 OF OFFICIAL RECORDS; THENCE SOUTHEASTERLY, PARALLEL WITH THE NORTHERLY AND NORTHEASTERLY LINE OF SAID CALIFORNIA STATE HIGHWAY, THE FOLLOWING COURSES AND DISTANCES: THENCE SOUTH 83 DEGREES 18' EAST 328.62 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT; THENCE SOUTHEASTERLY ALONG A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 1650.00 FEET AND TANGENT TO THE LAST MENTIONED COURSE, A DISTANCE OF 500.12 FEET; THENCE SOUTH 65 DEGREES 56' EAST, TANGENT TO SAID CURVE, 667.15 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT; THENCE SOUTHEASTERLY ALONG A CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 1650.00 FEET AND TANGENT TO THE LAST MENTIONED COURSE, A DISTANCE OF 48.34 FEET TO A POINT IN THE SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF WHINIER AVENUE (60 FEET IN WIDTH), AS SHOWN ON A MAP OF THE NEWPORT MESA TRACT RECORDED IN BOOK 5, PAGE 1 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, A RADIAL LINE FROM SAID POINT BEARS SOUTH 25 DEGREES 44' 43" WEST; THENCE NORTH 0 DEGREES 36' 01" WEST ALONG THE SAID PROLONGATION OF WHINIER AVENUE, 3061.05 FEET TO A POINT IN THE SOUTHWESTERLY LINE OF SAID FIRST ADDITION

EXHIBIT C  
Legal Description

TO NEWPORT MESA TRACT; THENCE NORTH 29 DEGREES 24' 45" WEST ALONG THE SOUTHWESTERLY LINE OF SAID FIRST ADDITION TO THE NEWPORT MESA TRACT, 2706.70 FEET TO THE MOST WESTERLY CORNER OF SAID FIRST ADDITION TO THE NEWPORT MESA TRACT; THENCE NORTH 19 DEGREES 01' 55" EAST ALONG THE NORTHWESTERLY LINE OF THE LAST MENTIONED TRACT, 1065.62 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM, THAT PORTION OF LOT "B" OF SAID BANNING TRACT DESCRIBED AS FOLLOWS: BEGINNING AT A POINT IN THE EASTERLY LINE OF THE 300-FOOT STRIP OF LAND FOR SANTA ANA RIVER CHANNEL, AS DESCRIBED IN THE DEED TO THE NEWBERT PROTECTION DISTRICT, RECORDED JUNE 22, 1911 IN BOOK 197, PAGE 300 OF DEEDS, ORANGE COUNTY, WHICH POINT IS NORTH 71 DEGREES 20' EAST 510.47 FEET FROM THE SOUTHWEST CORNER OF SAID LOT "B", WHICH LAST MENTIONED CORNER IS ALSO STATION 149 OF THE RANCHO SANTIAGO DE SANTA ANA; THENCE NORTH 13 DEGREES 25' EAST ALONG THE EASTERLY LINE OF SAID 300-FOOT STRIP OF LAND, 660 FEET; THENCE SOUTH 76 DEGREES 35' EAST 660 FEET; THENCE SOUTH 13 DEGREES 25' WEST 660 FEET; THENCE NORTH 76 DEGREES 35' WEST 660 FEET TO THE POINT OF BEGINNING, AS CONDEMNED BY THE CITY OF NEWPORT BEACH IN THE ACTION ENTITLED "CITY OF NEWPORT BEACH, A MUNICIPAL CORPORATION, PLAINTIFF VS. TOWNSEND LAND COMPANY AND OTHERS, DEFENDANTS", BEING CASE NO. 34747 OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR ORANGE COUNTY, A CERTIFIED COPY OF THE FINAL JUDGMENT HAVING BEEN RECORDED AUGUST 20, 1937 IN BOOK 910, PAGE 19 OF OFFICIAL RECORDS OF ORANGE COUNTY.

ALSO EXCEPTING THEREFROM, THAT PORTION OF LOT "B" IN SAID BANNING TRACT CONVEYED BY THE TOWNSEND LAND COMPANY TO THE NEWBERT PROTECTION DISTRICT FOR A RIVER CHANNEL, 300 FEET WIDE, BY DEED RECORDED JUNE 22, 1911 IN BOOK 197, PAGE 300 OF DEEDS, ORANGE COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT IN THE SOUTHERLY LINE OF SAID LOT "B" OF THE BANNING TRACT, SOUTH 84 DEGREES 45' EAST 135.84 FEET DISTANT FROM THE SOUTHWESTERLY CORNER OF SAID LOT "B", WHICH CORNER IS ALSO STATION 149 OF THE RANCHO SANTIAGO DE SANTA ANA; THENCE NORTH 13 DEGREES 25' EAST ALONG THE WESTERLY SIDE OF SAID 300-FOOT RIGHT OF WAY, 946.75 FEET TO A POINT IN THE WESTERLY LINE OF SAID LOT "B"; THENCE ALONG THE WESTERLY LINE OF SAID LOT "B", NORTH 42 DEGREES 45' EAST 38.70 FEET TO AN ANGLE IN SAID WESTERLY LINE; THENCE NORTH 34 DEGREES 30' EAST 462.00 FEET TO AN ANGLE IN SAID WESTERLY LINE; THENCE NORTH 19 DEGREES 45' EAST 528.00 FEET TO AN ANGLE IN SAID WESTERLY LINE; THENCE STILL ALONG SAID WESTERLY LINE, NORTH 6 DEGREES 15' WEST 723.17 FEET TO A POINT IN THE WESTERLY LINE OF SAID 300-FOOT RIGHT OF WAY; THENCE NORTH 13 DEGREES 25' EAST ALONG THE WESTERLY LINE OF SAID RIGHT OF WAY, 607.27 FEET TO A POINT IN THE WESTERLY LINE OF SAID LOT "B"; THENCE ALONG THE WESTERLY LINE OF SAID LOT "B", NORTH 34 DEGREES 15' EAST 148.48 FEET TO AN ANGLE IN SAID LINE; THENCE NORTH 1 DEGREE 45' EAST 436.44 FEET TO THE NORTHWEST CORNER OF SAID LOT "B"; THENCE ALONG THE NORTHERLY LINE OF SAID LOT "B", NORTH 89 DEGREES 28' EAST 346.14 FEET TO A POINT IN THE EASTERLY LINE OF SAID 300-FOOT RIGHT OF WAY; THENCE SOUTH 13 DEGREES 25' WEST 3831.55 FEET TO THE SOUTHERLY LINE OF SAID LOT "B"; THENCE ALONG THE SOUTHERLY LINE OF SAID LOT "B", NORTH 84 DEGREES 45' WEST 303.08 FEET TO THE POINT OF COMMENCEMENT.

ALSO EXCEPTING THEREFROM, THE PORTIONS THEREOF INCLUDED WITHIN A STRIP OF LAND 30 FEET IN WIDTH, THE CENTER LINE OF WHICH IS DESCRIBED AS FOLLOWS: BEGINNING AT THE POINT WHERE THE EASTERLY BOUNDARY LINE OF THE RANCHO LAS BOLSAS BETWEEN STATIONS 78 AND 79 OF THE SAID BOUNDARY LINE IS INTERSECTED BY THE LINE WHICH BEARS NORTH 13 DEGREES 26' 3D" EAST FROM THE POINT ON THE SOUTH LINE OF SECTION 18, TOWNSHIP 6 SOUTH, RANGE 10 WEST, SAN BERNARDINO BASE AND MERIDIAN, 2294.92 FEET NORTH 89 DEGREES 38' EAST FROM THE SOUTH QUARTER SECTION CORNER OF SAID SECTION, SAID BEGINNING POINT BEING ON THE SURVEYED CENTER LINE OF THE SANTA ANA-ANAHEIM JOINT OUTFALL SEWER; THENCE FROM SAID POINT OF BEGINNING, SOUTH 13 DEGREES 26' 3D" WEST ALONG SAID CENTER LINE TO STATION 187+74.49, BEING THE POINT ON THE SOUTH LINE OF SAID SECTION 18, 2294.92 FEET NORTH 89 DEGREES 38' EAST FROM THE SOUTH QUARTER CORNER OF SAID SECTION; THENCE CONTINUING SOUTH 13 DEGREES 26' 3D" WEST ALONG SAID SURVEYED CENTER LINE, 2795.66 FEET TO STATION 215+70.15; THENCE SOUTH 16 DEGREES 27' 3D" WEST ALONG SAID CENTER LINE, 1050.35 FEET TO A

# EXHIBIT C Legal Description

POINT 15.30 FEET SOUTH 84 DEGREES 45' EAST FROM STATION 68 OF THE RANCHO LAS BOLSAS, TOGETHER WITH THE STRIP OF LAND OF VARYING WIDTHS LYING BETWEEN THE EASTERLY LINE OF THE ABOVE DESCRIBED 3D-FOOT STRIP AND THE WESTERLY LINE OF THE RIGHT OF WAY OF THE SANTA ANA RIVER THROUGH THE NEWBERT PROTECTION DISTRICT, AS CONVEYED TO THE CITY OF SANTA ANA BY DEED RECORDED APRIL 14, 1934 IN BOOK 670, PAGE 147 OF OFFICIAL RECORDS, ORANGE COUNTY.

ALSO EXCEPTING THEREFROM, THAT PORTION OF SAID LAND INCLUDED WITHIN A STRIP OF LAND 180 FEET WIDE, DESCRIBED AS PARCELS D3-121.1 AND D3-122.1 IN THE FINAL ORDER OF CONDEMNATION RENDERED JANUARY 26, 1962 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF ORANGE, IN THE ACTION ENTITLED "ORANGE COUNTY FLOOD CONTROL DISTRICT VS. CITY OF NEWPORT BEACH, AND OTHERS" (CASE NO. 77399), A CERTIFIED COPY OF WHICH DECREE WAS RECORDED JANUARY 3D, 1962 IN BOOK 5993, PAGE 441 OF OFFICIAL RECORDS, ORANGE COUNTY.

ALSO EXCEPTING THEREFROM, THAT PORTION OF SAID LAND INCLUDED WITHIN THE FOLLOWING DESCRIBED LAND:

THAT PORTION OF BLOCK C OF THE BANNING TRACT, AS SHOWN ON A MAP ATTACHED TO REPORT OF THE REFEREES FILED APRIL 14, 1890 IN CASE NO. 6385 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF LOS ANGELES, AND THAT PORTION OF LOTS 1111 AND 1112 AND PORTION OF SIXTEENTH STREET AND WHITTIER AVENUE ADJOINING, AS SHOWN ON THE MAP OF NEWPORT MESA TRACT RECORDED IN BOOK 5, PAGE 1 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE CENTER LINE OF SAID SIXTEENTH STREET WITH THE SOUTHWESTERLY BOUNDARY LINE OF FIRST ADDITION TO NEWPORT MESA TRACT, AS SHOWN ON A MAP RECORDED IN BOOK 8, PAGE 61 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA; THENCE SOUTH 89 DEGREES 21' 50" WEST 16.50 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 500.00 FEET; THENCE WESTERLY ALONG SAID CURVE, THROUGH AN ANGLE OF 28 DEGREES 48' 33", A DISTANCE OF 251.41 FEET TO A LINE TANGENT; THENCE SOUTH 60 DEGREES 33' 17" WEST ALONG SAID LINE TANGENT, A DISTANCE OF 404.60 FEET; THENCE NORTH 29 DEGREES 26' 43" WEST 804.50 FEET; THENCE NORTH 60 DEGREES 33' 17" EAST 300.00 FEET; THENCE SOUTH 88 DEGREES 48' 26" EAST 316.57 FEET TO A POINT IN A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 50.00 FEET, A RADIAL LINE FROM SAID POINT BEARS NORTH 89 DEGREES 21' 50" EAST; THENCE NORTHERLY ALONG SAID CURVE, THROUGH AN ANGLE OF 44 DEGREES 24' 55", A DISTANCE OF 38.76 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 90.00 FEET; THENCE NORTHERLY ALONG SAID CURVE, THROUGH AN ANGLE OF 44 DEGREES 24' 55", A DISTANCE OF 69.77 FEET TO A LINE TANGENT; THENCE NORTH 0 DEGREES 38' 10" WEST ALONG SAID LINE TANGENT, A DISTANCE OF 11.11 FEET TO THE SAID SOUTHWESTERLY BOUNDARY LINE OF FIRST ADDITION TO NEWPORT MESA TRACT; THENCE SOUTH 29 DEGREES 26' 43" EAST ALONG SAID SOUTHWESTERLY BOUNDARY LINE, A DISTANCE OF 789.32 FEET TO THE POINT OF BEGINNING.

AS DESCRIBED IN THE FINAL ORDER OF CONDEMNATION RENDERED AUGUST 4, 1965 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF ORANGE, ENTITLED "COSTA MESA UNION SCHOOL DISTRICT OF ORANGE COUNTY, CALIFORNIA VS. SECURITY FIRST NATIONAL BANK, ETC., AND OTHERS" (CASE NO. 123141), A CERTIFIED COPY OF WHICH ORDER WAS RECORDED AUGUST 5, 1965 IN BOOK 7620, PAGE 215 OF OFFICIAL RECORDS, ORANGE COUNTY.

ALSO EXCEPTING THEREFROM, THAT PORTION DESCRIBED AS FOLLOWS:

THAT PORTION OF LOT B OF THE BANNING TRACT, AS SHOWN ON A MAP FILED IN THE CASE OF HANCOCK BANNING AND OTHERS VS. MARY H. BANNING, FOR PARTITION, BEING CASE NO. 6385 UPON THE REGISTER OF ACTIONS OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR LOS ANGELES COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWESTERLY CORNER OF SAID LOT B; THENCE SOUTHERLY ALONG



# EXHIBIT C Legal Description

THE WESTERLY BOUNDARY OF SAID LOT B, SOUTH 01 DEGREE 45' 00" WEST 462.00 FEET TO RANCHO LAS BOLSAS, STATION 75, AND SOUTH 34 DEGREES 15' 00" WEST 462.95 FEET TO RANCHO LAS BOLSAS, STATION 74, BEING THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID WESTERLY BOUNDARY, SOUTH 06 DEGREES 15' 00" EAST TO THE WESTERLY LINE OF THE STRIP OF LAND DESCRIBED IN DEED TO THE CITY OF SANTA ANA, RECORDED APRIL 14, 1934 IN BOOK 670, PAGE 147 OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA; THENCE NORTHERLY ALONG SAID WESTERLY LINE TO THE INTERSECTION WITH THAT CERTAIN COURSE HEREINABOVE CITED AS "SOUTH 34 DEGREES 15' 00" WEST 462.95 FEET"; THENCE ALONG SAID CERTAIN COURSE, SOUTH 34 DEGREES 15' 00" WEST TO THE TRUE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM THOSE PORTIONS DESCRIBED AS PARCELS 100, 103, 106 AND 108 IN THE NOTICE OF LIS PENDENS, UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA CASE NO. CV 91-3991-IH, A CERTIFIED OF WHICH WAS RECORDED AUGUST 23, 1991 AS INSTRUMENT NO. 91-455338 OF OFFICIAL RECORDS OF SAID ORANGE COUNTY, WHICH INCLUDES A DECLARATION OF TAKING.

ALSO EXCEPTING THEREFROM, THE TITLE AND EXCLUSIVE RIGHT TO ALL OF THE MINERALS, INCLUDING, BUT NOT LIMITED TO, ALL PETROLEUM, OIL, NATURAL GAS, AND OTHER HYDROCARBON SUBSTANCES AND PRODUCTS DERIVED THEREFROM, TOGETHER WITH THE RIGHT OF INGRESS AND EGRESS, UPON, OVER AND BENEATH THE SURFACE OF SAID LAND, AT ALL TIMES TO EXPLORE FOR, EXTRACT AND REMOVE ANY OF SAID MINERALS LOCATED BELOW A DEPTH OF 6200 FEET, BUT WITHOUT THE RIGHT TO USE THE SURFACE OF SAID LAND DOWN TO A DEPTH OF 500 FEET, AS RESERVED IN THE DEED EXECUTED BY HANCOCK BANNING JR. AND OTHERS, DATED AUGUST 1, 1958, RECORDED AUGUST 29, 1958 IN BOOK 4400, PAGE 532, AND RE-RECORDED OCTOBER 6, 1958 IN BOOK 4437, PAGE 228, AS AMENDED BY THE DEED AND AGREEMENT EXECUTED BY HANCOCK BANNING JR. AND OTHERS, RECORDED DECEMBER 27, 1961 IN BOOK 5957, PAGE 665, ALL IN OFFICIAL RECORDS, ORANGE COUNTY.

## PARCEL 2:

BEGINNING AT THE SOUTHWEST CORNER OF THAT CERTAIN LAND AS DESCRIBED IN PARCEL 1 IN DEED FROM HANCOCK BANNING JR. AND OTHERS, DATED AUGUST 1, 1958, RECORDED AUGUST 29, 1958 IN BOOK 4400, PAGE 532 OF OFFICIAL RECORDS, ORANGE COUNTY, AND RE-RECORDED OCTOBER 6, 1958 IN BOOK 4437, PAGE 228 OF OFFICIAL RECORDS, ORANGE COUNTY, ALSO BEING THE SOUTHWEST CORNER OF LOT "B" OF THE BANNING TRACT, AS SHOWN ON THE MAP ATTACHED TO THE REPORT OF THE REFEREES FILED APRIL 14, 1890 IN CASE NO. 6385 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF LOS ANGELES, CALIFORNIA, WHICH CORNER IS ALSO STATION 149 OF THE BOUNDARY LINE OF RANCHO SANTIAGO DE SANTA ANA, AS DESCRIBED IN BOOK 3, PAGE 387 OF PATENTS, RECORDS OF LOS ANGELES COUNTY, CALIFORNIA; THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL 1, SOUTH 72 DEGREES 51' 36" EAST 807.47 FEET TO A POINT WHICH BEARS NORTH 20 DEGREES 32' 44" EAST 606.79 FEET FROM THE POINT OF INTERSECTION OF THE CENTER LINE OF THE SANTA ANA RIVER, AS SHOWN ON THE MAP FILED IN AND ANNEXED TO THE COMPLAINT IN THE CASE OF J. B. BANNING JR. VS. SMITH AND OTHERS, BEING CASE NO. 22797 OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR ORANGE COUNTY, A COPY OF THE JUDGMENT OF SAID CASE NO. 22797 HAVING BEEN RECORDED JULY 19, 1929 IN BOOK 297, PAGE 76 OF OFFICIAL RECORDS, WITH THE SOUTHEASTERLY LINE OF SUMMIT STREET, 30 FEET IN WIDTH, AS SHOWN ON A MAP OF EL MORO TRACT RECORDED IN BOOK 8, PAGE 75 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA; THENCE EASTERLY, NORTHEASTERLY AND SOUTHEASTERLY, PARALLEL WITH THE SAID CENTER LINE OF THE SANTA ANA RIVER AND 600.00 FEET DISTANT THEREFROM, MEASURED AT RIGHT ANGLES THERETO, THE FOLLOWING COURSES AND DISTANCES: SOUTH 78 DEGREES 02' EAST 486.60 FEET; SOUTH 66 DEGREES 42' 20" EAST 517.33 FEET; NORTH 20 DEGREES 06' 15" EAST 539.49 FEET; NORTH 51 DEGREES 48' EAST 405.76 FEET; NORTH 74 DEGREES 07' EAST 722.86 FEET; SOUTH 45 DEGREES 20' 28" EAST 740.97 FEET; SOUTH 27 DEGREES 46' EAST 498.37 FEET; SOUTH 13 DEGREES 35' 40" EAST 820.19 FEET; SOUTH 1 DEGREE 38' 25" WEST 871.22 FEET TO A POINT IN A LINE 600.00 FEET NORTHERLY OF AND PARALLEL WITH THE NORTHERLY LINE OF THE 100-FOOT RIGHT OF WAY OF THE CALIFORNIA STATE HIGHWAY, AS DESCRIBED IN DEED RECORDED APRIL 20, 1936 IN BOOK 822, PAGE 48 OF OFFICIAL RECORDS, ORANGE COUNTY; THENCE SOUTHEASTERLY, PARALLEL WITH THE NORTHERLY AND NORTHEASTERLY LINE OF



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SAID CALIFORNIA STATE HIGHWAY, THE FOLLOWING COURSES AND DISTANCES: SOUTH 83 DEGREES 18' EAST 328.62 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT; THENCE SOUTHEASTERLY ALONG A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 1650.00 FEET AND TANGENT TO THE LAST MENTIONED COURSE, A DISTANCE OF 500.12 FEET; THENCE SOUTH 65 DEGREES 56' EAST, TANGENT TO SAID CURVE, 667.15 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT; THENCE SOUTHEASTERLY ALONG A CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 1650.00 FEET, AND TANGENT TO THE LAST MENTIONED COURSE, A DISTANCE OF 48.34 FEET TO A POINT IN THE SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF WHITTIER AVENUE (60 FEET IN WIDTH), AS SHOWN ON A MAP OF THE FIRST ADDITION TO NEWPORT MESA TRACT RECORDED IN BOOK 8, PAGE 61 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, A RADIAL LINE FROM SAID POINT BEARS SOUTH 25 DEGREES 44' 43" WEST, WHICH POINT IS THE SOUTHEAST CORNER OF SAID PARCEL 1; THENCE SOUTH 0 DEGREES 36' 01" EAST ALONG THE SAID PROLONGATION OF WHITTIER AVENUE, 404.46 FEET TO AN INTERSECTION WITH THE NORTHEASTERLY LINE OF THAT CERTAIN STRIP OF LAND 250 FEET IN WIDTH, AS DESCRIBED IN PARCEL 1, ARTICLE II OF SAID DEED RECORDED AUGUST 29, 1958 IN BOOK 4400, PAGE 532 OF OFFICIAL RECORDS, ORANGE COUNTY, AND RE-RECORDED OCTOBER 6, 1958 IN BOOK 4437, PAGE 228 OF OFFICIAL RECORDS, ORANGE COUNTY, A RADIAL LINE FROM SAID INTERSECTION BEARS SOUTH 33 DEGREES 40' 54" WEST; THENCE ALONG THE NORTHEASTERLY, NORTHERLY, NORTHWESTERLY AND NORTHERLY LINE OF SAID PARCEL 1, ARTICLE II, THROUGH THE FOLLOWING COURSES AND DISTANCES: NORTHWESTERLY ALONG A CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 1300.00 FEET, THROUGH AN ANGLE OF 9 DEGREES 36' 54", A DISTANCE OF 218.16 FEET TO A LINE TANGENT THERETO; THENCE NORTH 65 DEGREES 56' WEST, TANGENT TO SAID CURVE, 667.15 FEET TO THE BEGINNING OF A CURVE TO THE LEFT; THENCE WESTERLY ALONG A CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 1300.00 FEET, AND TANGENT TO THE LAST MENTIONED COURSE, A DISTANCE OF 394.04 FEET; THENCE NORTH 83 DEGREES 18' WEST, TANGENT TO SAID CURVE, 646.66 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT; THENCE WESTERLY ALONG A CURVE CONCAVE TO THE NORTH AND HAVING A RADIUS OF 700.00 FEET, AND TANGENT TO THE LAST MENTIONED COURSE, A DISTANCE OF 2.34 FEET TO A POINT IN A LINE PARALLEL WITH THE SAID CENTER LINE OF THE SANTA ANA RIVER, AND 250.00 FEET DISTANT EAST THEREFROM, MEASURED AT RIGHT ANGLES THERETO, A RADIAL LINE FROM SAID POINT BEARS NORTH 6 DEGREES 53' 29" EAST; THENCE NORTHERLY, NORTHWESTERLY AND SOUTHWESTERLY, PARALLEL WITH THE SAID CENTER LINE OF THE SANTA ANA RIVER, AND 250.00 FEET DISTANT THEREFROM, MEASURED AT RIGHT ANGLES THERETO, THE FOLLOWING COURSES AND DISTANCES: NORTH 1 DEGREE 38' 25" EAST 1144.77 FEET; NORTH 13 DEGREES 35' 40" WEST 729.87 FEET; NORTH 27 DEGREES 46' WEST 400.76 FEET; NORTH 45 DEGREES 20' 28" WEST 482.58 FEET; SOUTH 74 DEGREES 07' WEST 449.53 FEET; SOUTH 51 DEGREES 48' WEST 237.37 FEET; SOUTH 20 DEGREES 06' 15" WEST 319.00 FEET TO A POINT IN A LINE PARALLEL WITH THE NORTHWESTERLY LINE OF TRACT NO. 772, AS SHOWN ON A MAP RECORDED IN BOOK 23, PAGES 5 AND 6 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, AND 250 FEET DISTANT WEST THEREFROM, MEASURED AT RIGHT ANGLES THERETO; THENCE SOUTHWESTERLY AND WESTERLY, PARALLEL WITH THE NORTHWESTERLY AND NORTHERLY LINE OF SAID TRACT NO. 772, AND 250.00 FEET DISTANT WESTERLY AND NORTHWESTERLY THEREFROM, MEASURED AT RIGHT ANGLES THERETO, THE FOLLOWING COURSES AND DISTANCES: SOUTH 29 DEGREES 06' WEST 258.16 FEET; SOUTH 42 DEGREES 06' WEST 131.37 FEET; SOUTH 72 DEGREES 45' WEST 158.65 FEET; NORTH 88 DEGREES 25' WEST 16.51 FEET TO A POINT IN A LINE PARALLEL WITH THE SAID CENTER LINE OF THE SANTA ANA RIVER AND 250.00 FEET DISTANT NORTHERLY THEREFROM, MEASURED AT RIGHT ANGLES THERETO; THENCE WESTERLY, PARALLEL WITH THE SAID CENTER LINE OF THE SANTA ANA RIVER AND 250.00 FEET DISTANT NORTHERLY THEREFROM, MEASURED AT RIGHT ANGLES THERETO, THE FOLLOWING COURSES AND DISTANCES: NORTH 66 DEGREES 42' 20" WEST 620.94 FEET; NORTH 78 DEGREES 02' WEST 504.69 FEET TO A POINT IN A LINE PARALLEL WITH THE NORTHERLY LINE OF BLOCK C, EL MORO TRACT, AS SHOWN ON A MAP RECORDED IN BOOK 8, PAGE 75 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, AND 250.00 FEET DISTANT NORTHERLY THEREFROM, MEASURED AT RIGHT ANGLES THERETO; THENCE WESTERLY, PARALLEL WITH THE SAID NORTHERLY LINE OF BLOCK C, EL MORO TRACT, AND 250.00 FEET DISTANT NORTHERLY THEREFROM, MEASURED AT RIGHT ANGLES THERETO, THE FOLLOWING COURSES AND DISTANCES: NORTH 60 DEGREES 52' 34" WEST 120.39 FEET; NORTH 64 DEGREES 06' 50" WEST 216.59 FEET TO A POINT IN THE EASTERLY LINE OF THE EASEMENT FOR THE PURPOSE OF MAINTAINING A RIVER CHANNEL OVER A STRIP OF LAND

# EXHIBIT C Legal Description

300 FEET WIDE, IN FAVOR OF NEWBERT PROTECTION DISTRICT, AS DESCRIBED IN THE INTERLOCUTORY DECREE OF PARTITION DATED JULY 19, 1929, A CERTIFIED COPY OF WHICH WAS RECORDED JULY 19, 1929 IN BOOK 297, PAGE 76 OF OFFICIAL RECORDS, ORANGE COUNTY, SAID POINT BEING THE MOST NORTHWESTERLY CORNER OF SAID PARCEL 1, ARTICLE II; THENCE SOUTH 13 DEGREES 25' WEST ALONG SAID EASTERLY LINE OF THE RIVER CHANNEL, 256.04 FEET TO THE MOST SOUTHWESTERLY CORNER OF SAID PARCEL 1, ARTICLE II; THENCE NORTH 64 DEGREES 06' 50" WEST ALONG THE NORTHERLY LINE OF SAID BLOCK C OF EL MORO TRACT, 16.02 FEET TO AN INTERSECTION WITH THE NORTHEASTERLY LINE OF THE 100-FOOT RIGHT OF WAY OF CALIFORNIA STATE HIGHWAY; THENCE NORTH 54 DEGREES 02' WEST ALONG SAID HIGHWAY RIGHT OF WAY LINE, 145.48 FEET TO THE CENTER LINE OF SAID 300-FOOT RIVER CHANNEL EASEMENT; THENCE NORTH 13 DEGREES 25' EAST ALONG SAID CENTER LINE, 390.57 FEET TO THE NORTHEAST CORNER OF LAND DESCRIBED IN DEED DATED DECEMBER 30, 1929 FROM JOSEPH BANNING JR. AND OTHERS, TO JAMES H. MACKLIN, RECORDED JANUARY 29, 1930 IN BOOK 356, PAGE 31 OF OFFICIAL RECORDS, ORANGE COUNTY; THENCE NORTH 74 DEGREES 17' WEST 289.47 FEET TO A POINT IN THE SOUTHERLY EXTENSION OF THE WESTERLY BOUNDARY LINE OF SAID RANCHO SANTIAGO DE SANTA ANA, WHICH POINT IS ALSO THE NORTHWEST CORNER OF SAID LAND DESCRIBED IN SAID DEED RECORDED IN BOOK 356, PAGE 31 OF OFFICIAL RECORDS, ORANGE COUNTY; THENCE NORTH 15 DEGREES 43' EAST ALONG THE SAID SOUTHERLY EXTENSION OF THE WESTERLY BOUNDARY LINE OF RANCHO SANTIAGO DE SANTA ANA, 119.00 FEET TO THE POINT OF BEGINNING.

EXCEPT ANY PORTION OR PORTIONS OF SAID ABOVE DESCRIBED LAND WHICH IS OR ARE NOT INCLUDED EITHER WITHIN THE EXTERIOR BOUNDARIES OF THE RANCHO SANTIAGO DE SANTA ANA, OR WITHIN THE EXTERIOR BOUNDARY LINES OF GOVERNMENT LOT 1, SECTION 19; GOVERNMENT LOT 1, SECTION 20; AND GOVERNMENT LOT 1, SECTION 29, ALL IN TOWNSHIP 6 SOUTH, RANGE 10 WEST, SAN BERNARDINO BASE AND MERIDIAN.

ALSO EXCEPTING THEREFROM, THAT PORTION OF SAID LAND INCLUDED WITHIN A STRIP OF LAND 180 FEET WIDE, DESCRIBED AS PARCEL D3-122.1 IN THE FINAL ORDER OF CONDEMNATION RENDERED JANUARY 26, 1962 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF ORANGE, IN THE ACTION ENTITLED "ORANGE COUNTY FLOOD CONTROL DISTRICT VS. CITY OF NEWPORT BEACH AND OTHERS" (CASE NO. 77399), A CERTIFIED COPY OF WHICH DECREE RECORDED JANUARY 20, 1962, BOOK 5993, PAGE 441, OFFICIAL RECORDS, ORANGE COUNTY, CALIFORNIA.

ALSO EXCEPTING THEREFROM THOSE PORTIONS DESCRIBED AS PARCELS 100, 103, 106 AND 108 IN THE NOTICE OF LIS PENDENS, UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA CASE NO. CV 91-3991-IH, A CERTIFIED COPY OF WHICH WAS RECORDED AUGUST 23, 1991 AS INSTRUMENT NO. 91-455338 OF OFFICIAL RECORDS OF SAID ORANGE COUNTY, WHICH INCLUDES A DECLARATION OF TAKING.

ALSO EXCEPTING THEREFROM, THE TITLE AND EXCLUSIVE RIGHT TO ALL OF THE MINERALS, INCLUDING, BUT NOT LIMITED TO, ALL PETROLEUM, OIL, NATURAL GAS AND OTHER HYDROCARBON SUBSTANCES AND PRODUCTS DERIVED THEREFROM, IN OR UNDER, OR PRODUCIBLE FROM SAID LAND AT ANY DEPTH OR DEPTHS 6200 FEET OR MORE BELOW THE SURFACE OF SAID LAND, TOGETHER WITH THE FREE AND UNLIMITED RIGHT TO MINE, DRILL, BORE, OPERATE AND REMOVE FROM BENEATH THE SURFACE OF SAID LAND, AT ANY LEVEL OR LEVELS 500 FEET OR MORE BELOW THE SURFACE OF SAID LAND, FOR THE PURPOSE OF DEVELOPMENT OR REMOVAL OF SAID RESERVED SUBSTANCES, AS RESERVED IN THE DEED AND AGREEMENT FROM HANCOCK BANNING JR. AND OTHERS, RECORDED DECEMBER 27, 1961 IN BOOK 5957, PAGE 665 OF OFFICIAL RECORDS, ORANGE COUNTY, SUBJECT TO CERTAIN LIMITATIONS AND CONTINGENCIES CONTAINED IN SAID DEED.

## PARCEL 3:

A STRIP OF LAND 250 FEET WIDE, DESCRIBED AS FOLLOWS:  
BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHERLY LINE OF BLOCK C OF EL MORO TRACT, AS SHOWN ON A MAP RECORDED IN BOOK 8, PAGE 75 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, AND THE EASTERLY LINE OF THE EASEMENT FOR THE PURPOSE OF MAINTAINING A RIVER CHANNEL OVER A STRIP OF LAND 300 FEET WIDE, IN FAVOR OF NEWBERT PROTECTION DISTRICT, AS DESCRIBED IN THE INTERLOCUTORY DECREE OF PARTITION DATED JULY 19, 1929, A CERTIFIED COPY OF WHICH

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WAS RECORDED JULY 19, 1929 IN BOOK 297, PAGE 76 OF OFFICIAL RECORDS; THENCE SOUTH 64 DEGREES 06' 50" EAST, ALONG THE NORTHERLY LINE OF SAID EL MORO TRACT, 154.24 FEET; THENCE CONTINUING ALONG THE LAST MENTIONED NORTHERLY LINE, SOUTH 60 DEGREES 52' 34" EAST 151.04 FEET TO A POINT IN THE SOUTHEASTERLY LINE OF SUMMIT STREET, 30.00 FEET IN WIDTH, AS SHOWN ON THE MAP OF SAID EL MORO TRACT, SAID POINT BEING IN THE CENTER LINE OF THE SANTA ANA RIVER, AS SHOWN ON A MAP FILED IN AND ANNEXED TO THE COMPLAINT IN CASE OF J. B. BANNING JR. VS. SMITH AND OTHERS, CASE NO. 22797 OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR ORANGE COUNTY, A COPY OF THE JUDGMENT OF SAID CASE NO. 22797 HAVING BEEN RECORDED JULY 19, 1929 IN BOOK 297, PAGE 76 OF OFFICIAL RECORDS, ORANGE COUNTY; THENCE SOUTH 78 DEGREES 02' EAST ALONG THE SAID CENTER LINE OF THE SANTA ANA RIVER, 517.61 FEET; THENCE CONTINUING ALONG THE SAID CENTER LINE OF THE SANTA ANA RIVER, SOUTH 66 DEGREES 42' 20" EAST 644.09 FEET TO A POINT IN THE NORTHERLY LINE OF TRACT NO. 772, AS SHOWN ON A MAP RECORDED IN BOOK 23, PAGES 5 AND 6 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA; THENCE EASTERLY AND NORTHEASTERLY ALONG THE NORTHERLY AND NORTHWESTERLY LINE OF SAID TRACT NO. 772, THE FOLLOWING COURSES AND DISTANCES: SOUTH 88 DEGREES 25' EAST 105.91 FEET; NORTH 72 DEGREES 45' EAST 268.62 FEET; NORTH 42 DEGREES 06' EAST 228.36 FEET; NORTH 29 DEGREES 06' EAST 306.31 FEET TO A POINT IN THE SAID CENTER LINE OF THE SANTA ANA RIVER; THENCE ALONG THE SAID CENTER LINE OF THE SANTA ANA RIVER, THE FOLLOWING COURSES AND DISTANCES: NORTH 20 DEGREES 06' 15" EAST 267.71 FEET; NORTH 51 DEGREES 48' EAST 117.09 FEET; NORTH 74 DEGREES 07' EAST 254.30 FEET; SOUTH 45 DEGREES 20' 28" EAST 298.02 FEET; SOUTH 27 DEGREES 46' EAST 331.04 FEET; SOUTH 13 DEGREES 35' 40" EAST 665.36 FEET; SOUTH 1 DEGREE 38' 25" WEST 1205.19 FEET; SOUTH 10 DEGREES 47' 30" EAST 116.85 FEET TO A POINT IN THE NORTHERLY LINE OF THE 100-FOOT RIGHT OF WAY OF THE CALIFORNIA STATE HIGHWAY, AS DESCRIBED IN DEED RECORDED APRIL 20, 1936 IN BOOK 822, PAGE 48 OF OFFICIAL RECORDS, ORANGE COUNTY, A RADIAL LINE FROM SAID POINT BEARS NORTH 19 DEGREES 20' 43" EAST; THENCE ALONG THE NORTHERLY AND NORTHEASTERLY LINE OF SAID CALIFORNIA STATE HIGHWAY, THE FOLLOWING COURSES AND DISTANCES: EASTERLY ALONG A CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 950.00 FEET, A DISTANCE OF 209.67 FEET; SOUTH 83 DEGREES 18' EAST, TANGENT TO SAID CURVE, 646.66 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT, SOUTHEASTERLY ALONG A CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 1050.00 FEET, AND TANGENT TO THE LAST MENTIONED COURSE, A DISTANCE OF 318.26 FEET; SOUTH 65 DEGREES 56' EAST, TANGENT TO SAID CURVE, 667.15 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT, SOUTHEASTERLY ALONG A CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 1050.00 FEET, AND TANGENT TO THE LAST MENTIONED COURSE, A DISTANCE OF 216.09 FEET; SOUTH 54 DEGREES 08' 30" EAST 387.05 FEET TO THE BEGINNING OF A CURVE TO THE LEFT, SOUTHEASTERLY ALONG A CURVE CONCAVE TO THE NORTHEAST, HAVING A RADIUS OF 950.00 FEET, AND TANGENT TO THE LAST MENTIONED COURSE, A DISTANCE OF 264.46 FEET; SOUTH 70 DEGREES 08' 30" EAST, TANGENT TO SAID CURVE, 527.80 FEET TO THE SOUTHEASTERLY BOUNDARY LINE OF LOT D OF THE BANNING TRACT, AS SHOWN ON THE MAP ATTACHED TO THE REPORT OF THE REFEREES FILED APRIL 14, 1980 IN CASE NO. 6385 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF LOS ANGELES, CALIFORNIA; THENCE LEAVING SAID CALIFORNIA STATE HIGHWAY, NORTH 39 DEGREES 43' 45" EAST, ALONG THE SOUTHEASTERLY BOUNDARY LINE OF SAID LOT D OF BANNING TRACT, 265.74 FEET TO A POINT, BEING 250.00 FEET NORTH, MEASURED AT RIGHT ANGLES FROM THE NORTHEASTERLY LINE OF SAID 100-FOOT RIGHT OF WAY OF THE CALIFORNIA STATE HIGHWAY; THENCE NORTH 70 DEGREES 08' 30" WEST, PARALLEL WITH THE NORTHEASTERLY LINE OF SAID STATE HIGHWAY, 49.03 FEET TO A POINT IN THE SOUTHEASTERLY LINE OF THAT CERTAIN 2.7827-ACRE PARCEL OF LAND AS DESCRIBED IN DEED FROM FARMERS AND MERCHANTS NATIONAL BANK OF LOS ANGELES, TRUSTEE FOR ANNE O. BANNING AND OTHERS, TO A.E.S. CHAFFEY AND OTHERS, RECORDED MARCH 14, 1958 IN BOOK 4228, PAGE 191 OF OFFICIAL RECORDS, ORANGE COUNTY, A RADIAL LINE FROM SAID POINT BEARS NORTH 26 DEGREES 10' 42" WEST; THENCE ALONG THE BOUNDARY LINE OF THE LAST MENTIONED PARCEL OF LAND, THE FOLLOWING COURSES AND DISTANCES: SOUTHWESTERLY ALONG A CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 373.48 FEET, A DISTANCE OF 176.40 FEET TO THE MOST SOUTHERLY CORNER OF SAID PARCEL OF LAND, NORTH 5 DEGREES 44' 28" WEST 104.32 FEET TO A POINT IN A LINE PARALLEL WITH THE NORTHEASTERLY LINE OF SAID STATE HIGHWAY, AND 250.00 FEET DISTANT THEREFROM, MEASURED AT RIGHT ANGLES THERETO; THENCE NORTHWESTERLY, PARALLEL WITH THE

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SAID NORTHEASTERLY AND NORTHERLY LINE OF SAID STATE HIGHWAY, AND 250 FEET DISTANT THEREFROM, MEASURED AT RIGHT ANGLES THERETO, THE FOLLOWING COURSES AND DISTANCES: NORTH 70 DEGREES 05' 3~" WEST 376.41 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT, NORTHWESTERLY ALONG A CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 700.00 FEET, AND TANGENT TO THE LAST MENTIONED COURSE, A DISTANCE OF 194.87 FEET; NORTH 54 DEGREES 08' 3D" WEST, TANGENT TO SAID CURVE, 387.05 FEET TO THE BEGINNING OF A CURVE TO THE LEFT, NORTHWESTERLY ALONG A CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 1300.00 FEET, AND TANGENT TO THE LAST MENTIONED COURSE, A DISTANCE OF 267.55 FEET; NORTH 65 DEGREES 56' WEST, TANGENT TO THE SAID CURVE, 667.15 FEET TO THE BEGINNING OF A CURVE TO THE LEFT, WESTERLY ALONG A CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 1300.00 FEET, AND TANGENT TO THE LAST MENTIONED COURSE, A DISTANCE OF 394.04 FEET; THENCE NORTH 83 DEGREES 18' WEST, TANGENT TO SAID CURVE, 646.66 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT, WESTERLY ALONG A CURVE CONCAVE TO THE NORTH AND HAVING A RADIUS OF 700.00 FEET, AND TANGENT TO THE LAST MENTIONED COURSE, A DISTANCE OF 2.34 FEET TO A POINT IN A LINE PARALLEL WITH THE SAID CENTER LINE OF THE SANTA ANA RIVER, AND 250.00 FEET DISTANT THEREFROM, MEASURED AT RIGHT ANGLES THERETO, A RADIAL LINE FROM SAID POINT BEARS NORTH 6 DEGREES 53' 29" EAST; THENCE NORTHERLY, NORTHWESTERLY AND SOUTHWESTERLY, PARALLEL WITH THE SAID CENTER LINE OF THE SANTA ANA RIVER, AND 250.00 FEET DISTANT THEREFROM, MEASURED AT RIGHT ANGLES THERETO, THE FOLLOWING COURSES AND DISTANCES: NORTH 1 DEGREE 38' 25" EAST 1144.77 FEET; NORTH 13 DEGREES 35' 40" WEST 729.87 FEET; NORTH 27 DEGREES 46' WEST 400.76 FEET; NORTH 45 DEGREES 20' 28" WEST 482.58 FEET; SOUTH 74 DEGREES 07' WEST 449.53 FEET; SOUTH 51 DEGREES 48' WEST 237.37 FEET; SOUTH 20 DEGREES 06' 15" WEST 319.00 FEET TO A POINT IN A LINE PARALLEL WITH THE SAID NORTHWESTERLY LINE OF TRACT NO. 772, AND 250 FEET DISTANT THEREFROM, MEASURED AT RIGHT ANGLES THERETO; THENCE SOUTHWESTERLY AND WESTERLY, PARALLEL WITH NORTHWESTERLY AND NORTHERLY LINE OF SAID TRACT NO. 772, AND 250.00 FEET DISTANT THEREFROM, MEASURED AT RIGHT ANGLES THERETO, THE FOLLOWING COURSES AND DISTANCES: SOUTH 29 DEGREES 06 WEST 258.16 FEET; SOUTH 42 DEGREES 06' WEST 131.37 FEET; SOUTH 72 DEGREES 45' WEST 158.65 FEET; NORTH 88 DEGREES 25' WEST 16.51 FEET TO A POINT IN A LINE PARALLEL WITH THE SAID CENTER LINE OF THE SANTA ANA RIVER, AND 250.00 FEET DISTANT THEREFROM, MEASURED AT RIGHT ANGLES THERETO; THENCE WESTERLY, PARALLEL WITH THE SAID CENTER LINE OF THE SANTA ANA RIVER, AND 250.00 FEET DISTANT THEREFROM, MEASURED AT RIGHT ANGLES THERETO, THE FOLLOWING COURSES AND DISTANCES: NORTH 66 DEGREES 42' 20" WEST 620.94 FEET; NORTH 78 DEGREES 02' WEST 504.69 FEET TO A POINT IN A LINE PARALLEL WITH THE SAID NORTHERLY LINE OF BLOCK C, EL MORO TRACT, AND 250.00 FEET DISTANT THEREFROM, MEASURED AT RIGHT ANGLES THERETO; THENCE WESTERLY, PARALLEL WITH THE SAID NORTHERLY LINE OF BLOCK C, EL MORa TRACT, AND 250.00 FEET DISTANT THEREFROM, MEASURED AT RIGHT ANGLES THERETO, THE FOLLOWING COURSES AND DISTANCES: NORTH 60 DEGREES 52' 34" WEST 120.39 FEET, AND NORTH 64 DEGREES 06' 50" WEST 216.59 FEET TO A POINT IN THE EASTERLY LINE OF SAID EASEMENT 300.00 FEET WIDE, FOR PURPOSE OF MAINTAINING THE SANTA ANA RIVER CHANNEL; THENCE SOUTH 13 DEGREES 25' WEST ALONG SAID EASTERLY LINE OF THE RIVER CHANNEL, 256.04 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ANY PORTION THEREOF LYING GENERALLY SOUTHERLY OF THE AGREED BOUNDARY LINE DESCRIBED IN EXHIBIT "E" ATTACHED TO THAT CERTAIN SETTLEMENT AND BOUNDARY LINE AGREEMENT, STATE AND CITY DEEDS AND CORPORATION DEED REGARDING CERTAIN LANDS IN THE COUNTY OF ORANGE, CALIFORNIA, BLA. NO. 260 RECORDED AUGUST 30, 1989 AS INSTRUMENT NO. 89-466419 OF SAID OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM, THE PORTION OR PORTIONS OF SAID LAND WHICH IS OR ARE NOT INCLUDED EITHER WITHIN THE EXTERIOR BOUNDARIES OF THE RANCHO SANTIAGO DE SANTA ANA, THE PATENT FOR WHICH WAS RECORDED JUNE 28, 1884 IN BOOK 3, PAGE 387 OF PATENTS, RECORDS OF LOS ANGELES COUNTY, CALIFORNIA, AND AS ESTABLISHED BY SAID HEREINABOVE DESCRIBED SETTLEMENT AND BOUNDARY LINE AGREEMENT, OR WITHIN THE EXTERIOR BOUNDARIES OF LOT 1 OF SECTION 19, TOWNSHIP 6 SOUTH, RANGE 10 WEST; LOT 1 OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 10 WEST; AND LOT 1 OF SECTION 29, TOWNSHIP 6 SOUTH, RANGE 10 WEST, SAN BERNARDINO BASE AND MERIDIAN, THE PATENT FOR WHICH LOTS WAS RECORDED APRIL 19, 1893 IN BOOK 1, PAGE 66 OF PATENTS,

# EXHIBIT C Legal Description

RECORDS OF ORANGE COUNTY, CALIFORNIA, OR WITHIN ACCRETIONS OF SAID RANCHO OR SAID LOTS.

ALSO EXCEPTING THEREFROM, THAT PORTION INCLUDED WITHIN THE PARCEL OF LAND DESCRIBED AS PARCEL D3-122.1 IN THE FINAL ORDER OF CONDEMNATION RENDERED JANUARY 26, 1962 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF ORANGE, IN THE ACTION ENTITLED "ORANGE COUNTY FLOOD CONTROL DISTRICT VS. CITY OF NEWPORT BEACH AND OTHERS" (CASE NO. 77399), A CERTIFIED COPY OF WHICH FINAL ORDER WAS RECORDED JANUARY 30, 1962 IN BOOK 5993, PAGE 441 OF OFFICIAL RECORDS, ORANGE COUNTY.

ALSO EXCEPTING THEREFROM, THE PORTION INCLUDED WITHIN THE LAND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA RECORDED FEBRUARY 14, 1966 IN BOOK 7839, PAGE 739 OF OFFICIAL RECORDS, ORANGE COUNTY.

ALSO EXCEPTING THEREFROM THAT PORTION DESCRIBED AS PARCEL 73170-1 IN THAT CERTAIN FINAL DECREE OF CONDEMNATION, SUPERIOR COURT CASE NO. 667539, A CERTIFIED COPY OF WHICH WAS RECORDED JANUARY 14, 1994 AS INSTRUMENT NO. 94-0032786 OF SAID OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM THOSE PORTIONS DESCRIBED AS PARCELS 100, 103, 106 AND 108 IN THE NOTICE OF LIS PENDENS, UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA CASE NO. CV 91-3991-IH, A CERTIFIED COPY OF WHICH WAS RECORDED AUGUST 23, 1991 AS INSTRUMENT NO. 91-455338 OF OFFICIAL RECORDS OF SAID ORANGE COUNTY, WHICH INCLUDES A DECLARATION OF TAKING.

ALSO EXCEPTING THEREFROM, AN UNDIVIDED 30% INTEREST IN AND TO THE IDLE AND EXCLUSIVE RIGHT TO ALL OF THE MINERALS, INCLUDING, BUT NOT LIMITED TO, ALL PETROLEUM, OIL, NATURAL GAS, AND OTHER HYDROCARBON SUBSTANCES AND PRODUCTS DERIVED FROM SAID LAND LOCATED BELOW A DEPTH OF 6200 FEET, BUT WITHOUT THE RIGHT TO USE THE SURFACE OF SAID LAND DOWN TO A DEPTH OF 500 FEET, AS RESERVED IN THE DEED FROM HANCOCK BANNING JR. AND OTHERS, DATED AUGUST 1, 1958, RECORDED AUGUST 29, 1958 IN BOOK 4400, PAGE 532 OF OFFICIAL RECORDS, ORANGE COUNTY, AND RE-RECORDED OCTOBER 6, 1958 IN BOOK 4437, PAGE 228 OF OFFICIAL RECORDS, ORANGE COUNTY, AS AMENDED BY THE DEED DATED NOVEMBER 29, 1961 FROM HANCOCK BANNING JR. AND OTHERS, RECORDED DECEMBER 27, 1961 IN BOOK 5957, PAGE 665 OF OFFICIAL RECORDS, ORANGE COUNTY.

ALSO EXCEPTING THEREFROM, AN UNDIVIDED 70% INTEREST IN AND TO THE TITLE AND EXCLUSIVE RIGHT TO ALL OF THE MINERALS, INCLUDING, BUT NOT LIMITED TO, ALL PETROLEUM, OIL, NATURAL GAS, AND OTHER HYDROCARBON SUBSTANCES AND PRODUCTS DERIVED THEREFROM, IN OR UNDER, OR PRODUCIBLE FROM SAID LAND AT ANY DEPTH OR DEPTHS 6200 FEET OR MORE BELOW THE SURFACE OF SAID LAND, TOGETHER WITH THE FREE AND UNLIMITED RIGHT TO MINE, DRILL, BORE, OPERATE AND REMOVE FROM BENEATH THE SURFACE OF SAID LAND, AT ANY LEVEL OR LEVELS 500 FEET OR MORE BELOW THE SURFACE OF SAID LAND, FOR THE PURPOSE OF DEVELOPMENT OR REMOVAL OF SAID RESERVED SUBSTANCES, AS RESERVED IN THE DEED AND AGREEMENT FROM HANCOCK BANNING JR. AND OTHERS, RECORDED DECEMBER 27, 1961 IN BOOK 5957, PAGE 665 OF OFFICIAL RECORDS, ORANGE COUNTY, SUBJECT TO CERTAIN LIMITATIONS AND CONTINGENCIES CONTAINED IN SAID DEED.

## PARCEL 4:

THOSE PORTIONS OF LOTS C AND D OF THE BANNING TRACT, AS SHOWN ON THE MAP ATTACHED TO THE REPORT OF THE REFEREES FILED APRIL 14, 1890 IN CASE NO. 6385 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF LOS ANGELES, BEING ALSO A PORTION OF LOT 1 OF TRACT NO. 463, AS SHOWN ON A MAP RECORDED IN BOOK 32, PAGES 2 AND 3 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, AND A PORTION OF TRACT NO. 2250, AS SHOWN ON A MAP RECORDED IN BOOK 104, PAGES 6 AND 7 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, DESCRIBED AS A WHOLE AS FOLLOWS:

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BEGINNING AT THE MOST EASTERLY CORNER OF TRACT NO. 15, AS SHOWN ON A MAP RECORDED IN BOOK 9, PAGE 19 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, WHICH CORNER IS IN THE CENTER LINE OF SUPERIOR AVENUE, FORMERLY NEWPORT AVENUE, AS SAID NEWPORT AVENUE IS SHOWN ON SAID MAP OF TRACT NO. 15, AND ALSO IN THE SOUTHEASTERLY LINE OF SAID LOT D IN THE BANNING TRACT; THENCE NORTH 29 DEGREES 24' 45" WEST ALONG THE NORTHEASTERLY LINE OF SAID TRACT NO. 15, AND ALONG THE SOUTHWESTERLY LINE OF FIRST ADDITION TO NEWPORT MESA TRACT, AS SHOWN ON A MAP RECORDED IN BOOK 8, PAGE 61 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, 3691.50 FEET TO A POINT IN THE EASTERLY LINE OF WHITTIER AVENUE, 60 FEET IN WIDTH, AS SHOWN ON SAID MAP OF FIRST ADDITION TO NEWPORT MESA TRACT; THENCE SOUTH 0 DEGREES 36' 01" EAST ALONG THE SOUTHERLY PROLONGATION OF THE SAID EASTERLY LINE OF WHITTIER AVENUE, SAID PROLONGATION BEING THE EASTERLY LINE OF PARCEL 1 AS DESCRIBED IN DEED EXECUTED BY HANCOCK BANNING JR. AND OTHERS, DATED AUGUST 1, 1958, RECORDED AUGUST 29, 1958 IN BOOK 4400, PAGE 532 OF OFFICIAL RECORDS, ORANGE COUNTY, AND RE-RECORDED OCTOBER 6, 1958 IN BOOK 4437, PAGE 228 OF OFFICIAL RECORDS, ORANGE COUNTY, 3465.51 FEET, MORE OR LESS, TO AN INTERSECTION WITH A LINE ON A CURVE CONCAVE TO THE SOUTHWEST, 250.00 FEET NORTHEASTERLY OF AND PARALLEL WITH THE NORTHEASTERLY LINE OF THE 100-FOOT RIGHT OF WAY OF THE CALIFORNIA STATE HIGHWAY, AS DESCRIBED IN DEED RECORDED APRIL 20, 1936 IN BOOK 822, PAGE 48 OF OFFICIAL RECORDS, ORANGE COUNTY, A RADIAL LINE FROM SAID POINT OF INTERSECTION BEARS SOUTH 33 DEGREES 40' 54" WEST; THENCE SOUTHEASTERLY, PARALLEL WITH THE NORTHEASTERLY LINE OF SAID STATE HIGHWAY, AND 250.00 FEET DISTANT THEREFROM, MEASURED AT RIGHT ANGLES THERETO, THE FOLLOWING COURSES AND DISTANCES: THENCE SOUTHEASTERLY ALONG A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 1300.00 FEET, 49.39 FEET; THENCE SOUTH 54 DEGREES 08' 30" EAST, TANGENT TO SAID CURVE, 387.05 FEET TO BEGINNING OF CURVE TO THE LEFT; THENCE SOUTHEASTERLY ALONG A CURVE CONCAVE TO THE NORTHEAST, HAVING A RADIUS OF 700.00 FEET, AND TANGENT TO THE LAST MENTIONED COURSE, 194.87 FEET; THENCE SOUTH 70 DEGREES 08' 30" EAST, TANGENT TO SAID CURVE, 376.41 FEET TO A POINT IN THE WESTERLY LINE OF THAT CERTAIN 2.7827-ACRE PARCEL OF LAND AS DESCRIBED IN DEED FROM THE FARMERS AND MERCHANTS NATIONAL BANK OF LOS ANGELES, TRUSTEE FOR ANNE O. BANNING AND OTHERS, TO A. E. S. CHAFFEY AND OTHERS, RECORDED MARCH 14, 1958 IN BOOK 4228, PAGE 191 OF OFFICIAL RECORDS, ORANGE COUNTY; THENCE ALONG THE WESTERLY, NORTHERLY AND NORTHEASTERLY BOUNDARY LINE OF SAID 2.7827-ACRE PARCEL, THE FOLLOWING COURSES AND DISTANCES: NORTH 5 DEGREES 44' 28" WEST 160.43 FEET TO THE MOST WESTERLY CORNER OF SAID 2.7827-ACRE PARCEL, FROM WHICH A RADIAL LINE BEARS NORTH 20 DEGREES 20' 15" WEST; THENCE NORTHEASTERLY ALONG A CURVE CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 450.00 FEET, 235.10 FEET; THENCE NORTH 39 DEGREES 43' 45" EAST, TANGENT TO THE LAST MENTIONED CURVE, 75.42 FEET TO THE MOST NORTHERLY CORNER OF SAID 2.7827-ACRE PARCEL, FROM WHICH A RADIAL LINE BEARS SOUTH 29 DEGREES 30' 33" WEST; THENCE SOUTHEASTERLY ALONG A CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 730.00 FEET, A DISTANCE OF 130.21 FEET; THENCE SOUTH 50 DEGREES 16' 15" EAST, TANGENT TO THE LAST MENTIONED CURVE, 122.00 FEET TO A POINT IN THE NORTHWESTERLY LINE OF SUPERIOR AVENUE, 60 FEET IN WIDTH, FORMERLY NEWPORT AVENUE, AS SAID NEWPORT AVENUE IS SHOWN ON SAID MAP OF TRACT NO. 15, WHICH POINT BEARS NORTH 39 DEGREES 43' 45" EAST 35.24 FEET FROM THE MOST EASTERLY CORNER OF LOT 1 IN BLOCK 1 OF SAID TRACT NO. 15; THENCE SOUTH 50 DEGREES 16' 15" EAST 30.00 FEET TO THE CENTER LINE OF SAID SUPERIOR AVENUE; THENCE ALONG THE CENTER LINE OF SAID SUPERIOR AVENUE, NORTH 39 DEGREES 43' 45" EAST 705.55 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM, THAT PORTION INCLUDED WITHIN THE FOLLOWING DESCRIBED LAND: THAT PORTION OF BLOCK C OF THE BANNING TRACT, AS SHOWN ON A MAP ATTACHED TO THE REPORT OF THE REFEREES FILED APRIL 14, 1890 IN CASE NO. 6385 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF LOS ANGELES, AND THAT PORTION OF LOTS 1111 AND 1112 AND PORTION OF SIXTEENTH STREET AND WHITTIER AVENUE ADJOINING, AS SHOWN ON THE MAP OF NEWPORT MESA TRACT RECORDED IN BOOK 5, PAGE 1 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE CENTER LINE OF SAID SIXTEENTH STREET WITH

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THE SOUTHWESTERLY BOUNDARY LINE OF FIRST ADDITION TO NEWPORT MESA TRACT, AS SHOWN ON A MAP RECORDED IN BOOK 8, PAGE 61 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA; THENCE SOUTH 89 DEGREES 21' 50" WEST 16.50 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 500.00 FEET; THENCE WESTERLY ALONG SAID CURVE, THROUGH AN ANGLE OF 28 DEGREES 48' 33", A DISTANCE OF 251.41 FEET TO A LINE TANGENT; THENCE SOUTH 60 DEGREES 33' 17" WEST ALONG SAID LINE TANGENT, A DISTANCE OF 404.60 FEET; THENCE NORTH 29 DEGREES 26' 43" WEST 804.50 FEET; THENCE NORTH 60 DEGREES 33' 17" EAST 300.00 FEET; THENCE SOUTH 88 DEGREES 48' 26" EAST 316.57 FEET TO A POINT IN A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 50.00 FEET, A RADIAL LINE FROM SAID POINT BEARS NORTH 89 DEGREES 21' 50" EAST; THENCE NORTHERLY ALONG SAID CURVE, THROUGH AN ANGLE OF 44 DEGREES 24' 55", A DISTANCE OF 38.76 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 90.00 FEET; THENCE NORTHERLY ALONG SAID CURVE, THROUGH AN ANGLE OF 44 DEGREES 24' 55", A DISTANCE OF 69.77 FEET TO A LINE TANGENT; THENCE NORTH 0 DEGREES 38' 10" WEST ALONG SAID LINE TANGENT, A DISTANCE OF 11.11 FEET TO THE SAID SOUTHWESTERLY BOUNDARY LINE OF FIRST ADDITION TO NEWPORT MESA TRACT; THENCE SOUTH 29 DEGREES 26' 43" EAST ALONG SAID SOUTHWESTERLY BOUNDARY LINE, A DISTANCE OF 789.32 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM, THAT PORTION INCLUDED WITHIN THE FOLLOWING: THAT PORTION OF LOT 1 AND ALL OF LOT 2 OF TRACT NO. 463 AS SHOWN ON A MAP RECORDED IN BOOK 32, PAGES 2 AND 3 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE CENTER LINE OF FIFTEENTH STREET WITH THE CENTER LINE OF MONROVIA AVENUE, AS SHOWN ON A MAP RECORDED IN BOOK 65, PAGES 31 THROUGH 36 INCLUSIVE OF RECORD OF SURVEYS IN THE OFFICE OF THE COUNTY RECORDER OF ORANGE COUNTY, CALIFORNIA; THENCE SOUTH 0 DEGREES 37' 24" EAST, ALONG THE CENTER LINE OF SAID MONROVIA AVENUE, 440.93 FEET TO THE NORTHEASTERLY LINE OF SAID TRACT NO. 463; THENCE NORTH 29 DEGREES 26' 43" WEST ALONG SAID NORTHEASTERLY LINE, 272.61 FEET TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE SOUTH 29 DEGREES 26' 43" EAST ALONG SAID NORTHEASTERLY LINE, 1288.43 FEET TO THE CENTER LINE OF SUPERIOR AVENUE; THENCE SOUTH 39 DEGREES 41' 15" WEST, ALONG SAID CENTER LINE OF SUPERIOR AVENUE, 705.55 FEET; THENCE NORTH 50 DEGREES 18' 45" WEST, ALONG THE NORTHEASTERLY LINE OF THE LAND DESCRIBED IN A DEED TO A. E. S. CHAFFEY AND OTHERS, RECORDED IN BOOK 4228, PAGE 191 OF OFFICIAL RECORDS OF SAID ORANGE COUNTY, AND THE SOUTHEASTERLY PROLONGATION THEREOF, 152.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 730.00 FEET; THENCE NORTHWESTERLY 130.21 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 10 DEGREES 13' 12" TO A POINT IN THE NORTHEASTERLY LINE OF PARCEL 1, AS DESCRIBED IN A DEED RECORDED IN BOOK 7839, PAGE 739 OF OFFICIAL RECORDS OF SAID ORANGE COUNTY; THENCE ALONG SAID NORTHEASTERLY LINE, NORTH 63 DEGREES 11' 16" WEST 1160.70 FEET TO A POINT IN A LINE PARALLEL WITH AND DISTANT 100.00 FEET EASTERLY, AS MEASURED AT RIGHT ANGLES FROM THE WESTERLY LINE OF THE LAND DESCRIBED IN ANNEXATION NO. 54 TO THE CITY OF NEWPORT BEACH, DECEMBER 30, 1963; THENCE ALONG SAID PARALLEL LINE, NORTH 0 DEGREES 38' 10" WEST 734.93 FEET TO A LINE THAT BEARS SOUTH 77 DEGREES 45' 00" WEST FROM THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID PARALLEL LINE, NORTH 77 DEGREES 45' 00" EAST 1110.58 FEET TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION.

ALSO EXCEPTING THEREFROM, THAT PORTION INCLUDED WITHIN THE LAND DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED FEBRUARY 14, 1966 IN BOOK 7839, PAGE 739 OF OFFICIAL RECORDS, ORANGE COUNTY.

ALSO EXCEPTING THEREFROM, ANY PORTION INCLUDED WITHIN WHITTIER AVENUE AND SIXTEENTH STREET, AS SHOWN ON THE MAP OF NEWPORT MESA TRACT RECORDED IN BOOK 5, PAGE 1 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA. ALSO EXCEPTING THEREFROM THAT PORTION INCLUDED IN THE LAND DESCRIBED IN THE DEED TO THE CITY OF NEWPORT BEACH, RECORDED JUNE 6, 1995 AS INSTRUMENT NO. 95-0237652 OF OFFICIAL RECORDS.

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ALSO EXCEPTING THEREFROM, THE TITLE AND EXCLUSIVE RIGHT TO ALL OF THE MINERALS, INCLUDING, BUT NOT LIMITED TO, ALL PETROLEUM, OIL, NATURAL GAS AND OTHER HYDROCARBON SUBSTANCES AND PRODUCTS DERIVED THEREFROM, IN OR UNDER, OR PRODUCIBLE FROM SAID LAND, AT ANY DEPTH OR DEPTHS 6200 FEET OR MORE BELOW THE SURFACE OF SAID LAND, TOGETHER WITH THE FREE AND UNLIMITED RIGHT TO MINE, DRILL, BORE, OPERATE AND REMOVE FROM BENEATH THE SURFACE OF SAID LAND AT ANY LEVEL OR LEVELS 500 FEET OR MORE BELOW THE SURFACE OF SAID LAND, FOR THE PURPOSE OF DEVELOPMENT OR REMOVAL OF SAID RESERVED SUBSTANCES, AS RESERVED IN THE DEED AND AGREEMENT FROM HANCOCK BANNING JR. AND OTHERS, RECORDED DECEMBER 27, 1961 IN BOOK 5957, PAGE 665 OF OFFICIAL RECORDS, ORANGE COUNTY, SUBJECT TO CERTAIN LIMITATIONS AND CONTINGENCIES CONTAINED IN SAID DEED.

ALSO EXCEPTING THEREFROM ALL THE MINERALS, INCLUDING WITHOUT LIMITATION ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN, ON OR UNDER THE HEREINAFTER DESCRIBED LAND LYING 500 VERTICAL FEET BELOW THE SURFACE OF SAID LAND WAS QUITCLAIM TO ARMSTRONG PETROLEUM CORPORATION, A CALIFORNIA CORPORATION BY AN INSTRUMENT RECORDED MAY 5, 1997 AS INSTRUMENT NO. 19970206789 OF OFFICIAL RECORDS.

APN: 114-170-24, 114-170-43, 114-170-49, 114-170-50, 114-170-52, 114-170-56, 114-170-72, 114-170-73, 114-170-75, 114-170-77, 114-170-79, 114-170-83 and 424-041-04