

Memorandum

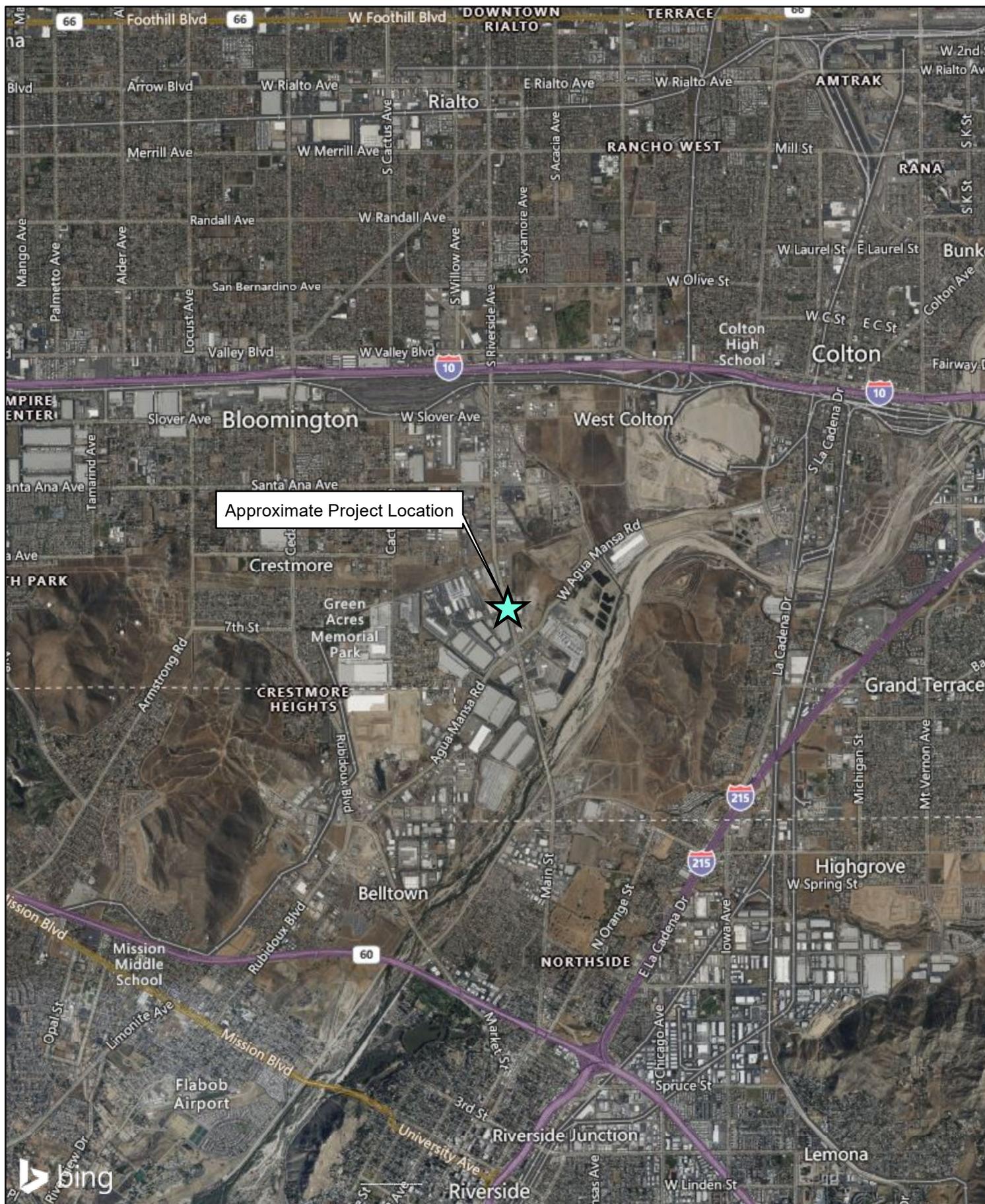
Date: November 3, 2022
To: Ray Hussey, Enplanner
From: Brianna Bernard
Subject: Biological Resource Assessment for Resource/Riverside Project in the City of Rialto

Carlson Strategic Land Solutions (CSLS) prepared this Biological Resource Assessment memorandum and graphics documenting the finding of a field review for potential sensitive plants and wildlife for the Resource/Riverside Project (Project) located in the City of Rialto, California. In support of Project efforts CSLS biologists, Brianna Bernard and Justinne Manahan, conducted an analysis of the biological resources onsite on March 15, 2022. This memorandum provides the results of the site visit.

1.0 Project Location and Description

The Project site is a vacant lot located on the northwest corner of Riverside Avenue and Resource Drive in the City of Rialto (**Figures 1 and 2**). The approximately 1.8-acre Project site is surrounded by industrial uses to the north and west, industrial uses to the south across Resource Drive, and industrial uses to the east across Riverside Avenue.

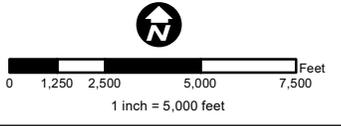
The Project proposes to construct a warehouse, parking spaces, and loading docks. Ancillary improvements include an office building. Access would be provided by a single driveway on Resource Drive. A conceptual grading map is provided on **Figure 3**.



Approximate Project Location



GIS Prepared By:
Carlson SLS
Created: October 26, 2022



Data Source: Bing Maps

**Riverside Avenue and Resource Drive
Warehouse Facility
Regional Location Map**

FIGURE 1



Legend

- Project Boundary
- 500-Foot Buffer



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Created: March 14, 2022

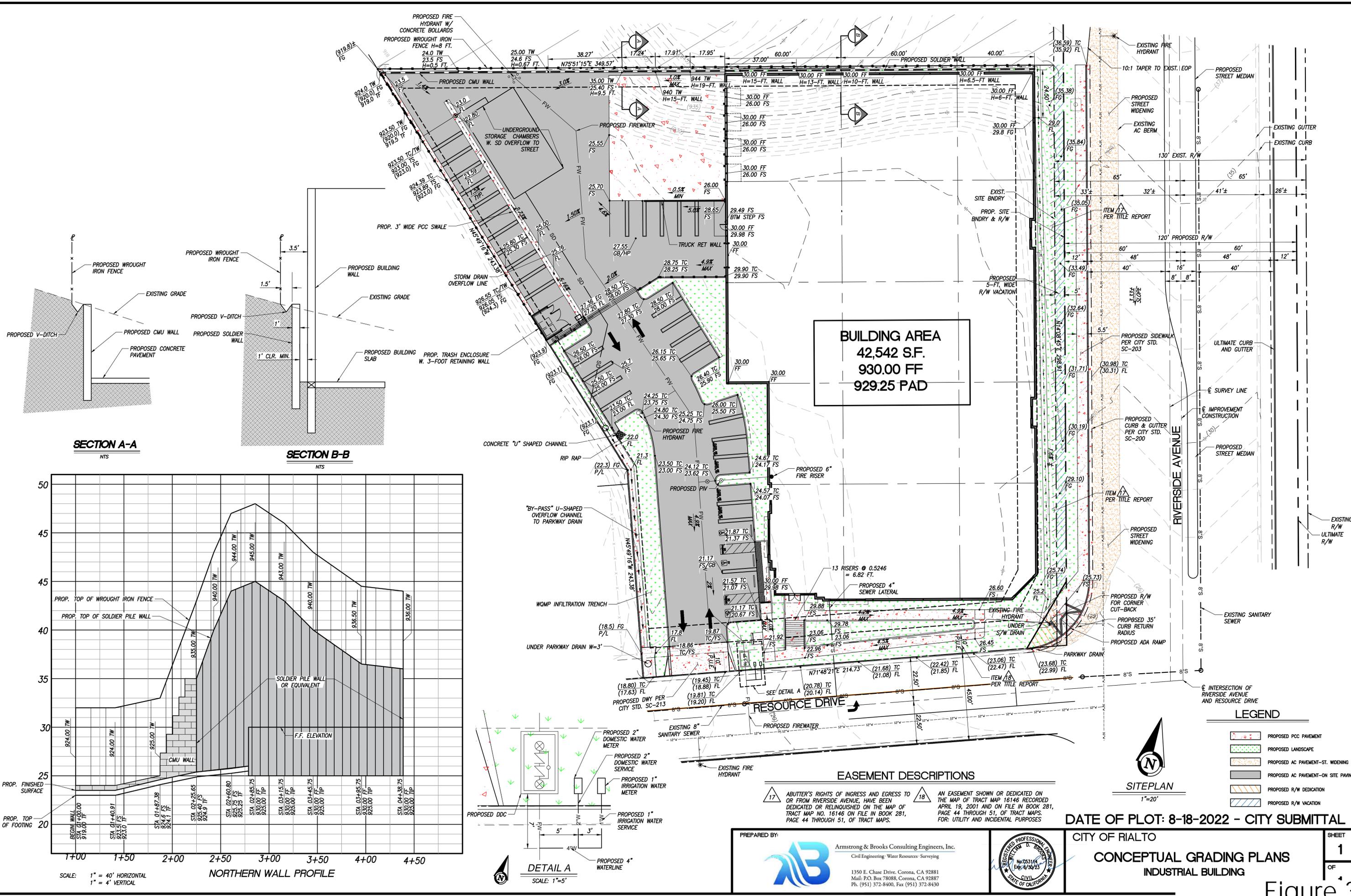


 1 inch = 200 feet

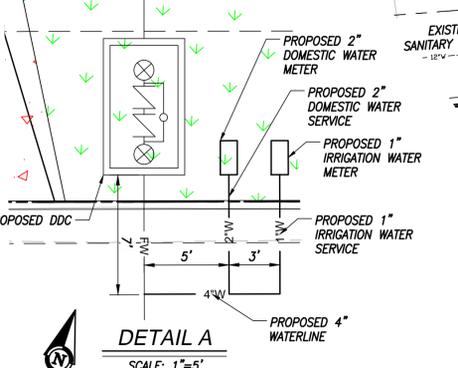
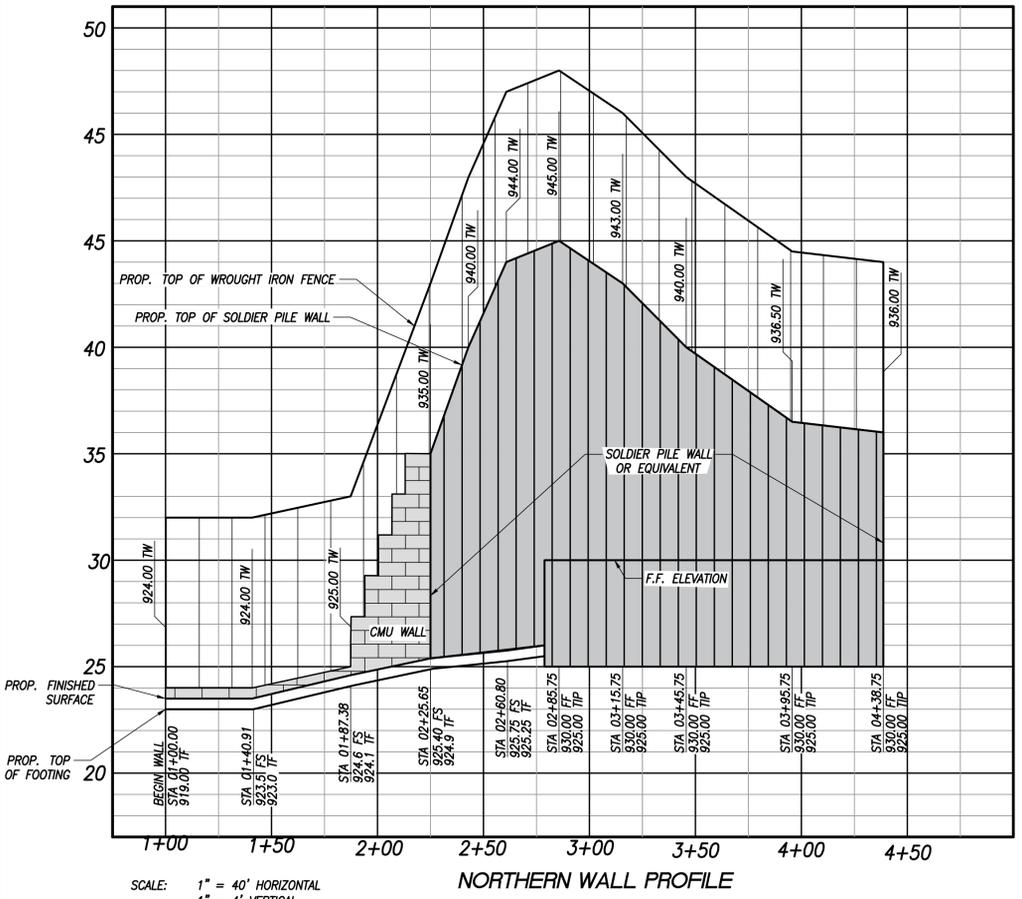
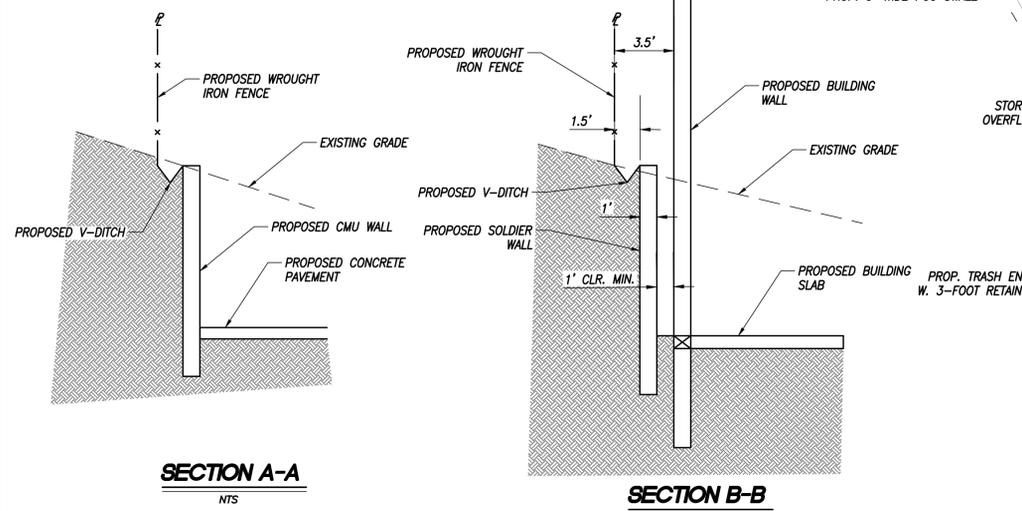
Data Sources: Bing Maps

**Riverside Avenue and Resource Drive
Warehouse Facility
Study Area Map**

FIGURE 2



BUILDING AREA
42,542 S.F.
930.00 FF
929.25 PAD



EASEMENT DESCRIPTIONS

17 ABUTTER'S RIGHTS OF INGRESS AND EGRESS TO OR FROM RIVERSIDE AVENUE, HAVE BEEN DEDICATED OR RELINQUISHED ON THE MAP OF TRACT MAP NO. 16146 ON FILE IN BOOK 281, PAGE 44 THROUGH 51, OF TRACT MAPS.

18 AN EASEMENT SHOWN OR DEDICATED ON THE MAP OF TRACT MAP 16146 RECORDED APRIL 19, 2001 AND ON FILE IN BOOK 281, PAGE 44 THROUGH 51, OF TRACT MAPS, FOR: UTILITY AND INCIDENTAL PURPOSES.

LEGEND

- PROPOSED PCC PAVEMENT
- PROPOSED LANDSCAPE
- PROPOSED AC PAVEMENT-ST. WIDENING
- PROPOSED AC PAVEMENT-ON SITE PAVING
- PROPOSED R/W DEDICATION
- PROPOSED R/W VACATION



DATE OF PLOT: 8-18-2022 - CITY SUBMITTAL

PREPARED BY:
Armstrong & Brooks Consulting Engineers, Inc.
 Civil Engineering - Water Resources - Surveying
 1350 E. Chase Drive, Corona, CA 92881
 Mail: P.O. Box 78088, Corona, CA 92887
 Ph. (951) 372-8400, Fax (951) 372-8430



CITY OF RIALTO
CONCEPTUAL GRADING PLANS
 INDUSTRIAL BUILDING

SHEET
1
 OF
3

Figure 3

2.0 Methodology

2.1 Biological Survey

Prior to the field survey, available literature, historical aeriels, and databases were reviewed regarding sensitive habitats, special status plants, and wildlife species within the vicinity. CSLS reviewed and consulted literature and databases focused on San Bernardino County, California, including the California Natural Diversity Database (CNDDDB) and the U.S. Fish and Wildlife Service (USFWS) Critical Habitat database. The CNDDDB is a California Department of Fish and Wildlife (CDFW) species account database that inventories status and locations of rare plants and wildlife in California. The CNDDDB was used to identify any sensitive plant communities and special status plants and wildlife that have potential to occur within the Project site.

The USFWS's online service for information regarding Final Critical Habitat designation within California was reviewed to determine if the Study Area is within any species' designated Critical Habitat. The USFWS regulatory mapping process for the designation of critical habitat is an imprecise, broad-based, mapping exercise of areas that may or may not include constituent elements of the critical habitat designation. Due to this approach in mapping, large areas are designated as critical habitat regardless of the existing habitat, and as a result may include developed areas, such as buildings, roads, hardscape, and other such facilities, as well as natural habitats.

2.1.1 *Plant Community Mapping*

Plant communities were mapped in the field directly onto a 200-scale (1" = 200') focusing on dominant plant species. Plant species were identified using plant field and taxonomical guides, such as *The Jepson Manual: Vascular Plants of California*, second edition (Baldwin et al. 2012). Vegetation communities were characterized utilizing vegetation alliances in accordance with *The Manual of California Vegetation, Second Edition (MCVII)* (Sawyer et al. 2009). Where necessary, deviations were made on best professional judgment when areas did not fit into a specific habitat description provided by MCVII. After completing the fieldwork, the plant community polygons were digitized using Geographic Information System (GIS) technology to calculate acreages.

2.2 Jurisdictional Waters

The Project site was assessed for jurisdictional Waters of the United States (U.S.) and Waters of the State. To determine the presence of a wetland, three indicators are required: (1) hydrophytic vegetation, (2) hydric soils, and (3) wetland hydrology. The methodology published in the *U.S. Army Corps of Engineers 1987 Wetland Delineation*

Manual and the *Arid West Supplement* sets the standards for meeting each of the three indicators, which normally require that 50 percent or more dominant plant species typical of a wetland, soils exhibiting characteristics of saturation, and hydrological indicators be present.

Additionally, jurisdiction over non-wetland Waters of the U.S. is typically determined through the observation of an Ordinary High Water Mark (OHWM), which is defined as the "line on the shore established by the fluctuation of water and indicated by physical characteristics such as a clear, natural line impressed on the bank, shelving, changes in the character of soil, destruction of terrestrial vegetation, the presence of litter and debris, or other appropriate means that consider the characteristics of the surrounding areas." Projects with impacts to Waters of the U.S. are regulated under Sections 401 and 404 of the Clean Water Act.

Waters of the State are regulated by the California Department of Fish and Wildlife (CDFW) through Section 1600 et seq. of the California Fish and Game Code. The limits of Waters of the State are defined as the "body of water that flows at least periodically or intermittently through a bed or channel having banks and supports fish or other aquatic life. This includes watercourses having surface or subsurface flow that supports or has supported riparian vegetation." Therefore, the limits extend from the channel bed to the top of the bank, with the addition of the canopy of any riparian habitat associated with the watercourse.

3.0 Results

3.1 Biological Results

CSLS Biologist conducted a general biological survey within the Project site and surrounding 500-foot buffer, collectively referred to as the Study Area, on March 15, 2022. The survey was performed between 4:52 p.m. and 5:54 p.m. The temperature was 78° F during the field survey, with 70% cloud cover and 3 mph winds. Any inaccessible or restricted areas were surveyed using binoculars. The vegetation, jurisdictional waters, and wildlife observed were documented. Representative photographs of the Study Area are included in **Attachment A**.

3.1.1 *Vegetation Communities*

The Project site is a vacant lot and is mapped non-native grasslands and disturbed habitat with non-native species, bare areas, with some scattered native species (**Figure 4**). Descriptions of the vegetation communities found onsite can be found below.

Non-native Grasslands

The vegetation within this area is comprised of predominantly of summer mustard (*Hirschfeldia incana*), Russian thistle (*Salsola tragus*), rat-tail fescue (*Festuca microstachys*), foxtail brome (*Bromus madritensis ssp. rubens*), ripgut brome (*Bromus diandrus*), and tocalote (*Centaurea melitensis*).

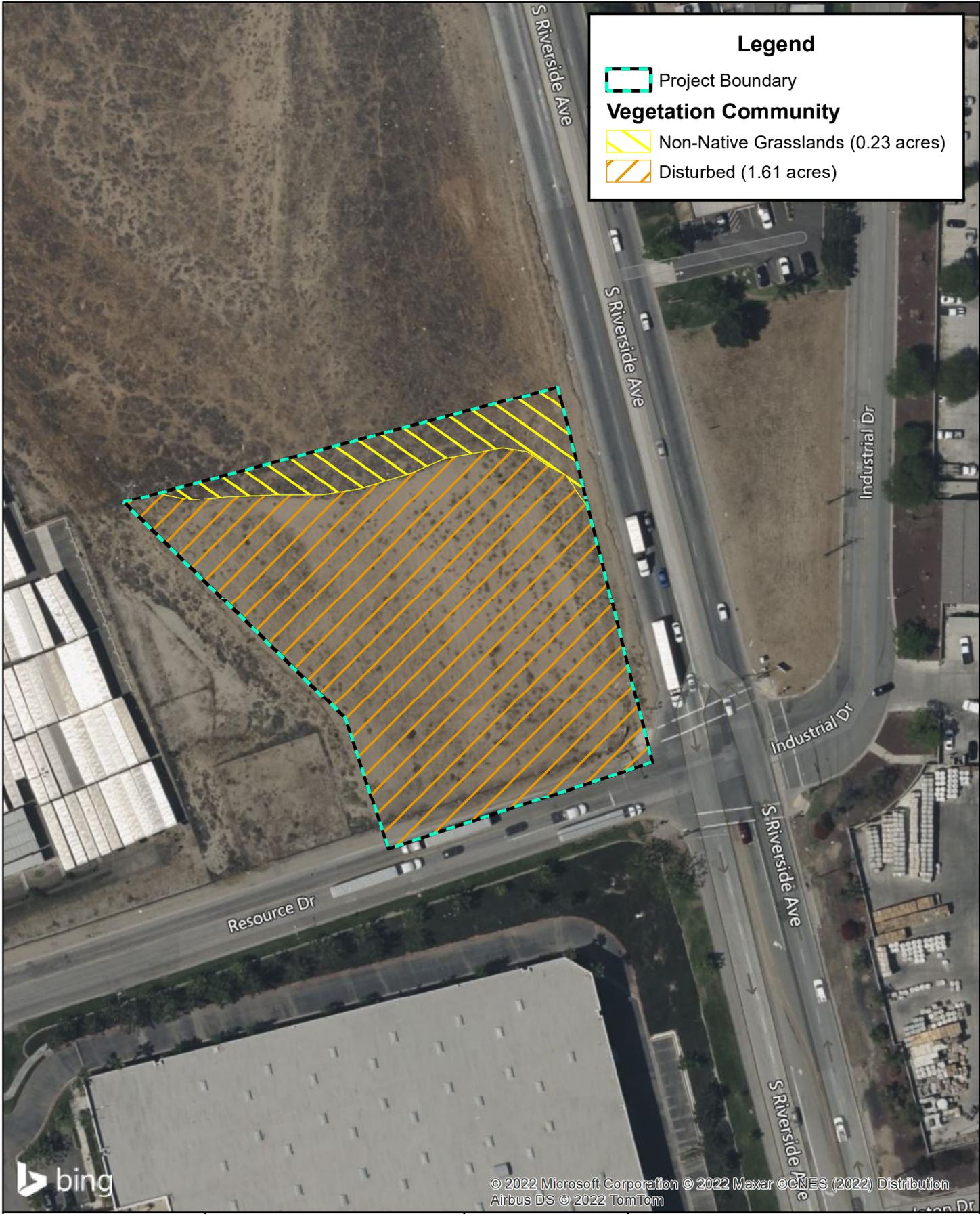
Disturbed

The vegetation within this area is comprised of predominantly of bare areas, non-native species, and scattered native species. The non-native species included foxtail (*Hordeum murinum*), Russian thistle (*Salsola tragus*), summer mustard (*Hirschfeldia incana*), and red-stemmed filaree (*Erodium cicutarium*). The scattered native species included: brittlebush (*Encelia farinosa*), bush sunflower (*Encelia californica*), California croton (*Croton californicus*), common sunflower (*Helianthis annuus*), and common fiddleneck (*Amsinckia intermedia*). The Project site was observed to be maintained and/or disked.

3.1.2 Special Status Plant and Wildlife Species

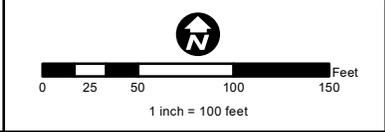
The Project site contains no special-status vegetation type listed by the CNDDDB and CDFW. The Project does not contain any suitable habitat for special status plants or wildlife (**Figure 5**). A burrowing owl (*Athene cunicularia*) habitat assessment was conducted as part of the biological assessment. While small burrows were observed, no burrows of suitable size occurred on the Project site for burrowing owl. Due to the lack of suitable habitat, the Project site is not suitable burrowing owl habitat and focused burrowing owl surveys are not required.

CNDDDB maps the entire Project quadrangle as a Delhi sands flower-loving fly occurrence. This is due to the presence of delhi soil series occurrence within portions of the quad. It should also be noted that focused Delhi Sands Flower-loving Fly surveys are not required. In April 1998 mitigation credits were purchased through Environmental Trust for Delhi Sands Flower-loving Fly Preserve area to account for impacts to the Project site (**Attachment B**). A conservation easement was placed over 6 acres of mitigation land located to the north of the Project site. No sensitive wildlife species or sensitive plants were observed during the 2022 survey.



GIS Prepared By:
Carlson SLS

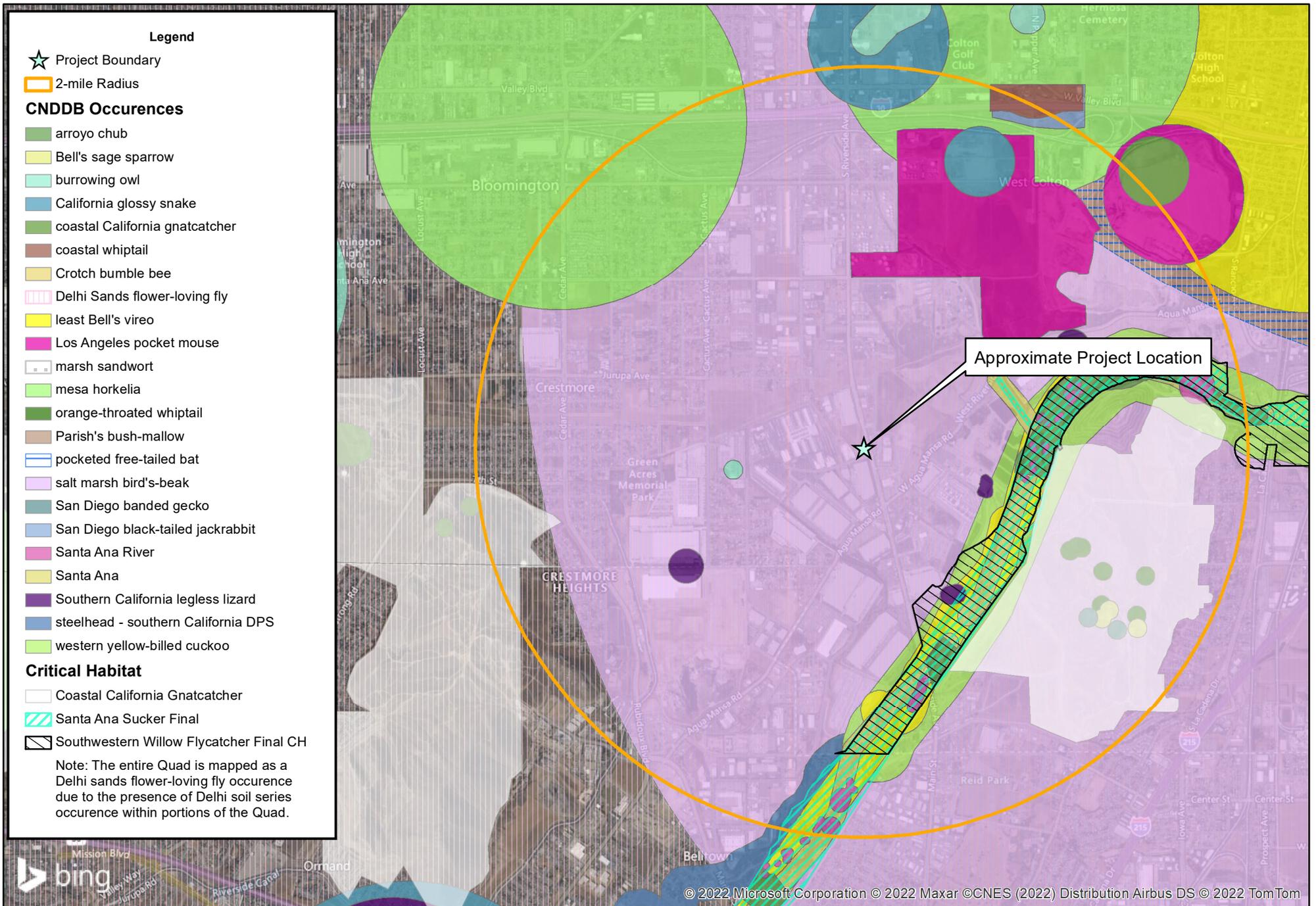
Created: October 26, 2022



Data Sources: Bing Maps

**Riverside Avenue and Resource Drive
Warehouse Facility
Vegetation Map**

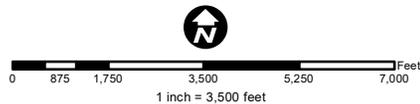
FIGURE 4



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GIS Prepared By:
Carlson SLS

Created: October 26, 2022



Data Source: Bing Map
CNDDB (November 2022)

Riverside Avenue and Resource Drive Warehouse Facility
CNDDB Occurrences and Critical Habitat

FIGURE 5

3.1.3 Critical Habitat

The Study Area is not located within any designated critical habitat. The closest mapped critical habitat occurs approximately 0.80 miles to the south east for the southwestern willow flycatcher (*Empidonax trailii extimus*) and Santa Ana sucker (*Catostomus santaanae*) (**Figure 5**). The Project site does not contain any suitable habitat for these species.

3.1.4 Wildlife Species

The Project site is located on a busy corner with large truck traffic and adjacent warehouse facility activities. Due to this wildlife species observed onsite was low during the survey. Observed species include turkey vulture (*Cathartes aura*), American crow (*Corvus brachyrhynchos*), horned lark (*Eremophila alpestris*), Anna's hummingbird (*Calypte anna*), song sparrow (*Melospiza melodia*) and cottontail rabbit (*Sylvilagus audobonii*).

3.2 Jurisdictional Waters

Based on the literature review and USGS quadrangle topographic map, no blue line drainages were mapped on the Project site. During the field survey, the biologists paid special attention for any drainages meeting the regulatory definitions of waters.

Based on the field survey, there are no features identified on the Project site that meet the definition and are considered jurisdictional Waters of the United States or Waters of the State, pursuant to Section 1600-1603 of the California Fish and Game Code and Section 401 and 404 of the Clean Water Act, respectively.

3.3 Soils

The United States Department of Agriculture NRCS lists a single soil types (series) occurring onsite. Please see below for the following soil type, which was used to determine the possibility for sensitive wildlife and plant species. While Delhi Fine Sands is mapped onsite, a focused Delhi Sands Flower-loving Fly survey was not required. In April 1998 mitigation credits were purchased through Environmental Trust for Delhi Sands Flower-loving Fly Preserve area to account for impacts to the parcel (**Attachment B**). A conservation easement was placed over 6-acres of mitigation land located directly north of the Project site.

The following single soil types is mapped within the Project site and shown on **Figure 6**:

- Delhi Fine Sands (Db)



Legend

 Project Boundary

Soils Type

 Delhi fine sand (Db)

 Quarries and Pits soils (GP)

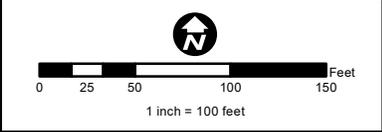
 Hanford coarse sandy loam, 2 to 9 percent slopes (HaC)

 Tujunga gravelly loamy sand, 0 to 9 percent slopes (TvC)



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GIS Prepared By:
Carlson SLS
Created: October 26, 2022



Data Sources: Bing Maps

**Riverside Avenue and Resource Drive
Warehouse Facility
Soils Map**

FIGURE 6

4.0 Impacts

With the implementation of the Project the entire parcel will be impacted.

4.1 Biological Results

4.1.1 *Vegetation Communities*

Development of the Project site would result in the direct removal of non-native and scattered native plant species. No special status or sensitive plant species were identified to occur onsite, nor were they observed onsite. The Project site is highly disturbed with abundant bare areas. The Project would include the removal of non-native with scattered native species, which are abundant in the area; therefore, impacts would not be considered a significant impact and no mitigation is required.

4.1.2 *Sensitive Wildlife Species*

Development of the Project site would result in the disruption and removal of foraging habitat and the loss and displacement of non-sensitive common wildlife species. Due to the level of existing disturbance from human activity on-site, the busy intersection, and development within the vicinity (e.g., nearby warehouse and industrial buildings), these impacts would not be expected to reduce the general wildlife populations below self-sustaining levels within the region and impacts to non-sensitive wildlife species do not meet the significance thresholds. Therefore, impacts to common wildlife species would not be considered a significant impact and no mitigation is required.

The Project site consists primarily of disturbed habitat and lacks suitable nesting habitat for sensitive wildlife species. The Project site provides limited suitable habitat for ground nesters and some common avian species. While none of the common species carry a Federal or State listing as threatened or endangered, they are all protected under the Migratory Bird Treaty Act (MBTA). Therefore, a pre-construction survey is required in compliance with the MBTA. Implementation of **Mitigation Measure MM BIO-1** would reduce potential impacts to the avian species to a less than significant level, if nesting individuals are present.

MM BIO-1 *Prior to the issuance of any grading permit that would impact potentially suitable nesting habitat for avian species, the project applicant shall adhere to the following:*

1. *Vegetation removal activities shall be scheduled outside the nesting season (September 1 to February 14 for songbirds; September 1 to*

January 14 for raptors) to the extent feasible to avoid potential impacts to nesting birds and/or ground nesters.

2. *Any construction activities that occur during typical nesting season (February 15 to August 31 for songbirds; January 15 to August 31 for raptors) will require that all suitable habitat, on-site and within 300-feet surrounding the site (as feasible), be thoroughly surveyed for the presence of nesting birds by a qualified biologist before commencement ground disturbances. If active nests are identified, the biologist would establish buffers around the vegetation (500 feet for raptors and sensitive species, 200 feet for non-raptors/non-sensitive species). All work within these buffers would be halted until the nesting effort is finished (i.e. the juveniles are surviving independent from the nest). The onsite biologist would review and verify compliance with these nesting boundaries and would verify the nesting effort has finished. Work can resume within these areas when no other active nests are found. Alternatively, a qualified biologist may determine that construction can be permitted within the buffer areas and would develop a monitoring plan to prevent any impacts while the nest continues to be active (eggs, chicks, etc.). Upon completion of the survey and any follow-up construction avoidance management, a report shall be prepared and submitted to City for mitigation monitoring compliance record keeping.*

A burrowing owl (*Athene cunicularia*) habitat assessment was conducted as part of the biological assessment. While small burrows were observed, no burrows of suitable size occurred on the Project site for burrowing owl. Due to the lack of suitable habitat, the Project site is not suitable burrowing owl habitat and focused burrowing owl surveys are not required

While Delhi Fine Sands is mapped onsite, a focused Delhi Sands Flower-loving Fly survey was not required. In April 1998 mitigation credits were purchased through Environmental Trust for Delhi Sands Flower-loving Fly Preserve area to account for impacts to the parcel (**Attachment B**). A conservation easement was placed over 6 acres of mitigation land, which is located directly north of the Project site.

4.1.3 Wildlife Corridor

The Project site is surrounded by industrial and warehouses and does not function as a wildlife corridor. Furthermore, the Project site is located on the corner of a busy

intersection with consistent large delivery truck traffic and noise. As such, no impacts would occur, and no mitigation is required.

4.1.4 Local Ordinances or Policies

The Project is not subject to any local policies, such as a tree preservation ordinance. Therefore, no impacts would occur, and no mitigation is required.

4.1.5 Adopted Habitat Conservation Plan

The Project site is not subject to any adopted habitat conservation plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan. Therefore, no impacts would occur, and no mitigation is required.

4.2 Jurisdictional Features

No jurisdictional features occur on the Project site that meet the definition and are considered jurisdictional Waters of the United States or Waters of the State, pursuant to Section 1600-1603 of the California Fish and Game Code and Section 401 and 404 of the Clean Water Act, respectively. Therefore, no impacts would occur, and no mitigation is required.

5.0 Summary

The Project site consists primarily of disturbed habitat and non-native grasslands. The disturbed habitat consists of non-native species, bare areas, and scattered native species. Overall, the Project site does not contain sensitive habitat or suitable habitat for sensitive species. While Delhi Fine Sands is mapped onsite, a focused Delhi Sands Flower-loving Fly survey was not required. In April 1998 mitigation credits were purchased through Environmental Trust for Delhi Sands Flower-loving Fly Preserve area to account for impacts to the parcel (**Attachment B**). A conservation easement was placed over 6 acres of mitigation land, which is located directly north of the Project site.

While the site is disturbed it could provide suitable foraging and nesting habitat for avian ground nesters. Due to the suitable habitat, direct impacts could occur to nesting birds should construction activities and ground disturbances begin during the typical nesting season. However, adherence and implementation of **MM BIO - 1** will ensure impacts to avian species or their habitats are minimized thus reducing the Project's impact to less than significant.

No jurisdictional features are present that would require regulatory permits.

Please contact me at bbernard@carlsonsls.com or 949.542.7042, should you have any questions or comments.



Brianna Bernard
Project Manager

Enclosures:

- Attachment A: Representative Photographs
- Attachment B: Delhi Sand Flower-Loving Fly Mitigation Letter

Attachment A: Representative Photographs



The Project site consists primarily of non-native species and bare areas with scattered native species.



Non-native grasses and bare areas dominated the Project site.



Representative burrows, which are inadequate for burrowing owl.



Trash and debris occurred onsite.



The northern portion of the Project site consists of non-native grasslands.



Looking south east over the Project site.



Looking west over the northern boundary of the Project site.



Looking north of the Project site as trash and debris dumped on the site.

Attachment B: Delhi Sands Flower-Loving Fly
Mitigation Letter



April 23, 1998

Grant Becklund
Owl Companies, Inc.
2455 Campus Drive
Irvine, CA 92715

Dear Mr. Becklund

The Environmental Trust has received payment from your company for 6 acres of mitigation credits in our Delhi Sands Flower Loving Fly Preserve area. By copy of this letter, we are advising the regulatory agencies that we have allocated 6 acres of mitigation credits in the Trust's Delhi Sands Fly Preserve in your favor as stated as a requirement in the MOU between the U.S. Fish and Wildlife Service and the Agua Mansa Industrial Growth Association dated November 22, 1996. The preservation of the habitats in this Preserve area was approved by a letter to the Service dated December 4, 1996 from Daryl Moore of the Owl Companies, Inc.

The Trust is placing an open space easement over the entire 6 acres of the property as requested by the letters cited above. The easement is dedicated to The Environmental Trust with the California Department of Fish and Game named as a third party beneficiary. A copy of the easement is attached for the agencies' reference. Upon recordation of this easement, we will send a copy to both you and the agencies.

We appreciate the opportunity to work with you on this project.

Sincerely,

Jacquie Rice
Project Manager

JR:rca

cc: Jeff Newman, USFWS
Mary Beth Woulfe, USFWS
Royce Riggan



September 16, 1998

Grant Becklund
Owl Companies, Inc.
2455 Campus Drive
Irvine, CA 92715

RE: Delhi Sands Flower-Loving Fly Preserve No. 1

Dear Mr. Becklund:

Enclosed please find a copy of the recorded Covenants of Restriction and Grant of Conservation Easement on the above-referenced property which we are providing for your records.

Sincerely,


Robin Alter-Haas
Accounting/Contract Administrator

Enclosure

cc: Jeff Newman & Mary Beth Woulfe, USFWS

RECORDED AT REQUEST OF
AND MAIL TO

Recorded in Official Records, County of
San Bernardino, Errol J. Mackzum, Recorder

CHICAGO TITLE

Doc No. 19980181000
3:44pm 05/12/98

Ray Davis

Chicago Title # 607

CHICAGO TITLE COMPANY

When Recorded, Please Mail
this Instrument to:

THE ENVIRONMENTAL TRUST
7879 El Cajon Boulevard
La Mesa, CA 91941

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PG	FEE	APF	GIMS	PH CPY	CRT CPY	ADD NM	PEN PR	PCOR		
7	7	18								
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NON ST	LN	SVY	CIT-CO	TRANS TAX	DA	CHRG	EXAM			

SPACE ABOVE FOR RECORDER'S USE ONLY

Accom.

COVENANTS OF RESTRICTION
AND
GRANT OF CONSERVATION EASEMENT

WHEREAS: The Owl Companies ("Grantor"), warrant that they are the owner of the real property in the City of Rialto, County of San Bernardino, State of California, as described in Exhibit "A" attached hereto and commonly known as the Delhi Sands Flower-loving Fly Preserve Number 1, which is or may be subject to real estate taxes, assessments, conditions, restrictions and easements all as the same may be of record and,

WHEREAS: It is the desire of the Grantors and The Environmental Trust, Inc., a California Nonprofit Corporation (Grantee), that Covenants be recorded over a portion of the property and an easement over that portion of the Preserve be granted to Grantee to remain as open space in perpetuity. The restrictive covenant and easement are to cover the subject property as described in Exhibit "B" attached hereto.

WHEREAS: Grantee is a nonprofit public benefit corporation and was organized exclusively for charitable, educational, scientific, ecological, historical, recreational, and scenic purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. The specific and primary purpose for which The Environmental Trust was formed is to protect and preserve lands and other natural resources for open space values by monitoring, managing and otherwise preserving the natural and historical values of the natural resources under its charge by the use of trusts, conservation easements, or other means to ensure these resources are preserved for future generations.

Chicago Title Company has recorded this instrument by request as an accommodation only and has not examined it for regularity and sufficiency or as to its effect upon the title to any real property that may be described herein.

WHEREAS: It is the intent of The Environmental Trust to hereby Covenant and Restrict for themselves and their successors and assigns the use of the property described in Exhibit "B" as follows:

- A. To have the subject property designated and treated as open space for the conservation of Delhi Sands Flower-loving Fly (*Rhaphiomidas terminatus abdominalis*) as required in Environmental Assessment Review #96-24 and Negative Declaration filed 1/16/97 by the City of Rialto;
- B. To use the subject property for the purposes and intent of these Covenants;
- C. To not allow livestock to graze or use the subject property nor to use the subject property for agricultural purposes;
- D. That the terms, covenants and conditions and the purpose and intent set forth herein may be specifically enforced or enjoined by proceedings in the Superior Court of the State of California;
- E. That this Covenant shall bind the Grantor and their successors and assigns; and
- F. That this Covenant shall run with the land.

NOW THEREFORE, for valuable consideration to cover acquisition, management and monitoring of the subject property, receipt of which is hereby acknowledged:

1. The Grantor grants to The Environmental Trust:

- A. An exclusive, perpetual conservation easement (Easement) for open space purposes over, upon, across and under the subject property; the purpose and intent of which is for educational, scientific and ecological values. This easement is exclusive to the Environmental Trust with the U.S. Fish and Wildlife Service named as a third party beneficiary.
- B. The perpetual right, but not the obligation, to manage the resources of the subject property in concurrence with the purpose and intent of this Easement. In the event The Environmental Trust proposes to cease operation, the Trust can assign all of its rights and obligations to the property to another nonprofit entity provided for in Section 214 of the Revenue and Taxation Code of the Internal Revenue Service, to a governmental agency or other party mutually acceptable to any of which shall agree to assume all such rights and obligations.
- C. Grantor reserves in the future, the right to exchange this specific property for another property that would be more appropriate for the long term preservation of the DSF subject to the approval of the U.S. Fish and Wildlife Service.
- D. Grantee agrees to relinquish all rights to this property back to the Grantor or successors should this easement no longer be required for the protection of the DSF subject to the approval of the U.S. Fish and Wildlife Service.

2. The grant of this easement and its acceptance by The Environmental Trust shall not authorize the public nor any member thereof to use or enter upon all or any portion of the subject property except for limited educational or scientific uses or for purposes of biological research. It being understood that the purpose and intent of this Covenant and Easement is to restrict the uses to which the subject property may be put so it will be preserved in perpetuity and managed by The Environmental Trust to the benefit of its biological and environmental resources.

3. As a material inducement and condition to Grantor's agreement to grant this Grant of Conservation Easement, The Environmental Trust agrees by accepting this Easement that the access to the subject property is hereby expressly granted to the employees of The Environmental Trust to fence, maintain, monitor and otherwise manage the resources of the Easement for the purposes and the limited uses stated above. The Environmental Trust acknowledges that access to the subject property is granted by Grantor to employees of the applicable state or federal resource agencies or their respective official designed representatives to allow them to observe the conditions of the property as per the management and monitoring requirements that apply.

4. This Easement shall preclude native vegetation removal or additions with the exception of specific management requirements, or conditions specified in sections 1 and 2 above, and that brush clearing for fire protection purposes shall be at the discretion of The Environmental Trust as prescribed by law.

Covenanted and deeded this 12th day of February, 1998



Owl Companies
By: Gregory P. Chambers
Vice President

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of CALIFORNIA

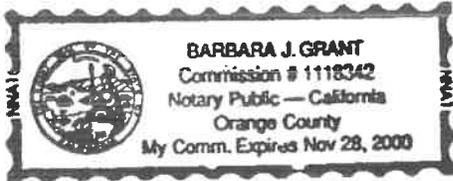
County of ORANGE

On FEBRUARY 12, 1998 before me, BARBARA J. GRANT, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared GREGORY P. CHAMBERS
Name(s) of Signer(s)

- personally known to me
- proved to me on the basis of satisfactory evidence

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



WITNESS my hand and official seal.

Barbara J. Grant
Signature of Notary Public

OPTIONAL

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

Description of Attached Document

Title or Type of Document: COVENANTS OF RESTRICTION AND GRANT OF CONSERVATION EASEMENT

Document Date: FEBRUARY 12, 1998 Number of Pages: 6

Signer(s) Other Than Named Above: NONE

Capacity(ies) Claimed by Signer(s)

Signer's Name: GREGORY P. CHAMBERS

- Individual
- Corporate Officer
Title(s): VICE PRESIDENT
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing:

Oil Companies

Signer's Name: _____

- Individual
- Corporate Officer
Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing:

EXHIBIT "A"

LEGAL DESCRIPTION

ALL THAT PORTION OF TRACT 2 LYING WESTERLY OF THE CENTERLINE OF RIVERSIDE-RIALTO ROAD, ACCORDING TO AMENDED MAPS OF TRACT NO. 2 AND NO. 3, FORMERLY THE PROPERTY OF FRANCIS CUTTLE, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 1 OF RECORDS OF SURVEY, PAGE 69, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE SOUTHWESTERLY LINE OF SAID TRACT NO. 2 AND THE CENTERLINE OF THE SAID RIVERSIDE-RIALTO ROAD; THENCE NORTH 47°33' WEST ALONG SAID SOUTHWEST LINE OF TRACT NO. 2, A DISTANCE OF 123.26 FEET, MORE OR LESS, TO THE SOUTHWEST CORNER OF THE HEREINAFTER MENTIONED SAN BERNARDINO COUNTY PROPERTY AND THE TRUE POINT OF BEGINNING;

THENCE CONTINUING ALONG THE SOUTHWEST LINE OF TRACT NO. 2 NORTH 47°33' WEST, 471.59 FEET TO AN ANGLE POINT (NOTE THE FOLLOWING FIVE COURSES AND DISTANCES ARE ALONG THE SOUTHWEST LINE OF THE AFOREMENTIONED TRACT NO. 2);
THENCE NORTH 5°13' WEST, 287 FEET;
THENCE NORTH 45°37' WEST, 592.6 FEET;
THENCE NORTH 69°14' WEST, 261.3 FEET;
THENCE NORTH 33°18' WEST, 46.43 FEET;
THENCE NORTH 76°7'31" EAST, 760.47 FEET, MORE OR LESS, TO THE WEST LINE OF RIVERSIDE AVENUE, AS CONVEYED TO THE COUNTY OF SAN BERNARDINO BY DEED RECORDED FEBRUARY 25, 1960, IN BOOK 5064, PAGE 260, OFFICIAL RECORDS;
THENCE SOUTH 13°51'29" EAST, ALONG SAID WEST LINE OF RIVERSIDE AVENUE, A DISTANCE OF 1372.47 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

EXHIBIT "B"

LEGAL DESCRIPTION

CONSERVATION EASEMENT

ALL THAT PORTION OF TRACT 2 LYING WESTERLY OF THE CENTERLINE OF RIVERSIDE-RIALTO ROAD, ACCORDING TO AMENDED MAPS OF TRACT NO. 2 AND NO. 3, FORMERLY THE PROPERTY OF FRANCIS CUTTLE, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 1 OF RECORDS OF SURVEY, PAGE 69, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE SOUTHWESTERLY LINE OF SAID TRACT NO. 2 AND THE CENTERLINE OF THE SAID RIVERSIDE-RIALTO ROAD; THENCE NORTH 47°33' WEST ALONG SAID SOUTHWEST LINE OF TRACT NO. 2, A DISTANCE OF 123.26 FEET, MORE OR LESS, TO THE SOUTHWEST CORNER OF THE HEREINAFTER MENTIONED SAN BERNARDINO COUNTY PROPERTY;

THENCE CONTINUING ALONG THE SOUTHWEST LINE OF TRACT NO.2 NORTH 47°44'21" WEST 472.63 FEET (FORMERLY NORTH 47°33' WEST, 471.59 FEET) TO AN ANGLE POINT (NOTE THE FOLLOWING FIVE COURSES AND DISTANCES ARE ALONG THE SOUTHWEST LINE OF THE AFOREMENTIONED TRACT NO. 2);
THENCE NORTH 05°28'05" WEST, 286.99 FEET (FORMERLY NORTH 5°13' WEST, 287 FEET);
THENCE NORTH 45°49'16" WEST (FORMERLY NORTH 45° 37' WEST), 239.96 FEET AND THE TRUE POINT OF BEGINNING;

THENCE NORTH 45°49'16" WEST (FORMERLY NORTH 45°37' WEST), 352.42 FEET;

THENCE NORTH 69°01'38" WEST, 260.97 FEET (FORMERLY NORTH 69°14'WEST, 261.3 FEET);

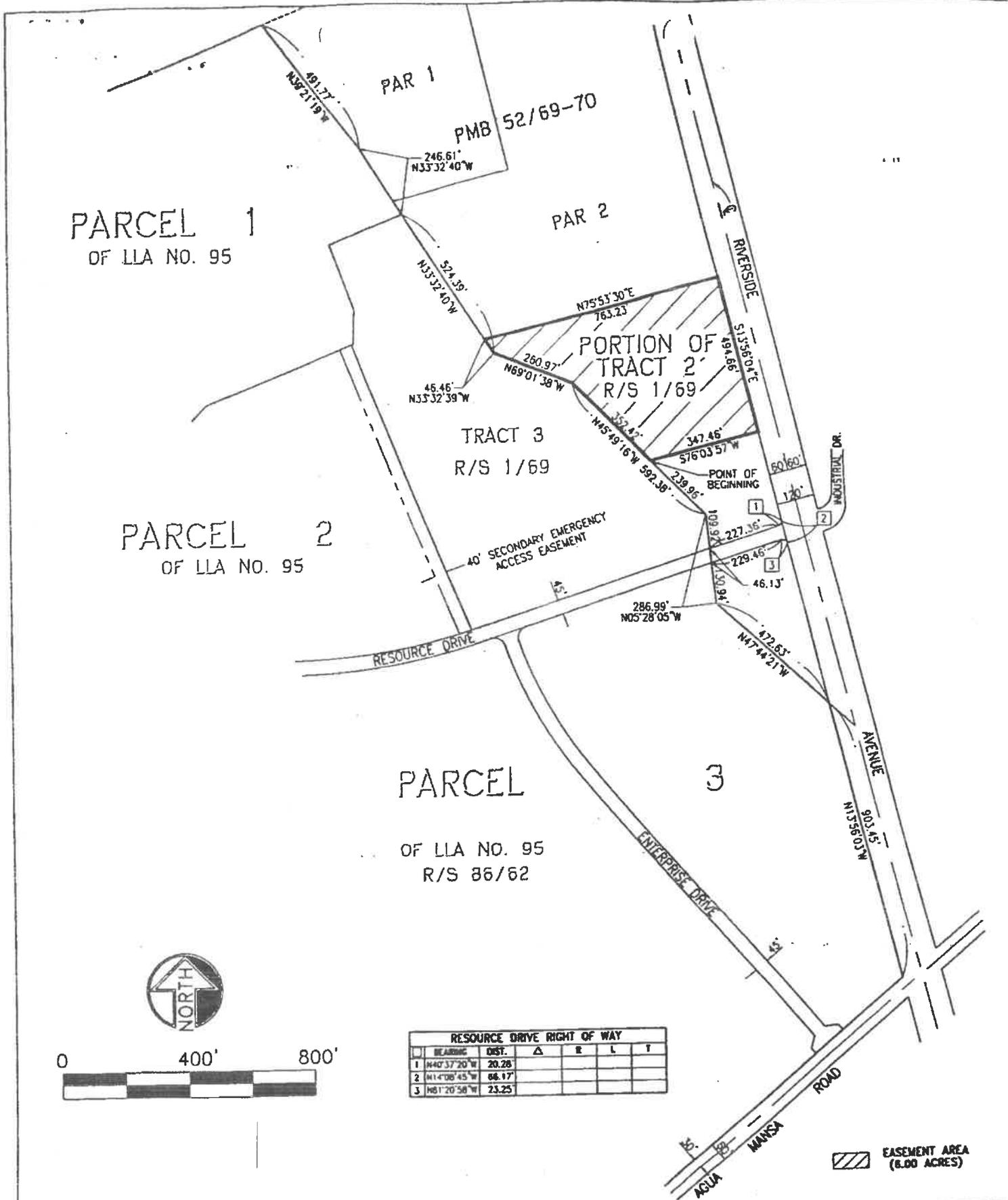
THENCE NORTH 33°32'39" WEST, 46.46 FEET (FORMERLY NORTH 33°18' WEST, 46.43 FEET);

THENCE NORTH 75°53'30" EAST, 763.23 FEET (FORMERLY NORTH 76°7'31" EAST, 760.47 FEET), MORE OR LESS, TO THE WEST LINE OF RIVERSIDE AVENUE, AS CONVEYED TO THE COUNTY OF SAN BERNARDINO BY DEED RECORDED FEBRUARY 25, 1960, IN BOOK 5064, PAGE 260, OFFICIAL RECORDS;

THENCE SOUTH 13°56'04" EAST, 494.66 FEET (FORMERLY SOUTH 13°51'29" EAST), ALONG SAID WEST LINE OF RIVERSIDE AVENUE, A DISTANCE OF 494.66 FEET;

THENCE SOUTH 76°03'57" WEST, 347.46 FEET MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

THIS EASEMENT CONTAINS 6.00 ACRES



GABEL, COOK & BECKLUND
 CIVIL ENGINEERS LAND SURVEYORS
 LAND PLANNERS
 125 West La Cadena Drive, Suite A, Riverside, CA 92501
 Telephone (909) 788-8092 Facsimile (909) 788-5184

**CONSERVATION
 EASEMENT
 PLAT**

4 December 1996

Mr. Gail C. Kobetich - Field Supervisor
United States Fish & Wildlife Service
Field Office
2730 Loker Avenue West
Carlsbad, California 92008

Re: Side Agreement in conjunction with the Memorandum of Understanding between the United States Fish & Wildlife Service and the Agua Mansa Industrial Growth Association

Dear Mr. Kobetich:

As you know, the U.S. Fish & Wildlife Service (the "Service") and the Agua Mansa Industrial Growth Association ("AMIGA") are entering into that certain Memorandum of Understanding (the "MOU"), dated November 22, 1996, concerning the provision of certain Dedicated Land and the preparation of the Habitat Conservation Plan for the Delhi Sands flower loving fly ("DSF"). All terms not otherwise defined in this side agreement shall be deemed to have the same meaning as in the MOU.

In consideration of the MOU and the commitments made therein, Owl Companies, Inc. ("Owl") hereby agrees to acquire six plus acres of "Dedicated Land" as described in paragraph 1 of the MOU. Owl hereby agrees to acquire and make such dedication by placing a conservation easement over or transferring fee title of the six plus acres of Dedicated Land to a Service approved land manager or designee prior to the commencement of construction activities on the remaining three acres of the approximately ten acre site. Also prior to commencement of construction, Owl shall provide: 1) a management endowment of no less than \$65,000; or 2) an amount or other arrangement to be agreed upon by the Service and Owl, that would manage the Dedicated Land at an equivalent level; or 3) otherwise ensure that the Dedicated Land shall be managed for the DSF within the Agua Mansa Enterprise Zone (AMEZ), as defined in the MOU as part of the Habitat Conservation Plan contemplated therein. Owl's delivery of the Dedicated Land and management thereof shall constitute the full satisfaction by Owl and its successor owners of the two subject parcels owned within the AMEZ (Figure 1) with respect to the providing of, paying for, or maintaining of habitat for the DSF within AMEZ.

In consideration of this MOU and the commitments made therein or, independently, the commitment of Owl in this side agreement, which shall be an exhibit to the MOU, the Service agrees that any incidental take of the DSF associated with the development of Owl's two parcels within the AMEZ, as shown on Exhibit F of the MOU, are exempt from take prohibitions of Section 9 of the Act, and may proceed without further action by the Service

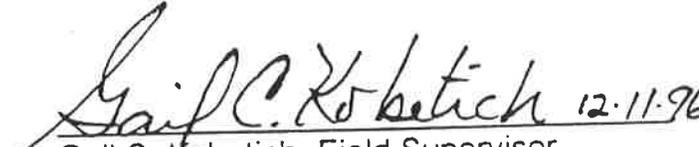
OWL COMPANIES

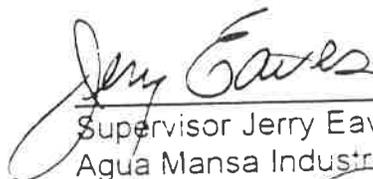
2465 CAMPUS DRIVE • IRVINE, CALIFORNIA 92715
TEL (714) 660-4966 FAX (714) 660-4936

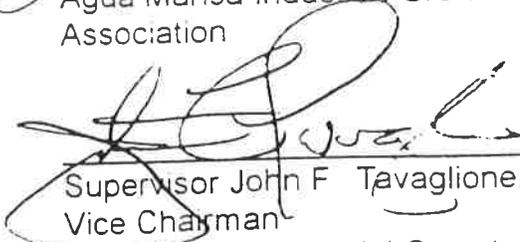
The following paragraph is an Amendment to the Memorandum of Understanding between the U. S. Fish and Wildlife Service and Agua Mansa Industrial Growth Association (MOU) of November 22, 1996.

Amendment to the November 22, 1996 Memorandum of Understanding between the U. S. Fish and Wildlife Service and Agua Mansa Industrial Growth Association

In consideration of the MOU and the commitments made in this paragraph, the Service agrees that any incidental take of DSF associated with development on approximately three acres (hereinafter the "Developed Lands") of the approximately ten acre parcel shown on attached Exhibit E which Owl is acquiring along Riverside Avenue, and the construction and operation on said Developed Lands of a secondary access road, is exempt from the take prohibitions of Section 9 of the Act and may proceed without further action by the Service provided that, prior to the commencement of any construction activities on the Developed Lands, Owl fulfills the following obligations: 1) acquires fee title to the ten acre parcel and provides for the permanent conservation of six plus acres of the parcel (hereinafter the Dedicated Lands) by executing a conservation easement, approved by the Service, over the Dedicated Lands in favor of or transferring fee title of the Dedicated Lands to, a Service approved land manager or designee, and 2) ensures the permanent management of the Dedicated Lands for the conservation of DSF. Such permanent management may be secured through the establishment of a management endowment in the amount of \$65,000, provision for equivalent management in a manner acceptable to the Service, or if the HCP covering the Dedicated Lands is approved by the Service in accordance with paragraph 2 of this MOU, management of the Dedicated Lands in accordance with the terms of the HCP.


Gail C. Kobetich, Field Supervisor
United States Fish & Wildlife Service


Supervisor Jerry Eaves, Chairman
Agua Mansa Industrial Growth
Association


Supervisor John F. Tavaglione,
Vice Chairman
Agua Mansa Industrial Growth
Association

United States Fish & Wildlife Service
4 December 1996
Page 2

Please confirm the Service's agreement to the terms hereof, by signing the enclosed copy of this letter, and returning it to me. We look forward to continuing to work with the Service and AMIGA in the implementation of the MOU.

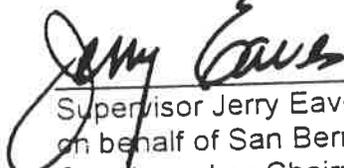
Sincerely yours,

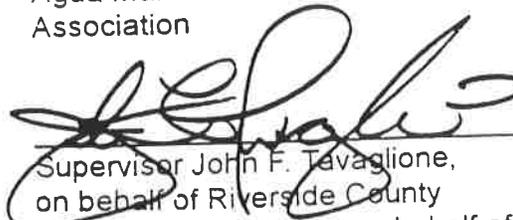


Darryl Moore
Owl Companies, Inc.

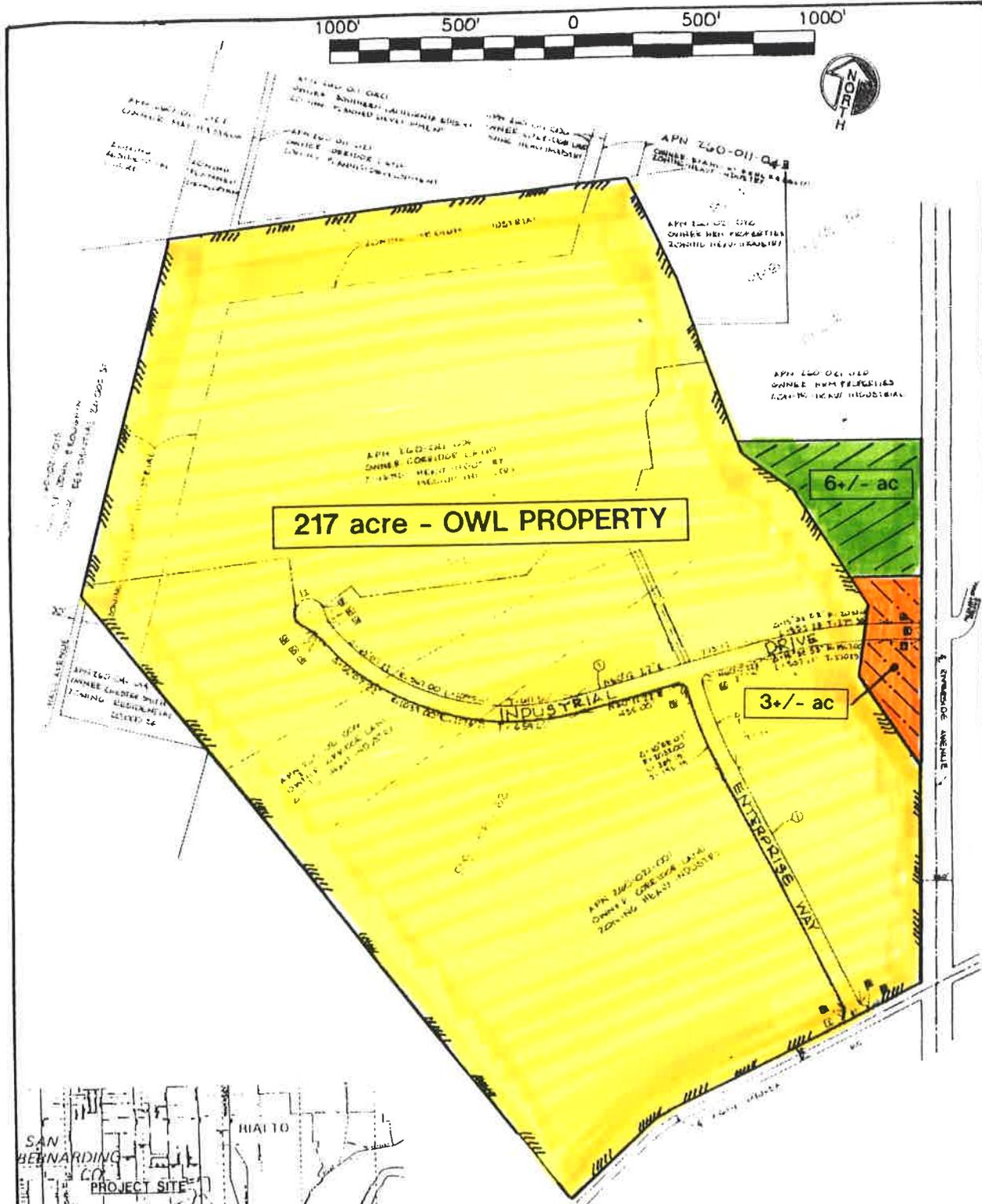
The above terms are agreed
this 5 day of December, 1996:



Gail Kobetich
Field Supervisor on behalf of
United States Fish & Wildlife Service

Supervisor Jerry Eaves,
on behalf of San Bernardino
County and as Chairman on behalf of
Agua Mansa Industrial Growth
Association

Supervisor John F. Tavaglione,
on behalf of Riverside County
and as Vice-Chairman on behalf of
Agua Mansa Industrial Growth
Association



-  6+/- acre Dedication
-  3+/- acre Remainder
-  Owl's 217 acres

GA GABEL, COOK & BECKLUND, INC.
 CIVIL ENGINEERS - LAND SURVEYORS
 LAND PLANNERS
 126 West La Cadeña Drive, Suite A, Riverside, CA 92501
 Telephone (908) 788-8092 Facsimile (908) 788-5184

EXHIBIT "A"

WO 574 12/4/96 OWL COMPANIES