

RIVER ISLANDS

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July 17, 2012

Mr. Phil Isenberg, Chairman
Delta Stewardship Council
980 Ninth Street, Suite 1500
Sacramento, CA 95814

Dear Chairman Isenberg:

I am writing to accept your offer to confirm that the River Islands at Lathrop project is exempt from Covered Actions under the Delta Plan.

On July 3, 2012, you informed the Senate Natural Resources and Water during the hearing on AB 1095 (Buchanan) of the following:

“... in August 2011, we (the Delta Stewardship Council (DSC)) issued the 5th Draft Delta Plan ..., **saying that areas within city boundaries and within their spheres of influence are not covered.** Ms. Buchanan has mentioned three projects ... (1) the Mountain House project...(2) the Sanctuary project which is within the city limits of Stockton and (3) **the River Islands project**, which has been around since 1994 and has gotten approval, is in the City of Lathrop...” (Emphasis added in bold and underline).

Our company has had a property interest in the River Islands site (Stewart Tract) since 1989 and has owned all 4,800 acres in fee since 2005. The site was included in the City of Lathrop's first general plan adopted in December 1991 and subsequently placed in Lathrop's sphere of influence by the San Joaquin LAFCO. The project site was included in the secondary zone of the Delta with the 1992 legislation creating the same and the entire project site was annexed by LAFCO into the City of Lathrop in 1996. River Islands is fully entitled for development through the City's West Lathrop Specific Plan, zoning and vesting tentative maps. We have already constructed all major infrastructure to the project site, including roads, utilities, lakes and drainage facilities and we have flood protected the first 900 acres of the site from a 200 year flooding event. Construction of the project's first public school (River Islands Technology Academy) is under way and will open as a charter school to students in August 2013. The first 200 home sites for the project are slated for completion in early 2013.

The enacting legislation that created the DSC and the subsequent codification of the legislation in the State's Water Code contained seven statutory exemptions from Covered Actions (specifically Water Code section 85057.5). We believe that the original legislation and the subsequently codified State law intended the River Islands project to be exempt from the Delta Plan as a result, since it has been approved for development for many years prior to this legislation. We respectfully request that the DSC provide written confirmation of this fact.



THE CAMBAY GROUP, INC.

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We look forward to a response to our request. If you need additional information or would like to meet to discuss, please let me know and I will make myself available at your earliest convenience.

Sincerely,



Susan Dell'Osso, Project Director
River Islands at Lathrop

cc: Honorable Members of the Senate Natural Resources & Water Committee
The Honorable Joan Buchanan, Member of the Assembly
The Honorable Bill Berryhill, Member of the Assembly
The Honorable Cathleen Galgiani, Member of the Assembly
Honorable Mayor and Members of the Lathrop City Council
Stephen Salvatore, Interim City Manager for the City of Lathrop
Members of the Delta Coalition
Stephen Qualls, League of California Cities
Secretary John Laird, CA Natural Resources Agency
Joe Grindstaff, Executive Director, DSC
Jared Ficker, California Strategies
Anthony Barkett, Esq.
Frank L. Ruhstaller, Chairman, San Joaquin County Board of Supervisors
Glenn Gebhardt, Director of Community Development/City Engineer, City of Lathrop
Kurt Schuparra, California Strategies
Michael Brown, Brown Sand and Gravel