



April 25, 2011

Mr. Muril Clift, President
Cambria Community Services District
P.O. Box 65
Cambria, CA 93428

Re: Future of the Cambria/Lodge Hill Restoration Program

Dear Mr. Clift and members of the Board:

On behalf of my board of directors I am writing to express the Coastal Conservancy's sincere appreciation for the Cambria Community Services District's (CCSD) pending consideration to assist my agency in preserving the future viability of the hugely successful Cambria/ Lodge Hill Restoration Program by accepting from the Land Conservancy of San Luis Obispo County (SLOLC) the proposed transfer of 55 parcels they have acquired with funding from my agency over the past several years.

As you may know, this Program has been funded by the State Coastal Conservancy (SCC) for the past 25 years and has resulted in the permanent protection of over 140 tax parcels comprising approximately 450 legal lots of records. Together with our local nonprofit partners at the SLOLC this program has effectively reduced buildout in Cambria and thereby reduced demand for limited water supply and other strained district services. The Program has also functioned to reduce future growth in Cambria which will ultimately enhance compliance with expected conditions of approval the Coastal Commission will require when permitting construction of the district's planned desalinization plant.

Today, we are at a crossroads with our Cambria/ Lodge Hill Restoration Program. For 25 years we have funded the purchase and permanent protection of hundreds of lots while also funding ongoing maintenance, as well as the payment of the property taxes. While this model Transfer of Development Credit or "TDC" program was designed since its inception to be self-sustaining, Cambria's 2001 - to present moratorium on most new development has depleted the Program's reserves as the market demand for development credits has largely evaporated.

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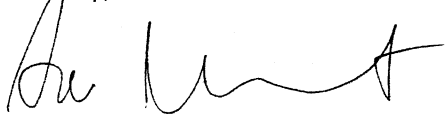
While we replenished the Program's funding in 2007 with \$200,000 in additional grant funds, to sustain the Program's viability until the market demand for development credits reappears when the planned desalinization plant comes online we are asking your board to assume ownership of the parcels currently held by the SLOLC. We fully recognize the \$25,000 in funding we can offer the CCSD for the first three years of maintenance is less than your board might desire. However, in the long run the CCSD's acceptance of these lots is critical to the Program's survival which, in turn, will facilitate the future retirement of additional lots. I note that in 2003 the district accepted 86 parcels in the Lodge Hill Area from the SLOLC.

Over the past 30 years my board has authorized over \$15 million in grant funds for projects that have improved the quality of life and the natural environment in Cambria. For example, in addition to the \$500,000 we have provided for our Cambria/ Lodge Hill Restoration Program, we invested \$7 million for the District's purchase of the former East-West Ranch, followed by over \$500,000 for preparation of the ranch management plan, and construction of the bluff trail on the West Ranch. More recently, through a \$250,000 grant to the SLOLC we funded the preparation of designs and secured permits for the construction of a new free-span bridge to replace an old "Arizona crossing" at the Ferrasci Bridge on Santa Rosa Creek. Late last year my staff was instrumental in securing over \$1.1 million in other state bond funds to construct the bridge this summer. This project will eliminate the most significant barrier to the passage of steelhead salmon on the creek which provides the best habitat for steelhead in the entire south-central coast region.

Clearly, the Cambria CSD has historically been a valued partner in our past and ongoing efforts to conserve the rich natural resources and vast open spaces in Cambria while creating new world-class public access and recreational opportunities for locals and residents alike.

Again, on behalf of my board of directors, thank you for all of your hard work to make Cambria the special place that it is today - and will be for future generations. Please feel free to contact my staff person Timothy Duff at tduff@scc.ca.gov or 510-286-3826 should you have any questions or comments for us regarding our request for your board's approval of the proposed lot transfer.

Sincerely,



Sam Schuchat
Executive Officer

cc Tammy Rudock, CCSD General Manager
Bob Hill, Executive Director, SLOLC