

RIVER ISLANDS



A T L A T H R O P

September 18, 2008

Members of the Governor's Blue Ribbon Task Force
Delta Vision
650 Capitol Mall
Sacramento, CA 95814

RE: Fourth Staff Draft Strategic Plan – Delta Visioning Process

Honorable Members of the Delta Vision Blue Ribbon Task Force:

We are in receipt of information from local landowners in our area that indicates that the Task Force may be reconsidering the use of the Stewart Tract and Roberts Islands as a flood bypass or permanent floodplain; please see Attachment A.

While we are uncertain that the Task Force is actually reconsidering the August 2007 proposal, we thought it prudent to reiterate our position against using the Stewart Tract and Roberts Island as a new floodway. We submitted a letter to you in November 2007 with comments on the Third Draft of the Vision for California's Delta Report; please see Attachment B. In that letter, we outlined a number of deficiencies in the draft report and the process to which it was drafted. A number of items we mentioned were addressed by the Task Force in its final report completed in December 2007.

If discussions regarding the Stewart Tract in part or in its entirety are being readdressed by the Task Force, we wish to urgently restate the following facts:

1. Development in the Secondary Zone of the Delta is Allowed: Since 1992, local governments have adopted general plans and approved various land use entitlements within the Secondary Zone of the Delta in accordance with the Delta Protection Act. This area includes not only the Stewart Tract, but a vast existing and planned urban area, including large portions of the cities of Stockton, West Sacramento, Tracy, Brentwood, Antioch, Pittsburg and Lathrop, as well as new towns such as Mountain House that located within unincorporated areas of counties.
2. Local Land Use Authority Should Not Be Usurped: As we noted in our November 2007 letter, we do not believe there has been enough outreach to local governments concerning the Delta visioning process. A collaborative approach that meets mutual goals and addresses specific concerns of individual property owners and local governments that potentially have the most to lose in this process should still be a major goal of the Task Force. As the Task Force is aware, counties and cities have sovereign police powers to



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govern land use in their jurisdictions and that constitutional sovereignty should not be usurped.

3. There is Significant Capital Investment in the River Islands at Lathrop Project: as we indicated to Phillip Isenberg, Chair of the Task Force in our May 2007 letter (see Attachment C), the River Islands project has invested tens of millions of dollars in entitlements and capital improvements and the project is ready to develop. Moreover, there are significant infrastructure improvements on the Stewart Tract and the surrounding region that are impossible to recreate. Placement of flood bypass on the Stewart Tract would be prohibitively costly as a result. Significant infrastructure includes Interstate 5, two Union Pacific Railroad lines, major communication facilities and two separate Pacific Gas and Electric transmission facilities, not to mention the Western Area Power Administration transmission lines that lay just north of the Stewart Tract.
4. There are Better Locations for a South Delta Flood Bypass: In conjunction with the Natural Heritage Institute and the Natural Resources Defense Council, River Islands is assisting in the development of a Lower San Joaquin River Flood Bypass that would build upon the benefits of the Paradise Cut Improvement Program and eventually result in significant flood level reductions in the San Joaquin River, while providing extensive eco-restoration benefits. This collaboration commenced at the start of 2008 and we have been working diligently toward implementing this solution. The bypass would be located in an expanded Paradise Cut which is already a designated flood bypass.
5. River Islands and Lathrop should be a Delta Gateway: Consistent with the fourth draft's recommendation, we concur that Lathrop and River Islands specifically, would be an ideal recreational gateway to the Delta. Lathrop already has boat launching facilities and two public parks on the San Joaquin River, and River Islands is proposing extensive recreational opportunities with its project, including the proposed Lathrop Landing Marina.

Should you have any questions, please feel free to contact me at the numbers shown on the letterhead or email me at sdelloso@cambaygroup.com.

Sincerely,



Susan Dell'Osso
Project Director
River Islands at Lathrop

Attachment A: Notice from Roberts Islands Landowners
Attachment B: November 27, 2007 Correspondence to the Blue Ribbon Task Force
Attachment C: August 20, 2007 Correspondence to Phil Isenberg

Letter to Delta Vision Blue Ribbon Task Force
September 18, 2008
Page 3

cc: Mike Chrisman, Secretary, Resources Agency
Lester Snow, Director, Department of Water Resources
Mayor and Members of the Lathrop City Council
John Cain, Natural Heritage Institute
Monty Schmitt, Natural Resources Defense Council
Katherine Poole, Natural Resources Defense Council
Richard Roos-Collins, Natural Resources Defense Council
John Herrick, South Delta Water Agency
Alex Hildebrand, South Delta Water Agency
Steve Herum, Herum, Crabtree, Brown
Rogene Reynolds
Michael Robinson

ATTACHMENT A

!! URGENT NOTICE !!

Dear Roberts Island Landowner:

The Governor's "Delta Blue Ribbon Task Force", endorses the Peripheral Canal.

IN ADDITION, buried in its "Delta Risk Management Strategy" are two floodplain management proposals which will force Roberts Island residents off their land and out of their homes.

The "preliminary" maps call for either "relocating" all residents, and using the whole of Roberts Island as a 37,000 acre floodplain (much like the Yolo Bypass) OR for creation of a ½ mile deep flood bypass the length of our San Joaquin River boundary, condemning the homes and ranches in that path (7,000 acres).

At the Delta Vision public meeting in Stockton on August 28, these proposals were not mentioned in the presentation by Department of Water Resources staff.

We have but two opportunities to address our concerns to the Task Force.

There will be a Public Comment moment at a meeting of the "Delta Vision Stakeholder Coordination Group" on

WEDNESDAY, September 17

Hilton Arden West

2200 Harvard Street Sacramento

Meeting From 1:00 to 4:00 PM

OR:

Your comments on the Delta Vision Plan and process can still be submitted by e-mail until SEPTEMBER 30, 2008 at

dv_calwater.ca.gov

Written comments can be mailed to:

Delta Vision 650 Capitol Mall, Sacramento, CA 95814

Please join your Roberts Island neighbors in making the most emphatic objection possible to this completely misguided and inappropriate land grab by the State of California. Roberts Island is not a floodway – it is our homes and our ranches and our heritage.

What do these maps mean?

“Weir and Drainage Locations: San Joaquin Bypass” (Alternative 1)

The blue portion is the **entire Roberts Island INUNDATED** in a flood event.

The plan is to put inflow weirs on the higher South and East sides of Roberts Island, which would be opened during a flood event. Roberts Island would become another Yolo Bypass.

Project Impacts (see lower right hand box)

“196 dwellings relocated” Homes on Roberts Island would be condemned. No one would be allowed to live permanently on the island

“Effects on Land Value: decreased for all 37,275 acres”.

“Setback Levee: San Joaquin River” (Alternative 2)

The blue river-like portion on this map is a **one-half mile wide flood release buffer on the West bank of the San Joaquin River, reaching from Stewart Tract on the South to the North end of Roberts Island.**

Project Impacts (see lower right hand box)

“15 dwellings relocated” Homes in the path of the floodway would be condemned.

“Parkland Created: 7,040 Acres” “7,040 acres of new floodplain”

“7,040 acres of agricultural land will be removed from agricultural use”

These maps came out of the “Delta Risk Management” DRMS studies, also known as “the Dreams Study”. DRMS is linked to a program called “FloodSafe”, within the Department of Water Resources. Data, maps and studies from these sources are being used by the Delta Vision Blue Ribbon Task Force to finalize its plan.

The goal of these projects is to protect URBAN areas (Stockton, Lathrop) from flood.

The Delta Vision Strategic Plan is scheduled for adoption in 2009. Draft #3 states:

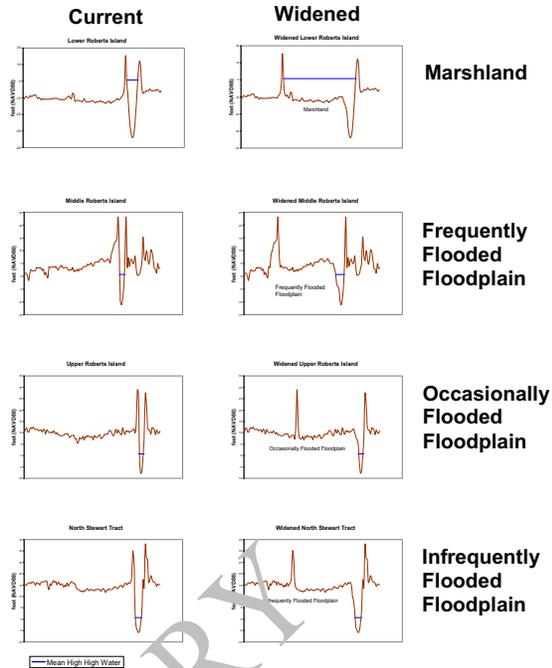
“Beginning immediately, DWR (through the Central Valley Flood Protection Plan) should identify areas of the lower San Joaquin River, including through the Delta where flood conveyance capacity can be expanded in a continuous reach. Use existing bond funds to begin acquiring title or easement to floodplain lands immediately, especially in areas where urbanization threats are high.” (page 39, Draft #3)

You are strongly urged to submit your opposition to these proposals while there is still time to make your objections known. DWR and the Delta Vision Task Force need to know that the landowners on Roberts Island stand united in defense against this waste of their land.

**Setback Levee
San Joaquin River**



**Comparison of
Current to Widened Cross-sections**



San Joaquin Setback Levee Building Block:

A setback levee will be built approximately one half mile inland of current levees along the San Joaquin River shoreline of both Stewart Tract and Roberts Island, creating a half-mile wide, 22-mile long floodplain. This will greatly increasing the capacity of this stretch of river during flood events, and provide substantial habitat and recreational benefits at all other times. The setback levee project will provide flood protection to developed and urban areas on the east bank, as well as to agricultural lands on both islands.

Objectives

- Protect lives and property in Lathrop, Mossdale, Stockton and adjacent communities from extreme flood events
- Protect agriculture and property on Stewart Tract and Roberts Island from flooding
- Restore critical marshland, floodplain, and riparian habitats along the San Joaquin River.

Project Criteria:

- Project must provide substantially increased flood protection to east bank communities.
- Project should maximize environmental benefits

Benefits

- Eases strain on existing levees to reduce failure potential during flood events.
- Protects both east bank and west bank lands from flooding
- Provides substantial environmental benefits to fish and wildlife
- Provides increased recreational opportunities along San Joaquin River

Additional Consequences

- Approximately 7,040 acres of agricultural land will be removed from agricultural use.

¹Data available at <http://waterdata.usgs.gov>

San Joaquin Setback Levee Statistics:

Flood Activity on the San Joaquin River:

San Joaquin River discharge data is available from 1923 through 2007¹ During those 84 years:

- The river has exceeded the flood stage ten times (once every 8.34 years on average).
- The river exceeds moderate flood stage every 16.8 years on average, or 5 times.
- Stewart Tract has breached and flooded 3 times, on average every 28 years, easing strain on other levees and protecting vulnerable neighborhoods

Project Impacts	
Effects on Residential Use	<15 dwellings relocated
Potential parkland created	7,040 acres
Effects on Agriculture	
More Frequent Flooding	3,520 acres
Permanent Loss	3,520 acres
Increased Flood Protection	30,235 acres
Effects on Infrastructure	
Permanently flooded oil or gas wells	5-10 in tidal marsh floodplain
occasionally flooded oil or gas wells	5-10 in upland floodplain
oil or gas wells with increased flood protection	170-175
miles of road or railway subject to increased flood risk	none
Effects on Land Value	
Increased	30,235 acres
Decreased	7,040 acres
Land available for residential development	4,500 acres
Effects on Habitat and Sensitive Species	
Total potential new floodplain	7,040 acres, total floodplain
Potential land for managed wetland or tidal marsh	3,520 acres
Project Cost	\$1.2B

To access these maps on line:

Weir and Drainage Locations San Joaquin Bypass Flood Volumes... go to

www.deltavision.ca.gov/BlueRibbonTaskForce/August2007/Item_5_BB_1.8Figure_10-1.pdf

Setback Levee San Joaquin River Comparison of Current to Widened... go to

www.deltavision.ca.gov/BlueRibbonTaskForce/August2007/Item_5.pdf

If you have questions about this notice, please feel free to contact

Bill or Rogene Reynolds (209) 992-8090 or 464-8054 or Mike Robinson (209) 466-7915

ATTACHMENT B

RIVER ISLANDS

A T L A T H R O P

November 29, 2007

Members of the Governor's Blue Ribbon Task Force
Delta Vision
650 Capitol Mall
Sacramento, CA 95814

RE: Vision for California's Delta - Third Draft (Revised November 19, 2007)

Honorable Members of the Delta Vision Blue Ribbon Task Force:

We have just reviewed the latest draft of the Blue Ribbon Task Force's "Our Vision for California's Delta." This latest draft, prepared by your staff, contains significant changes that include ramifications that have not been fully analyzed. Our comments are outlined below:

1. Expansion of the Delta's Legal Boundaries and Private Property Rights - The Task Force should look more comprehensively at the implications of expanding the legal delta boundaries. The creation of a "new planning area" encroaching into incorporated cities and other planned urban areas could result in major changes in local land use control and could infringe upon the private property rights of land already entitled for development. While the boundaries have not yet been determined, the Task Force should take into consideration the vested rights of private property owners, as well as the effect of resulting legislation that could be adopted as a result of the Delta Vision process upon local agencies. Closely working with local agencies during the visioning process and during the drafting of a subsequent strategic plan would assist all parties in meeting mutual goals and will make passing future policy and legislation more likely.
2. Banning Development within Secondary Zone - Since 1992, local governments have adopted general plans and approved various land use entitlements within the Secondary Zone of the Delta in accordance with the Delta Protection Act. This area includes a vast existing and planned urban area, including large portions of the cities of Stockton, West Sacramento, Tracy, Brentwood, Antioch, Pittsburg and Lathrop, as well as new towns such as Mountain House that located within unincorporated areas of counties. The widespread impact to these jurisdictions, not only from a land use perspective, but from an economic perspective should be integral part of the Task Force's recommendations.
3. Consideration of Soil Types and Sea Level Elevations - We agree that there are certain areas in the Delta within a "deep flood plain" that would be under water at any time if levees surrounding those areas fail. Other areas are higher in elevation and are only being protected by levees during times of extreme flooding. The way that the current



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Delta Vision document is written, it appears that the Task Force seems to consider all the lands in the Delta as if they were the same elevation and the same soil type. As I am sure the panel is aware certain areas have soil types that are conducive to subsidence, e.g. peat soils, while there are other areas that do not. Additionally, there are portions of the Delta that are at or in some cases significantly below sea level while others, such as those in many areas of the Secondary Zone, are significantly higher than sea level. Soils types and sea level elevations differ significantly and this fact should be considered in the Task Force's final recommendations.

4. Creation of a "Super Agency" for Delta Governance - the creation of a single legal entity that would control virtually all land use within the Delta creates both political and administrative efficiency, but could also, if not properly implemented, cause local agencies to take issue with the Panel's recommendations. The police powers given to counties and municipalities are a subject of a constitutional amendment, and often, such proposals are taken to a vote of the people through the initiative process. Since the California constitution strongly protects the corporate existence of cities and counties and grants them broad plenary home rule powers, change to those powers should be preceded by considerable buy-in from the local agencies affected.
5. Immediate Prohibition of Development - the recommendation that the State immediately halt all planning and development efforts in and around the Delta to "prevent a rush to establish development entitlements," is perhaps the most controversial proposal in the third draft. The Task Force should take into account the current housing and commercial retail markets which are significantly depressed. By shutting down all development in and around the Delta, the State would be deeply exacerbating this situation. Again, a systematic application of policies to areas that should be protected from development needs to be implemented along with the protection of private property rights and existing vested entitlements. The Task Force should also realize that there is significant bonded indebtedness by local public agencies in the Delta that are real property based and an immediate prohibition against development could cause these bonds to default. Also, there would be an extreme economic cost involved in the procurement of land already approved for development through any eminent domain process. Both issues are considerable financial issues for the State to consider in any situation, but especially in these uncertain economic times. Finally, we believe that any land that is currently entitled for development should be "grandfathered in" under any circumstance.
6. Lack of Local Stakeholder Involvement - while we commend the Panel on its inclusion of many different stakeholders in its process and the openness of its public meetings, it has not reached out enough to individual property owners or local agencies that are affected most by the Panel's recommendations. A collaborative approach that meets mutual goals and addresses specific concerns of individual property owners, as well as local governments that potentially have the most to lose in this process will be most effective. We suggest that the Task Force target its notices to all properties in the study area and to

Letter to Delta Vision Blue Ribbon Task Force
November 29, 2007
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work directly with all counties, cities, reclamation districts and other local governments that are located in the legal Delta by encouraging an on-going dialogue.

I urge you to take these comments into consideration at your hearings of November 29th and 30th and to begin to work collaboratively with local land owners, local agencies and the development community before the next draft of the Delta Vision policy document is issued.

If you have any questions, please feel free to contact me at the numbers shown on the letterhead or email me at sdelloso@CambayGroup.com.

Sincerely,



Susan Dell'Osso
Project Director
River Islands at Lathrop

cc: Hon. U.S. Congressman Dennis Cardoza
Hon. State Senator Michael Machado
Mike Chrisman, Secretary, Resources Agency
Lester Snow, Director, Department of Water Resources
Mayor and Members of the Lathrop City Council
John Herrick, South Delta Water Agency
Dante John Nomelini, Reclamation District No. 17
Steve Herum, Herum, Crabtree, Brown

RIVER ISLANDS

RECEIVED
CALIFORNIA DELTA AUTHORITY
MAIL ROOM

A T L A T H R O P 2007 AUG 22 PM 3:34

August 20, 2007

Mr. Phil Isenberg, Chairman
Delta Vision
650 Capitol Mall
Sacramento, CA 95814

RE: Fact Sheet for the River Islands at Lathrop project

Dear Mr. Isenberg:

As a follow up to the letter I sent you on August 8th, attached please find a one page fact sheet for the River Islands project. As you can see, over the last several years, we have purchased all the land required for the project, acquired 100% of all the potable water and sewer requirements, and have already issued \$80 million in infrastructure bonds which are secured by the property.

The entire project has an approved Specific Plan and EIR. We also have a 30 year development agreement that vests the project's rights with the City. The first phase of the project has an approved tentative map for 4300 units, a 200 year level of flood protection and recent FEMA certification. The second phase is subject to an Environmental Impact Statement which is currently being prepared by the Army Corps of Engineers and is well underway. The Administrative Draft of the EIS is anticipated to be released this fall.

If you have any questions, please feel free to contact me at the numbers shown on the letterhead or email me at sdelloso@cambaygroup.com.

Sincerely,



Susan Dell'Osso
Project Director
River Islands at Lathrop

Encl.

cc: Mike Chrisman, Secretary, Resources Agency
Lester Snow, Director, Department of Water Resources
Member of the Delta Vision Blue Ribbon Task Force ✓
Jared Ficker, California Strategies



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RIVER ISLANDS AT LATHROP PROJECT HIGHLIGHTS

Overall Project

Land Uses

- 4800 Acres
- 5 million square feet of Employment Center Space and Town Center Retail
- 11,000 Homes which include approximately 25% higher density product
- 9 Schools including 6 elementary, 2 middle and 1 high school
- Over 1000 acres of parks, open space and nature preserves (over 20%)

Existing Entitlements and Utility Provision

- Annexed to City of Lathrop in 1996
- City Approved Specific Plan/ EIR for Overall Land Use
- Development Agreement (30 years) vesting Overall Land Use
- 100% of land acreage purchased in Fee by River Islands
- 100% of Potable Water already purchased by River Islands
- 100% of Sewer Capacity guaranteed to River Islands
- \$80 million in infrastructure bonds have been issued and secured by property

Phase One

Land Uses

- 1800 Acres
- 3.5 million square feet of Employment Center Space and Town Center Retail
- 4300 Homes which include over 1250 higher density units
- 3 schools including 2 elementary and 1 middle
- Over 250 acres of parks, open space and nature preserves

Existing Entitlements (In Addition to that Approved For Overall Project)

- Vesting Tentative Map approving land uses described above
- 200-Year level of Flood Protection (300' wide levees) and new FEMA Certification
- Participation and payment of fees for SJCOG Multi Species Habitat plan

Subjective Major Entitlements Remaining for Construction

- Federal - NONE
- State - NONE
- Local - NONE

Phase Two

Land Uses

- Balance of the Overall Land Uses including 800 acre Paradise Cut Habitat Preserve; Set back of 5 miles of levees to widen existing flood bypass; Extensive Eco-Restoration along River system for re-creation of riparian habitat

Subjective Major Entitlements Remaining for Construction

- Federal: EIS (administrative draft pending and due for release in Fall 2007), Clean Water Act and Rivers and Harbors Act permits for wetland fills, levee improvements, marina, eco-restoration, and other flood control improvements
- State: Encroachment Permits from State Reclamation Board for levee improvements
- Local: Tentative Maps and Preliminary Development Plans, along with a tiered CEQA analysis at a project level