

October 19, 2009

Via Electronic Mail Only

Ms. Edith M. Stewart
Public Affairs Administrator
Office of Public Affairs
Hillsborough County
County Center, 26th Floor
601 East Kennedy Blvd
Tampa, FL 33602

**RE: Staff Meeting on October 16, 2009;
Request for agenda time at Cone Ranch Advisory Panel meeting on November
16, 2009**

Dear Ms. Stewart:

Thank you for hosting the recent meeting at your office on Friday, October 16, 2009 to discuss the Cone Ranch project. Having Heidi McCree and Mike Merrill participate on behalf of the Cone Ranch Advisory Panel (“Panel”) and Hillsborough County (“County”) respectively, was beneficial. I believe we made excellent progress in discussing how best to preserve and protect Cone Ranch.

As you know, Florida Conservation and Environmental Group (“FCEG”) has been committed to working with the County and the Panel over the last several months to develop a public/private solution for ensuring that Cone Ranch is never commercially exploited. As this process has unfolded, FCEG has listened to and seriously considered the comments and suggestions of the public, county officials and other interested parties regarding how best to preserve and protect Cone Ranch.

As we discussed on Friday, FCEG believes that its original proposal of allowing private conservation buyers to acquire the majority of Cone Ranch has significant merit and achieves the goal of permanently protecting the land. However, FCEG believes that many of the ideas and suggestions put forth over the last several months also have merit and should be incorporated into our original proposal. It is has always been FCEG’s belief that our proposal should remain flexible and have the ability to incorporate good ideas.

Accordingly, by way of this letter, FCEG would like to inform the Panel and the County that we are in process of evaluating our original proposal to take into account several additional factors, including a mitigation bank component, an ELAPP partnership component as well as underwriting a high level, baseline environmental study of the Cone Ranch. Combining the three facets of: i) private conservation ownership; ii) mitigation banking; and iii) ELAPP ownership, is an excellent hybrid option that allows Cone Ranch to be completely preserved while allocating the County’s scarce resources on a strategic basis.

As we all discussed and agreed during our meeting last week, exploring a hybrid option will take additional time to evaluate but the potential benefits are certainly worth the time spent in conducting a thorough vetting to ensure that the best ideas are implemented to protect and preserve Cone Ranch. To that end, we would like to request an opportunity to present our current thinking and approach at the November 16, 2009, Cone Ranch Advisory Panel meeting. At your earliest convenience, please let me know when the agenda for this upcoming meeting is formalized and if we are confirmed.

In an effort to provide a bit more insight, but with the understanding that the exact details will need to be further clarified and defined, FCEG believes that Cone Ranch could be roughly divided into three separate, but interrelated categories.

Mitigation Banking. Given that an environmental assessment has not been performed on Cone Ranch in more than a decade, it is currently not possible to determine, with any level of precision, how much of the Cone Ranch would be suitable for a mitigation bank. However, we do know that Cone Ranch certainly has good qualities that lend themselves to implementing a mitigation bank with an eye toward restoration and enhancement credits. This concept is discussed more thoroughly in Mr. Andrew Zodrow's October 2, 2009 memorandum entitled "Cone Ranch – Environmental Restoration and Disposition Proposals Analysis – Mitigation Banking Options." FCEG is currently in discussions with a highly respected environmental and engineering firm to begin a baseline assessment of Cone Ranch in order to determine the existing conditions and factors that will need to be evaluated to determine the realistic feasibility of implementing a mitigation bank.

From FCEG's discussions with Dr. Scott Emery and other ecologists and biologists, it seems reasonable to assume for discussion purposes that approximately as much as one-third of Cone Ranch may be suitable for mitigation banking vis-à-vis wetland and other restoration. But until a more thorough on-site assessment is completed, quantification will be difficult to nail down. FCEG fully expects that any mitigation banking option would likely be subject to a competitive bid process and FCEG would be inclined to participate in such a process with the appropriate strategic partner. Note that regardless of whether or not the mitigation bank component is competitively bid, other options as discussed below can still be pursued on a sole-source and/or a negotiated basis.

ELAPP. Now that Cone Ranch has been elevated to an "A" category by the ELAPP selection committee, it appears that there is once-again sufficient interest in participating in a preservation and protection solution for the property. While it is unlikely that the entirety of Cone Ranch is suitable for ELAPP acquisition, it is certainly possible that a portion of the property could be acquired by ELAPP. As you know, the limiting factor for ELAPP is the availability of bond funds and the opportunity cost of using a majority of those scarce dollars on a single project; a project that, until last month, had been forgotten about for the last 15 years, until FCEG began exploring creative ways to permanently protect and restore the property. It is certainly feasible that one-third or more of the Cone Ranch would be desirable for ELAPP participation in some fashion.

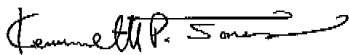
However, until the formal ELAPP process is completed (which may take many more months), the extent to which this option is viable remains to be seen. It is FCEG's desire to have a dialogue with ELAPP to forge a plan that can be implemented as outlined above.

Private Conservation Buyers. FCEG continues to believe that a conservation buyer solution, as outlined in the original proposal, is a viable option and provides significant benefit to the County as well as the potential to provide excellent environmental stewardship of Cone Ranch at little to no cost to the public. As you know, Cone Ranch is currently not permanently protected notwithstanding its public ownership and is costing the taxpayer's of Hillsborough County hundreds of thousands of dollars *each year* in terms of debt service and property maintenance. By reducing the percentage of Cone Ranch that is acquired by private conservation buyers to approximately one-third (i.e. approximately 4,000~ acres), this still allows the County to generate much needed revenue and provides superior protection via an iron-clad conservation easement that ensures the property will never be developed. Notwithstanding private ownership of a portion of the Cone Ranch, ELAPP (or another qualified organization, possibly The Nature Conservancy) could still participate in the private ownership aspect by acting as the holder of the easement.

FCEG strongly believes that a public/private solution makes the most sense to permanently preserve and protect Cone Ranch. The hybrid option outlined above takes into account the desire of the County to retain some control over the ultimate fate of Cone Ranch, allows ELAPP to meaningfully participate, provides a significant financial incentive to County by way of a possible mitigation bank as well as the disposition of a portion of Cone Ranch to conservation-minded buyers.

All in all, this approach has the potential to be a win-win for both the taxpayers as well as for the long-term benefit of Cone Ranch. FCEG hopes that you will continue to work with it to evaluate and develop a unique solution that permanently protects Cone Ranch. As always, we remain available to meet with any appropriate staff to continue moving the process forward. We look forward to hearing from you and the Cone Ranch Advisory Panel in the near future.

Sincerely yours,



Ken Jones
Partner and General Counsel
Florida Conservation & Environmental Group

Cc: Heidi McCree, Chair, Cone Ranch Advisory Panel
Mike Merrill, Assistant County Administrator, Finance