

From: Roberts, Jim
Sent: Wednesday, November 04, 2009 1:45 PM
To: Stewart, Edith
Cc: Vanderploog, Paul; Sheahen, John
Subject: CONE RANCH CLARIFICATIONS

Edith,

The following is intended to clarify statements made in the BOCC meeting this morning regarding Cone Ranch.

OWNERSHIP OF CONE RANCH—Enterprise assets are owned solely by Hillsborough County and are managed solely for the benefit of enterprise rate payers and bond holders. Only the revenues generated from those assets (not the assets themselves or the full faith and credit of the County) are pledged under bond covenants to secure repayment of the debt. To that end, enterprise assets are subject to specific disposal restrictions (such as obtaining fair market value) as a protection of the revenue stream that secures repayment of the debt. *[An expanded discussion of the utility enterprise and the treatment of its assets is attached and has been posted on the Cone Ranch page of the County's website.]*

CATTLE LEASE—Any transfer of the Cone Ranch property from the utility enterprise to another County department or program such as ELAPP would not affect the validity of the cattle-operations lease granted by the BOCC to Audubon Ranch. Any transfer of the property to a private or public third party could include assignment of the County's interest in the lease to that party. The current lease automatically renews each January 1 for one year unless cancelled by either party by October 1 of the prior year.