



Smith Flat
GENERAL CONTRACTOR
DEVELOPER

June 20, 2008

Jose C. Henriquez
El Dorado LAFCO
550 Main Street, Suite E
Placerville CA 95667

RE: Smith Flat Annexation

Dear Jose,

It is the intention of Smith Flat Development to initiate annexation of approximately 240+ acres of land located in Smith Flat. As you know this area is currently in the City of Placerville's sphere of influence. The area in question has been pre-zoned with the city since 1990, and is subject to the City of Placerville's Environmental Impact Report.

It is our intention to annex under these existing conditions as set forth by the City's General Plan. It is our understanding that we can propose annexation with the pre-zoning in place, which will remain for a period of at least two years. During that time we can develop a long term plan for the area. At your earliest convenience, please provide us with the necessary information so that we may initiate your preliminary application process and AB8 negotiations between the City of Placerville and El Dorado County. We wish to emphasize that our project is purely the annexation of the Smith Flat area into the City of Placerville. Please note that we are significant property owners of the area in question.

Thank you,

Daniel E. Mackay
President

Cc: Ted Long, Ken Humphreys, Ron Briggs, Carl Hagen,
Francesca Loftis, James R. Sweeney, Harry Norris,
John Driscoll