

Exhibit 5: Exemption Letter from Department of Finance



DEPARTMENT OF  
**FINANCE**  
OFFICE OF THE DIRECTOR

ARNOLD SCHWARZENEGGER, GOVERNOR  
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

September 15, 2009

Mr. Sam Schuchat, Executive Officer  
State Coastal Conservancy  
1330 Broadway, 13<sup>th</sup> Floor  
Oakland, CA 94612

Mr. John Donnelly, Executive Director  
Wildlife Conservation Board  
1807 13th Street, Suite 103  
Sacramento, CA 95811

Dear Mr. Schuchat and Mr. Donnelly:

We have received your letters dated July 30, 2009 and August 3, 2009, requesting an exemption from the Budget Letter 09-15 restrictions for entering into new obligations and contracts for bond funded projects.

Specifically, you have requested an exemption for: (1) the Jenner Headlands Acquisition Project, and (2) high priority future projects that offer significant public benefits and provides an opportunity for third party matching funds.

The purpose of this letter is to formally approve your exemption requests. Your letters indicate that the Jenner Headlands Acquisition Project could be funded from a private placement bond sale, and that high priority future projects would be carried out with non-state funding sources until state funds are available.

Due to the state's unprecedented fiscal situation, there continues to be uncertainty about future general obligation bond sales and our approval of your exemption request does not imply that there is any guarantee that cash will be available from future bond proceeds. We would also note that if future bond sales are successful and yet still not able to meet all obligations, it would be our recommendation that the proceeds be prioritized for projects that have significant job creation benefits.

If you have any questions, please contact Matt Almy, Principal Program Budget Analyst, at (916) 324-0043.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Genest".

MIKE GENEST  
Director

cc: Mr. Pat Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency  
Mr. Bryan Cash, Deputy Assistant Secretary, Natural Resources Agency

icc: FINN, SCHLADALE, ALMY, LO-AOYAMA, CF, FILE, SUSPENSE