Current Status of Windeler, et al v. Cambria Community Services District, et al

<u>Summary</u>: The owners of five vacant residential properties in Cambria (9 total plaintiffs) have sued the District and the County of San Luis Obispo, claiming that the two agencies have jointly "taken" the plaintiffs' properties without just compensation in violation of the Fifth Amendment of the U.S. Constitution. Based on this theory, the plaintiffs are seeking to force the District and the County to acquire these properties for hundreds of thousands of dollars each (as well as pay their attorneys' fees). Plaintiffs' claims are based on the fact that they cannot obtain water or sewer service from the District as a result of the moratorium on new residential connections, and because their properties are not on the water and sewer waitlist.

The District has a number of defenses, and is confident that it has not taken any action that has effectuated a taking of these properties, or any other properties in Cambria, contrary to Plaintiffs' theories that the District has in effect taken – and must acquire – thousands of vacant properties in Cambria.

<u>Procedural Status</u>: Following an extensive discovery and pre-trial briefing process, trial of this case commenced on November 9, 2021, and concluded on November 18, 2021. The Parties' are required to file closing briefs on January 24, 2022, after which the Court will render its decision. This decision could be appealed by either side to the Ninth Circuit Court of Appeals.

<u>Companion Case</u>: The same attorneys that are representing the *Windeler* plaintiffs filed a second lawsuit in the summer of 2021 on behalf of approximately 100 more property owners (*Afifi et. al. v. Cambria Community Services District, et. al.*). This case is currently stayed, and the decision in *Windeler* will likely determine the outcome of this case, as the plaintiffs' claims in *Afifi* are based on the same facts and legal theories as the plaintiffs in *Windeler*.