



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: P&D
Department No.: 053
For Agenda Of: 10/20/09
Placement: Departmental Agenda
Estimated Tme: 2 hours
Continued Item: Yes (6/23/09)
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Planning and Development Glenn Russell, Ph.D., Director
Contact Info: Dianne Black, Development Services Director, P&D 568-2086
SUBJECT: Santa Barbara Ranch Development

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: NA

Other Concurrence: NA

As to form: NA

Recommended Actions: That the Board of Supervisors consider the following:

- A. Receive a follow-up report on the matter of the Santa Barbara Ranch Project and provide direction to staff in regard to the Coastal Commission's incompleteness letter dated January 6, 2009, and deficiency notice dated February 4, 2009; and,
- B. Accept the Addendum date October 5, 2009 to the Santa Barbara Ranch FEIR as adequate environmental review for the actions; and,
- C. Adopt a finding that the Development Agreements approved by Ordinance 4694 are not yet effective because: 1) for the Inland Development Agreement, final approval by California Department of Conservation of the Williamson Act Contract Modifications and Agricultural Conservation Easement Exchange has not occurred and, 2) for the Coastal Development Agreement final approval by California Department of Conservation of the Williamson Act Contract Modifications and Agricultural Conservation Easement Exchange and certification by the Coastal Commission of the Local Coastal Program Amendments by the Coastal Commission have not occurred; and,
- D. Consider the introduction (first reading) of an Ordinance, rescinding the Board's previous approval of Development Agreements for Santa Barbara Ranch, and vacating its previous authorization for the owners of Dos Pueblos Ranch to seek their own Development Agreement (Attachment F); and,

- E. Set a hearing for October 27, 2009 to consider adoption (second reading) of the Ordinance (Attachment F).

Summary Text:

On June 23, 2009, your Board received a status report on the Santa Barbara Ranch Project (“Project”) and responses to issues raised by the applicant and project opponents in various letters received over the past six months (Attachment A comprises the Board Agenda Report, including its attachments, considered at the Board hearing of June 23, 2009). At the conclusion of the hearing, your Board directed staff to: (i) clarify the applicant’s commitment to fund the continued processing of applications and approvals through the California Coastal Commission and requested a stable project description from the applicant; (ii) provide further information on the responses to the incompleteness letter and deficiency notice received from the Commission on the matter of legislative actions and appealable permits; and, (iii) prepare an Ordinance, providing the Board with the option of rescinding its previous approval of development agreements for the Project.

The Santa Barbara Ranch project has been approved by Santa Barbara County. Other agencies, including the California Coastal Commission and Department of Conservation, have yet to take actions necessary for final approval of the project. (See Attachment A for details regarding remaining decisions necessary for final approval.)

A. Applicant’s Funding Commitment:

In a letter dated February 5, 2009, the applicant’s attorney, Mr. Stanley Lamport, advised the County that Santa Barbara Ranch rejects the Coastal Project approvals. The rejection arises from the Board’s denial of the MOU Amendment which would decouple inland and coastal portions of the Project. In conversations with staff and in testimony before the Board, the applicant has stated their willingness to move forward with both the coastal and inland portions of the project. However, their willingness to move forward with and for pay the processing costs of the coastal component is made with the expressed understanding that the inland and coastal components remain decoupled. The applicant has stated that their financial commitment to process the coastal component of the project would immediately cease if the inland project were found dependent upon coastal commission approval of the coastal project. Staff has requested that the applicant clarify their position in writing as to their commitment to funding and the project they intend to pursue. The letter was intended to be presented to the Board of Supervisors in this Board Agenda Report; however, such a letter has not yet been received.

B. Coastal Commission Processing:

As previously reported, the County is not the final decision maker on certain aspects of the project. Legislative actions consisting of a TDR Ordinance and LCP Amendments to create a new Naples Town Site (“NTS”) land use and zoning designation require review and certification by the Coastal Commission. In addition, a variety of entitlement permits are appealable to the Coastal Commission. For development that is appealable to the Coastal Commission, the County is required to file a Notice of Final Action. Once accepted for filing, the Notice of Final Action commences a 10-working day appeal period. In separate letters dated January 6 and February 4, 2009, Coastal Commission staff advised the

County of various deficiencies that require attention before either the legislative actions or appealable permits can be determined complete for processing.

Attachment B includes the Coastal Commission's letter of incompleteness on the Local Coastal Program Amendment submittal marked up to show staff's proposed responses. Subject to receiving the applicant's written commitment to funding and commitment to a stable project description discussed in Section A above, staff recommends the Board direct staff to respond to the Coastal Commission's incompleteness letter as outlined in Attachment B.

As is specified in the Board Agenda Report for the Board's last hearing on this matter, staff recommends that the Board direct staff to accept the Coastal Commission staff's assertion that Notices of Final Action triggering an appeal period to the Coastal Commission are required to be submitted for the Vesting Tentative Map and the Conditional Certificates of Compliance. Staff recommends that the Board of Supervisors disagree that lot mergers are development subject to appeal to the Coastal Commission and direct staff to engage in a dispute resolution process with the Coastal Commission. Staff further recommends that the Board direct staff to submit separate Notices of Final Action for the following:

- Vesting Tentative Tract Map
- Conditional Certificates of Compliance, Lot Line Adjustment, Conditional Use Permits and Coastal Development Permits for Dos Pueblos Ranch Coastal Zone development
- Conditional Use Permits and Coastal Development Permits for infrastructure supporting Inland development
- Development Plan, Conditional Use Permits, Coastal Development Permits for the Santa Barbara Ranch Coastal Zone development

Submitting separate Notices of Final Action will allow a potential appellant to choose which component of the project to appeal and would allow the Coastal Commission to act on any appeals for appealable development not subject to the pending Coastal Plan amendments in advance of action on those amendments.

C. Rescission of Development Agreements:

Ordinance No. 4694 was previously adopted by the Board on October 21, 2008, conditionally approving separate Development Agreements for inland and coastal portions of the Project, Case Nos. 03ORD-00000-00012 and 03ORD-00000-00013, respectively ("SBR Development Agreements"). The ordinance also grants the owners of Dos Pueblos Ranch the right to apply for a Development Agreement for those portions of the project that pertain to Dos Pueblos Ranch. In summary, the SBR Development Agreements vest government approvals in exchange for benefits not otherwise attainable through conditions or exactions alone. Under the Inland Development Agreement, benefits consist of creek restoration and expanded cultural resource mitigation. In the case of the Coastal Development Agreements, benefits consist of affordable housing contributions, coastal trail improvements, native grassland enhancement and expanded cultural resource mitigation. The effectuation of Ordinance No. 4694 is tied to satisfaction of conditions, most notably, final approval by California Department of Conservation of the Williamson Act Contract Modifications and Agricultural Conservation Easement Exchange Case No. 05AGP-00000-00011, and, for the Coastal Development Agreement, certification of Local Coastal Program Amendments by the Coastal Commission. These conditions have not yet been

satisfied for either the inland or coastal portions of the Project, and therefore, Ordinance No. 4694 is not in full force or effect as it pertains to the SBR Development Agreements. Staff believes that the Board of Supervisors may properly act to rescind these Development Agreements since they are not yet effective.

As the Board directed, staff has prepared an Ordinance that would rescind its previous approval of Development Agreements for the Project (Attachment C). As written, the proposed Ordinance would rescind both of the Development Agreements previously approved by the Board, as well as cancel the option for the owners of Dos Pueblos Ranch to apply for a Development Agreement for those portions of the project that pertain to Dos Pueblos Ranch. Alternatively, the Board may choose to rescind its approval only for the Inland Development Agreement, Coastal Development Agreement and/or Dos Pueblos authorization.

Fiscal and Facilities Impacts:

All costs associated with processing the Project and related land use and zoning changes are funded by the applicant, budgeted in the Permitting & Compliance Program of the Development Review, South Division on Page D-308 of the adopted 2009-2010 fiscal year budget. Funding for future work, including responding to the Coastal Commission's deficiency notice for appealable development and incompleteness letter related to the Local Coastal Program Amendments for the NTS designation and zone district, and TDR program would be funded by the applicant or would terminate unless an alternative funding source were identified.

Special Instructions:

Planning and Development will complete required noticing.

Attachments:

- Attachment A: Board Agenda Letter for 6/23/09 (Continued from 4/21/09)
- Attachment B: Staff Responses to Coastal Commission Deficiency Notices
- Attachment C: Ordinance 4694 adopting the Coastal and Inland Development Agreements
- Attachment D: Coastal Development Agreement
- Attachment E: Inland Development Agreement
- Attachment F: Rescission Ordinance

Authored by: Dianne Black, Development Services Director, Planning and Development 568-2086