



C A R U S O  
A F F I L I A T E D

# M E M O R A N D U M

---

**To:** Nicole Lieu and Dianne Black, County of Santa Barbara, Planning and Development  
**From:** Evan Krenzien and Matt Middlebrook, Caruso Affiliated  
**Date:** February 19, 2015  
**Subject:** BOARD OF SUPERVISOR HEARING REQUEST

---

It is our understanding that two dates are being considered for the Board of Supervisors hearing regarding the Miramar. (1) April 14, 2015 and (2) May 5, 2015. It is the request of Caruso Affiliated (Miramar Acquisition Co. LLC) to move forward with the sooner of the two dates, April 14<sup>th</sup> with justification as follows:

- The CEO of Caruso Affiliated/ Miramar Acquisition Co. LLC, Rick J. Caruso is travelling on May 5<sup>th</sup> and unable to rearrange his schedule to be in attendance on that date. While the executive development team of Caruso Affiliated is capable of presenting without Mr. Caruso, as Mr. Caruso is planning to make a several hundred million dollar investment in the County of Santa Barbara, it would be preferable and most respectful to have him present. He is available on April 14, 2015.
- The owner/ applicant (Miramar Acquisition Co. LLC) has significant carrying costs of the property. Every day equates to thousands of dollars of additional land maintenance costs, property taxes, and interest expenses without generating revenue, jobs, sales tax, property tax, or bed tax dollars for the owner or the County.
- Every additional day of delay in beginning project construction could result in potentially far greater delays in opening. A major factor to consider regarding delay is the County grading moratorium between October and March each year. Even with additional storm water control plan measures that may be able to be put in place to allow grading during this time period, grading still remains highly weather dependent. As we have numerous conditions of approval to comply with and MBAR plan review to complete before we can pull our grading permit, days and weeks matter significantly.

- The owner/applicant has a financing commitment now (at 200 initial beach club memberships and event attendance of 400). The sooner this matter can be decided upon, the sooner the project can move forward. Every day of further delay puts financing commitments at risk as the hotel lending market remains volatile, and a commitment that is granted today can easily expire as time goes on.
- The Board of Supervisors schedule in March and early April is significantly blocked due to budget hearings, and cancelled meetings. Even a hearing on April 14, 2015 will be nearly three months removed from the Montecito Planning Commission hearing on January 21, 2015. The owner/applicant/developer who is placing a tremendous investment in the County should not be penalized based on circumstances they cannot control.