

PROJECT FINDINGS

PRELIMINARY DRAFT
SANTA BARBARA COUNTY

SANTA BARBARA RANCH PROJECT

Findings of Project Actions and Policy Consistency for Approval of Alternative 1B as Identified in the Final EIR for the Santa Barbara Ranch Project, 04EIR-00000-00014.

I. Overview

A. Project Description

1. Overall Scope. The Santa Barbara Ranch Project (“Project”) , as revised by Alternative 1B, entails the development of 71 new residential dwellings, equestrian center, agricultural support facilities, a worker duplex, public amenities (including access road, parking and restroom, wildlife interpretive kiosk and coastal access trails), and creation of conservation easements for permanent protection of open space and agriculture. The Project site encompasses the Santa Barbara Ranch and the Dos Pueblos Ranch, together totaling 3,249 acres and 85% of the lots comprising the Official Map of Naples Townsite. The two ranches are zoned for AG-II-100 (Coastal Zone) and Unlimited Agriculture (non-Coastal Zone), and are located two miles west of the City of Goleta, AP Nos. 079-040-005 to 081-240-018, Third Supervisorial District.

2. Component Entitlements. The Project entails a broad array of legislative and quasi-judicial land use approvals including: (i) text and map amendments to the Comprehensive Plan, Coastal Land Use Plan (“CLUP”) and Zoning Ordinance; (ii) subdivision approvals consisting of a vesting tentative tract map, lot mergers, lot line adjustments and conditional certificates of compliance; (iii) cancellation, modification and re-issuance of Williamson Act contracts; (iv) creation of new Agricultural Conservation and Open Space Easements; (v) discretionary permit approvals encompassing development plans, conditional use permits and minor conditional use permits, land use permits and coastal development permits; and (vi) miscellaneous actions including approval of development agreements and removal of the Special Problems Area designation currently applicable to Naples.

B. Procedural History

1. Project Applications. Formal application for the Project was filed with the County by Santa Barbara Ranch, LLC (the “Applicant”) on November 4, 2003, and accepted as complete on September 3, 2004. The initial application was for a smaller project of 54 residential home sites confined to the 485-acre Santa Barbara Ranch (the “MOU Project”). The application was later supplemented in June 2006 to add Alternative 1 to the environment analysis, expanding the Project to encompass the adjacent Dos Pueblos Ranch totaling 2,769 acres and increasing the number of residential home sites from 54 to 72. As a result of the public review process, the applicant further modified the Project by relocating 14 home sites outside of the Coastal Zone and public viewshed. This last modification, identified as Alternative 1B (“Alternative 1B”), constitutes the scope of development on which Planning Commission and

Board of Supervisors actions are based. The overall procedural history is described in the paragraphs that follow.

2. Design Review. Design review by the Central Board of Architectural Review (“CBAR”) is invoked by operation of the County’s Ridgeline and Hillside Development Guidelines and provisions of the Naples Townsite (“NTS”) Zone District proposed as part of the Project. An informational briefing and site visit, preparatory to commencing formal processing, were conducted for the benefit of the Planning Commission and CBAR on May 31, 2006, and July 14, 2006. Thereafter, CBAR deliberated the project over 11 sessions and concluded its conceptual review on January 12, 2007. Deliberations recommenced on May 31, 2008, when the applicant introduced Alternative 1B for CBAR consideration. A follow-up meeting was conducted on June 17, 2008, and at which time CBAR supplemented its conceptual review findings and reported its findings to the Planning Commission on July 10, 2008.

3. Agricultural Issues. The County’s Agricultural Preserve Advisory Committee (“APAC”) provides input to the Board of Supervisors on matters concerning the Uniform Rules. Insofar as Alternative 1B includes Williamson Act (“WA”) Contract revisions and new Agricultural Conservation Easements (“ACE”), APAC was consulted on these matters. APAC commenced its deliberations on September 8, 2006, and issued its findings 14 months later in minutes approved on November 2, 2007. APAC concluded that the proposed WA-ACE easement exchange under the Project meets the criteria prescribed under State statutes and the County’s Uniform Rules. APAC is scheduled to revisit the matter on August 15, 2008, in light of the Alternative 1B proposed and newly drafted ACE documents. Separate and apart from APAC, the Agricultural Advisory Committee (“AAC”) has been consulted on the general question of whether the proposed Project would adversely affect agricultural resources. Three meetings have thus far been held with the Committee dating back to August 10, 2006. Findings of both bodies will be reported to the Board of Supervisors as it deliberates the project.

4. Special Problems. The Naples Townsite has been listed as a Special Problems Area under the provisions of Section 10-13.2 of the County Code by virtue of the area’s substandard lot sizes and geologic conditions that are not conducive for individual septic systems. Special Problem Areas of the County are designated by resolution of the Board of Supervisors as having existing or anticipated special and unique problems pertaining to flooding, drainage, soils, geology, access, sewage disposal, water supply, location, or elevation which impact the health, safety and welfare of the public. The proposed Project was presented to the Special Problems Area/Subdivision Committee Review Committee (SPDRC) over the course of five meetings dating back to November 2003. The Committee, both collectively and individual members thereof, have issued conditions of approval that are recommended by staff for adoption.

5. Transfer of Development Rights. In compliance with Policy 2-13 of the County’s CLUP, a series of studies were undertaken in the period between June 2005 and August 2007 to evaluate the feasibility of transferring development rights (“TDR”) from Naples to nearby urban areas. The TDR studies conclude that: “...while it may be possible to extinguish at least some development potential at Naples, a complete extinguishment of development rights is improbable.” These findings and relevant documents were the subject of separate public hearings by the Planning Commission and Board of Supervisors in late 2007 and early 2008. In summary, the Board of Supervisors affirmed the recommendation of the County Planning

Commission and declared on February 5, 2008, that: (i) only a partial transfer of development potential at Naples/SBR is possible; and (ii) the land use designation of AG-II-100 should be re-evaluated as provided by Policy 2-13 of the CLUP. The Board also concurred with the County Planning Commission that a TDR program should be market-based and voluntary in scope. In so doing, the Board authorized and directed staff to finalize a TDR Ordinance and initiate the adoption process.

6. Planning Commission. By operation of the County's Land use and Development Code, the Planning Commission serves in an advisory capacity to the Board of Supervisors which has final jurisdiction over the Project. As noted above, the Project was first introduced to the Commission with an informational briefing and site visit conducted on May 31, 2006, and July 14, 2006, respectively. This introduction was followed with a series of workshops that were conducted on April 3, 2008, May 5, 2008, May 29, 2008, and June 5, 2008. Formal deliberations commenced on June 30, 2008, and continued over four additional sessions on July 10, 2008, July 21, 2008, August 13, 2008, and August 20, 2008. Interspersed among these hearings, the Commission also deliberated a proposed TDR Ordinance. Hearings on this particular facet of the Project spanned four meetings beginning May 7, 2008, and concluding with a Board recommendation on July 23, 2008.

7. Project Recommendation. During the public review process and as a result of feedback received in connection with meetings of the Planning Commission, CBAR, AAC, and APAC, the Applicant presented a further refinement of Alternative 1. The refinement (hereinafter referred to as "Alternative 1B") involves: the relocation of fourteen lots outside of the Coastal Zone to further reduce visual impacts within the Highway 101 public view corridor; the reduction and relocation of development envelopes on DPR south of Hwy 101 to minimize impacts to sensitive cultural resources; the elimination of one home site on DPR, north of Hwy 101; an increase in acreage devoted to agricultural preservation; and introduction of an architectural style to better reflect the agrarian and rural character of the project area. As a result of these changes, coupled with the Final EIR's conclusion that Alternative 1B is the environmentally superior alternative, the Planning Commission has recommended approval of Alternative 1B in place of the MOU Project as originally proposed. In addition the Planning Commission recommended elimination of the beach access stairway, wildlife pavilion and the westerly loop return trail along Langtry Avenue.

C. Environmental Review History

1. Draft Environmental Impact Report. The environmental review process for the Project officially commenced in January 2005 with issuance of a Notice of Preparation and receipt of testimony on issues relevant to the project. This followed with preparation of a Draft Environmental Impact Report ("DEIR") that was released for public review on June 30, 2006. The initial 60-day comment period was subsequently extended one month ending September 27, 2006. During this period, an administrative hearing was conducted by the County on July 27, 2006 for the purpose of receiving public comments. Following the end of the public review period, it was concluded that the best method for responding to comments and accounting for changes in project design would be to revise and re-circulate the

entire document as opposed to preparing a Final EIR. This decision was driven by a number of factors including:

- Revisions in project design to address comments received (including those of the County Central Board of Architectural Review) and incorporate a number of mitigation measures identified during the EIR preparation process that serve to reduce environmental effects.
- Preparation of an Open Space and Habitat Management Plan by the project applicant, as further refined through specific mitigation measures, that are intended to avoid or reduce biological effects.
- Addition of new information regarding agricultural resources (particularly relevant to Alternative 1) as the result of interactions between County staff, the Santa Barbara Agricultural Preserve Advisory Committee, and California Department of Conservation.
- Reformatting to reinforce the MOU Project as the official project for which formal application has been made by dividing the document into distinct volumes that separately address the MOU Project and the Alternatives (including Alt 1).

2. Revised Draft Environmental Impact Report. A Revised Draft Environmental Impact Report (“RDEIR”) was released on November 13, 2007, and an administrative hearing was conducted on December 10, 2007. As with the original DEIR, the public review period on the RDEIR was extended an additional 21 days. At the close of the public comment period on January 23, 2008, a total of 55 written comments letters had been received. An additional 20 individuals commented at the administrative hearing conducted on December 10, 2008. These written comments were partitioned into 2,300 individual remarks for which written responses were prepared and issued on June 13, 2008, as a component of the proposed Final EIR.

II. Introduction to Project Findings

A. Scope of Findings

The findings set forth below provide the written analysis and conclusions of the County of Santa Barbara Board of Supervisors (the “Board”) regarding Alternative 1B’s compliance with policies and standards set forth in the Santa Barbara Comprehensive Plan, CLUP, Land Use and Development Code (“LUDC”) and County Code relevant to the various legislative and quasi-judicial actions required by the Project, which, in the Board’s view, justify approval of Alternative 1B (“Project Findings”). These Project Findings are based, in part, on the CEQA Findings and Conditions of Approval adopted current herewith, and by this reference, incorporated herein.

B. Location of Record of Proceedings

The Record of Proceedings, upon which all findings and determinations related to the approval of Alternative 1B are based, includes the following:

1. The EIR and all documents referenced in or relied upon by the EIR.
2. All information (including written evidence and testimony) provided by County staff to the Planning Commission and Board relating to the EIR, the approvals, the Project, and Alternative 1B.
3. All information (including written evidence and testimony) presented to the Planning Commission and Board by the environmental consultant and subconsultants who prepared the EIR or incorporated into reports presented to the Planning Commission and Board.
4. All information (including written evidence and testimony) presented to the County from other public agencies related to the Project, Alternative 1B, or the EIR.
5. All applications, letters, testimony and presentations relating to the Project and Alternative 1B
6. All information (including written evidence and testimony) presented at any County hearing or County workshops related to the Project, Alternative 1B and the EIR.
7. All County-adopted or County-prepared land use plans, ordinances, including without limitation general plans, specific plans, and ordinances, together with environmental review documents, findings, mitigation monitoring programs, and other documents relevant to planned growth within the area.
8. The Mitigation Monitoring and Reporting Program for Alternative 1B.
9. All other documents composing the record pursuant to Public Resources Code section 21167.6(e).

The custodian of the documents and other materials that constitute the record of the proceedings upon which the County's decisions are based are in the custody of Project Manager Tom Figg at Planning & Development, located at 123 E. Anapamu St., Santa Barbara, CA 93101.

III. Project Findings

A. General Plan Amendment (Comprehensive Plan and CLUP)

1. **Requirement (Government Code §65358).** Comprehensive Plan Amendments must be in the public interest.
2. **Finding:** The Project includes amendments to the Comprehensive Plan and component CLUP to create a new Naples Townsite land use and zoning designation, with

concurrent revisions to the land use maps specific to the Project site. These amendments are in the public interest insofar as they: (i) are consistent with and affirmatively further the objectives of CLUP Policy 2-13 for the reasons described in the Policy Consistency Analysis attached hereto, and by this reference, incorporated herein; (ii) provide a means for resolving an inherent conflict between legal residential lot densities and underlying land use designations at Naples; (iii) are uniquely applicable to the Naples Townsite and are not transportable to areas further removed from this geographic area of the Gaviota Coast; (iv) facilitate resolution of long standing disputes over the potential development of over 80 percent of the Naples Townsite lots; (v) enable the County to control land use planning for Naples as opposed to a situation where individual lot owners could seek development permits for single family homes under the current “Grid” configuration of the Official Map; (v) allow for continued agricultural operations, restoration of sensitive habitats, and improved recreational and coastal access opportunities for County residents; (vi) provide for a project that would result in fewer environmental impacts than would otherwise result from development of all of the existing Naples Townsite lots; (vii) are part of global solution of long standing land use disputes by balancing residential development agricultural, open space, recreational, and residential uses consistent with the California Coastal Act, the CLUP and Comprehensive Plan.

B. Zoning Ordinance Amendment

1. Requirement (County LUDC, §35.104.060.A.1). The rezoning request is in the interests of the general community welfare. **Finding:** The Project includes amendments to the LUDC to create a new Naples Townsite zone district, with concurrent revision of the official Zoning Map to institute the designation specific to the Project site. These amendments are in the public interest insofar as they implement the Comprehensive Plan amendments which, on their own right, are in the public interest for the reasons described in Paragraph A.2 above.

2. Requirement (County LUDC, §35.104.060.A.2). The rezoning request is consistent with the Comprehensive Plan, the requirements of State planning and zoning laws, and the LUDC. **Finding:** State law requires zoning ordinances to be consistent with a community’s general plan. The Project includes the creation of a new land use designation and concurrent change in Comprehensive Plan and CLUP Land Use Maps. Companion amendments to the LUDC would achieve consistency with concurrent land use changes, and therefore, comply with State planning and zoning laws.

3. Requirement (County LUDC, §35.104.060.A.3). The request is consistent with good zoning and planning practices. **Finding:** The zoning amendments are consistent with good zoning and planning practices insofar as they: (i) provide development standards, performance measures and review procedures that exceed those that exist under present agricultural zoning; (ii) restrict permitted and conditional uses to a less intense and overall number than those which are currently allowed; (iii) impose measures that protect agriculture, open space and visual resources while accommodating residential uses in furtherance of the companion Comprehensive Plan amendments; and (iv) reinforce geographic limitations by linking the proposed Zoning Map change to the Project-specific proposal.

C. Development Agreement

1. **Requirement (LUDC §35.86.040.A.1).** The Development Agreement is consistent with the objectives, policies, general land uses, and programs specified in the Comprehensive Plan and any applicable Specific Plan. **Finding:** The Project includes two sets of a Development Agreements; one governing areas inland of the Coastal Zone Boundary and the other governing areas within the Coastal Zone. In both cases, the Development Agreements obligate the Applicant to develop the Project in accordance with the permits and conditions issued for the Project. As noted in Paragraph F.2., the Project is compliant with all applicable standards of the new NTS zone district. In addition, approval of the Project plans is subject to, and contingent upon, adoption of concurrent amendments to the Comprehensive Plan, CLUP and LUDC to institute the new NTS designation. Furthermore, on the basis of evidence presented, and for the reasons discussed in Policy Consistency Analysis attached hereto, the Project is deemed consistent with all relevant policies of the County.

2. **Requirement (LUDC §35.86.040.A.2).** The Development Agreement provides that any tentative map which is included in the Development Agreement will comply with Government Code Section 66473.7 regarding water supply. **Finding:** Government Code Section 66473.7 pertains to subdivisions of 500 dwellings units or greater, or in the case of public water system with fewer than 5,000 service connections, the threshold is an increase of 10% or more in the number of the public water system's existing connections. The Project involves the development of 73 total new residential dwellings (71 large lot rural estate homes and an employee duplex) which falls well below the subdivision threshold of 500 dwellings. In addition, the only public water system involved in the Project is the Goleta Water District which serves areas of Dos Pueblos Ranch, south of Hwy 101. Established on November 17, 1944, the Goleta Water District encompasses an area extending along the south coast of Santa Barbara County west from the Santa Barbara city limits to El Capitan. The District, which spans approximately 29,000 acres, is bound on the south by the ocean and on the north by the foothills of the Santa Ynez mountains. GWD uses 230 miles of pipeline to provide water to approximately 75,000 people. This population base equates to roughly 25,000 connects as compared to only five new connections under the Project. This incremental addition to the existing customer base of the Goleta Water District is far below the 10% threshold prescribed by law. Accordingly, the Development Agreements (which implement the Project) are consistent with the requirements of Government Code Section 66473.7.

3. **Requirement (LUDC §35.86.040.A.3).** The Development Agreement contains provisions for periodic review pursuant to Government Code Section 65854.1. **Finding:** Both Development Agreements provide for periodic review, at least once every 12 months, in compliance with Government Code Section 65854.1.

D. Williamson Act Contract Modifications and ACE Exchange

1. Williamson Act Contract Cancellation.

a. **Requirement (Government Code §51282).** The Board of Supervisors may grant tentative approval for cancellation of an existing Williamson Act ("WA") contract only if it makes the one of the following findings: (a)(1) that cancellation is consistent

with the purposes of this chapter; or (a)(2) that cancellation is in the public interest. **Finding:** WA Contract #77AP14 totaling 2,566 acres would be replaced by a new ACE encompassing approximately 2,629 acres. The duration of WA contracts are 10 years and automatically renewed annually unless the landowner makes application for non-renewal, in which case the contract would expire at the end of the 10-year time frame. In contrast, the creation of an ACE on this land would protect them in perpetuity and would provide a significant agricultural buffer in close proximity to the western boundaries of both the City of Goleta and existing urban limit line. The WA-ACE Easement Exchange affirmatively furthers agricultural preservation objectives by: (i) increasing the number of agricultural acres under protection; (ii) extending the duration of protection from 10 years to perpetuity; and (iii) providing a swath of protected agricultural land from the ocean to the mountains.

b. Requirement (Government Code §51282c). For the purposes of (a)(2), cancellation shall be in the public interest only if the Board makes the following findings: (i) that other public concerns substantially outweigh the objectives of this chapter; and (ii) there is no proximate non-contracted land which is both available and suitable for the use to which it is proposed the contracted land be put, or, that development of the contracted land would provide more contiguous patterns of urban development than development of proximate non-contracted land.

(1) Finding (Public Interest Consideration): CLUP Policy 2-13 provides a means to resolve the inherent conflict between legal residential lot densities and underlying land use designations and zoning at Naples. Alternative 1B would implement Policy 2-13 and resolve a long-standing dispute over the appropriate development of 85% of the lots encompassed by the Official Map of Naples. Achieving this outcome must take into consideration both the unique property configuration that resulted from the Official Map as well as site-specific environmental and policy constraints that apply to the area. Although Alternative 1B entails a density and scale of development that is considerably different than what exists today, it also allows for continued agricultural operations in perpetuity; allows for restoration of sensitive habitats; and improves recreational and coastal access opportunities for County residents. Moreover, the intensification of land use at Naples is uniquely applicable to this area of the Gaviota Coast by virtue of Policy 2-13 and is not transferable to areas further removed from existing urban development in the South Coast than the Naples Townsite. Potential policy conflicts raised by the scope of development proposed under Alternative 1B can be reconciled through application of this policy. The WA-ACE Easement Exchange will not set a precedent; rather, it is expressly part of a global solution of planning and land use issues that are specific to Naples, and more particularly, are intertwined with CLUP Policy 2-13.

(2) Finding (Land Alternatives): Based on the detailed evaluation contained in the WA-ACE Statutory Compliance Analysis, there is insufficient capacity of proximate non-contracted land which is both available and suitable to accommodate the development sought in connection with the WA-ACE Easement Exchange. This analysis takes into account: (i) the development potential of proximate land that is not under the control of the applicant/landowner; and (ii) the exclusion of certain land under the applicant/landowner's control that is not suitable as development alternatives. In the final analysis, it is shown that proximate land may have the capacity to accommodate as many as 15 additional dwellings

compared to a need to transfer the 40 units proposed on Dos Pueblos Ranch within that portion of Contract #77AP14 to be removed from Williamson Act protection.

2. Agricultural Conservation Easement

a. Requirement (Government Code §51526). In order to utilize WA-ACE Easement Exchange process, the Board of Supervisors must make all of the following findings: (i) the parcel proposed for conservation is expected to continue to be used for, is large enough to sustain, commercial agricultural production and is in an area that possesses the necessary market, infrastructure, and agricultural support services, and the surrounding parcel sizes and land uses will support long-term commercial agricultural production; (ii) the applicable city or county has a general plan that demonstrates a long-term commitment to agricultural land conservation as reflected in the goals, objectives, policies, and implementation measures of the plan related to the area of the county or city where the easement acquisition is proposed; and (iii) without conservation, the land proposed for protection is likely to be converted to nonagricultural use in the foreseeable future.

(1) Finding (Agricultural Sustainability): Under the proposed WA-ACE Easement Exchange (as detailed in the WA-ACE Statutory Compliance Analysis), less productive land would be replaced by more acreage than is lost, and more significantly, by land that is superior both in soil quality and agricultural productivity. In addition, the California Rangeland Trust and Land Trust for Santa Barbara County would monitor and enforce use, development and operational restrictions would run with the land, regardless of changes in ownership. All owners within the ACE would be required to: (i) financially support (through a cooperative or equivalent mechanism) essential infrastructure including storage facilities, farm equipment, water distribution systems and agricultural employee housing; and (ii) employ best management practices with regard to all agricultural operations. In addition, individual owners would be required to retain professional management in the event that minimum production requirements are not met as specified in the ACE. Alternative 1B also includes construction of a new agricultural support facility that will provide additional warehousing, workshop, equipment storage and employee facilities. Ample water supplies are available to sustain agricultural as detailed in the Water Management Plan.

(2) Finding (Long Term Commitment): The critical role that agriculture plays in the local economy (and the County's commitment to protect and enhance this industry) is reflected in a broad array of policies programs; most notably, the Comprehensive Plan, CLUP and Uniform Rules. The combined effectiveness of these land use tools is evidenced by the fact that approximately 555,400 acres of agricultural land is enrolled in the Agricultural Preserve Program, which represents roughly 74% of the total private land in the County zoned for agriculture (Proposed Final EIR, Santa Barbara County Agricultural Preserve and Farmland Security Zone Uniform Rules Update Project, 2006).

(3) Finding (Conversion Potential): The WA-ACE Easement Exchange serves to protect agriculture land from inevitable conversion pressures arising from the potential development of 274 legal lots recognized under the Official Map of Naples. According to 2006 County Assessor data, the comparative land value (without improvements) is \$161,000/acre for Naples Lot 132 versus \$926/acre under WA Contract #77AP14. The

extremely low valuation of agricultural land reflects its modest economic use compared to residentially developed property. Unless all development rights are transferred off-site or extinguished altogether, the disparity in land values will place considerable pressure on the landowner of DPR to seek non-renewal of WA Contract #77AP14 and pursue development of the property. In this regard, the applicant/landowner asserts that there is a minimum of 23 legal lots on the DPR for which a single-family residence is a permitted use (L & P Consultants, 2006).

b. Requirement (Public Resources Code §10252). The easement will make a beneficial contribution to the conservation of the agricultural land in the area based on the following criteria: (i) the quality of the agricultural land, based on land capability, farmland mapping and monitoring program definitions, productivity indices, and other soil, climate, and vegetative factors; (ii) the proposal meets multiple natural resource conservation objectives, including, but not limited to, wetland protection, wildlife habitat conservation, and scenic open-space preservation; (iii) the city or county demonstrates a long-term commitment to agricultural land conservation as evidenced by the general plan and related land use policies of the city or county, policies of the local agency formation commission, California Environmental Quality Act policies and procedures, the existence of active local agricultural land conservancies or trusts, the use of an effective right-to-farm ordinance, applied strategies for the economic support and enhancement of agricultural enterprise, including water policies, public education, marketing support, and consumer and recreational incentives, and other relevant policies and programs; (iv) if the land is in a county that participates in the Williamson Act (Chapter 7 (commencing with Section 51200) of Part 1 of Division 1 of Title 5 of the Government Code), the land proposed for protection is within a county or city designated agricultural preserve; (v) the land proposed for conservation is within two miles outside of the exterior boundary of the sphere of influence of a city as established by the local agency formation commission; (vi) the applicant demonstrates fiscal and technical capability to effectively carry out the proposal including, but not limited to, agricultural land conservation expertise on the governing board or staff of the applicant, or through partnership with an organization that has that expertise; (vii) the proposal demonstrates a coordinated approach among affected landowners, local governments, and nonprofit organizations, and if other entities are involved, there is written support from those entities (as well as the support of neighboring landowners who are not involved) for the proposal and a willingness to cooperate; (viii) the conservation of the land supports long-term private stewardship and continued agricultural production in the region; (ix) the proposal demonstrates an innovative approach to agricultural land conservation with a potential for wide application in the state; (x) the amount of matching funds and in-kind services contributed by local governments and other sources toward the acquisition of the fee title or agricultural conservation easement, or both; (xi) the price of the proposed acquisition is cost-effective in comparison to the fair market value; and (xii) other relevant considerations established by the director; (xiii) the land proposed to be placed under an agricultural conservation easement is of equal size or larger than the land subject to the contract to be rescinded, and is equally or more suitable for agricultural use than the land subject to the contract to be rescinded; and (xiv) the value of the proposed agricultural conservation easement, as determined pursuant to Section 10260 of the Public Resources Code, is equal to or greater than 12.5 percent of the cancellation valuation of the land subject to the contract to be rescinded, pursuant to subdivision (a) of Section 51283.

(1) Finding (Land Quality): As detailed in the WA-ACE Statutory Compliance Analysis, a total of 576 acres would be removed from WA Contract #77AP14, of which 105 acres are classified as “prime agricultural land;” none of this land consists of Class Ie soils. By comparison, the proposed ACE would add 393 acres beyond what is currently covered under WA Contract #77AP14, resulting in a net gain of 96 acres of protected land overall. More significantly, the WA-ACE Easement Exchange would add 99 acres of protected prime agricultural land above the existing baseline and increase the amount of protected Class Ie soils by an additional 75 acres. In summary, less productive land would be replaced by more acreage than is lost, and more significantly, a net increase in land that is superior in soil quality.

(2) Finding (Multiple Objectives): The Williamson Act and the County’s Uniform Rules expressly provide for the inclusion of land that serves environmental conservation as well as agriculture preservation goals. These dual conservation objectives are expressly fostered under the proposed WA-ACE Easement Exchange; specifically, the applicant/landowner proposes to enter into three separate ACE agreements: two involve the California Rangeland Trust (one each for DPR and SBR) and one involving the Land Trust for Santa Barbara County. Under these easements, the Rangeland Trust would oversee 1,668 acres of productive agriculture and grazing land, while the County Land Trust would oversee 1,020 acres of sensitive wildlife and vegetative habitat.

(3) Finding (Long Term Commitment): The critical role that agriculture plays in the local economy is reflected in a broad array of policies programs and described in Paragraph D.2.a. above. Further evidence of the County’s commitment to agriculture is reflected in Chapter 3, Article V, Section 3-23 of the County Code which sets forth disclosure requirements for property in the vicinity of agricultural operations (commonly known as the “Right to Farm Ordinance”). Applied strategies for the economic support and enhancement of agricultural enterprise, including water policies, public education, marketing support, and consumer and recreational incentives is fostered through a host of private, non-profit and governmental bodies; most notably, the Santa Barbara County Farm Bureau, County Agricultural Commissioner, Calavo and Ag Land Services.

(4) Finding (Designated Agricultural Preserve): The County is a participating entity under the Williamson Act. As such, the Williamson Act mandates that areas of the County be designated as agricultural preserves for application of the program. Land within the preserves that meets the eligibility requirements may enroll in the Agricultural Preserve Program through a Williamson Act or Farmland Security Zone contract with the County. Under its adopted Uniform Rules, it is the County’s practice to establish the preserves simultaneously with enrollment in a contract, resulting in coterminous boundaries between the preserves and the contracts. WA Contract #77AP14 was enrolled on January 19, 1978, and was simultaneously placed into agricultural preserve.

(5) Finding (Geographic Location): The easterly property lines of SBR and DPR are located within two miles of the urban limit line that coincides with the municipal boundaries and sphere of influence for the City of Goleta.

(6) Finding (Fiscal and Technical Capability): All owners within the ACE would be required to: (i) financially support (through a cooperative or equivalent mechanism) essential infrastructure including storage facilities, farm equipment, water distribution systems and agricultural employee housing; and (ii) employ best management practices with regard to all agricultural operations. In addition, individual owners would be required to retain professional management in the event that minimum production requirements are not met as specified in the ACE. Financial support of land trust administration, maintenance of agricultural infrastructure and professional agricultural management (if exercised or required) would be accomplished by parcel assessments, CC&R levies or comparable secured obligations.

(7) Finding (Coordinated Approach): The WA-ACE Easement Exchange is the result of a cooperative agreement into which the County and affected landowners entered into on December 3, 2002. At the time of its execution, the Memorandum of Understanding envisioned a much smaller project, limited exclusively to the 485-acre SBR with no WA-ACE Easement Exchange. The willingness of other affected entities to cooperate is evidenced by the fact that the owner of the adjacent DPR has since consented to a much larger proposal represented by the 3,249-acres Alternative 1B. The WA-ACE Easement Exchange is part of the larger Alternative 1B for which negotiations have subsequently led to the involvement of the California Rangeland Trust and Land Trust for Santa Barbara County as trustees of the ACE.

(8) Finding (Private Stewardship): The WA-ACE Easement Exchange would replace more WA contract acreage that is lost and would trade less productive land with property that is superior in soil quality. The recorded ACE, along with CC&Rs that encumber adjacent residential lots, would provide restrictions and standards to ensure the long-term viability of the agricultural components of Alternative 1B. All owners within the ACE would be required to: (i) financially support (through a cooperative or equivalent mechanism) essential infrastructure including storage facilities, farm equipment, water distribution systems and agricultural employee housing; and (ii) employ best management practices with regard to all agricultural operations. In addition, individual owners would be required to retain professional management in the event that minimum production requirements are not met as specified in the ACE. Notwithstanding the early withdrawal provisions of California Public Resources Code Section 10270, and by the authority of Section 10262.1, the applicant/landowner proposes to record necessary deed restrictions (or equivalent documents) to maintain the ACE in perpetuity that survive changes in ownership.

(9) Finding (Innovation): The WA-ACE Easement Exchange is part of a global solution of planning issues resulting from the underlying conflict between agricultural land use designations and the density of the legal lots already present at Naples. To the extent that other areas of the state are faced with similarly unique circumstances, the WA-ACE Easement Exchange serves as an example of how residential development can be accommodated without compromising agricultural resource values. Through the WA-ACE Easement Exchange: (i) less productive land would be replaced by more acreage than is lost, and more significantly, by land that is superior both in soil quality and agricultural productivity; and (ii) the duration of protection would be extended from ten years to perpetuity.

Not applicable.

(10) Finding (Matching Funds and In-Kind Contributions):

(11) Finding (Price of Proposed Acquisition): Not applicable.

(12) Finding (Other Relevant Factors): As of the adoption date of these findings, the California Department of Conservation (“DOC”) has not identified other relevant considerations that require a response. In the event that such considerations are subsequently identified, APAC will be consulted and offer its opinion.

(13) Finding (Equality of Land Exchange): The WA-ACE Easement Exchange would replace more WA contract acreage than is lost and would trade less productive land with property that is superior in soil quality. In summary, a total of 576 acres would be removed from WA Contract #77AP14, of which 105 acres are classified as “prime agricultural land;” none of this land consists of Class Ie soils. By comparison, the proposed ACE would add 393 acres beyond what is currently covered under WA Contract #77AP14, resulting in a net gain of 96 acres of protected land overall. More significantly, the WA-ACE Easement Exchange would protect 148 acres of prime agricultural land not presently under contract, 75 acres of which includes Class Ie soils. This addition more than offsets the 105 acres of prime agricultural land that would be removed under WA Contract #77AP14. Therefore, this finding can be made.

(14) Findings (Cancellation Valuation): Compliance with this criterion will be evidenced by appraisals conducted for the project and reviewed by the County Assessor prior to Board action.

3. New Williamson Act Contract – Consistency with County Uniform Rules

a. Requirement (Rule 1-2). Only whole, legally created and recorded parcels shall be accepted in an agricultural preserve. Where a landowner applies to enroll their entire contiguous landholding in a single contract, and the landholding complies with these rules, the landowner shall not be required to provide a certificate of compliance or other evidence that the landholding is a legally created parcel or parcels. Documentation of parcel validity will be required should the landowner make a request for development on the parcel or parcels. **Finding:** The property proposed for inclusion in a new WA contract consists of the entire Dos Pueblos Ranch, north of Hwy 101, held under common ownership by the Schulte Trust.

b. Requirement (Rule 1-2.1). Eligible land shall have land use and zoning designations consistent with those listed in Table 1-1 of the Uniform Rules. **Finding:** The WA Remainder (Lot DP-11) is designated Agriculture II, 100 Acre Minimum (AG-II-100), and therefore complies with Uniform Rule 1-2.1.

c. Requirement (Rule 1-2.2.A and C). The minimum size for an agricultural preserve comprising nonprime land shall be 100 acres and the minimum size for an agricultural preserve comprising prime or superprime land shall be 40 acres. **Finding:** The

property proposed for inclusion in a new WA Contract totals 1,990 acres and meets the minimum requirement of 100 acres for nonprime land.

d. Requirement (Rule 1-2.4.A and D). Whenever a landowner wishes to enter only part of an existing parcel, the landowner shall record a subdivision map or lot line adjustment prior to or simultaneously with submitting an application for enrollment into the Agricultural Preserve Program and prior to execution of a Williamson Act contract. Whenever a landowner wishes to enter only part of an existing parcel, the landowner shall record a subdivision map or lot line adjustment prior to or simultaneously with submitting an application for enrollment into the Agricultural Preserve Program and prior to execution of a Williamson Act contract. **Finding:** The land to be placed under the new WA Contract would be a remainder lot resulting from Vesting Tentative Tract Map (Case No. 08TRM-00000-00006/TM 14,755) that would remove 576 acres from existing WA Contract ##77AP14. The Vesting Tentative Tract Map would be recorded prior to enrollment in the new WA Contract. No lot line adjustment is proposed to the remainder lot following rescission of the existing WA Contract.

e. Requirement (Rule 1-3). A lot line adjustment proposed on parcels which are under Williamson Act contract shall only be approved provided the landowner(s) and County mutually agree to rescind the contract or contracts and simultaneously enter into a new contract or contracts pursuant to the requirements set forth in this Rule. **Finding:** The land to be placed under the new WA Contract would be a remainder lot resulting from Vesting Tentative Tract Map (Case No. 08TRM-00000-00006/TM 14,755) that would remove 576 acres from existing WA Contract #77AP14. No lot line adjustment is proposed to the remainder lot following rescission of the existing WA Contract.

f. Requirement. (Rule 1-4 and 1-4.3). All requests for residential structures including additions to existing residences, residential agricultural units (RAU), agricultural employee housing and accessory improvements and structures shall be reviewed by the APAC for a compatibility determination that the improvement or structure is sited in accordance with this section and the compatibility guidelines set forth in Rule 2. All requests for agricultural employee housing units subject to a Williamson Act contract, including trailers, mobile homes on permanent foundations, and other types of permanent residential structures that are proposed on the premises shall be reviewed by the Agricultural Preserve Advisory Committee for a determination of need. Along with the agricultural employee, his or her family may occupy the agricultural employee housing. **Finding:** A total of five farm-employee dwellings exist on Dos Pueblos Ranch, north of Hwy 101, and are proposed for continuation under the New WA Contract. This number of dwellings supports an existing WA contract area of 2,566 acres, as compared to 2,304 acres on the New WA Contract, and no new farm-employee dwellings are proposed. The continuation of existing farm-employee dwellings is deemed reasonable and necessary to support the WA Remainder parcel insofar as only a small portion of cultivated land is to be removed from WA Contract #77AP14. No new units are presently proposed; however, a principal home site is to be reserved under the ACE. Under the proposed terms of the ACE: (i) occupants of employee and farm labor housing shall be limited to persons retained by the underlying property owner(s) of the Easement Area, to perform agricultural services for property within the Easement Area; and (ii) shall obtain, if required, the appropriate permits necessary to remedy the non-conforming condition, use and improvement of all existing

dwellings located on lands contained within the Easement Area in compliance with applicable provisions of Section 35-1 of the Santa Barbara County Land Use and Development Code. The later provision would be triggered in the event that an application is subsequently made for development of a principal dwelling on the remainder lot.

4. Cancellation/Rescission of Williamson Act Contract – Consistency with County Uniform Rules

a. Requirement (Cancellation, Rule 6-1.2.A.1). The Board of Supervisors may grant tentative approval for cancellation of a Williamson Act contract only if it can make all of the findings [...*that the...*] cancellation is in the public interest: (i) other public concerns substantially outweigh the objectives of the Williamson Act; and (ii) there is no proximate noncontracted land which is both available and suitable for the proposed use, or development of the contracted land would provide more contiguous patterns of urban development of proximate noncontracted land.

(1) Finding (Overriding Consideration): CLUP Policy 2-13 provides a means to resolve the inherent conflict between legal residential lot densities and underlying land use designations and zoning at Naples. Alternative 1B would implement Policy 2-13 and resolve a long-standing dispute over the appropriate development of 85% of the lots encompassed by Official Map. Achieving this outcome must take into consideration both the unique property configuration that resulted from the Official Map as well as site-specific environmental and policy constraints that apply to the area. Although Alternative 1B entails a density and scale of development that is considerably different than what exists today, it also allows for continued agricultural operations in perpetuity; allows for restoration of sensitive habitats; and improves recreational and coastal access opportunities for County residents. Moreover, the intensification of land use at Naples is uniquely applicable to this area of the Gaviota Coast by virtue of Policy 2-13 and is not transferable to areas further removed from existing urban development in the South Coast than the Naples Townsite. Potential policy conflicts raised by the scope of development proposed under Alternative 1B can be reconciled through application of this policy. The WA-ACE Easement Exchange will not set a precedent; rather, it is expressly part of a global solution of planning and land use issues that are specific to Naples, and more particularly, are intertwined with CLUP Policy 2-13.

(2) Land Alternatives. Based on the detailed evaluation contained in the WA-ACE Statutory Compliance Analysis, there is insufficient capacity of proximate non-contracted land which is both available and suitable to accommodate the development sought in connection with the WA-ACE Easement Exchange. This analysis takes into account: (i) the development potential of proximate land that is not under the control of the applicant/landowner; and (ii) the exclusion of certain land under the applicant/landowner's control that is not suitable as development alternatives. In the final analysis, it is shown that proximate land may have the capacity to accommodate as many as 15 additional dwellings compared to a need to transfer the 40 units proposed on Dos Pueblos Ranch within that portion of Contract #77AP14 to be removed from Williamson Act protection.

b. Requirement (Rescission, Rule 6-1.3). Notwithstanding any other provision of these Uniform Rules, the County, upon petition by a landowner, may enter into an agreement with the landowner to rescind a contract in accordance with the contract cancellation provisions of section 51282 of the Williamson Act in order to simultaneously place other land within the County under an agricultural conservation easement, consistent with the purposes and, except as provided in subsection A.2 below, the requirements of the Agricultural Land Stewardship Program pursuant to Division 10.2 (commencing with Section 10200) of the Public Resources Code, provided that the Board of Supervisors makes all of the following findings: (i) the proposed agricultural conservation easement is consistent with the criteria set forth in Section 10251 of the Public Resources Code; (ii) the proposed agricultural conservation easement is evaluated pursuant to the selection criteria in Section 10252 of the Public Resources Code, and particularly subdivisions (a), (c), (e), (f), and (h), and the Board makes a finding that the proposed easement will make a beneficial contribution to the conservation of agricultural land in its area; (iii) the land proposed to be placed under an agricultural conservation easement is of equal size or larger than the land subject to the contract to be rescinded, and is equally or more suitable for agricultural use than the land subject to the contract to be rescinded (in determining the suitability of the land for agricultural use, the County shall consider the soil quality and water availability of the land, adjacent land uses, and any agricultural support infrastructure); and (iv) the value of the proposed agricultural conservation easement, as determined pursuant to Section 10260 of the Public Resources Code, is equal to or greater than 12.5 percent of the cancellation valuation of the land subject to the contract to be rescinded, determined by the County Assessor to be the current fair market value of the land as though it were free of contractual restriction (the easement value and the cancellation valuation shall be determined within 30 days before the approval of the County of an agreement pursuant to this section).

(1) Finding (PRC §10251): The criteria and findings associated with Public Resources Code Section are recited and covered in Paragraph D.2.a above.

(2) Finding (Beneficial Contribution): The criteria and findings concerning beneficial contribution in accordance with the criteria of Public Resources Code Section 10252 are recited and covered in Paragraph D.2.b above.

(3) Finding (Land Equivalency): The comparative equivalency land involved in the WA-ACE Easement Exchange is covered in Paragraph D.2.b.(13) above.

(4) Finding (Easement Valuation): The valuation requirements and criteria involved in the WA-ACE Easement Exchange is covered in Paragraph D.2.b.(14) above.

5. Conclusion

In light of the considerations described above, and subject to execution and recordation of the ACE documents substantially in the form presented as part of the Project

Exhibits, the Board finds the WA-ACE Easement Exchange and associated WA Contract actions consistent with all applicable County policies and State regulatory criteria.

E. Land Divisions

1. Subdivision Map Act

a. Requirement (State Government Code §66473.1). The design of the subdivision for which a tentative map is required pursuant to §66426 shall provide, to the extent feasible, for future passive or natural heating or cooling opportunities in the subdivision. **Finding:** The Project includes a request for a Vesting Tentative Tract Map under which 40 residential lots would be created. Conditions of Approval require that each lot be designed in accordance with Design Guidelines that include a site-specific analysis of environmental factors including sun orientation and micro-climatic conditions. These factors, coupled with Design Guideline parameters, provide for and encourage the use of solar heating and passive cooling techniques in compliance with Government Code Section 66473.

b. Requirement (State Government Code §66473.5). No local agency shall approve a tentative map, or a parcel map for which a tentative map was not required, unless the legislative body finds that the proposed subdivision, together with the provisions for its design and improvement is consistent with the general plan required by Article 5 (commencing with §65450) of Chapter 3 of Division 1. **Finding:** The Vesting Tentative Tract Map provides for a residential lot density is not presently allowed under current agricultural land use and zoning designations. As such, the Map is subject to, and contingent upon, amendments to the Comprehensive Plan, CLUP and LUDC that would accommodate the number of lots that are proposed. In addition, Conditions of Approval impose standard Map requirements in compliance with Comprehensive Plan policies. The Map is deemed consistent with relevant Comprehensive Plan policies based the assessment of the Project's consistency with applicable County policies as set forth in that certain document entitled "Policy Consistency Analysis" attached hereto, and by this reference, incorporated herein.

c. Requirement (State Government Code §66474). The following findings shall be caused for disapproval of a Vesting Tentative Tract Map: (i) the proposed map is not consistent with applicable general and specific plans as specified in §66451; (ii) the design or improvement of the proposed subdivision is not consistent with applicable general and specific plans; (iii) the site is not physically suitable for the type of development proposed; (iv) the site is not physically suited for the proposed density of development; (v) the design of the subdivision or the proposed improvements are likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat; (vi) the design of the subdivision or type of improvements is likely to cause serious public health problems; (vii) the design of the subdivision or the type of improvements will conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision. **Finding:** Conformity with the Comprehensive Plan and CLUP is linked with concurrent amendment of these policy documents. Conditions of Approval, in turn, link design and development of the subdivision to Final Development Plans that implement agricultural preservation measures, open space and habitat conservation requirements, visual resource protections, and similar policies embodied in the amended policy documents. The subdivision avoids (to the maximum extent feasible) sensitive

plant and animal species, vegetative disturbances will be mitigated at a ratio of 3:1, development envelopes occur on relatively flat terraces where land alteration can be minimized, buildings are designed and sited to minimize their visibility from prominent public viewing places, and overall density is less than one half of what the Official Map of Naples would otherwise yield (i.e., VTTM: 40 lots/274 acres = 0.18 du/ac; Total Official Map: 274 lots/800 acres = 0.34 du/ac; SBR Official Map: 125 buildable lots/485 acres = 0.26 du/ac). The subdivision is far removed any public roads and would not conflict with any known easements. For these reasons, and as articulated in the Policy Consistency Analysis attached hereto, the Project is consistent with the provisions of Government Code Section 66474.

d. Requirement (State Government Code §66474.4). The legislative body of a county shall deny approval of a tentative map or parcel map if it finds that the land is subject to a contract entered into pursuant to the California Land Conservation Act of 1965 and that either the resulting parcels following a subdivision of that land would be too small to sustain their agricultural use or the subdivision will result in residential development not incidental to the commercial agricultural use of the land. **Finding:** The Vesting Tentative Tract Map envelopes 576 acres that are part of a larger Agricultural Preserve. To accomplish this, and pursuant to the provisions of Government Code Section 51256 et.seq., the applicant/landowner proposes replace the land presently protected under Williamson Act Contract ##77AP14 by means of an Agricultural Conservation Easement (“ACE”) that would protect 2,687 acres of agricultural acreage protected *in perpetuity*. This exchange would result in a net gain of 126 acres preserved for agricultural use as compared to the present acreage under Williamson Act contract. Conditions of Approval link the Vesting Tentative Tract Map to completion of the WA-ACE exchange such that recordation of the subdivision would not occur until the underlying land is removed from WA protection and replacement acreage is encumbered with a new ACE. This approach would achieve consistency with Government Code Section 66474.4.

e. Requirement (State Government Code §66474.6). The governing body of any local agency shall determine whether discharge of waste from the proposed subdivision into an existing community sewer system would result in violation of existing requirements prescribed by a California Regional Water Quality Control Board pursuant to Division 7 (commencing with §13000) of the Water Code. **Finding:** The Vesting Tentative Tract Map is located in an area with known geologic and soils conditions that make individual septic treatment problematic. As such, and as stipulated in the Conditions of Approval, all residential development resulting from the subdivision will be served by two sewer package treatment plants in compliance with Regional Water Quality Control Board waste discharge permit requirements. Under these requirements, discharge of waste will not result in a violation of existing ground water quality standards.

2. County Subdivision Regulations

a. Requirement (Vesting Tentative Tract Map, County Code, Chapter 21, §21-8(c)): The following findings shall be cause for disapproval of a tentative map or lot split map, but the tentative map or lot split may nevertheless be approved in spite of the existence of such conditions where circumstances warrant: (i) easements or rights-of-way along or across proposed county streets must be expressly subordinated to street widening, however the road commissioner may approve such easements or rights-of-way without such subordinations; (ii) lack of adequate width or improvement of access roads to the property; creation of a

landlocked lot or parcel without frontage on a street or other approved ingress and egress from the street; (iii) cuts or fills having such steep slopes or great heights as to be unsafe under the circumstances or unattractive to view; (iv) grading or construction may not be performed prior to the approval of the final map; (v) potential creation of hazard to life or property from floods, fire, or other catastrophe; (vi) nonconformance with any adopted general plan of the County or with any alignment of a state highway officially approved or adopted by the state highway commission; (vii) creation of a lot or lots which have a ratio depth to width in excess of 3 to 1; and/or (viii) Subdivision designs with lots backing up to watercourses. **Finding:** The Project does not propose any easements or right-of-ways along or across County public streets that are not for street dedication or widening purposes. Conditions of Approval specify the size of roads necessary to serve the Project and incorporate recommendations of Cal Trans to improve the configuration of the north bound Hwy 101 offramps. Development envelopes are located outside of areas having slopes greater than 20%, no lots would have a ratio depth to width in excess of 3:1, and roads predominately follow existing ranch roads. No grading has occurred nor is any proposed for any street or lot prior to recordation of the final map, except for any allowed structures under existing zoning regulations. Conditions of Approval embody appropriate conditions recommended by the County's Flood Control and Fire Prevention Departments to avoid the creation of hazards associated with flooding and fires. As indicated in the Policy Consistency Analysis attached hereto, the Project deemed consistent with the County's Comprehensive Plan and component CLUP. Compliance with the Conditions of Approval assures that the design and improvements of the proposed subdivision and future development are consistent with the County's Comprehensive Plan. The Project does not conflict with or impact the alignment of any state highway and incorporates improvements to north bound Hwy 101 offramps recommended by Cal Trans. The proposed subdivision does not back up to a watercourse and Conditions of Approval impose erosion control measures (temporary and permanent) would be required prior to future development of the site.

b. Requirement (Lot Line Adjustment, County Code, Chapter 21, § 21-93 and LUDC §35.30.110.B). The approval of a Lot Line Adjustment application shall require that the review authority first make all of the following findings: (i) the Lot Line Adjustment is in conformity with all applicable provisions of the Comprehensive Plan and this Development Code; (ii) no lot involved in the Lot Line Adjustment that conforms to the minimum lot size of the applicable zone shall become nonconforming as to lot size as a result of the Lot Line Adjustment; (iii) except as provided in this Section, all lots resulting from the Lot Line Adjustment shall comply with the minimum lot size requirements of the applicable zone; a Lot Line Adjustment may be approved that results in one or more lots that are nonconforming as to size, provided that (a) four or fewer existing lots are involved in the adjustment, (b) the Lot Line Adjustment shall not result in increased subdivision potential for any affected lot, and (c) the Lot Line Adjustment will not result in a greater number of residential developable lots than existed prior to the adjustment; (iv) the Lot Line Adjustment will not increase any violation of lot width, setback, lot coverage, parking or other similar requirement of the applicable zone, or make an existing violation more onerous; (v) the affected lots are in compliance with all laws, rules and regulations pertaining to zoning uses, setbacks and any other applicable provisions of this Development Code, or the Lot Line Adjustment has been conditioned to require compliance with these rules and regulations, and any zoning violation fees imposed in compliance with applicable law have been paid; and (vi) conditions have been imposed to facilitate the relocation

of existing utilities, infrastructure and easements. **Finding:** The Project includes a two separate lot line adjustments. Case No. 08LLA-00000-00010 reconfigures the two most westerly parcels of Dos Pueblos Ranch on the south side of Hwy 101 by increasing an existing lot by approximately three acres to a final lot size 20.63 acres (DP-12), and the second lot would be reduced to 40.55 acres (DP-13). Case No. 08LLA-00000-00011 will reconfigure five lots into four resultant lots on the balance of Dos Pueblos Ranch, south of Hwy 101; one smaller lot will first be combined into a contiguous parcel, then subsequently adjusted into lots of 35.72 acres (DP-14), 34.63 acres (DP-15), 16.98 acres (DP-16), and 15.02 acres (DP-20). Both cases would be preceded by recordation of Conditional Certificates of Compliance to validate the legal standing of the lots involved in the lot line adjustment in compliance with Subdivision Map Act, County Subdivision Regulations and the LUDC. Requirements to this effect are included in the Conditions of Approval. This action will establish the minimum legal lot size as 10 acres as discussed in Paragraph H.2. below. All of the lots resulting from the adjustments would all exceed this minimum size requirement; however, the existing AG-II-100 zoning of the area requires minimum lot sizes of 100 acres. Conditions of Approval link the effective date of approval of Case No. 08LLA-00000-00011 with the initial merger of the first two lots. So doing would lawfully comply with the requirement that no more than four lots (with sizes less than the minimum prescribed by the underlying zone designation) be involved in a lot line adjustment nor result in increased development potential. Finally, Conditions of Approval require that existing non-conforming conditions (if they exist) be remedied before any further development of the lots may be approved. Collectively, the sequencing of lot mergers, Conditional Certificates of Compliance, and lot line adjustments, coupled with Conditions of Approval, assure compliance with applicable laws and regulations.

F. Final Development Plans

1. Requirement (County LUDC, §35.82.080.E.1.a). The site for the project is adequate in size, shape, location, and physical characteristics to accommodate the density and intensity of development proposed. **Finding:** The Project avoids (to the maximum extent feasible) sensitive plant and animal species, vegetative disturbances will be mitigated at a ratio of 3:1, development envelopes occur on relatively flat terraces where land alteration can be minimized, buildings are designed and sited to minimize their visibility from prominent public viewing places, and overall density is less than one half of what the Official Map of Naples would otherwise yield (i.e., VTTM: 40 lots/274 acres = 0.18 du/ac; Total Official Map: 274 lots/800 acres = 0.34 du/ac; SBR Official Map: 125 buildable lots/485 acres = 0.26 du/ac). For these reasons, the Project is deemed adequate in size, shape, location and physical characteristic to accommodate the density and intensity of development proposed.

2. Requirement (County LUDC, §35.82.080.E.1.b). Adverse impacts are mitigated to the maximum extent feasible. **Finding:** On the basis of evidence in the record, and for the reasons discussed in the CEQA Findings, potentially significant and adverse environmental impacts are mitigated to the maximum extent feasible. Residual adverse and unavoidable impacts are justified based on overriding considerations.

3. Requirement (County LUDC, §35.82.080.E.1.c). Streets and highways are adequate and properly designed. **Finding:** As noted in Paragraph D.2.a. above, the Project

does not propose any easements or right-of-ways along or across County public streets that are not for street dedication or widening purposes. Conditions of Approval specify the size of roads necessary to serve the Project and incorporate recommendations of Cal Trans to improve the configuration of the north bound Hwy 101 offramps.

4. Requirement (County LUDC, §35.82.080.E.1.d). There are adequate public services, including but not limited to, fire protection, water supply, sewage disposal, and police protection to serve the project. **Finding:** On the basis of evidence in the record, and for the reasons discussed in the CEQA Findings, public services are adequate to serve the Project. Impacts on energy resources are less than significant; development fees will be paid by the applicant to offset incremental impacts contributed to general governmental services including schools and public safety; a combination of sewage package treatment plants and individual septic systems will be employed in accordance with Regional Water Quality Control Board standards; and water will be supplied through a variety of available sources in sufficient quantity in accordance with a Water Management Plan.

5. Requirement (County LUDC, §35.82.080.E.1.e). The project will not be detrimental to the health, safety, comfort, convenience, and general welfare of the neighborhood and will not be incompatible with the surrounding areas. **Finding:** The Final EIR identified three less than significant impacts on land use that would occur as a result of implementation of the Project: consistency with applicable land use plans, policies, and regulations (Land-1), potential neighborhood compatibility (Land-2), cumulative impacts associated with long-term changes in land use patterns on the Gaviota Coast (Land-3), as well as associated residual land use impacts. These impacts are considered less than significant for which no mitigation measures are required. As such, the Project will the project will not be detrimental to the health, safety, comfort, convenience or general welfare of the neighborhood and will not be incompatible with the surrounding areas.

6. Requirement (County LUDC, §35.82.080.E.1.f). The project is in conformance with the applicable provisions of the Development Code and the Comprehensive Plan, including any applicable community or area plan. **Finding:** The Final Development Plans for the Project are expressly required under the new NTS land use and zoning designation and comply with applicable standards as follows: (i) lot sizes, setbacks and building footprints are established by the Plans and are not dictated by zoning requirements; (ii) structural setbacks from public trails exceed the minimum requirement of 35 feet; (iii) building height north and south of Hwy 101 are limited to 16 and 25 feet, respectively, and a site-specific visual analysis has been performed in compliance with ordinance standards; (iv) an Open Space and Habitat Management Plan, schematic hardscape plan, schematic fencing concept, schematic lighting plan and schematic landscape plan have been submitted in compliance with NTS requirements; and (iv) Conditions of Approval require these documents to be finalized, utilities to be placed underground and provisions be made for preservation of vegetative hedgerows. In addition, approval of the Plans is subject to, and contingent upon, adoption of concurrent amendments to the Comprehensive Plan, CLUP and LUDC to institute the new NTS designation. Furthermore, on the basis of evidence presented, and for the reasons discussed in Policy Consistency Analysis attached hereto, the Project is deemed consistent with all relevant policies of the County.

7. **Requirement (County LUDC, §35.82.080.E.1.g).** In designated rural areas the use is compatible with and subordinate to the scenic and rural character of the area. **Finding:** Although the overall change in visual character caused by the development of the Project would not be consistent with the existing rural agricultural land on and adjacent to the property, its design has been modified to minimize the potential conflict. Specific changes include reducing the number and bulk of buildings visible from Highway 101, avoiding the massing effect of overlapping buildings when viewed from the highway, and avoiding impairment of views towards the ocean and towards the Santa Ynez Mountains. Furthermore, the Project would greatly reduce the development potential of the property when compared with the existing pattern of legal lots. Development under a “Grid” scenario would be far more detrimental and visually obtrusive than the Project itself. Several mitigation measures are also recommended that would ensure that the development would be visually compatible with the surrounding area including detailed design review; the use of muted colors; restrictions on night lighting; landscaping to integrate development envelopes with the surrounding area; and reduced building heights. Furthermore, Conditions of Approval require the application of Design Guidelines and impose specific standards on lots within public view of the Hwy 101 corridor (i.e., limits on the size of dwellings, use of intervening landscaping and exploration of siting options). The Project design, coupled with NTS policies and mitigation measures, harmonize competing land use and visual resource objectives, allowing the Project to be consistent with visual resource policies.

8. **Requirement (County LUDC, §35.82.080.E.1.g).** The project will not conflict with any easements required for public access through, or public use of a portion of the property. **Finding:** There are no public access easements currently on or through the property nor has there been any legally permitted public use of the property in the past. The Project will, however, provide access where none currently exists in the form of coastal trails, access road and public parking. These are among the benefits of the Project that will enhance, rather than conflict with, public objectives.

9. **Requirement (County LUDC, §35.82.080.E.2.a).** The plan is in substantial conformity with any previously approved Preliminary Development Plan, except when the applicable review authority considers a Final Development Plan for which there is no previously approved Preliminary Development Plan. In this case, the review authority may consider the Final Development Plan as both a Preliminary and Final Development Plan. Where the Director cannot make the finding that the Final Development plan is in substantial conformity with the previously approved Preliminary Development Plan, the Director shall refer the Final Development Plan to the review authority that approved the Preliminary Development Plan for a decision on the Final Development Plan. **Finding:** Not applicable insofar as no Preliminary Development Plan preceded the Final.

G. Conditional Use Permits

1. **Requirement (County LUDC, § 35.82.060.E.1.a).** The site for the proposed project is adequate in terms of location, physical characteristics, shape, and size to accommodate the type of use and level of development proposed. **Finding:** In compliance with NTS policies, roads, utilities and associated infrastructure for which Conditional Use Permits are required are sized to the minimum necessary to serve only the development as permitted in an the

approved Final Development Plans. Conditions to this effect are expressly required in connection with the sewage package treatment plans (“STPs”). The equestrian facility (for which a separate CUP is required) is likewise conditioned to ensure that its facility capacity is properly matched to the number of potential users (e.g., hours of operation, limits on horse boarding, type of activities and limits on patronage, etc.). Other items requiring conditional uses are of a minor inconsequential nature (i.e., coastal access trails, employee duplex, etc.). Therefore, the uses and improvements requested in connection with Conditional Use Permits are appropriately sized in relation to the location, physical characteristics, shape and size of the Property in compliance with LUDC policy.

2. Requirement (County LUDC, § 35.82.060.E.1.b). Within the Coastal Zone, adverse environmental impacts will be mitigated to the maximum extent feasible and within the Inland area significant environmental impacts will be mitigated to the maximum extent feasible. **Finding:** On the basis of evidence in the record, and for the reasons discussed in the CEQA Findings, potentially significant and adverse environmental impacts are mitigated to the maximum extent feasible. Residual adverse and unavoidable impacts are justified based on overriding considerations.

3. Requirement (County LUDC, § 35.82.060.E.1.c). Streets and highways are adequate and properly designed to carry the type and quantity of traffic generated by the proposed use. **Finding:** As noted in Paragraph D.2.a. above, the Project does not propose any easements or right-of-ways along or across County public streets that are not for street dedication or widening purposes. Conditions of Approval specify the size of roads necessary to serve the Project and incorporate recommendations of Cal Trans to improve the configuration of the north bound Hwy 101 offramps.

4. Requirement (County LUDC, § 35.82.060.E.1.d). There will be adequate public services, including fire protection, police protection, sewage disposal, and water supply to serve the proposed project. **Finding:** On the basis of evidence in the record, and for the reasons discussed in the CEQA Findings, public services are adequate to serve the Project. Impacts on energy resources are less than significant; development fees will be paid by the applicant to offset incremental impacts contributed to general governmental services including schools and public safety; a combination of sewage package treatment plants and individual septic systems will be employed in accordance with Regional Water Quality Control Board standards; and water will be supplied through a variety of available sources in sufficient quantity in accordance with a Water Management Plan.

5. Requirement (County LUDC, § 35.82.060.E.1.e). The proposed project will not be detrimental to the comfort, convenience, general welfare, health, and safety of the neighborhood and will be compatible with the surrounding area. **Finding:** The Final EIR identified three less than significant impacts on land use that would occur as a result of implementation of the Project: consistency with applicable land use plans, policies, and regulations (Land-1), potential neighborhood compatibility (Land-2), cumulative impacts associated with long-term changes in land use patterns on the Gaviota Coast (Land-3), as well as associated residual land use impacts. These impacts are considered less than significant for which no mitigation measures are required. As such, the Project will the project will not be detrimental to the health, safety,

comfort, convenience or general welfare of the neighborhood and will not be incompatible with the surrounding areas.

6. Requirement (County LUDC, § 35.82.060.E.1.f). The proposed project will comply with all applicable requirements of this Development Code and the Comprehensive Plan, including any applicable community or area plan. **Finding:** The Conditional Use Permits (both major and minor) for the Project are expressly required under the new NTS land use and zoning designation. Approval of the Permits are subject to, and contingent upon, adoption of concurrent amendments to the Comprehensive Plan, CLUP and LUDC to institute the new NTS designation, as well as approval of Final Development Plans. Furthermore, on the basis of evidence presented, and for the reasons discussed in Policy Consistency Analysis attached hereto, the Project is deemed consistent with all relevant policies of the County.

7. Requirement (County LUDC, § 35.82.060.E.1.g). Within Rural areas as designated on the Comprehensive Plan maps, the proposed use will be compatible with and subordinate to the rural and scenic character of the area. **Finding:** In compliance with NTS policies, roads, utilities and associated infrastructure for which Conditional Use Permits are required are sized to the minimum necessary to serve only the development as permitted in the approved Final Development Plans, and all new utilities are required to be placed underground. The equestrian facility (for which a separate CUP is required) has been relocated from a visually obtrusive location (Lot 57) to a site deemed most suitable by the BAR. Other items requiring conditional uses are of a minor inconsequential nature (i.e., coastal access trails, employee duplex, etc.). Limitations on sizing and location of CUP facilities achieves consistency with the scenic policies.

8. Requirement (County LUDC, § 35.82.060.E.2.a). Within the Coastal Zone, the proposed project will not conflict with any easements required for public access through, or public use of the site. **Finding:** There are no public access easements currently on or through the property nor has there been any legally permitted public use of the property in the past. The Project will, however, provide access where none currently exists in the form of coastal trails, access road and public parking. These are among the benefits of the Project that will enhance, rather than conflict with, public objectives.

H. Coastal Development Permits

1. Requirement (County LUDC/Article II, § 35.82.050.E.1.a). The proposed development conforms to: (i) the applicable provisions of the Comprehensive Plan, including the CLUP and any applicable community or area plan; and (ii) the applicable provisions of this Development Code [Article II] or the project falls within the limited exception allowed in compliance with Chapter 35.101 (Nonconforming Uses, Structures, and Lots). **Finding:** Coastal Development Permits are subject to, and contingent upon: (i) adoption of concurrent amendments to the Comprehensive Plan, CLUP and LUDC/Article II to institute the new NTS designation; and (ii) adoption and conformance with applicable Final Development Plans and Conditional Use Permits. Potential non-conforming uses and buildings existing on portions of the Project site shall be remedied prior to issuance of zoning clearance or final approval of the Coastal Development Permit for corresponding lots on which such non-conforming conditions may exist. Furthermore, on the basis of evidence presented, and for the reasons discussed in Policy

Consistency Analysis attached hereto, the Project is deemed consistent with all relevant policies of the County.

2. Requirement (County LUDC/Article II, § 35.82.050.E.1.b). The proposed development is located on a legally created lot. **Finding:** All lots comprising the Official Map of Naples are deemed legal by virtue of prior deed histories and certificates of compliance. For those areas outside of the Official Map: (i) the area encompassed by the Vesting Tentative Tract Map constitutes a legal parcel by virtue of a previously recorded parcel map (Parcel Map 12,264 recorded on October 25, 1976 per Book 16 of Parcel Map, Pages 53-56, of the County Recorder); and (ii) development of the area on Dos Pueblos Ranch located south of Hwy 101 is subject to and contingent upon issuance of Certificates of Compliance to legally validate existing parcels. As a component of the Project, application has been made for Conditional Certificates of Compliance for those portions of Dos Pueblos Ranch located south of Hwy 101 outside of the Official Map of Naples. The application request arises from an improper deed conveyance by the Signal Oil and Gas Company (as grantor) to the Dos Pueblos Orchid Company (as grantee) in March 5, 1965. The transaction predates the current owner's acquisition of the property in 1979 and resulted in an undersized remnant in the course of creating parcels of lawful size. In compliance with Section 66499.35(b) of the California Subdivision Map Act, the County must approve the request if the affected lots comply with the minimum lot area requirements in effect in 1979, subject to such conditions that would have been applicable to a division of the property in on December 5, 1979. Zoning in effect at the time of the current owner's acquisition of the property was the "U" Zone established as part of Santa Barbara County Ordinance 661. The minimum lot area requirement for the "U" Zone was 10 acres on the date which the current owner acquired its initial interest in the subject property. Each of the parcels for which Certificates of Compliance are sought exceeds the 10-acre minimum: 079-080-030 (46.35 acres); 079-080-029 (58.51 acres); 079-080-031 (39.61 acres); 079-080-020 (39.61 acres). Accordingly, and subject to issuance of Certificates of Compliance by the County Surveyor, the Project is deemed in compliance with LUDC/Article II, Section 35.82.050.E.1.b.

3. Requirement (County LUDC/Article II, § 35.82.050.E.1.c). The subject property is in compliance with all laws, regulations, and rules pertaining to uses, subdivisions, setbacks, and any other applicable provisions of this Development Code, and any applicable zoning violation enforcement and processing fees have been paid. **Finding:** Conformity of the Project and component land use entitlements will be achieved with the concurrent amendment of the Comprehensive Plan, CLUP and LUDC/Article II to institute the new NTS designation. Conditions of Approval, in turn, link design and development of the Project to Final Development Plans that implement agricultural preservation measures, open space and habitat conservation requirements, visual resource protections, and similar policies embodied in the amended policy documents. As noted in Paragraph III.I.2 above, all lots encompassed by the Project are deemed legal by virtue of: (i) the Official Map of Naples; (ii) the legal validity of the area encompassed by the Vesting Tentative Tract Map virtue of a previously recorded parcel map (Parcel Map 12,264 recorded on October 25, 1976 per Book 16 of Parcel Map, Pages 53-56, of the County Recorder); and (ii) development of the area on Dos Pueblos Ranch located south of Hwy 101 is subject to and contingent upon issuance of Certificates of Compliance to legally validate existing parcels. Potential non-conforming uses and buildings existing on portions of the Project site shall be remedied prior to issuance of zoning clearance or final approval of the Land Use Permit for

corresponding lots on which such non-conforming conditions may exist. Accordingly, the Project is deemed in compliance with LUDC/Article II, Section 35.82.100.E.1.c.

4. Requirement (County LUDC/Article II, § 35.82.050.E.1.d). The development complies with the standards of Section 35.30.100 (Infrastructure, Services, Utilities and Related Facilities). **Finding:** On the basis of evidence in the record, and for the reasons discussed in the CEQA Findings, public services are adequate to serve the Project. Impacts on energy resources are less than significant; development fees will be paid by the applicant to offset incremental impacts contributed to general governmental services including schools and public safety; a combination of sewage package treatment plants and individual septic systems will be employed in accordance with Regional Water Quality Control Board standards; and water will be supplied through a variety of available sources in sufficient quantity in accordance with a Water Management Plan. Conditions of Approval require that all new utility services be placed underground and that water conserving devices be utilized.

I. Land Use Permits

1. Requirement (County LUDC, § 35.82.110.E.1.a). The proposed development conforms to: (i) the applicable provisions of the Comprehensive Plan, including the CLUP and any applicable community or area plan; and (ii) the applicable provisions of this Development Code or the project falls within the limited exception allowed in compliance with Chapter 35.101 (Nonconforming Uses, Structures, and Lots). **Finding:** Land Use Permits are subject to, and contingent upon: (i) adoption of concurrent amendments to the Comprehensive Plan, CLUP and LUDC to institute the new NTS designation; and (ii) adoption and conformance with applicable Final Development Plans and Conditional Use Permits. Potential non-conforming uses and buildings existing on portions of the Project site shall be remedied prior to issuance of zoning clearance or final approval of the Land Use Permit for corresponding lots on which such non-conforming conditions may exist. Furthermore, on the basis of evidence presented, and for the reasons discussed in Policy Consistency Analysis attached hereto, the Project is deemed consistent with all relevant policies of the County.

2. Requirement (County LUDC, § 35.82.110.E.1.b). The proposed development is located on a legally created lot. **Finding:** All lots comprising the Official Map of Naples are deemed legal by virtue of prior deed histories and certificates of compliance. For inland areas outside of the Official Map, the land encompassed by the Vesting Tentative Tract Map constitutes a legal parcel by virtue of a previously recorded parcel map (Parcel Map 12,264 recorded on October 25, 1976 per Book 16 of Parcel Map, Pages 53-56, of the County Recorder. Accordingly, the proposed development complies with LUDC policy regarding legal lots.

3. Requirement (County LUDC, § 35.82.110.E.1.c). The subject property is in compliance with all laws, regulations, and rules pertaining to uses, subdivisions, setbacks, and any other applicable provisions of this Development Code, and any applicable zoning violation enforcement and processing fees have been paid. **Finding:** Conformity of the Project and component land use entitlements will be achieved with the concurrent amendment of the Comprehensive Plan, CLUP and LUDC to institute the new NTS designation. Conditions of Approval, in turn, link design and development of the Project to Final Development Plans that implement agricultural preservation measures, open space and habitat conservation requirements,

visual resource protections, and similar policies embodied in the amended policy documents. As noted in Paragraph III.I.2 above, all lots encompassed by the Project are deemed legal by virtue of: (i) the Official Map of Naples; (ii) the legal validity of the area encompassed by the Vesting Tentative Tract Map virtue of a previously recorded parcel map (Parcel Map 12,264 recorded on October 25, 1976 per Book 16 of Parcel Map, Pages 53-56, of the County Recorder); and (ii) development of the area on Dos Pueblos Ranch located south of Hwy 101 is subject to and contingent upon issuance of Certificates of Compliance to legally validate existing parcels. Potential non-conforming uses and buildings existing on portions of the Project site shall be remedied prior to issuance of zoning clearance or final approval of the Land Use Permit for corresponding lots on which such non-conforming conditions may exist. Accordingly, the Project is deemed in compliance with LUDC Section 35.82.100.E.1.c.

IV. Policy Consistency Analysis

A. Scope

For areas within the Coastal Zone, policies concerning land use, sources, services, and other issues are found in the County's CLUP, which is a component of the County's Comprehensive Plan. The CLUP is implemented in large part by the County's Coastal Zoning Ordinance, which is Article II in the Zoning Code (recently reformatted starting as Section 35.10.10 of the updated LUDC). These two documents—the CLUP and Article II—comprise the County's local coastal plan as required under the California Coastal Act. For areas outside of the Coastal Zone, also called "inland areas," the applicable policies are in the County's Comprehensive Plan and these are implemented primarily through the inland portion of the County's Zoning Code (Article III, also recently reformatted into the LUDC).

B. Context

The assessment of the Project's consistency with applicable County policies is set forth in that certain document entitled "Policy Consistency Analysis" attached hereto, and by this reference, incorporated herein. The analysis takes into account existing baseline conditions; most notably, that the Project is more protective of coastal resources compared to lot-by-lot development following the grid pattern of the existing Naples Townsite. Furthermore, the analysis takes into account: (i) the overarching provisions of Coastal Act Section 30010 that prohibits the imposition of conditions or application of policies in ways that result in a "taking" of private property; and (ii) the California Coastal Act and County's CLUP allow for potential conflicts and inconsistencies to be "harmonized" through the application of CLUP Policy 2-13.