

January 9, 2012

Board of Supervisors  
105 E Anapamu Street  
Santa Barbara, Ca 93101

RE: Briefing on Rice Ranch  
Board of Supervisors Meeting January 10, 2012



Dear Supervisors:

Rice Ranch Ventures would like to thank the Planning and Development staff for providing this summary report to the Board of Supervisors. The report provides a good outline of the project process for the current revisions to the project however we are providing additional information about the Specific Plan amendments.

**History:**

The Rice Ranch project was approved by the Board of Supervisors in December of 2003. The project was immediately put on the market after the approval. In September of 2004, Rice Ranch Ventures, LLC purchased the project. This development had experience building projects in the Central Coast including Bradley Squares in Santa Maria and The Woodlands in Nipomo. The development team reviewed all of the conditions of approval and understood what they were buying. The initial assumption was that they would be able to complete all of the conditions while selling about 100 units a year once they started construction of the homes. With this assumption the project would be completed in just over seven years. Of course that did not happen.

During 2005 and 2006, two major items were concurrently being designed.

- 1) The Master Map TM 14,636 was recorded to create the individual lots for future development and the open space lots, five park lots, and school lot for future dedication to the county and school district. Along with this recordation, \$20,000,000 worth of bonds posted to assure completion of the project conditions.
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  - a. The 26 acre Community Park and Phase 1 trails with a total cost of \$5,000,000.00 not including the land costs. Seven items were added to the park that were not originally required per Parks Department's request. The Orcutt

Community Park was officially dedicated to the County in December of 2008 and the opening ceremony was March 28, 2009.

- b. Two signalized intersections at Rice Ranch Road and Bradley and Patterson and Bradley costing \$1,000,000.00.
- c. Widening and Landscaping of Rice Ranch Road and Bradley Road costing \$2,000,000.00
- d. A second 1,000,000 gallon water storage tank for Golden State Water and new water well costing \$3,000,000.00.
- e. Biological Mitigation in the Phase 1 open space total and ongoing costs of \$2,000,000.00

After reviewing all of the Final Map conditions and the front end costs of infrastructure, Planning and Development and County Counsel agreed to enter into a Memorandum of Understanding to defer conditions 48 and 49 affordable housing requirements until after the first 73 homes were built. This MOU was approved by the Board of Supervisors on November 27, 2007.

Of the 175 conditions of approval over 160 of them were met before the first two homes were occupied in September of 2008. The remaining conditions apply to the other neighborhoods that are not yet recorded.

#### **Economic Changes.**

All of the site work and construction was moving forward even as the real estate market was slowing down. Just as the first houses were being sold in Rice Ranch, the banking industry crashed in September of 2008. It should be noted that the third home sold at Rice Ranch was not until March of 2009.

Over the last three years, Rice Ranch has completed 65 homes and sold 50 of them. Rice Ranch Ventures, LLC has done everything they can to keep the project going during this very slow time.

#### **New Specific Plan 2011**

In 2010 (eighteen months after the crash) it became clear that the housing market will take a long time to recover and that the original design of Rice Ranch targeted a market that is no longer saleable. Our first revised application package was submitted to the county in August of 2010 and additional submittals were filed in 2011.

The major design elements that needed to be changed included:

- 1) Too many lots over 7,000 sf and over 200 lots that were over 9,000 sf.
- 2) The Pine Creek and Meadows Multi-family could not be financed as originally designed. There were 60 units in this project that were one bedroom, 600 sf feet to meet the low income for sale condition. Also all of the multi-family units in the project were two stories.
- 3) The Groves Multi-Family units were not designed correctly for the market and were also two stories.
- 4) Lack of amenities for mature, active adult buyers

- 5) The affordable housing conditions had to be revised to meet the economy of the North County.

To solve these design challenges for today's market we proposed the following

- 1) Of the original 50 buyers at Rice Ranch, 35 of them were over 55 years in age and bought the single story smaller models. We redesigned the Meadows and Groves to provide lots of 7,000 sf with single story homes 2,000 sq feet or less which are preferred by the mature, active adult buyer.
- 2) The multi-family clustered projects in Pine Creek and Meadows were redesigned with a mature active adult in mind. These units are all single story with one and two car garages and private yards.
- 3) We removed the Multi-family units in the Groves and placed single story homes in that location to be better suited for the Groves neighborhood.
- 4) With the idea that a active adult buyer likes to have a center area to meet we have added a clubhouse at the Stubblefield Black Oak entrance of the project.
- 5) Amend the Affordable Housing condition to pay in-lieu fees for the low units and acknowledge that the multi-family units in the project would be in the affordable range for moderate sale prices.

Over the last year as the county has reviewed the revised project at both Subdivision and NBAR, several new standards had to be addressed based on the 2010 county requirements.

- 1) Because of the county budget challenges, almost all of the roads within this new project will now be private. This redesign will take almost 2-2.5 miles of public roads off of the long term maintenance responsibility for the county.
- 2) Because of the county budget challenges, the four neighborhood parks in the Rice Ranch project are now being designed and will be maintained as private parks, thereby removing the long term responsibility and costs from the Parks Department.
- 3) Parks Department also requested that all slopes resulting for the grading of the site be placed on private lots or in the HOA area so the Parks Department would not be responsible for these areas.
- 4) The overall project design has been required to meet the new Clean Water requirements that would not have been required if the old map was recorded.

And Finally

- 5) By paying the in-lieu fees, the county will not have to be responsible for maintaining records on 146 affordable housing units and qualify buyers for these units for the next 30 or 40 years. This will be a substantial savings to the county.

With the project changes we are proposing and the change the county departments are requesting, the new Rice Ranch project will be a substantial improvement over the old design and will reflect the new market conditions. This should be considered a win-win for everyone including the county.

**What Now ...**

Last month the county accepted the Open Space lots to address recreational needs of the Orcutt community. The board also heard our concerns about moving this redesigned project

forward. Since that time Rice Ranch Ventures has been working with their bank and partners to restructure the financing of the project. It is very important that we continue to work with the county staff to move this new project design forward.

We request the following:

- 1) That staff completes their review of the resubmitted documents and call the Specific Plan and related plans project complete for process by January 12, 2012, if not sooner. We understand that staff may still want to work out details but the critical information has been provided and we need to move on with the process.
- 2) That staff be directed to fast track this project. In that Rice Ranch is the largest project in the county and has already gone through the county process in 2003, the staff should fast track the environmental review and staff reports so that the project can be scheduled for public hearing at the Planning Commission and the Board of supervisors as soon as possible. We understand that there are number of required steps that this project is required to go through however the sooner the project is redesigned the sooner the new homes can be built and new fees and taxes can be provided to the county.
- 3) That staff be directed to revise the approved MOU to allow 146 units to be constructed until the conditions for the affordable housing can be amended through the Specific Plan and in conjunction with the Inclusionary Housing Ordinance that the Long Range Planning Division is preparing. In that the staff report and the agreement are already prepared, this item could be returned to the Board in the near future.

Moving forward with these items will assure our bank and partners that the County of Santa Barbara will assist in this improved project design and we can start construction as soon as possible.

#### **In conclusion**

Thank you again for holding this briefing. Just as the County of Santa Barbara has gone through painful financial challenges over the last four years, so has Rice Ranch Ventures, LLC. The good thing is that we are both still here to resolve issues with this project and make it better for the future.

Sincerely,



Jim LaLoggia  
Rice Ranch Ventures

Attached MOU and Staff Report 11/20/2007



BOARD OF SUPERVISORS  
AGENDA LETTER

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

Agenda Number:

Department Name: Housing and  
Community  
Development  
Department No.: 055  
For Agenda Of: November 20, 2007  
Placement: Administrative  
Estimated Time:  
Continued Item: No  
If Yes, date from:  
Vote Required: No Vote Required

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**TO:** Board of Supervisors  
**FROM:** Department John Torell, CPA 568-3520  
Director(s)  
Contact Info: Susan Everett 568-2014  
**SUBJECT:** Memorandum of Understanding for Rice Ranch Project Case Numbers 03RZN-00000-00003, 97-SP-001, TM 14,430, TM 14,636, 03ORD-00000-00008, 03DVP-00000-00009, -00010, -00011, -00012, -00013, -00014, Orcutt Community, Fourth Supervisorial District

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**County Counsel Concurrence**

As to form: Yes

**Other Concurrence:** N/A

**Auditor-Controller Concurrence**

As to form: N/A

**Recommended Actions:** Approve and execute the attached *Memorandum of Understanding for Rice Ranch* (Attachment A) for Rice Ranch Housing Development.

**Summary Text:**

The attached Memorandum of Understanding outlines an agreement between the County of Santa Barbara and Rice Ranch Ventures, LLC in which the Developer agrees:

- to construct 73 affordable *workforce* units concurrent with the construction of market rate units throughout the development, and
- to construct 73 affordable *low income* units concurrent with the construction of market rate units throughout the development **unless plans and entitlements are amended and in-lieu fees are paid**, and if such in-lieu fees are approved and paid,
- **to identify acceptable potential sites** where these paid in-lieu fees can be spent for construction of *low income* affordable units if the appropriate amendments are made to developer's plans and entitlements.

**Background:**

Regarding the Rice Ranch development, the County has executed and recorded two Agreements to provide Affordable Housing: instrument numbers 2007-0067891, Agreement to Provide Affordable Low Income Housing and 2007-0067891 Agreement to Provide Affordable Workforce Housing recorded on September 20, 2007.

The approved Rice Ranch project allows for construction of seven hundred and twenty five (725) residential units, seventy three (73) of which are designated *workforce affordable units* available to families earning less than 150% of median area income and seventy three (73) are designated *low income units* for families earning less than 80% of median income.

**Workforce units** - Condition of Approval item number 50 of TM 14,430 requires developer to construct 73 Restricted units with 50 of the units in the 120% medium income level and 23 units in the 150% medium income range whose marketing and sale must be concurrent with the construction of the market rate units throughout the development.

**Low Income units** - The Developer is also required to construct 73 units affordable to low-income with an affordability target of 75% of median income concurrent with the construction of market rate as required by condition of approval number 49 of TM 14,430. The affordable units must be constructed concurrent with the construction of market rate units with occupancy clearance for no more than 10% of the market rate units be allowed prior to occupancy clearance for the same percentage of the affordable units.

The Agreements to Provide were recorded to allow the project to move forward. However, the Developer *intends to apply to the County to amend plans and entitlements currently requiring the construction of low income affordable units in Rice Ranch be built on-site and instead to pay in-lieu fees*. Construction of the 73 units affordable to low-income will not be required if this amendment to the plans and entitlements is approved and in-lieu fees would be paid to provide capitol to assist with other housing projects.

The primary purpose of the attached MOU is to clarify the meaning of Conditions 49 and 50 in the Development Agreement for Rice Ranch. This will facilitate construction of the market rate and workforce units while Rice Ranch Ventures, LLC processes the necessary applications to pay in-lieu fees of the required low income units.

**Special Instructions:**

- Execute the Memorandum of Understanding and return to Housing and Community Development Department.

**Attachments:**

*Attachment A: Memorandum of Understanding Rice Ranch*

**Authored by:**

Susan Everett, Senior Planner, Housing and Community Development

**cc:**

MEMORANDUM OF UNDERSTANDING

RICE RANCH

**Project Case Numbers 03RZN-00000-00003, 97-SP-001, TM 14,430, TM 14,636, 03ORD-00000-00008**

**03DVP-00000-0009,-00010, 00011,-00012,-00013,-00014**

This Memorandum of Understanding (MOU) between the County of Santa Barbara (hereinafter "County") and Rice Ranch Ventures, LLC (hereinafter "Developer") is made and entered into on this date set forth below.

The Developer proposes to develop a residential development consisting of 725 units as described in the above listed project case numbers. Said development is further identified as located along the south side Stubblefield and Rice Ranch Road in the south portion of Orcutt Community, fourth Supervisorial District and is to be called Rice Ranch (the Subject Property) and is more fully described in Exhibit "A" attached hereto and made a part hereof for all purposes.

RECITALS

WHEREAS, County has determined that the granting of approval for Rice Ranch on December 3, 2003 requires as a condition of approval that Developer provide affordable housing.

WHEREAS, Condition of Approval number 50 of TM 14,430 requires developer to construct affordable units concurrent with the construction of market rate units with occupancy clearance for no more than 10% of the market rate units be allowed prior to occupancy clearance for the same percentage of the affordable units.

WHEREAS, Developer desires to comply with condition of approval number 50 of TM14, 430 by constructing, marketing, and sale of 73 Workforce units, 50 of the units in the 120% medium income level and 23 units at the 150% medium income range all concurrently with construction, marketing and sale of market rate units.

WHEREAS, In addition, Developer and County propose that occupancy clearance for no more than 10% of the market rate be granted prior to occupancy clearance for the same percentage of the affordable units. These units will be committed to the 30 year resale control provision of the Housing Element and will be recorded under an "Agreement to Provide Affordable Workforce Housing" agreement.

WHEREAS, The County's current Housing Element Development Standard 1.2.7 allows developers of projects outside of the Coastal Zone to satisfy their inclusionary housing requirement through payment of in-lieu fees.

WHEREAS, The Developer intends to apply to the County to amend certain plans and entitlements that currently require that affordable low income units in the Rice Ranch Project be built on site. Specifically Developer intends to apply to amend: the Orcutt Community Plan KS12-2, the Rice Ranch Development Agreement sections 3.2.3 and Exhibits A-5 and A-9, the Rice Ranch Specific Plan section 4-3, Development plan condition 57, and Condition number 49 of TM 14, 430 to pay in lieu fee instead of building on site low income affordable units thereby providing capital to the affordable housing program to assist in other housing projects.

NOW, THEREFORE the parties hereto agree as follows:

1. Developer agrees to build 73 Restricted units in Pine Creek with 50 of the units in the 120% medium income level and 23 units in the 150% medium income range as determined by the Santa Barbara County Housing and Community Development Developer will submit to County an Agreement to Provide consistent with the above provisions which will be recorded under separate agreement prior to Map Recordation. Construction, marketing and sale of the above described units shall be concurrent with the construction of the market rate units throughout the development. The County will not grant final occupancy clearance for more than 10% of the market rate prior to occupancy of the same percentage of these workforce affordable units.
2. Developer agrees that after the construction of the 73 units affordable to the work force and a proportionate share of market rate units, it will construct 73 units affordable to low-income with an affordability target of 75% of median income concurrent with the construction of market rate as required by condition of approval number 49 of TM 14,430. Occupancy clearance for no more that 10% of the market rate shall be allowed prior to occupancy of the same percentage of these low-income affordable units. These low-income affordable units need not be constructed if the amendments to the plans and entitlements referred to in paragraph #4 below have been approved.
3. Developer agrees to work with the County to identify potential sites for affordable units that in-lieu fees from the Rice Ranch Project could be spent. This may involve working with the County to establish a project in conjunction with a local non-project housing developer in which to direct those fees to assure that the housing product is developed on a timely manner. Both the Developer and the county recognize that these in-lieu funds may be better used with matching funds to develop more low-income rental units than those that would have been provided on the subject property.
4. Nothing in this Agreement shall obligate or bind the County, the Santa Barbara Planning Commission, the Santa Barbara County Board of Supervisors, or any county agencies, departments, commissions, agents, officers, or employees to exercise its/his/her discretionary authority in any particular way or fashion, take or consider a particular legislative action, or to delegate any discretionary authority, to issue any county discretionary land use entitlement, or issue any County approvals in regard to any project



of the Developer or other project, or in any proceedings related to such project or on any application for such project.

5. Authority and Capacity. Developer and Developers's signator(ies) each warrant and represent that each has full authority and capacity to enter into this agreement.
6. Negotiated Agreement. This agreement has been arrived at through negotiation between the parties. Neither party is to be deemed the party which prepared this contract within the meaning of California Civil Code section 1654.
7. Independent Advice. Each party hereby represents and warrants that in executing this agreement it does so with full knowledge of the rights and duties it may have with respect to the other. Each party also represents and warrants that it has received independent legal advice from its attorney with respect to the matters set forth in this agreement and the rights and duties arising out of this agreement, or that such party willingly foregoes any such consultation.
8. No Reliance on Representations. Each party hereby represents and warrants that it is not relying, and has not relied, upon any representation or statement made by the other party with respect to the facts involved or its rights or duties. Each party understands and agrees that the facts relevant, or believed to be relevant to this contract may hereunder turn out to be other than, or different from the facts now known to such party as true, or believed by such party to be true.

IN WITNESS WHEREOF, the parties have entered into this agreement on the date appearing below.

**COUNTY OF SANTA BARBARA**

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Brooks Firestone  
Chair Board of Supervisors


ATTEST:  
MICHAEL F. BROWN  
CLERK OF THE BOARD


BY: \_\_\_\_\_ BY: \_\_\_\_\_  
John Torell, Director  
Housing and Community Development Department

**RICE RANCH VENTURES, LLC,**  
a Delaware limited liability company

By: Troxler Residential Ventures 31, LLC,  
a Delaware limited liability company  
its Managing Member

By: Troxler Ventures Partners III, LLC,  
a California limited liability company  
its Operating Member

By:   
BRYAN PAYNE TROXLER, as Settlor  
and Trustee of the Troxler Family Trust,  
dated January 7, 1993, amended and  
completely restated December 3, 1996  
its Sole Member

Attest:   
Bryan P. Troxler  
Manager, Troxler Ventures Partners III, LLC

APPROVED AS TO FORM:  
STEPHEN SHANE STARK  
COUNTY COUNSEL

BY: \_\_\_\_\_  
Mary McMaster  
Deputy County Counsel

Notary page attached to:  
Memorandum of Understanding

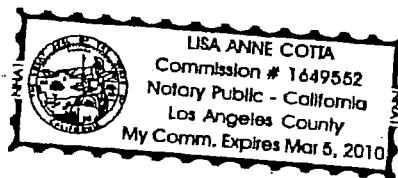
ACKNOWLEDGMENT

STATE OF CALIFORNIA        )  
  ) SS  
COUNTY OF LOS ANGELES    )

On September 4, 2007, before me, Lisa Anne Cotta, Notary Public, personally appeared Bryan P. Troxler, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

  
\_\_\_\_\_  
Notary Public



(SEAL)



# 6

January 9, 2012

Board of Supervisors  
105 E Anapamu Street  
Santa Barbara, Ca 93101



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Jim LaLoggia  
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Attached MOU and Staff Report 11/20/2007





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AGENDA LETTER

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

Agenda Number:

Department Name: Housing and  
Community  
Development  
Department No.: 055  
For Agenda Of: November 20, 2007  
Placement: Administrative  
Estimated Tme:  
Continued Item: No  
If Yes, date from:  
Vote Required: No Vote Required

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**TO:** Board of Supervisors  
**FROM:** Department John Torell, CPA 568-3520  
Director(s)  
Contact Info: Susan Everett 568-2014  
**SUBJECT:** Memorandum of Understanding for Rice Ranch Project Case Numbers 03RZN-00000-00003, 97-SP-001, TM 14,430, TM 14,636, 03ORD-00000-00008, 03DVP-00000-00009, -00010, -00011, -00012, -00013, -00014, Orcutt Community, Fourth Supervisorial District

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**County Counsel Concurrence**

As to form: Yes

**Other Concurrence:** N/A

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The approved Rice Ranch project allows for construction of seven hundred and twenty five (725) residential units, seventy three (73) of which are designated *workforce affordable units* available to families earning less than 150% of median area income and seventy three (73) are designated *low income units* for families earning less than 80% of median income.

**Workforce units** - Condition of Approval item number 50 of TM 14,430 requires developer to construct 73 Restricted units with 50 of the units in the 120% medium income level and 23 units in the 150% medium income range whose marketing and sale must be concurrent with the construction of the market rate units throughout the development.

**Low Income units** - The Developer is also required to construct 73 units affordable to low-income with an affordability target of 75% of median income concurrent with the construction of market rate as required by condition of approval number 49 of TM 14,430. The affordable units must be constructed concurrent with the construction of market rate units with occupancy clearance for no more than 10% of the market rate units be allowed prior to occupancy clearance for the same percentage of the affordable units.

The Agreements to Provide were recorded to allow the project to move forward. However, the Developer *intends to apply to the County to amend plans and entitlements currently requiring the construction of low income affordable units in Rice Ranch be built on-site and instead to pay in-lieu fees*. Construction of the 73 units affordable to low-income will not be required if this amendment to the plans and entitlements is approved and in-lieu fees would be paid to provide capitol to assist with other housing projects.

The primary purpose of the attached MOU is to clarify the meaning of Conditions 49 and 50 in the Development Agreement for Rice Ranch. This will facilitate construction of the market rate and workforce units while Rice Ranch Ventures, LLC processes the necessary applications to pay in-lieu fees of the required low income units.

**Special Instructions:**

- Execute the Memorandum of Understanding and return to Housing and Community Development Department.

**Attachments:**

*Attachment A: Memorandum of Understanding Rice Ranch*

**Authored by:**

Susan Everett, Senior Planner, Housing and Community Development

**cc:**

MEMORANDUM OF UNDERSTANDING

RICE RANCH

Project Case Numbers 03RZN-00000-00003, 97-SP-001, TM 14,430, TM 14,636, 03ORD-00000-00008

03DVP-00000-0009,-00010, 00011,-00012,-00013,-00014

This Memorandum of Understanding (MOU) between the County of Santa Barbara (hereinafter "County") and Rice Ranch Ventures, LLC (hereinafter "Developer") is made and entered into on this date set forth below.

The Developer proposes to develop a residential development consisting of 725 units as described in the above-listed project case numbers. Said development is further identified as located along the south side Stubblefield and Rice Ranch Road in the south portion of Orcutt Community, fourth Supervisorial District and is to be called Rice Ranch (the Subject Property) and is more fully described in Exhibit "A" attached hereto and made a part hereof for all purposes.

RECITALS

WHEREAS, County has determined that the granting of approval for Rice Ranch on December 3, 2003 requires as a condition of approval that Developer provide affordable housing.

WHEREAS, Condition of Approval number 50 of TM 14,430 requires developer to construct affordable units concurrent with the construction of market rate units with occupancy clearance for no more than 10% of the market rate units be allowed prior to occupancy clearance for the same percentage of the affordable units.

WHEREAS, Developer desires to comply with condition of approval number 50 of TM14,430 by constructing, marketing, and sale of 73 Workforce units, 50 of the units in the 120% medium income level and 23 units at the 150% medium income range all concurrently with construction, marketing and sale of market rate units.

WHEREAS, In addition, Developer and County propose that occupancy clearance for no more than 10% of the market rate be granted prior to occupancy clearance for the same percentage of the affordable units. These units will be committed to the 30 year resale control provision of the Housing Element and will be recorded under an "Agreement to Provide Affordable Workforce Housing" agreement.

WHEREAS, The County's current Housing Element Development Standard 1.2.7 allows developers of projects outside of the Coastal Zone to satisfy their inclusionary housing requirement through payment of in-lieu fees.

WHEREAS, The Developer intends to apply to the County to amend certain plans and entitlements that currently require that affordable low income units in the Rice Ranch Project be built on site. Specifically Developer intends to apply to amend: the Orcutt Community Plan KS12-2, the Rice Ranch Development Agreement sections 3.2.3 and Exhibits A-5 and A-9, the Rice Ranch Specific Plan section 4-3, Development plan condition 57, and Condition number 49 of TM 14, 430 to pay in lieu fee instead of building on site low income affordable units thereby providing capital to the affordable housing program to assist in other housing projects.

NOW, THEREFORE the parties hereto agree as follows:

1. Developer agrees to build 73 Restricted units in Pine Creek with 50 of the units in the 120% medium income level and 23 units in the 150% medium income range as determined by the Santa Barbara County Housing and Community Development. Developer will submit to County an Agreement to Provide consistent with the above provisions which will be recorded under separate agreement prior to Map Recordation. Construction, marketing and sale of the above described units shall be concurrent with the construction of the market rate units throughout the development. The County will not grant final occupancy clearance for more than 10% of the market rate prior to occupancy of the same percentage of these workforce affordable units.
2. Developer agrees that after the construction of the 73 units affordable to the work force and a proportionate share of market rate units, it will construct 73 units affordable to low-income with an affordability target of 75% of median income concurrent with the construction of market rate as required by condition of approval number 49 of TM 14,430. Occupancy clearance for no more that 10% of the market rate shall be allowed prior to occupancy of the same percentage of these low-income affordable units. These low-income affordable units need not be constructed if the amendments to the plans and entitlements referred to in paragraph #4 below have been approved.
3. Developer agrees to work with the County to identify potential sites for affordable units that in-lieu fees from the Rice Ranch Project could be spent. This may involve working with the County to establish a project in conjunction with a local non-project housing developer in which to direct those fees to assure that the housing product is developed on a timely manner. Both the Developer and the county recognize that these in-lieu funds may be better used with matching funds to develop more low-income rental units than those that would have been provided on the subject property.
4. Nothing in this Agreement shall obligate or bind the County, the Santa Barbara Planning Commission, the Santa Barbara County Board of Supervisors, or any county agencies, departments, commissions, agents, officers, or employees to exercise its/his/her discretionary authority in any particular way or fashion, take or consider a particular legislative action, or to delegate any discretionary authority, to issue any county discretionary land use entitlement, or issue any County approvals in regard to any project

of the Developer or other project, or in any proceedings related to such project or on any application for such project.

5. Authority and Capacity. Developer and Developers's signator(ies) each warrant and represent that each has full authority and capacity to enter into this agreement.
6. Negotiated Agreement. This agreement has been arrived at through negotiation between the parties. Neither party is to be deemed the party which prepared this contract within the meaning of California Civil Code section 1654.
7. Independent Advice. Each party hereby represents and warrants that in executing this agreement it does so with full knowledge of the rights and duties it may have with respect to the other. Each party also represents and warrants that it has received independent legal advice from its attorney with respect to the matters set forth in this agreement and the rights and duties arising out of this agreement, or that such party willingly foregoes any such consultation.
8. No Reliance on Representations. Each party hereby represents and warrants that it is not relying, and has not relied, upon any representation or statement made by the other party with respect to the facts involved or its rights or duties. Each party understands and agrees that the facts relevant, or believed to be relevant to this contract may hereunder turn out to be other than, or different from the facts now known to such party as true, or believed by such party to be true.

IN WITNESS WHEREOF, the parties have entered into this agreement on the date appearing below.

**COUNTY OF SANTA BARBARA**

DATED: \_\_\_\_\_ BY: \_\_\_\_\_  
Brooks Firestone  
Chair Board of Supervisors


ATTEST:  
MICHAEL F. BROWN  
CLERK OF THE BOARD


BY: \_\_\_\_\_ BY: \_\_\_\_\_  
John Torell, Director  
Housing and Community Development Department

**RICE RANCH VENTURES, LLC,**  
a Delaware limited liability company

By: Troxler Residential Ventures 31, LLC,  
a Delaware limited liability company  
its Managing Member

By: Troxler Ventures Partners III, LLC,  
a California limited liability company  
its Operating Member

By:   
BRYAN PAYNE TROXLER, as Settlor  
and Trustee of the Troxler Family Trust,  
dated January 7, 1993, amended and  
completely restated December 3, 1996  
its Sole Member

Attest:   
Bryan P. Troxler  
Manager, Troxler Ventures Partners III, LLC

APPROVED AS TO FORM:  
STEPHEN SHANE STARK  
COUNTY COUNSEL

BY: \_\_\_\_\_  
Mary McMaster  
Deputy County Counsel

Notary page attached to:  
Memorandum of Understanding

ACKNOWLEDGMENT

STATE OF CALIFORNIA            )  
  ) SS  
COUNTY OF LOS ANGELES     )

On September 4, 2007, before me, Lisa Anne Cotta, Notary Public, personally appeared Bryan P. Troxler, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

(SEAL)

