



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

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

Department Name: Planning and
Development
Department No.: 053
For Agenda Of: January 10, 2012
Placement: Departmental
Estimated Tme: 30 minutes
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Glenn Russell Ph.D., 568-2085
Director:
Contact Info: Dianne M. Black, Director of Development Services, 568-2086
SUBJECT: Briefing on Rice Ranch Proposed Revised Project

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: NA

Other Concurrence:

As to form: NA

Recommended Actions:

That the Board of Supervisors receive this report on processing issues for the Rice Ranch proposed revised project.

Summary Text:

At your hearing on December 13, 2011, your Board accepted the fee dedication of public open space and the grant of public trail easements required by conditions of approval on the Rice Ranch development project. Your Board further asked to be briefed at you January 10, 2012 hearing about on the proposed revisions to the Rice Ranch project. The discussion section that follows reviews the status of a variety of issues regarding the Rice Ranch project.

Discussion:

Temporary Entry Permit

At the hearing on the Board's acceptance of the fee dedication of public open space, the Rice Ranch developer expressed concern regarding their ability to comply with the project's conditions of approval requiring improvements to the open space and trails and to complete construction of their project with County ownership of the open space areas. Access into some portions of the now county-owned open space areas would also be necessary during project construction. The developer requested a temporary easement or some other method to ensure necessary access. After the Board of Supervisors heard the

Rice Ranch item at the December 13, 2011 Board meeting, County Staff met with the Developer's team and informed them that the Director of General Services is authorized to grant the Developer a "temporary entry permit." Mr. Ronn Carlentine is the County's point of contact for this temporary entry permit. The developer's team has been provided with Mr. Carlentine's contact information and an example of a temporary entry permit.

Proposed Revised Rice Ranch Project

As was discussed at the Board hearing, on December 1, 2010, the Rice Ranch developer submitted a proposed revision to their approved and partially built project. The revised project requires a General Plan Amendment to increase the base density of the area, to make text amendments to the Orcutt Community Plan to allow the neighborhood parks to be privately owned, and to allow payment of in lieu fees for affordable housing and count certain units as affordable by design. The proposed project also requires amendments to the Rice Ranch Specific Plan, Development Agreement, Maps and Development Plans. Attachment 1 includes an exhibit showing the changes in extent of grading and a table showing the unit count and open space area by neighborhood for the approved project, the original December 2010 proposed revision and the recent further revised December 2011 resubmitted application for the proposed revised project.

The following is a chronology of the project processing to date:

- October, 2010: P&D Director and Development Review staff met with the applicant and agent to discuss proposed changes to the approved Rice Ranch Project.
- December 1, 2010: A partial project application was submitted for informal staff review.
- December 22, 2010: Staff informed applicant that their proposal to provide affordable housing by design, instead of paying affordable housing in-lieu fees for the moderate income requirement, is a major change to the County's affordable housing program and must go before the Planning Commission for initiation. Staff also informed applicant that additional information is needed before the request can be considered by the Planning Commission.
- January 13, 2011: Staff provided detailed comments on the application submittal in order to assist the applicant in moving forward and addressing outstanding submittal issues while the General Plan initiation process was underway.
- February 11, 2011: P&D received the General Plan Amendment project description from the applicant.
- March 9, 2011: Planning Commission hearing and initiation of the General Plan Amendment (See Attachment 2 for the March 9, 2011 staff report and Attachment 3 for the Planning Commission Action Letter). At the Planning Commission hearing, the Planning Commission indicated that the proposed revised project did not appear to be consistent with the Housing Element and would be evaluated for consistency with the Housing Element and ordinances in effect when the project is ultimately considered by the Planning Commission and Board of Supervisors.
- April through November 2011: Numerous discussions with applicant and agent regarding timing of application processing, environmental review issues associated with the proposed revised application, changes to the timing of provision of affordable housing requirements before consideration of the proposed revised application and the Inclusionary Housing Ordinance by the Board of Supervisors, and deferral of application review fees.

- June 27, 2011: Applicant provided their first resubmitted application materials.
- July 27, 2011: Staff prepares 10-page letter informing applicant that their application is incomplete for processing. Letter includes a detail list of informational items needed in order to determine the application complete.
- December 13, 2011: Applicant provided their second resubmitted application materials.

The following processing steps remain:

- By January 12, 2011, staff will review the resubmitted application materials to determine if the application is complete. If incomplete, staff is required by statute to identify any application deficiencies in a letter to the applicant. Once the application is resubmitted, staff will review for completeness determination within 30 days. When the application is determined to be complete, the following steps will occur.
- Environmental review: Staff will evaluate the revised project to determine if additional environmental review is required. Based upon the application review to date, staff anticipates conducting additional environmental review to update the impact discussion resulting from the proposed additional 14 units (traffic, water, and biological disturbance from additional ground disturbance). In addition, greenhouse gas emissions were not analyzed in the Rice Ranch Supplemental EIR, and would be addressed in the environmental document for the proposed revised project. The form of the environmental document will depend on the severity of the change in impacts. A determination on the document type will occur once the application is found complete and a stable project description is analyzed by staff.
- Subdivision/Development Review Committee: The departments will review the final project description and issue proposed condition letters.
- North Board of Architectural Review (NBAR): The NBAR will conceptually review the revised project and provide any comments on recommended changes in design.
- Staff Analysis: Staff will prepare a report with analysis of the project with a recommendation to the Planning Commission.
- Planning Commission hearing: Planning Commission will review and make a recommendation on the project to the Board of Supervisors. With the current project description, the project cannot be recommended for approval, due to inconsistencies with the Inclusionary Housing Policy. The Inclusionary Housing Ordinance currently under review may or may not address this current inconsistency.
- Board of Supervisors hearing: Board will take final action on the project.

Inclusionary Housing Requirements

Rice Ranch was approved under a previous Housing Element. At the time of approval, the Inclusionary Housing Policy required that projects in the Santa Maria Housing Market Area provide 10% of the proposed units as deed restricted affordable housing for households at “moderate” income levels. The policy in effect at the time also allowed for the payment of in-lieu housing fees if an applicant chose not to build the required housing onsite. However, the Orcutt Community Plan and the Rice Ranch Specific Plan require affordable units be provided onsite. Further, the applicant proposed to provide an additional 10% of the total units as deed restricted housing for households at “workforce” income levels, which were to be built onsite.

The current Inclusionary Housing Policy in the Housing Element for the Santa Maria Housing Market Area requires:

- 5% very-low income units
- 5% low income units
- 10% moderate income units

As a part of the proposed revised project, the applicant is now proposing to pay in lieu fees for 5% of the proposed units at the very low income level and 5% at the low income level, and provide 76 units considered affordable by design in the Pine Creek neighborhood, with no deed restrictions. This is not consistent with the current Housing Element inclusionary housing policy.

Inclusionary Housing Ordinance: The Board of Supervisors included implementation of the Housing Element programs in the Department's current Work Program. The highest priority of the Housing Element Programs is Program 1.2. This program would result in revisions to the Inclusionary Housing Program, which is currently contained in the Housing Element, and relocating it in an ordinance. Work began on the ordinance in Spring of 2011 and was originally projected to be completed in Fall/Winter of 2011. However, due to complexities of the project as well as staffing issues in both the Planning and Development and Community Services/Housing and Community Development Departments, the schedule has been revised, with public release of a draft ordinance expected no later than March 2012, public outreach and State Housing and Community Development review from March to June 2012, environmental review in June and July 2012, Planning Commission hearings in August/September and Board hearings in October/November 2012.

Interim Affordable Housing Option: In April and May of 2012, staff discussed an option with the applicant and his agent to allow additional construction of market rate housing in advance of the Board's consideration of the proposed revised project and the Inclusionary Housing Ordinance. This would have required an amendment to the Specific Plan and the project conditions to allow additional market rate units to be constructed in advance of the required affordable housing units. While the applicant expressed interest in this option, to date, we have not received an application to modify the timing of construction of the affordable housing units.

Fiscal and Facilities Impacts:

The costs for processing of the Rice Ranch Project are reimbursed by the applicant and are budgeted in Permitting and Compliance Program of the Development Review North Division, as shown on page D-316 the adopted 2011-2012 fiscal year budget.

Attachments:

1. Summary of Approved and Proposed Projects – Exhibit and Table
2. Planning Commission March 9, 2011 Rice Ranch General Plan Amendment Initiation staff report.
3. Planning Commission Action letter dated March 11, 2011.

Authored by:

Dianne Black, (805) 568-2086