

# SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors  
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**Agenda Number:**  
**Prepared on:** March 9, 2006  
**Department Name:** Planning & Development  
**Department No.:** 053  
**Agenda Date:** March 21, 2006  
**Placement:** Departmental  
**Estimate Time:** 1.5 Hours  
**Continued Item:** No  
**If Yes, date from:**

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**TO:** Board of Supervisors

**FROM:** Dianne Meester, Assistant Director  
Planning and Development

**STAFF CONTACT:** Steve Chase, Deputy Director (568-2520)  
Development Review South

**SUBJECT:** Santa Barbara Ranch Project -- Transfer of Development Rights

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## **Recommendation(s):**

That the Board of Supervisors receives, for information only, a study concerning the feasibility of transferring development rights in association with the Santa Barbara Ranch Project.

## **Alignment with Board Strategic Plan:**

The recommendation aligns with Goal Nos. 1 and VI: "An Efficient Government Able to Anticipate and Respond Effectively to the Needs of the Community" and "A County Government that is Accessible, Open, and Citizen-Friendly."

## **Executive Summary and Discussion:**

**Purpose.** The purpose of this agenda item is to receive a presentation from the Solimar Research Group on the results of a feasibility study for transferring development rights ("TDR") from an 800-acre area on the Gaviota coast, two miles west of Goleta, known as the Naples Townsite. The study has been performed in connection with pending applications that seek entitlements to develop between 54 and 72 rural estates and associated improvements on the Santa Barbara and Dos Pueblos Ranch properties. The magnitude of development proposed will necessitate a change in the area's underlying agricultural land use designation to a classification that would allow a higher density of residential development than allowed at present. Before such a re-designation may be considered, the County's Coastal Land Use Plan ("CLUP") requires that the area first be studied for the feasibility of transferring development rights from the Naples Townsite to urban areas suitable for residential development.

**Background.** The Naples Townsite encompasses an 800-acre area on the Gaviota coast, located two miles west of the City of Goleta. The area's development potential has long been a source of dispute and litigation, both past and pending. This conflict centers around the Original Map of Naples filed by the Naples Improvement Company on July 23, 1888, the Official Map of Naples recorded by the County on October 3, 1995, and intervening legal disputes over lot merger provisions and septic system permit requirements imposed by the County. Further complicating the matter are California Coastal Act and local coastal land use policies that promote the preservation of agriculture, sensitive habitats and visual quality of the Gaviota Coast, while at the same time identify a single family residence as an eligible principal permitted use on individual legal lots, regardless of size.

Existing land use and zoning designations for the Naples Townsite consist primarily of commercial agriculture, with a minimum lot size requirement of 100 acres for each parcel. This translates to a lot density that is considerable less than the 274 legal lots recognized in the 1995 Official Map of Naples. In short, existing agricultural land use designations and implementing zoning ordinances do not accommodate residential development of lots already present at the Townsite. As a means of resolving this conflict, the County's Coastal Land Use Plan ("CLUP") contains policy language that is expressly and solely applicable to Naples. Policy 2-13 was adopted in 1982 at the time of the certification of the County's Local Coastal Program and states:

*"The existing townsite of Naples is within a designated rural area and is remote from urban services. The County shall discourage residential development of existing lots. The County shall encourage and assist the property owner(s) in transferring development rights from the Naples townsite to an appropriate site within a designated urban area which is suitable for residential development. If the County determines that transferring development rights is not feasible, the land use designation of AG-II-100 should be re-evaluated."*

In summary, CLUP Policy 2-13 anticipates consideration of a land use re-designation in the event that a TDR program is infeasible. Pursuant to this policy, the County of Santa Barbara and two of the four principal owners of Naples (the Morehart and Santa Barbara Ranch related interests), together representing 80% of the Official Map lots, entered into a Memorandum of Understanding ("MOU") on December 3, 2002. The MOU does not create entitlements, rights or approvals, and does not impair the County's ability to enforce its applicable ordinances, resolutions, policies or statutes. However, it does provide a protocol for the County to entertain applications for resolving development and conservation issues arising from conflict between the density of legal parcels within the Townsite and the rural, agricultural purpose and intent of the current underlying zone district and land use designation.

Pursuant to the MOU, applications have been filed for entitlements to develop between 54 and 72 rural estates and associated improvements on the Santa Barbara and Dos Pueblos Ranch properties (collectively referred to as the "Santa Barbara Ranch Project"). While the proposed lot density is considerably less than the 235 legal lots recognized in the Official Map on the two ranches, the magnitude is still greater than the 100-acre minimum lot size that predominates throughout the area. As a consequence, the landowners seek a re-designation of land use to a new Naples Planned Development district. Pursuant to CLUP Policy 2-13, the Solimar Research Group has been commissioned by the County to evaluate the feasibility of transferring development rights off-site of Naples.

**Study Findings.** The TDR Study identifies and evaluates potential “receiver” sites that might be suitable for residential development within designated urban and rural areas, with corresponding estimates of potential lot extinguishment at Naples. An initial slate of 79 candidate sites were evaluated. However, most of these locations were subsequently removed from consideration for a variety of reasons: remoteness from the Naples Townsite, lack of common interest and issues between the Naples Townsite and potential receiver sites, and the disparity between very high land and development values on the Gaviota coast when compared with inland urbanized areas. In the final analysis, eight sites were identified as having the greatest potential to receive development rights from Naples, four within the City of Santa Barbara and four within adjacent unincorporated areas of the County (see Attachment 1)<sup>1</sup>.

While it may be possible to extinguish at least some development potential at Naples, the TDR Study concludes that a complete extinguishment of development rights is improbable. Moreover, the potential magnitude of development transferred depends on what goals are pursued in the process – reducing the overall development intensity, preserving the public viewshed from Highway 101, or eliminating development from the coastal bluff-tops. The Study further notes that development transfers, no matter how small or large, depend upon a host of actions that must subsequently occur: capitalization of a mitigation bank, execution of inter-jurisdictional agreements and a variety of legislative actions to provide requisite “up-zoning” for receiver sites.

**Next Steps.** This item has been noticed solely to announce publication of the TDR Study, and it is the beginning of a long public review process that will span a number of months before concluding with public hearings before the Planning Commission and Board of Supervisors. A Draft Environmental Impact Report (“EIR”) is currently under preparation and is scheduled for public release within the next 45 days. Together, the TDR Study and EIR will be part of the record that decision makers will use in the course of their deliberations on the Santa Barbara Ranch Project. The public review process and schedule of events is summarized below<sup>2</sup>:

Release of TDR Study:	March 21, 2006
Presentation of TDR Study to the City Council of the City of Santa Barbara:	March 28, 2006
Release of the Draft EIR:	May 1, 2006
Public Hearing on Draft EIR:	May 31, 2006
End of Public Comment Period on Draft EIR:	June 29, 2006
Commencement of PC Public Hearings:	Late Summer/Early Fall
Commencement of BOS Public Hearings:	Late Fall/Early Winter

In light of the above, no Board action is required or possible regarding the pending Santa Barbara Ranch project applications, and substantive comments on the TDR Study would be premature.

**Mandates and Service Levels:**

CLUP Policy 2-13 requires the TDR Study before a re-designation of land within the Naples Townsite may occur.

<sup>1</sup> As noted on Map B, five sites are graphically shown as passing the 1<sup>st</sup> and 2<sup>nd</sup> screens. However, the Pony Lot was ultimately eliminated from consideration, thereby leaving four final sites within the City of Santa Barbara.

<sup>2</sup> Dates are approximate and subject to change.

**Fiscal and Facilities Impacts:**

Costs associated with the TDR Study are funded by the applicant for the Santa Barbara Ranch Project. Permit revenues are budgeted in the Permit and Compliance Program of the Development Review, South Division on Page D-296 of the adopted 2005-06 fiscal year budget.

**Special Instructions:**

None

**Concurrence:**

County Counsel

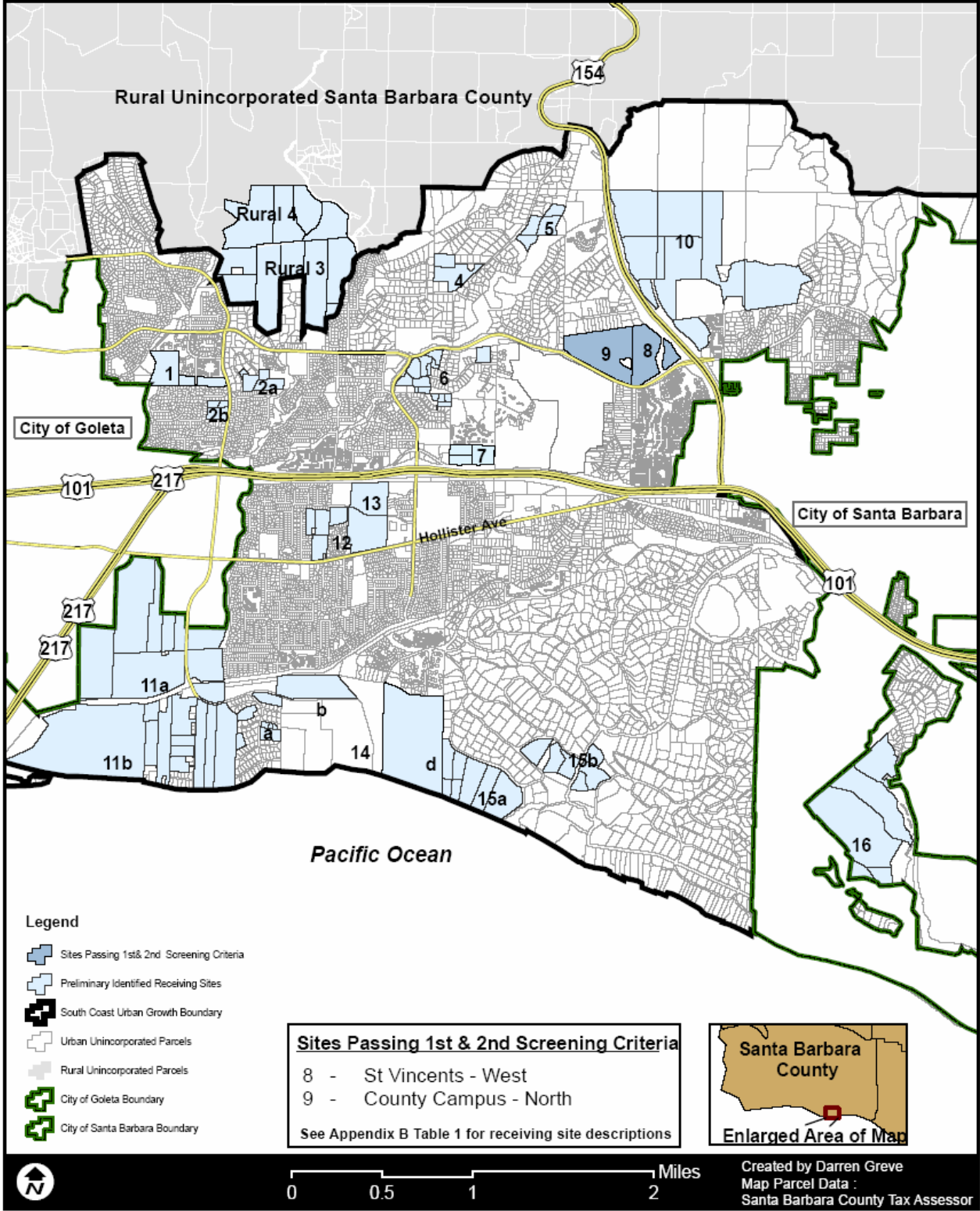
**Attachments:**

1. Maps of Final Candidate Receiver Sites
2. Santa Barbara Ranch TDR Feasibility Analysis (Solimar Research Group, March 2006)

Prepared by: Tom Figg, Project Manager

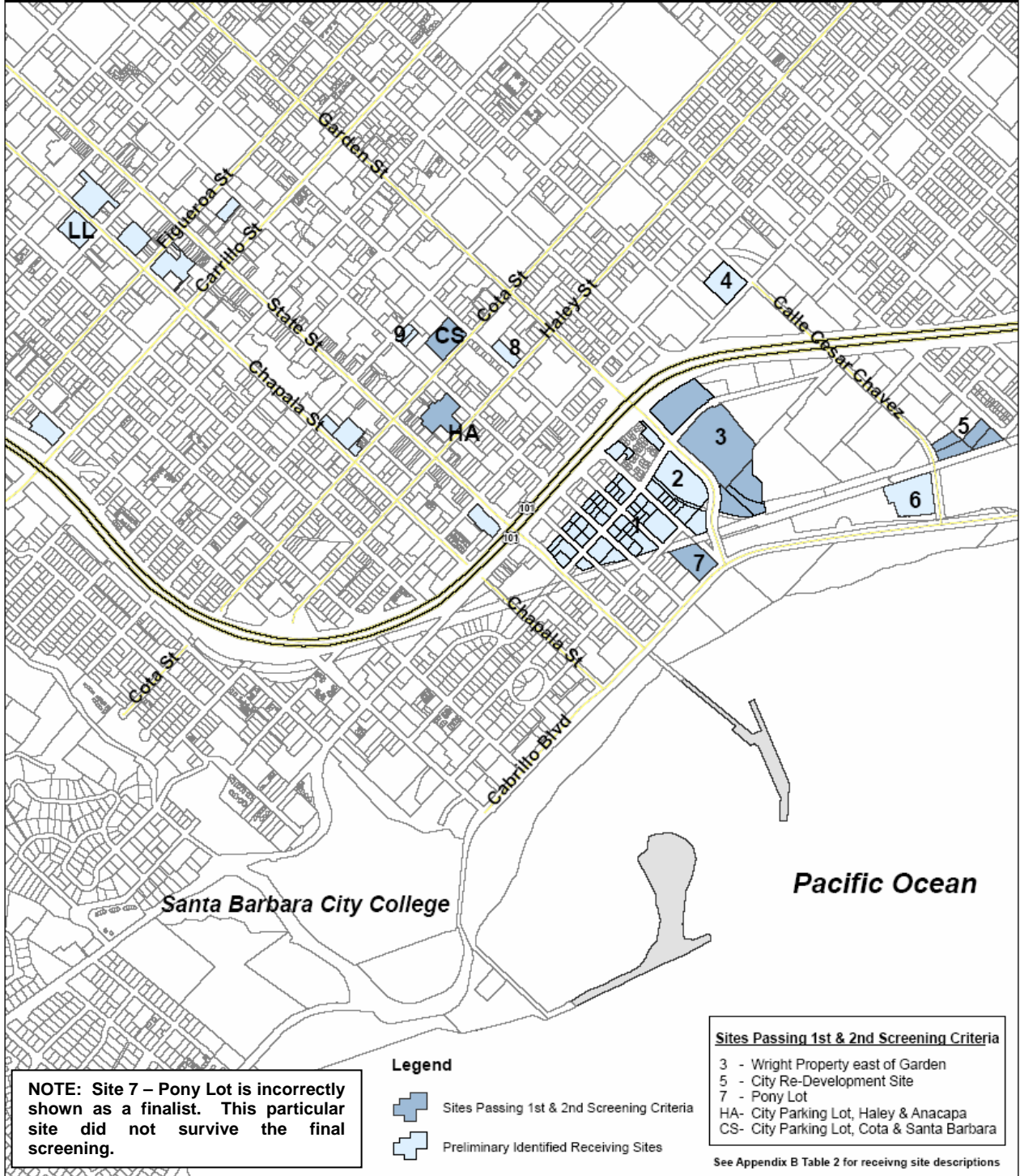
*G:\GROUP\Permitting\Case Files\DVP\03 cases\03DVP-00000-00041 Santa Barbara Ranch\Final TDR Study*

# Map A : Unincorporated Urban South Coast Preliminary Identified Receiving Sites & Sites Passing 1st & 2nd Screening Criteria







# Map B: City of Santa Barbara Preliminary Identified Receiving Sites & Sites Passing 1st & 2nd Screening Criteria

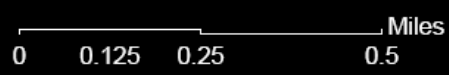


**NOTE:** Site 7 – Pony Lot is incorrectly shown as a finalist. This particular site did not survive the final screening.

- Legend**
-  Sites Passing 1st & 2nd Screening Criteria
  -  Preliminary Identified Receiving Sites

- Sites Passing 1st & 2nd Screening Criteria**
- 3 - Wright Property east of Garden
  - 5 - City Re-Development Site
  - 7 - Pony Lot
  - HA- City Parking Lot, Haley & Anacapa
  - CS- City Parking Lot, Cota & Santa Barbara

See Appendix B Table 2 for receiving site descriptions



Created by Darren Greve  
 Map Parcel Data :  
 Santa Barbara County Tax Assessor

