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Katherine Douglas *Public Comment - Richard's Ranch*

From: Michael Stoltey <Michael@Md3inv.com>
Sent: Monday, April 6, 2026 4:11 PM
To: sbcob
Subject: April 7th Hearing Agenda item 1 Comments attached
Attachments: 2026-04-06 - Agenda Item Comment - Richards Ranch.pdf

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Good morning,

Please find an attached letter as the applicant party requesting a date certain continuance of 60 days to Agenda item 1 regarding File No. 24-08 Tax Exchange Arbitration.

Thank you,

Michael D. Stoltey, MBA
Richards Ranch LLC
805.710.7866 (M)

April 6, 2026
Supervisor Bob Nelson, Chair
County of Santa Barbara
105 E. Anapamu Street
Santa Barbara, CA 93101

Submitted via Email Only

Subject: Request for 60-Day Continuance (Date Certain) – Richards Ranch Property Tax Exchange (April 7, 2026 Agenda)

Chair and Members of the Board,

On behalf of the applicant for the Richards Ranch project, **we respectfully request a 60-day continuance to a date certain of the April 7, 2026 agenda item regarding the proposed property tax exchange agreement.**

This request is based on concerns regarding process, analytical consistency, and fundamental fairness.

The staff report introduces new assumptions and analytical inputs that materially alter the conclusions presented and were not adopted in either of the independent fiscal analyses, including the jointly commissioned analysis by the County of Santa Barbara and the City of Santa Maria, or in the arbitration outcome. While certain concepts were raised during negotiations, including mediation and arbitration, they were not incorporated into the analyses prepared by the jointly retained fiscal consultant, nor adopted by the arbitrator in reaching a recommended allocation.

These assumptions were introduced three business days prior to the hearing, providing no reasonable opportunity for review or response. More importantly, they reflect a departure from the analytical framework relied upon in both the fiscal analysis and arbitration, each of which demonstrated that the annexation could result in mutual fiscal benefit to both the County and the City. Presenting these additional factors as though they were part of that framework risks materially mischaracterizing the underlying analysis and its conclusions.

As presented, the recommendation appears to rely on an approach that is inconsistent with the established record, including the Willdan fiscal analysis and the arbitrator's recommendation. This late-stage shift raises concerns regarding internal consistency, reliability, and whether the analysis is being applied in a uniform and principled manner, particularly in light of the County's historical use of consistent allocation methodologies in prior tax exchange agreements. The departure here raises material concerns regarding arbitrary and capricious decision-making.

The implications extend beyond a typical tax exchange. Richards Ranch is a regionally significant infill housing opportunity within the Santa Maria Valley. The tax exchange determination is a threshold requirement for LAFCO consideration, and a decision based on incomplete or inconsistent information would effectively foreclose that process and prevent the project from being evaluated on its merits.

Absent annexation, the site remains a 44-acre property within the County without a viable path to water service, despite years of planning and investment. The project has already been the subject of ongoing legal proceedings, including matters related to the County's prior actions under state housing law. Similar to the County's 2023 Housing Element decisions, we view this as a critical juncture for the project to de-escalate, deliver much-needed housing, and provide mutual fiscal benefit—consistent with third-party analyses—to the County, the City, local schools, and County fire services. If the annexation path is effectively foreclosed based on an incomplete or inconsistent record, the result is not simply delay—it is the potential for continued litigation exposure.

We raise this to underscore the importance of ensuring that any decision—particularly one that may override a third-party arbitration outcome—is grounded in a consistent, transparent, and defensible analytical record.

Given the significance of this matter and the need for a complete, consistent, and defensible record, a

continuance is both reasonable and necessary.

A 60-day continuance will allow sufficient time to:

- Review and reconcile the newly introduced assumptions;
- Confirm consistency with the fiscal analysis and arbitration outcome; and
- Ensure any decision is based on a reliable evidentiary record.

Accordingly, we respectfully request that the Board continue this item to a date certain approximately 60 days from April 7, 2026, or the next regularly scheduled meeting thereafter.

We appreciate the Board's consideration and remain committed to working constructively toward a fair resolution.

Sincerely,
Michael D. Stoltey
Managing Member
Richards Ranch LLC