



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: June 19, 2012  
Placement: Set Hearing  
Estimated Time: 30 min. on July 10, 2012  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors

**FROM:** Department Glenn Russell, Ph.D., Director, 568-2085  
Director(s) Planning and Development  
Contact Info: Doug Anthony, Deputy Director, 568-2046  
Development Review Division – North County

**SUBJECT: Rice Ranch Recorded Map Modification & Specific Plan Amendment, Fourth District**

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: N/A

**Other Concurrence:** N/A

As to form: N/A

**Recommended Actions:**

On June 19, 2012, set a hearing for July 10, 2012 to consider the Planning Commission's recommendation for approval of the Rice Ranch Recorded Map Modification & Specific Plan Amendment (Case Nos. 12RMM-00000-0001 for TM 14,430, 12SPP-00000-00001, 12ORD-00000-00010).

On July 10, 2012, staff recommends your Board take the following actions:

1. Make the required findings for the project specified in Attachment A of Attachment 2 (Planning Commission Action Letter dated May 16, 2012) of this Board Letter, including CEQA findings.
2. After considering the previously adopted Environmental Impact Report (03-EIR-05) prepared for the Rice Ranch project, determine that as reflected in the CEQA findings, no subsequent Environmental Impact Report or Negative Declaration shall be prepared for this project pursuant to CEQA Guidelines Section 15162.

3. Adopt an Ordinance (12ORD-00000-00010) included as Attachment 3 of this Board Letter approving Case No. 12SPP-00000-00001 to amend Section 4.3.2, Affordable Housing, Implementation and Monitoring of the approved Rice Ranch Specific Plan (97-SPP-001).
4. Approve Case No. 12RMM-00000-00001 to modify Condition No. 50, of TM 14,430, as shown in Attachment B of Attachment 2 (Planning Commission Action Letter dated May 16, 2012) of this Board Letter.

The project site is located on the south side of Stubblefield and Rice Ranch Roads in the southeastern portion of the Orcutt Community Plan area, Fourth Supervisorial District.

**Summary Text:**

Mr. Jim LaLoggia, agent for Rice Ranch Ventures, LLC, requests consideration of Case Nos. 12RMM-00000-00001, 12ORD-00000-00010, and 12SPP-00000-00001 to revise condition No. 50 of TM 14,430 and to revise Section 4.3.2 Affordable Housing – Implementation and Monitoring of the approved Rice Ranch Specific Plan (97-SP-001). These revisions would allow 25% of the market rate units up to 181 units to be issued zoning clearance prior to implementation of the Affordable Housing Provisions. Currently, the developer can construct 10% (or 73) market rate units before the construction of onsite affordable units. Postponing the requirement to construct onsite affordable units would allow the applicant to continue to build and sell additional dwelling units at the market rate, and keep the project economically viable. At the Planning Commission hearing of May 16, 2012, the Commission voted 5-0 to recommend that your Board approve the proposed project.

The proposed revisions are as follows (revisions are indicated in ~~strikethrough~~ and underline):

50. Construction of the affordable units shall ~~be concurrent~~ commence with the construction of the 182<sup>nd</sup> market rate units ~~throughout the development.~~ Following zoning Occupancy clearance of the 181<sup>st</sup> market rate unit, three (3) affordable units shall be constructed concurrent with the construction of every eight (8) market rate units in each phase of development until a total of 146 affordable units have been constructed. for no more than 10% of the market rate units shall be allowed prior to occupancy clearance for the same percentage of the affordable units. **PLAN REQUIREMENTS & TIMING:** Prior to ~~any final map~~ recording of the map modification, this requirement shall be included in an amended the “Agreement to Provide Affordable housing units” and shall be printed on all grading and building plans. Prior to issuance of a zoning clearance for each market rate or affordable unit, P&D staff shall obtain a sign-off from the Housing & Community Development Department. **MONITORING:** Permit Compliance staff shall ensure compliance during construction.

Rice Ranch Specific Plan (approved December 9, 2003), Section 4.3-Affordable Housing

4.3.2 Implementation and Monitoring

Construction of the affordable units shall ~~be concurrent~~ commence with the construction of the 182<sup>nd</sup> market rate units ~~throughout the development.~~ Following zoning Occupancy clearance of the 181<sup>st</sup> market rate unit, three (3) affordable units shall be constructed concurrent with the

construction of every eight (8) market rate units in each phase of development until a total of 146 affordable units have been constructed. ~~for no more than 10% of the market rate units shall be allowed prior to occupancy clearance for the same percentage of the affordable units.~~

### **Background**

The Rice Ranch project received final approval by the Board of Supervisors on December 9, 2003. The project is approved to allow for the construction of 725 homes, a 26-acre community park, and preservation of land for a future elementary school, numerous pocket parks and open space areas. The master tract map recorded as a Large Lot Conveyance Map in September, 2005 (TM 14,636). This has allowed the individual “neighborhood” tract maps to be developed. Phase I of TM 14,430 which includes the Oaks and Pine Creek neighborhoods, recorded September 20, 2007. Phase II of TM 14,430 which consists of the 26-acre community park recorded November 28, 2007. In January 2009, the community park was completed and opened for public use. Since the approval of the project, there has been a significant downturn in the economy and local housing market. In response to the economy, the applicant is requesting to postpone the requirement to construct onsite affordable units until the time that 25% of the market rate units (181) have been constructed.

Condition no. 49 of TM 14,430, and the recorded “Agreements to Provide Affordable Housing Units” requires 73 dwelling units to be provided at sale prices affordable to low income with an affordability target of 75% of the area median income. An additional 73 units are required to be approved for “workforce” housing (146 total units). These units would be available only to first-time homebuyers whose earnings place them above qualification for moderate income units as defined in the County’s existing Affordable Housing Program, but who earn less than 150% of the area median income. Of these 73 additional units, 50 would be priced to be affordable to individuals and families that earn up to 120% of the area median income and 23 units would be price restricted to be affordable to individuals and families that earn up to 150% of the area median income.

Condition no. 50 of TM 14,430, and Section 4.3.2, Affordable Housing – Implementation and Monitoring, of the approved Rice Ranch Specific Plan (97-SP-001) requires the applicant to construct the onsite affordable units concurrently with the market rate units at a rate of 10% (i.e., of every 10 market rate units, 1 shall be an affordable unit). On November 27, 2007 the Board of Supervisors approved a Memorandum of Understanding (MOU) for the Rice Ranch project that allowed the developer to construct 10% (or 73) market rate units before fulfilling its obligation to construct onsite affordable units.

The Orcutt Community Plan Key Site 12 Policy KS12-2 requires all affordable units to be constructed on-site. In March, 2011, the Planning Commission initiated a General Plan Amendment which included a request to amend Orcutt Community Plan Key Site 12 Policy KS12-2 to allow for the payment of affordable housing in-lieu fees. This application is currently in process and includes other amendments to the Rice Ranch project such as increasing the land use density from 725 units to 739 units and a request to privatize the neighborhood parks.

To date, 65 building permits have been issued for units located within the Oaks and Pine Creek neighborhoods and 33 of these units have received final occupancy clearance. None of these units have been sold as restricted affordable units. Should the Board of Supervisors approve the proposed revisions, the MOU approved in 2007 would be superseded, and the recorded “Agreements to Provide

Affordable Housing Units” would be amended to reflect the revised timing and rate of construction of the required affordable units. The Department of Community Services, Housing & Community Development division is separately agendizing an amendment to the Agreements to Provide Affordable Housing Units, which the Board is scheduled to consider on July 10, 2012.

**Fiscal and Facilities Impacts:**

County costs to process the project are fully reimbursed by the applicant pursuant to the current Board-approved fee resolution. Permit revenues are budgeted for the Development Review North Division on page D-316 of the adopted 2011-2012 fiscal year budget. Estimated costs for processing the project, including preparation of this Board Letter, are approximately \$16,000.

**Special Instructions:**

The Clerk of the Board shall publish a legal notice at least 10 days prior to the hearing on July 10, 2012. The notice shall appear in the Santa Maria Times (labels attached). The Clerk of the Board shall fulfill noticing requirements. A minute order of the hearing and copy of the notice and proof of publication shall be forwarded to the Planning and Development Department, Hearing Support, Attention: David Villalobos. The Planning and Development Department will prepare the final action letter and notify all interested parties of the Board of Supervisor’s final action.

**Attachments:**

1. Planning Commission Staff Report dated May 8, 2012.
2. Planning Commission Action letter dated May 16, 2012.
3. Ordinance Amending the Approved Specific Plan

**Authored by:**

Dana Carmichael, Planner II, 934-6266  
Development Review Division – North, Planning and Development Department