

Katherine Douglas

Public Comment

**From:** Michael Stoltey <Michael@Md3inv.com>  
**Sent:** Monday, November 4, 2024 12:02 PM  
**Subject:** Richards Ranch Opposition to County of Santa Barbara Proposed 90-Day Delay Request  
**Attachments:** Letter to the Board Opposing 90 Day Letter (2024-11-04).pdf; 2024-10-01 - Nelson to Santa Maria Planning Commission - Richards Ranch.pdf; 2024-10-25 - Board Letter - Requesting City Hold 90 Days - Richards Ranch.pdf; 2024-10-25 - Board Letter Attachment - Requesting City Hold 90 Days - Richards Ranch.pdf

**Caution:** This email originated from a source outside of the County of Santa Barbara. Do not click links or open attachments unless you verify the sender and know the content is safe.

Good Afternoon,

Please find attached our letter in opposition to the proposed 90-day delay request for the Key Site 26/Richard's Ranch annexation, scheduled for the November 5, 2024 Board of Supervisors meeting.

Please confirm receipt and include this letter in the public record.

Thank you for your assistance.

**Michael D. Stoltey**  
Managing Member  
Richards Ranch LLC

*Sent via email*

November 4, 2024

Santa Barbara County Board of Supervisors  
105 East Anapamu Street  
Santa Barbara, CA 93101

RE: Opposition to Proposed 90-Day Delay Request - Richard's Ranch Annexation

Honorable Members of the Board of Supervisors:

I am writing to express strong opposition to the proposed Board action requesting a 90-day postponement of the City of Santa Maria's consideration of the Key Site 26/Richard's Ranch annexation. This request not only disregards the extensive history of this property but would further delay a critical housing project that has already undergone four years of careful planning and review.

**Property History:** The history of this property is important to understanding why a delay would be improper. For 38 years - since 1986 - this property has been zoned C2 without water access, effectively rendering it *unusable*. Previous owners, including Walmart from 2003-2021, attempted to resolve these water and zoning challenges but were unsuccessful. When we acquired the property in 2021, we first engaged with the Fourth District to explore every possible avenue for development within the County's jurisdiction. Despite numerous discussions and creative problem-solving attempts, no timely solutions emerged. The most promising option was the Laguna Sanitation purple water project, which was estimated to be 8-10 years away, if prioritized. The County could not provide a solution with a compatible timeline for this project and the region's urgent housing needs.

**Application to the City:** Faced with water constraints and a goal of addressing the community's needs, our team developed a comprehensive plan for a mixed-use development including 386 apartments and 100 townhomes - precisely the type of housing our region desperately needs. The project has been carefully designed to respect the character of Orcutt, incorporating feedback from dozens of community meetings and providing gentle density transitions to existing neighborhoods. In order to move forward with developing this project, we pursued annexation into the City of Santa Maria as the only viable path forward. Since then, we have invested three years in CEQA review and planning design specifically for City standards.

**Housing Element Rezone Rejection:** The County recently had a significant opportunity to keep this project within its jurisdiction during the Housing Element update. Despite staff recommendations to rezone our site for housing - which would have provided an immediate path forward - the Board chose to select five other Orcutt sites that lack our project's readiness and infrastructure. Following this decision, we spent five months in good faith Development Agreement discussions with the County, seeking an alternative path forward. However, the discussions terminated when the County's final solution required us to submit an entirely new multi-year planning and CEQA process under County jurisdiction - a fatal proposition for our project, which has spent 4 years investing significant resources in City-specific design and environmental review. These combined actions by the County have cemented our need to pursue annexation, and no further negotiations could alter the feasibility of this project in the County at this time.

**Annexation Benefits:** The benefits of allowing this project to proceed are substantial for both jurisdictions. The development would create a remarkable economic transformation, generating

balanced tax revenue between both entities - approximately \$1.3 million annually to the City of Santa Maria and \$1 million in annual net tax revenue to the County from a site that has generated virtually no revenue for 38 years due to water constraints. Additionally, the project would provide \$815,000 annually for Orcutt schools. More importantly, it would transform a long-dormant parcel into a vibrant community asset, delivering urgently needed housing within approximately one year of approval.

Our project has already achieved several crucial milestones:

- Comprehensive CEQA review completion
- Full site design meeting City of Santa Maria standards
- Unanimous Planning Commission approval (4-0) in October 2024

**Improper Delay:** The proposed 90-day delay is not only unnecessary but potentially harmful to the development process, particularly given the existing statutory framework. Following any City Council approval, state law already mandates a 60-day period specifically designed for tax exchange agreement negotiations and other annexation components. This established process was created precisely for the type of inter-jurisdictional discussions being requested. Adding an arbitrary 90-day delay would needlessly extend the timeline of a vital housing project while duplicating an existing statutory negotiation period. The current framework already provides ample time for meaningful dialogue between the City and County while maintaining the momentum of the development process.

The suggestion that additional time is needed for water negotiations fundamentally misunderstands both the project's history and current reality. We have spent four years exhaustively exploring every possible avenue to develop this property within County jurisdiction. The combination of the County's lack of water infrastructure, the decision not to rezone the property for housing, and our significant investment in City-specific planning has made City annexation the only viable path forward for delivering this housing to our community in a reasonable timeframe.

We respectfully request that the Board decline to send the proposed 90-day delay request and instead allow the standard annexation process to proceed, utilizing the existing 60-day negotiation period for any necessary discussions. The Fourth District Supervisor would retain the ability to address specific concerns directly with the City during this period.

This project represents a thoughtfully designed solution to our region's housing needs. After 38 years of this property sitting unusable due to water constraints, and four years of working diligently toward a viable development solution, further delays serve neither the public interest nor our community's urgent need for housing.

Thank you for your consideration of these important points.

Respectfully submitted,

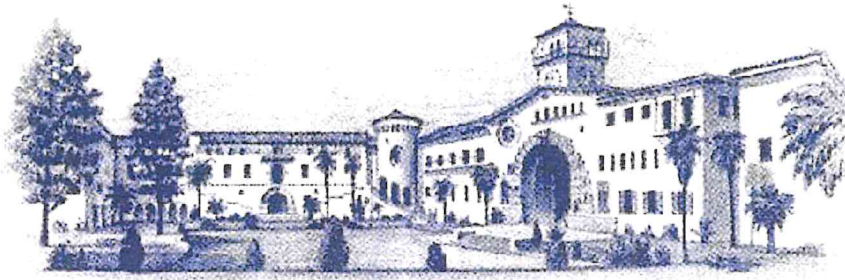


Michael Stoltey, Managing Member, Richards Ranch LLC

CC: City Council of Santa Maria  
Chuen Wu, Acting City Manager, City of Santa Maria

**Bob Nelson**  
County Supervisor  
Fourth District

**Aaron Hanke**  
District Chief  
Of Staff



**BOARD OF SUPERVISORS**  
**Fourth District Office**  
511 E. Lakeside Parkway  
Santa Maria, CA 93455

(805) 346-8407 Santa Maria  
Nelson@bos.countyofsb.org

October 1, 2024

Tim Seifert  
Chair, City of Santa Maria Planning Commission  
110 S. Pine Street  
Santa Maria, CA 93458

**RE: Annexation of Orcutt Key Site 26/Richard's Ranch**

Dear Chair Seifert and Members of the Planning Commission,

I am Bob Nelson, Santa Barbara County Fourth District Supervisor, representing both the community of Orcutt and portions of the City of Santa Maria. I am writing regarding your upcoming hearing on Wednesday, October 2, 2024, to determine whether to recommend to the Santa Maria City Council the annexation of Orcutt Key Site 26, also known as Richard's Ranch.

As you may be aware, Key Site 26 is an integral part of a larger Environmental Impact Report (EIR) that served as a foundational element—both environmentally and fiscally—for the development and approval of the Orcutt Community Plan. However, I believe the Annexation EIR under consideration does not adequately address the impacts to the Programmatic EIR associated with the Orcutt Community Plan.

Additionally, it is important to note that neither Key Site 26 nor any other property in the Orcutt area was contemplated in the City of Santa Maria's recent General Plan update discussions. Annexing this property at this time may alter conclusions reached during the General Plan process and could potentially require amendments to the scope of the General Plan EIR.

A significant portion of the discussion surrounding the annexation of Key Site 26 has revolved around water availability. Over the past few months, staff from both the City and County have been working together to explore the parameters and processes for the City of Santa Maria to sell water to Golden State Water, enabling the development of this project within the County. On Monday, September 30, I met with Mayor Alice Patino, who committed to bringing the issue of water sales for this project before a future City Council agenda.

Given the ongoing discussions, I respectfully request that the Planning Commission delay any decision on the annexation of this property until the City Council has had the opportunity to formally discuss the sale of water. In the meantime, I am also exploring alternative options as County Supervisor, such as conservation strategies, similar to those employed by the Dana Reserve project in Nipomo, to enable the development of projects within the unincorporated areas of the Santa Maria Valley.



Furthermore, I would gently remind the Commission that there are many important issues—ranging from water and tax agreements to library services and future annexations—that will require ongoing collaboration between the City and County. We would not want the Planning Commission to be responsible for undermining those discussions by getting the "cart before the horse" on this particular annexation.

I appreciate your attention to these concerns and look forward to continued collaboration as we work towards a resolution that benefits both the City and the County.

Respectfully,

A handwritten signature in black ink that reads "Bob Nelson". The signature is written in a cursive, flowing style.

**Bob Nelson**  
Fourth District Supervisor  
Santa Barbara County  
805.287.0408



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

Submitted on:  
(COB Stamp)

**Department Name:** Board of Supervisors  
**Department No.:**  
**For Agenda Of:** November 5, 2024  
**Placement:** Administrative  
**Estimated Time:**  
**Continued Item:** N/A  
**If Yes, date from:** No  
**Vote Required:** Majority

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**TO:** Board of Supervisors  
**FROM:** Department Director(s) Bob Nelson, Santa Barbara County Board of Supervisors, Fourth District  
Contact Info: Aaron Hanke, Chief of Staff

**SUBJECT: Request Postponement of the Santa Maria City Council Decision for Orcutt Annexation of Key Site 26/Richard's Ranch**

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**County Counsel Concurrence**

As to form: Yes

**Other Concurrence:**

As to form: N/A

**Auditor-Controller Concurrence**

As to form: N/A

**Recommended Actions:**

It is recommended that the Board of Supervisors:

- a) Approve sending a letter to the City of Santa Maria requesting a 90-day postponement of action on the proposed annexation of Key Site 26, also known as Richard's Ranch, and request that the City appoint two City councilmembers to engage with County representatives to discuss the matter;
- b) Authorize Supervisor Nelson and Supervisor Lavagnino to engage in discussions with City representatives and staff on behalf of the County; and,
- c) Determine that the above actions are not a project under the California Environmental Quality Act (CEQA), because pursuant to section 15378(b)(5) of the CEQA Guidelines the actions consist of organizational or administrative activities of government that will not result in direct or indirect physical changes in the environment.

**Summary:**

On October 2, 2024, the Santa Maria Planning Commission voted to recommend the annexation of Key Site 26 (Richard's Ranch) to the Santa Maria City Council. This site, located within the Orcutt Community Plan area, has historically been viewed as an integral part of the Orcutt community. However, the property was not included in the City of Santa Maria's General Plan update, and until recently, not part of the long standing discussions between the City and County regarding regional planning, making the proposed annexation a new development.

The annexation of Key Site 26 presents significant regional implications, particularly concerning water availability. Over the past few months, staff from both the City and County have been engaged in productive discussions about the potential sale of water rights to facilitate development within the County's jurisdiction. Moving forward with the annexation at this time would risk cutting short these important conversations and potentially disrupt future regional planning efforts between the City of Santa Maria and Santa Barbara County.

The County has a well-established history of collaboration with the City of Santa Maria on a number of projects, including providing annual library funding, addressing homelessness along the Santa Maria Riverbed, and developing Hope Village. In the spirit of continuing this partnership, the County seeks to ensure that any annexation of Key Site 26 is conducted in a manner that benefits both parties and respects the collaborative work already underway.

**Discussion:**

The County's request for a postponement of the City Council's decision on the annexation of Key Site 26 is intended to provide additional time for dialogue and cooperation between the City and the County. The proposed 90-day postponement would allow for discussions between two City Councilmembers and two County Supervisors, along with relevant staff from both the City and the County. This group would work together to explore the regional implications of the annexation, including water supply, tax agreements, and other infrastructure considerations that affect both jurisdictions.

**Fiscal and Facilities Impacts:**

There are no direct fiscal impacts associated with this request. Any future fiscal considerations regarding water supply agreements or other regional issues would be addressed through the discussions between the City and County representatives.

**Conclusion:**

By postponing the City Council's decision on the annexation of Key Site 26 and appointing City and County representatives, both entities will have the opportunity to engage in meaningful discussions to ensure that the annexation and its broader regional implications are fully considered. This approach will help to preserve the cooperative relationship between the City of Santa Maria and Santa Barbara County and promote a long-term solution that benefits both parties.

**Authored by:**

Bob Nelson, Santa Barbara County Supervisor, Fourth District

**Attachments:**

Attachment A: Proposed letter to the City of Santa Maria

**DAS WILLIAMS**

First District

**LAURA CAPPS**

Second District, Vice Chair

**JOAN HARTMANN**

Third District

**BOB NELSON**

Fourth District

**STEVE LAVAGNINO**

Fifth District, Chair



**BOARD OF SUPERVISORS**

County Administration Building  
105 East Anapamu Street  
Santa Barbara, CA 93101  
Telephone: (805) 568-2190  
[www.countyofsb.org](http://www.countyofsb.org)

**COUNTY OF SANTA BARBARA**

**November 5, 2024**

Mayor Alice Patino and City Councilmembers  
City of Santa Maria  
110 E. Cook Street  
Santa Maria, CA 93454

**RE: Request for postponement of Orcutt Annexation (Key Site 26/Richard's Ranch) discussion and proposal of a joint City-County Committee**

Dear Mayor Patino and City Councilmembers:

I am writing on behalf of the County of Santa Barbara Board of Supervisors to request that you postpone action on the annexation of Orcutt Key Site 26, also known as Richard's Ranch, until representatives from both our bodies have had the opportunity to discuss this matter in the context of larger regional issues impacting both the City of Santa Maria and the County of Santa Barbara.

As you may know, Key Site 26 is a significant part of the Orcutt community and the Orcutt Community Plan. However, it was not originally considered a critical element of the City of Santa Maria's growth strategy, as it was not included in the City's General Plan update discussions until recently.

A central issue surrounding the annexation of Key Site 26 is water availability. Over the past few months, staff from both the City and the County have been working collaboratively to explore options for water sales that could facilitate the development of this project while remaining under County jurisdiction.

Moving forward with this annexation at this time would prematurely interrupt these productive discussions and could erode the trust we have been building through our cooperative efforts to identify positive, mutually beneficial solutions. We are aware that the City may have interest in annexing additional areas in the future, and rushing this decision now could compromise a broader, more regional approach to meeting the long-term needs of both the City and the County.



The County has a strong track record of collaboration with the City, including providing over \$1.65 million annually in library funding for Zone 3, partnering to address homeless encampments in the Santa Maria Riverbed, and contributing to the development of Hope Village in conjunction with Dignity Hospital and the Marian Regional Medical Center. Additionally, the County has set aside \$1.4 million from our General Fund for the development of a soccer field in the City. None of these contributions were mandated by law; they represent our commitment to being devoted regional partners.

In light of these longstanding partnerships and the importance of regional cooperation, we respectfully request that the City Council delay making a decision on the annexation of Key Site 26 for at least 90 days. This time will allow for further dialogue between our two entities. We propose that the City designate two City Councilmembers and the County designate two members of the Board of Supervisors, along with staff from both the City and the County, to address the issues at hand and work toward a solution that benefits all parties.

Please feel free to contact the office of Supervisor Bob Nelson or our Assistant County Executive Officer, Wade Horton, at [whorton@countyofsb.org](mailto:whorton@countyofsb.org), to schedule time to restart our discussions on this matter.

Respectfully,

Steve Lavagnino  
Chair and Fifth District Supervisor  
County of Santa Barbara

Cc: Chuen Wu, Acting City Manager, City of Santa Maria