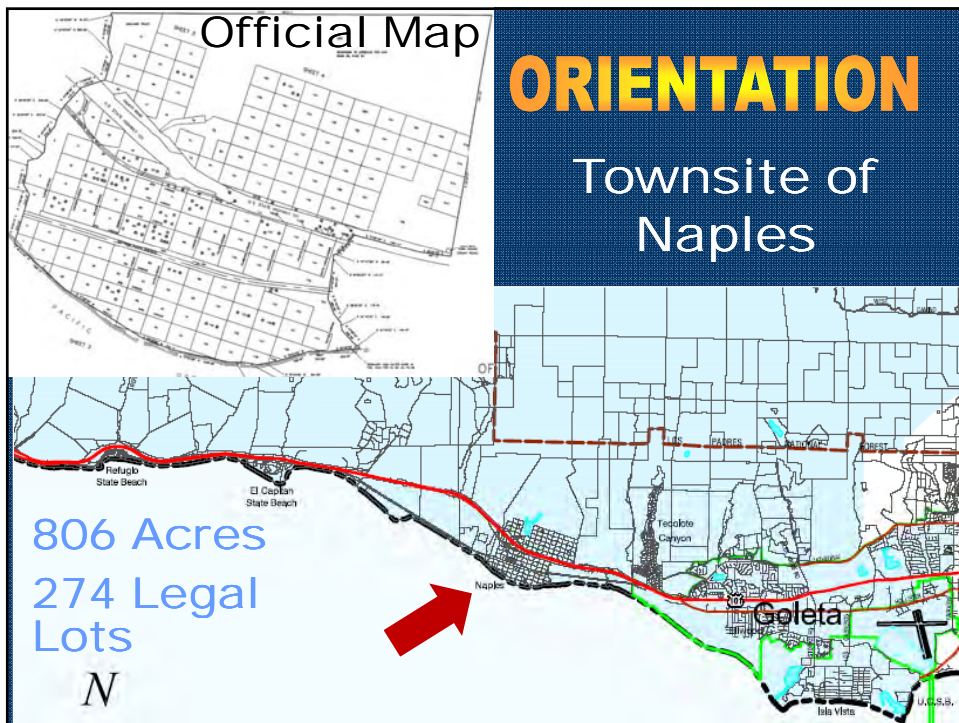


SANTA BARBARA RANCH PROJECT

**Transfer of Development Rights
Board of Supervisors
Hearing (February 5, 2008)**



LOT - DENSITY CONFLICT

EXISTING DESIGNATIONS

Land Use & Zoning:
Agricultural

Maximum Allowed
Dwellings: 14 Units

SANTA BARBARA RANCH

No. of Legal Lots: 219

Estimated Development
Potential: 125 Units



CLUP POLICY 2-13

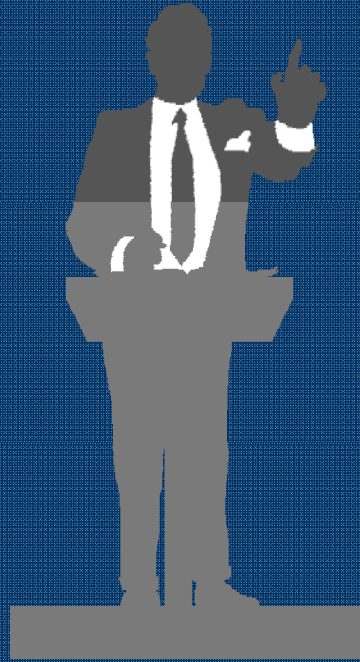
Conflict:

Existing Land Use & Zoning Does Not Align with Legal Lots That Already Exist.

Resolution:

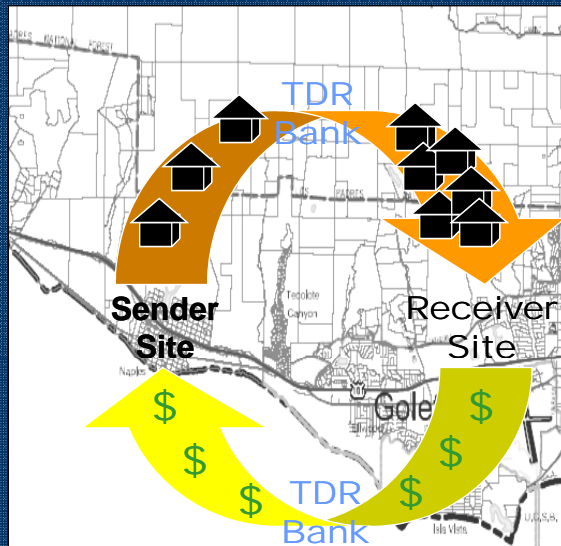
- Discourage residential development of existing lots.
- Encourage and assist the property owner(s) in transferring development rights.
- Reevaluate AG-II-100 land use if the County determines that TDR is not feasible.

THE PROCESS



- March 2006: Release of TDR Feasibility Study
- June 2006 to June 2007: TDR Working Group
- July 2007: TDR Feasibility Study Update
- Sept - Nov. 2007: Planning Commission Presentation

FUNDAMENTALS



What is TDR & How Does it Work?

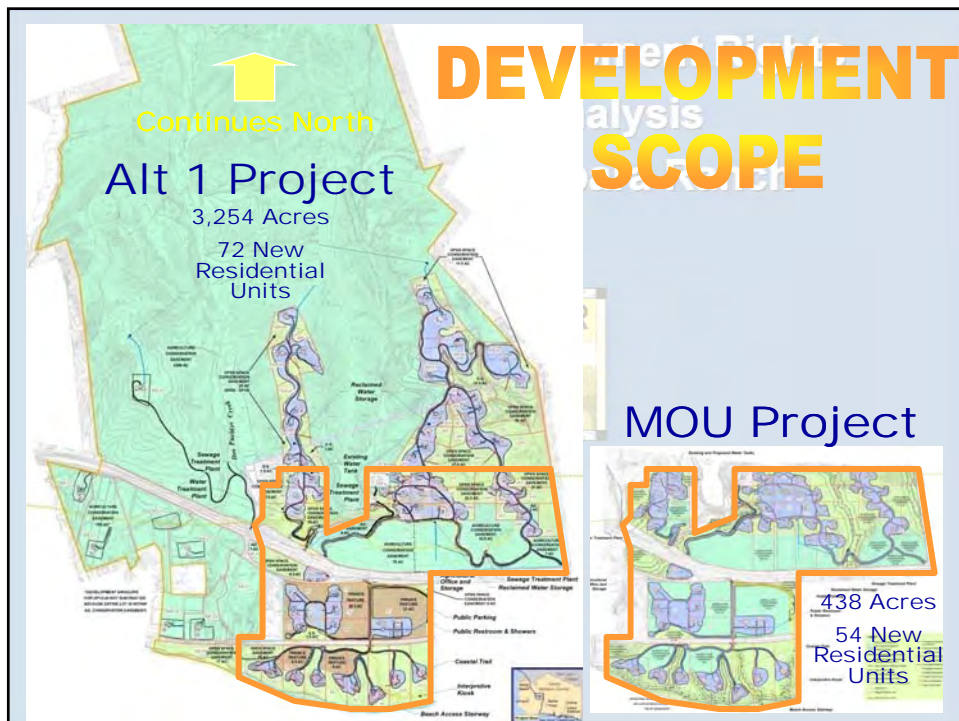
- Sender Site Valuation
- Receiver Site Capacity
- Transfer Ratios
- Program Development

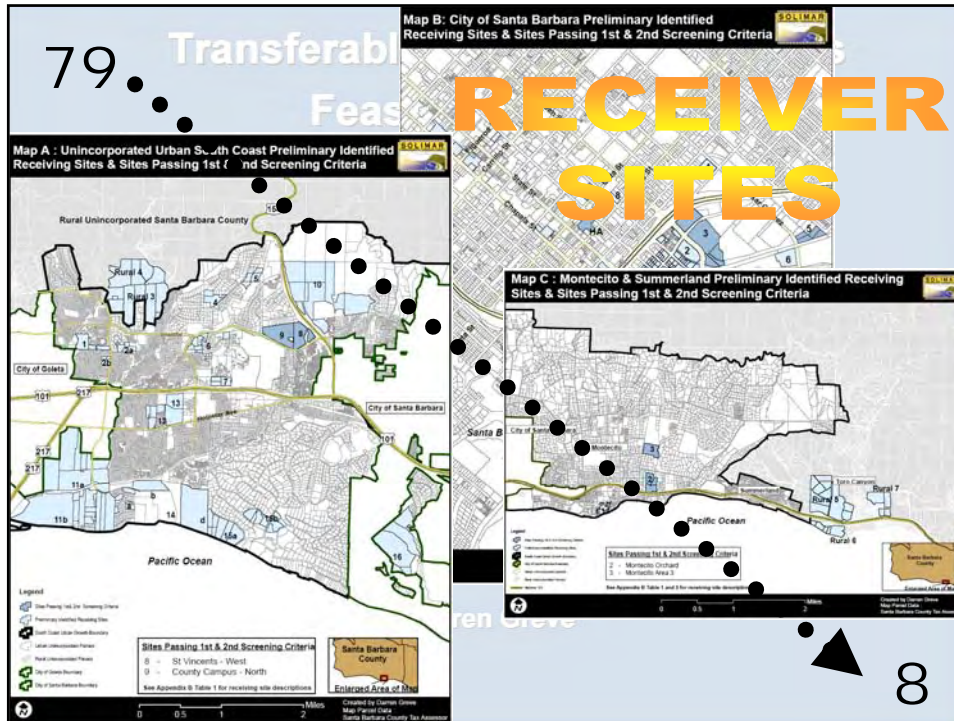
Transferable Development Rights Feasibility Analysis for the Santa Barbara Ranch



March 21, 2006

William Fulton
Darren Greve





Transferable Development Rights Feasibility Analysis for the Santa Barbara Ranch

ANALYSIS:

- Established a Sender Site Entitlement Value of \$166 to \$199 Million
- Identified an Initial Pool of 79 Potential Candidate Receiver Sites
- Narrowed the List to 8 Sites; 4 Each in the City & County of Santa Barbara
- Determined a Feasibility for Transfer of \$73.2 Million in Development Credits

Transferable Development Rights
Feasibility Analysis
for the Santa Barbara Ranch

CONCLUSION:

"...some, but not all, the development from the Santa Barbara Ranch Project could be transferred." (TDR Study, Page 79)

March 21, 2006

William Fulton

Darren Greve

TDR WORKING GROUP

- Stakeholder Participation
 - SB Ranch Property Owner
 - City and County of Santa Barbara
 - Naples Coalition (and Affiliates)
- Points of Agreement
 - Program-Based Receiver Sites
 - Implementing Ordinance*

*Must Facilitate Transfers Regardless of Feasibility.

TDR WORKING GROUP

Naples TDR Program Framework and Draft Ordinance

Solimar Research Group

August 24, 2007

William Fulton
Darren Greve



- Prioritize Naples Lots for Preservation
- Create "Density Credits" & Transfer Process
- Establish Receiver Site Eligibility Criteria
- Form "Bank" to Regulate Currency
- Incentivize Participation Through Amenity Funds
- Require Purchase of Density Credits for All Upzones

TDR FEASIBILITY UPDATE



Solimar Research Group

Summary Report to Update the Santa Barbara Ranch
TDR Feasibility Study

August 30, 2007

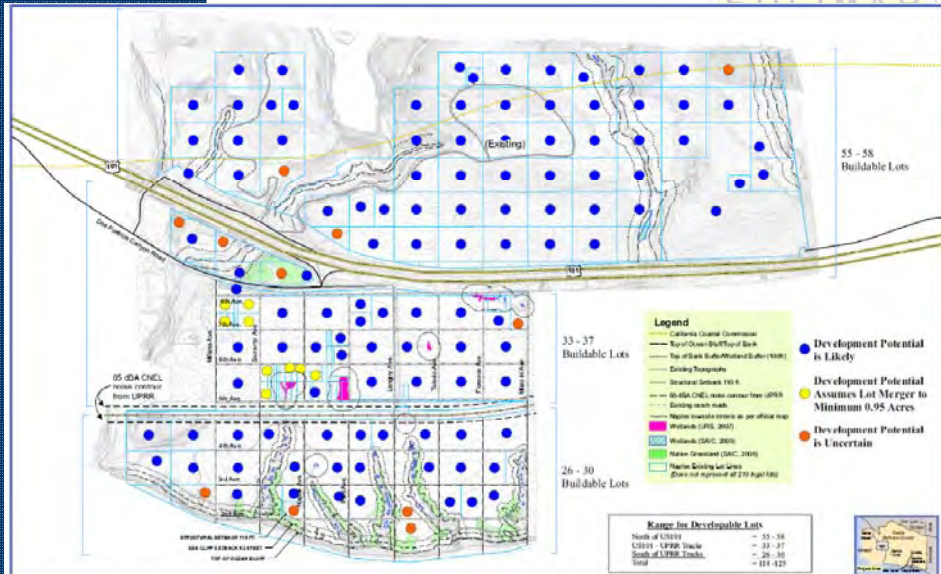
TDR FEASIBILITY UPDATE



- Update Valuation Variables.
- Address Public Comments.
Solimar Research Group
- Submit Results to a Peer Review.
Summary Report to Update the Santa Barbara Ranch
TDR Feasibility Study
- Analyze the "Grid" Scenario.

August 30, 2007

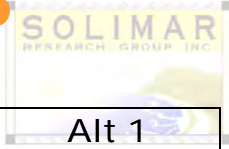
GRID SCENARIO



GRID DEVELOPMENT POTENTIAL

(Disclaimer: The estimate of lots with development potential under the "Grid" configuration is based on the results of the Revised Draft EIR. This estimate is provided for comparative analysis only, and neither URS nor the County warrant or represent what may actually be possible; such conclusions may only be determined in connection with lot-specific permitting and environmental review.)

STUDY RESULTS

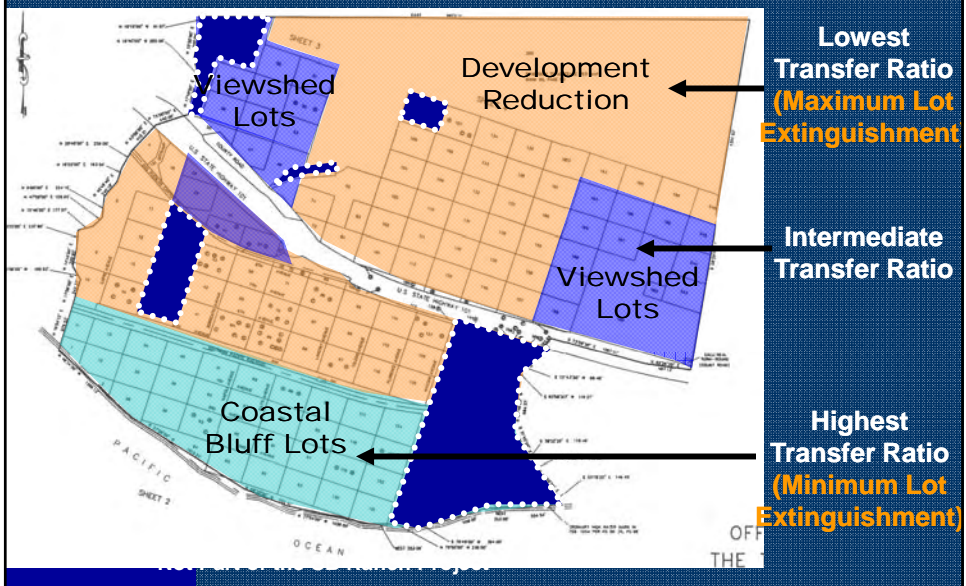


	Grid (125 Lots)	MOU (54 Lots)	Alt 1 (72 Lots)
Ave. Home Size (Sq.Ft.)	3,600	4,500	4,631
Sender Valuation	\$205 M	\$126 M	\$155 M
Receiver Valuation	\$73 M	\$73 M	\$73 M
Valuation Shortfall	\$132 M	\$53 M	\$82 M

*Based on 70% of proposed home size.

August 30, 2007

POLICY CHOICES



TRANSFER POTENTIAL

	Grid (125 Lots)	MOU (54 Lots)	Alt 1 (72 Lots)
Protect Bluff	3%	6%	4%
Protect Views	26%	46%	33%
Maximize Transfers	30%	57%	49%
Lots Above Baseline	88	23	37

*Based on a \$20 Million Feasibility Threshold

TDR FEASIBILITY UPDATE

CONCLUSION:

"...a partial transfer is feasible – that is, to transfer some, but not all, the development from the Santa Barbara Ranch Project." *(TDR Update, Page 49)*

August 30, 2007

IMPLEMENTATION ISSUES

- **Points of Agreement**
 - Program-Based Receiver Sites
 - Urgency of Ordinance Adoption
- **Points of Contention**
 - Compulsory Participation
 - Delay (“Holds”) on Entitlements

TDR PROGRAM OPTIONS

- **Compulsory Participation**
 - 4-8 Year “Hold” & Staged Release
 - Mandatory Appraisal Procedure
- **Negotiated Participation**
 - Employ TDR Study Benchmarks
 - 4 Year Hold & \$20 Million Value
- **Voluntary Participation**
 - Unconstrained Free Market
 - No Development “Hold”

PC RECOMMENDATION

- ~~Compulsory Participation~~
 - ~~4-8 Year "Hold" & Staged Release~~
 - ~~Mandatory Appraisal Procedure~~
- ~~Negotiated Participation~~
 - ~~Employ TDR Study Benchmarks~~
 - ~~4 Year Hold & \$20 Million Value~~
- **Voluntary Participation**
 - **Unconstrained Free Market**
 - **No Development "Hold"**

Transferable Development Rights Feasibility Analysis for the Santa Barbara Ranch



February 5, 2008

William Fulton

Darren Greve