

Colleen Parent Beall

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Chairman Carbajal
Honorable Members of the Board of Supervisors
County of Santa Barbara
123 E. Anapamu
Santa Barbara, Ca 93101

October 16, 2008

Re: Naples
October 21, 2008 Hearing



Dear Chairman Carbajal and Members of the Board of Supervisors:

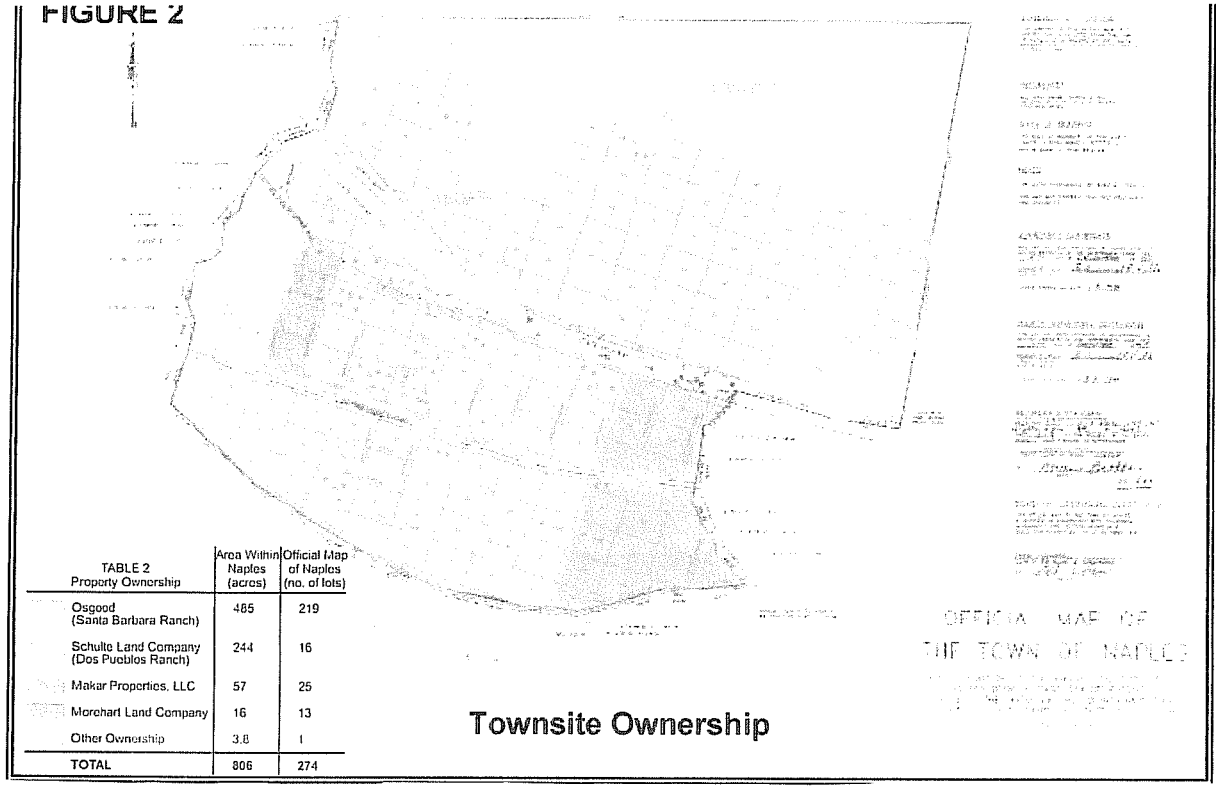
I had forgotten how hard it is to summarize one's points in three minutes of public testimony. I am submitting this letter to complete the thoughts I attempted to communicate at Mondays' hearing.

Do Not Fear The Grid

Many compromises to County policies and concessions have been made to the developer of this project stemming from the assumption that the developer has a guillotine hanging over the County's head because he has an Official Map depicting a grid development of 219 lots. I would like the Board to get some perspective on the real risk of grid development as this seems to influence your decision to grant approvals. In fact, one of the strangest aspects of the development process for this project has been everyone's buy-in to the need to maximize the developer's profit in every way possible. Again that seems to stem from grid-aphobia, and if the Board can realize that the profit to the developer from grid development is less than the MOU project and a fraction of Alt-1B then this approval process can return to a more typical development application.

Without going into the legal aspects of the implication of the Official Map, it is simply not practical to build out the grid. Consider the township map on the following page.

FIGURE 2



This grid would create a high end development laid out like a 1950's tract. No developer or investor would want to pursue this plan. Here are some of the problems with building out the grid:

1. There is No Viable Access to the Parcels on the Grid.

The grid was laid down with no consideration of topography so, for instance, to put in a road in the place shown on the grid would be infeasible. There would be costly bridges spanning arroyos and culverts; in some places the grade would be too steep; there would be dozens and dozens of roads to access so many lots in a grid layout, fire department requirements would need to be met. The expense of all those roads would be enormous. If Osgood sold the lots individually, the buyer would have to obtain easements from every other property that must be crossed which could take years and huge amounts of money – esp. if there is a “hold-out” landowner. Osgood would either have to sell the grid lots leaving the problem to the buyer which would hugely devalue the lots.

In fact, Osgood's home which is the only home built out on an AS lot, did not gain access by following the grid – he was able to put in the road because he owned all of the lots that the road traversed so he could avoid bad soils, topographic problems, steep slopes, and paying off neighboring properties for access. Realistically, to sell these lots the developer would need to adjust the lot lines, create roads and likely merge lots: all of which would require further County approval. (Note I suspect that Dept. of Real Estate Approval also would be necessary prior to selling the grid lots, but I leave that to the attorneys to argue over)

2. There are No Viable Utility Easements to the Grid Parcels.

The example of how difficult and expensive it would be to gain access to the grid lots would be mirrored for every utility necessary to serve the grid lots. Electrical easements, gas easements, telephone

easements and cable easements – if all were laid in a grid the cost would be prohibitive. Not to mention water and septic.

3. There is Not Adequate Septic Capacity.

Naples is a special problems area because there is not adequate percolation for septic on the grid lots. This issue alone would preclude grid build-out.

4. Providing water to the Grid Requires a County Approved Water Treatment Plant.

A water treatment plant is necessary to utilize the Naples water supply. Without that discretionary approval there is no water to the lots. So sales of grid lots cannot occur without County discretionary approval of a water treatment plant. And, of course, transmission of the water supply has the same issues as the roads and utilities.

5. Grid Lots North of 101 Are Largely Not Buildable.

The lots north of 101 are to a large extent fictional because they are plotted over arroyos, steep slopes, and poor soils. What buildable lots remain are very noise impacted, have prohibitive septic issues and soil stability issues, and share the infrastructure problems of the lots to the south.

6. Grid Parcels Lack Market Appeal

The grid lots south of 101 are relatively flat. They are very noise impacted by the highway and the railroad tracks. Only the first row can have guaranteed ocean views. So the entire rest of the grid is non-view, very remote 3 acre noise impacted parcels with access and septic issues or steep very noise impacted highway-view parcels. As an active licensed real estate broker I can tell you that such lots would have a very little market appeal. Particularly in this market where there is an enormous inventory of luxury housing throughout the South Coast with better access, views and quiet, and very few buyers. There is about a 2-6 year supply of inventory right now in the \$4,000,000 and up price range. The San Marcos Foothills project has had no or few sales. The sales at the Bluffs have slowed down considerably even after price reductions to under \$2,000,000. In addition to the low market appeal, the infrastructure costs to develop the grid would be so high, most of the developer's profit would be eaten up. Hence, the fear of the grid development holding some huge value to the developer that must be met by extreme concessions is just not warranted.

In conclusion, you should call the developer's bluff. There is only a taking if the developer is deprived of a right he has. Give him what he has – a useless grid. He cannot manipulate the grid to provide better planned roads, beach access, protect views, provide utilities and essential services without further County approvals. So call the bluff.

Without Grid-aphobia, You Can Approve a Project That Is The Best for the Community

To reach a place where you are free of grid-aphobia you will have to use your common sense and rationally evaluate the developer's counter arguments. But if the comments in this letter resonate with you, I request that you take the following actions in the order of what I believe to be in the best interest of this County:

A. Deny the project. The proposed project breaks new ground and sets disastrous precedents: Small lot residential lots on 320 acre zoned agricultural lands that were never part of an antiquated subdivision and creation of a new zoning designation on ag lands that could be extended or replicated on other ag lands, ultimately completely defeating the purpose of ag zoning. The result of denying the project is permitting the grid development which will not happen without further County review. Rather there will be a future application or a quick reworking of this project.

However, if you feel you cannot deny the project then,

B. Return the project to the original MOU with 54 homes on 485 acres on the site of the original antiquated map. If you can't unring the bell of the mistakes made in recognizing the antiquated lots by the adoption of the Official Map, you can minimize the damage. To limit the damage, restrict the area of the project to the original antiquated subdivision (or Official Map) because then you can legitimately (and legally) justify the exceptional treatment being granted to this developer: i.e. approval of an urban development outside the urban/rural lines. The benefit of this alternative is that it reduces the total number of units, eliminates the sprawl, eliminates the precedent setting impacts of this novel project on the Gaviota Coast which will undoubtedly change the face of the agricultural Gaviota Coast forever, saves a working Ag ranch (Dos Pueblos), insulate the County from developer lawsuit, provides public access to the beach and avoids a myriad of other impacts. While the visual impacts from Highway 101 would be greater, the isolated urban type development would be similar to Cayucos in San Luis Obispo. Cayucos is a relatively small lot development on the beach with beautiful public open space and trails on either side providing a huge public benefit. While approving the MOU would not in itself provide a Cayucos type public benefit, it would slow down the intense development pressures on neighboring Makar, Las Varas, and Dos Pueblos ranches and so many other Gaviota ranches that are just waiting to follow suit. Retaining these ranches in ag is a public benefit, albeit not as good as the Cayucos solution. Approval of the original MOU project eliminates the developer's takings argument.

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If, to my extreme regret, the Board cannot deny the project or require a project more like the original MOU, but feels the precedent setting effects of Alt-1 or Alt-1 B will be approved, then:

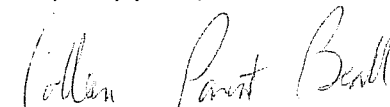
C. Reduce the number of bluff top lots, **requiring some public benefits** from this intensive development including a public open space on the bluff, public access to the beach (vertical) , public access to connect to the coastal trail (lateral access). The approvals being sought are of the highest order of discretionary approvals: general plan amendments, zoning amendments, subdivisions in conflict with underlying zoning designations. If the Board cannot obtain public benefits in conjunction with such sweeping unprecedented approvals, then this Board has lost either its desire to serve the public interest, or its nerve in facing an Orange County attorney. Realize the extreme exceptions and financial windfall you are granting to this developer and in the long-standing tradition of the Santa Barbara County Board of Supervisors, provide some public benefits.

And in any case,

D. **Reject the recent MOU amendment.** Historically this has been a coastal project with a small inland component. The effect of the recent MOU amendment is to put this fact on its head, allowing inland development to proceed before full permitting of the project by the Coastal Commission has occurred. The public benefit mitigations of this project could be lost entirely. This becomes a developer give-away that will be forever an embarrassment to this Board and its members.

Thank you for your consideration.

Very truly yours,


Colleen Parent Beall