



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: P&D
Department No.: 053
For Agenda Of: 7/2/13
Placement: Departmental Agenda
Estimated Tme: 2 hours
Continued Item: NO
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Planning and Development
Glenn Russell, Ph.D., Director, P&D 568-2085
Contact Info: Dianne Black, Assistant Director 568-2086
SUBJECT: **Santa Barbara Ranch Inland Development Agreement
Consideration of Consent to Transfer Agreement**

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: NA

Recommended Actions:

That the Board of Supervisors:

1. Receive and file a written request from SBRHC, Inc. for the County to consent to a proposed Transfer Agreement, between SBRHC, Inc. and Spectra America Corp. ("Spectra America"), of respective interests, rights and obligations under the Inland Development Agreement, Inland Project Approvals and Subsequent Inland Approvals for the Santa Barbara Ranch Project; and,

EITHER:

2. Accept the waiver of the 45 day time period in which to consider the Transfer Agreement and set a hearing for August 20, 2013:

OR:

3. Determine that the County does not consent to the proposed Transfer Agreement because the proposed Transferee, Spectra America, has not provided any evidence of its reputation and financial resources to be able to perform the obligations proposed to be assumed. However, if Spectra America provides such evidence, the County is willing to reconsider its consent.

Summary Text:

The Santa Barbara Ranch Project was approved by the Board of Supervisors on October 21 and December 9, 2008. Included in the Board's approval were two separate Development Agreements, one for the coastal portion of the project located on Santa Barbara Ranch ("Coastal Project") and one for the inland portion of the project ("Inland Project"). The Coastal Development Agreement was rescinded by the Board of Supervisors on November 3, 2009. The Inland Development Agreement remains effective.

SBRHC, Inc. submitted a letter on June 6, 2013 (Attachment 1), requesting that the County consent to a proposed Transfer Agreement, pursuant to Section 8.02 of the Inland Development Agreement, from SBRHC, Inc. to "Spectra America", of the Inland Project and the Inland Development Agreement. Spectra America has not submitted any information to date regarding their reputation and financial resources.

Pursuant to Section 8.02 of the Inland Development, the County has 45 days from June 6, 2013, which is July 21, 2013, to respond or the County's approval of the transfer is assumed.

SBRHC, Inc. and Spectra America submitted letters waiving the 45 day period for the County to consider the proposed Transfer Agreement to August 20, 2013. Spectra America also confirmed in its letter that escrow will not close on the property prior to the conclusion of the Board's hearing on August 20, 2013. Both letters are included in Attachment 3.

Analysis:

As to the County's authority to give or refuse consent to the proposed Transfer Agreement, Section 8.02 of the Inland Development Agreement states:

The County may refuse to give its consent only if, in light of the proposed transferee's reputation and financial resources, such transferee would not in County's reasonable opinion be able to perform the obligations proposed to be assumed by such transferee.

Section 2.02 (a) of the Inland Development Agreement requires the Developer to:

- Within 60 days of the effective date of the Agreement, pay \$100,000 "to a non-profit conservation organization to initiate planning to enhance areas of natural, scenic, wildlife, biological, open space, and drainage corridors within Dos Pueblos Creek...shall use its best faith efforts to complete a Creek Restoration Plan within one (1) year after the Effective Date of this Agreement and the Developer shall offer all reasonable assistance to accomplish this outcome."
- Prior to commencement of Grading or construction of the Inland Project, pay \$300,000 to the non-profit to implement the Creek Restoration Plan.
- Within 3 years of the effective date of the Agreement, offer all reasonable assistance to implement the Creek Restoration Plan.

Staff recommends that the Board either continue the hearing until August 20, 2013 or determine that it does not consent to the proposed Transfer Agreement because the proposed Transferee, Spectra America, has not provided any evidence of its reputation and financial resources to be able to perform the obligations proposed to be assumed.

Fiscal and Facilities Impacts:

The costs associated with processing the Consent to Transfer Agreement are budgeted on Page D-168 of the Planning and Development Fiscal Year 2013-14 Adopted Budget.

Attachments:

1. Request from SBRHC, Inc. dated June 6, 2013, including proposed Transfer Agreement.
2. Excerpt of Inland Development Agreement, Section 8.02.
3. Letters on behalf of SBRHC, Inc. dated June 19, 2013 and Spectra America Corp dated June 21, 2013.

Authored by:

Dianne Black