

Background Paper - Santa Barbara Ranch/Naples Project - Separating Inland and Coastal Project

Background on the Santa Barbara Ranch Project

The Santa Barbara Ranch (aka Naples) project currently consists of 71 large houses (7500 to 10,000 square feet), plus guest houses, barns and other accessory structures on the eastern Gaviota Coast. Naples refers to an 1888 “antiquated subdivision” where real estate speculators attempted to create legal parcels for development. After litigation, the County recognized an “Official Map” at Naples in 1995, and in 2002 entered into a “processing Memorandum of Understanding” (MOU) with the then-new owner, Orange County developer Matt Osgood.

The Project contemplated in the MOU is 54 houses on 485 acres, but Osgood asked the County to include a larger project, Alternative 1 (aka Alt. 1) with 72 houses, including development of prime agricultural lands owned by the adjoining Dos Pueblos Ranch. To offset the agricultural impacts, Dos Pueblos Ranch offered to place agricultural and open space conservation easements on about 2600 acres of its lands and a corridor along the 101 to continue Osgood’s proposed “coastal trail” to the west. Dos Pueblos Ranch would only participate in the development if the Coastal Commission approved the six homes Dos Pueblos Ranch wanted without any new conditions and only so long as there was no beach access across their lands in Dos Pueblos Canyon and no requirement to restore Dos Pueblos Creek.

Coastal and Inland Portions of the Project:

While the inland portion of the property (outside of the coastal zone) is subject only to the authority of the County, the portions of the project in the coastal zone are subject to the Coastal Commission’s review. The Coastal Commission will first review the proposed new zoning designation and Local Coastal Plan changes for the area, and then return their recommended changes to the County, who must either adopt those changes, abandon these changes and stay with existing situation, or propose other changes and experience yet another round of Coastal Commission review. The MOU provides that if Osgood seeks rezoning of the inland area as part of the project, which he is, then the county’s approval of the inland portion should wait until the coastal portion receives final Coastal Commission review and approval.

Osgood is unwilling to wait, and is in a great rush to start building the inland part right way, and has requested that the County Board of Supervisors amend the MOU to separate the coastal and inland approvals. Separating the project in this way creates four significant problems that the County has ignored.

First, the inland development relies on roads and parts of the water supply system that are proposed for permit in the coastal portion. These elements must conform to the California Coastal Act and Local Coastal Plan, and as the Coastal Commission staff has written, they likely do not. Thus, they should only be considered by the County after the Coastal Commission has reviewed the proposed changes to the Local Coastal Plan and coastal zoning ordinance.

Second, Dos Pueblos Ranch has conditioned the use of their inland lands on unconditional final Coastal Commission approval for their six houses. The Coastal Commission has recently disapproved and has imposed significant conditions on proposed residential structures located in

active prime agricultural lands, and thus is not expected to give Dos Pueblos Ranch the approvals they require.

Third, while Dos Pueblos Ranch has insisted their Dos Pueblos Canyon lands not be used as a public beach access, the Local Coastal Plan identifies those very lands for public beach access. The Coastal Commission is likely to deny the project if such access is not provided.

Fourth, Dos Pueblos Creek has steelhead trout potential, but Dos Pueblos Ranch refuses any restoration, providing another basis for Coastal Commission denial of Dos Pueblos Ranch's proposals.

If the Coastal Commission denies Dos Pueblos Ranch, then Dos Pueblos Ranch's lands will not be available for the Agricultural Conservation Easements or for the freeway trails offered by Santa Barbara Ranch. If the County has already given final approval to the inland lots, in reliance on the Agricultural Conservation Easements and trails that are withdrawn when the Coastal Commission denies of conditions Dos Pueblos Ranch, the County will have no basis to achieve either the mitigation or the public benefits promised. Developer Osgood will be building his gated luxury community, and the County and the community will have been snookered.

The Naples Coalition, represented by Marc Chytilo, and the Surfrider Foundation represented by the Environmental Defense Center, have objected to the proposed separation of Osgood's project until the Dos Pueblos Ranch gets final approval from the Coastal Commission.

Closed Session Discussions

Nevertheless, the Board of Supervisors has had the Naples issue on their closed session agendas for two weeks. Closed sessions are supposed to be only to address litigation issues, and may not be used to discuss or take action on policy matters or on land use issues where a public hearing is required. The County Counsel's office released a copy of a draft of the MOU revision, confirming that this topic is under discussion in closed session.