



| State and Local Government Affairs Department

April 4, 2025

Supervisor Laura Capps, Chair
and Member of the Board of Supervisors
County of Santa Barbara
105 E. Anapamu Street
Santa Barbara, CA 93101

Submitted via Email Only

Subject: Agenda Item File #25-00318
April 8, 2025 Board of Supervisors Meeting
Appeal Hearing for the Richards Ranch Project (Key Site 26)

Dear Chair Capps and Members of the Board of Supervisors:

Request

In partnership with the members of the Home Builders Association of the Central Coast (HBACC) and our builder members, the National Association of Home Builders (NAHB) supports the request by Michael Stoltey (Project Applicant) appealing the County of Santa Barbara Planning Commission's March 19, 2025 denial of (25APL-0007) and the determination that the applicants second application resubmittal, dated January 20, 2024 ("Resubmittal Application") for the Project, is incomplete and lost legal rights under California housing law. Not only is the denial egregious at a time of a severe housing shortage within the County, State and Nationally, but such action violates State of California housing law, including, but not limited to, the Housing Accountability Act (Gov. Code, § 65589.5) and Permit Streamlining Act (Gov. Code, § 65920 et seq.).

Background

In conversations with the Project Applicant (Mr. Stoltey) and our independent review of the project file, we understand that the Richards Ranch Mixed-Use Development (Orcutt Commons- Project), is a 750-unit residential community, including 156 deed-restricted affordable units, on a 44-acre infill site. The site has been commercially zoned since the 1980s and remains undeveloped due to infrastructure constraints (primarily lacking water allocations for commercial use, but with sufficient capacity for residential purposes).

Further, we understand that the County of Santa Barbara (County), rather than proactively rezoning this prime and underutilized land to meet state housing mandates, selected other sites in flood zones and flight paths which generally circumvents "real housing production". After several attempts, the applicant rightly and legally applied to the County in December 2023 under the Builder's Remedy provisions of State law at a time when the County lacked a state-compliant Housing Element.

While the County initially acknowledged the Project would qualify under the State authorized Builder's Remedy provisions, County staff has since obstructed the processing of the application in a manner that is of concern to NAHB and our builder members. Under the Housing Accountability Act (HAA-collectively SB 330 and AB 1893) project applicants are protected against arbitrary rejections and mandate good faith permitting. From our review it appears that the County's responses and approach directly contradicts State guidance on Builder's Remedy implementation. Further, under the California State Permit Streamlining Act the County clearly appears to have missed the statutory 30-day deadline for issuing an incompleteness determination, which should have rendered the application automatically complete under Government Code § 65943(a).

NAHB's estimates through the end of 2024 over 103.5 million households—76.9% of all U.S. households—are already not able to afford a median priced new home. Our models further indicate that governmental delays in application processing is one of the key factors leading to the chronic shortage of housing. Such delays in project review and approvals are increasingly pricing families out of housing at all levels. For every \$1,000 increase in the median price of a new home would price an additional 106,031 households out of the market, and that a 25-basis point increase in the 30-year fixed mortgage rate (from 6.50% to 6.75%) would price approximately 1.1 million households from the housing market.

NAHB is a Washington, D.C.-based trade association that includes as part of its federation more than 700 affiliated state and local associations in all fifty states, the District of Columbia, and Puerto Rico. Through our "10-point Housing Plan", the NAHB mission is to protect the American Dream of housing opportunities for all. Our thousands of builder members are proud to construct over 80 percent of the housing units produced every year in the United States. Our members include small-volume builders, production builders, multifamily builders, modular housing companies, and residential remodelers. In addition, NAHB includes associate members who span the spectrum of the housing industry, including suppliers, service providers, and product manufacturers.

NAHB works to ensure that all Americans have access to safe, decent, and affordable housing. A healthy housing market serves buyers at all socioeconomic levels, including houses for first time homebuyers and lower- to middle-income purchasers. Many of these middle-income purchasers include those in the military, teachers, and first responders. The location and availability of attainable housing has a major influence on the overall health of a family unit, and determines what school's children can attend, proximity to jobs, access to childcare, and even affects how much time a family spends together at the end of the day.

Conclusion

NAHB joins the Project Applicant in requesting the Board of Supervisors to:

1. Find that the Resubmittal Application is complete by operation of law as of February 19, 2025 because the County staff did not send its incomplete letter within the 30 days required under Government Code section 65943(a) and (b).
2. Overturn the Planning Director's determination that Project lost its SB 330 Preliminary Application vesting (and therefore the Builder's Remedy and other protections under state housing law) because the County improperly determined that the Project has a limited number of submittals (only two 90-day cycles) within which to be deemed complete contrary to clear HCD Guidance. (Gov. Code, § 65941.1.)

3. Overturn the Planning Director's improper determination that Project lost its SB 330 Preliminary Application vesting (and therefore the Builder's Remedy and other protections under state housing law) because the County improperly determined that the Project changed the construction square footage by 20 percent or more in violation of Government Code section 65941.1(d).
4. Overturn the Planning Director's improper determination that the Resubmittal Application is incomplete in violation of Permit Streamlining Act by improperly relying on items such as non-checklist items, items that were not listed in the first incomplete letter, inconsistency items, and items that actually were provided by the applicant to the County.

As the Nation's largest home building association, NAHB can and will bring to bear our resources in support of our members and the cause of providing "Housing for All". NAHB respects the role of local land use agencies to administer land use decisions in a fair and equitable manner while simultaneously engaging in situations where our significant expertise can help advance the cause.

In that spirit, we are hopeful that rational heads will prevail, and the Board of Supervisors will act to allow for this much needed project to immediately go forward.

Please contact me if you have any further questions.

Respectfully,

National Association of Home Builders

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