


L A F C O M E M O R A N D U M

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION
105 East Anapamu Street ♦ Santa Barbara CA 93101 ♦ (805) 568-3391 ♦ Fax (805) 647-7647

June 5, 2008 (Agenda)ⁱ

TO: Each Member of the Commission

FROM: Bob Braitman 
Executive Officer

SUBJECT: **Formation of Santa Rita Hills CSDD (LAFCO 03-13)**
Additional Materials for Review

We have been requested to provide the enclosed correspond for your review for the June 5 Commission meeting.

- Letter from Giovanni Cargasacchi (January 17, 2008)
- Letter from Giovanni Cargasacchi (January 16, 2008)
- Letter from Susan Basham, Price, Postel & Parma LLP (January 9, 2008).
- Letter from Bruce Wales, Santa Ynez River Water Conservation District (December 6, 2007)
- Letter from Peter and Julia Cargasacchi – 8 pages (December 5, 2007)
- Letter from Mark Cargasacchi (December 4, 2007)
- Letter from Barbara Walshon to John Cargasacchi (June 27, 2007)
- Letter to Christopher & Kristi Marks from John Karamitsos (December 20, 2006)
- Memorandum to Supervisor Joni Gray from Michael Ledbetter (October 25, 2001)
- Letter to Mark Cargasacchi et al from James Rigali (November 27, 2002)
- Memorandum to the Board of Supervisors from Kevin Ready (November 4, 1993)

If you have any questions about these materials we will be able to respond at the meeting but we feel they are outdated, not particularly relevant to the item before the Commission or the issues raised have already received a response. These materials are as part of the record.

cc: Bill Dillon, Legal Counsel

Santa Barbara Local Agency Formation Commission
Bob Braitman
Executive Officer
105 East Anapamu Street
Santa Barbara, CA 93101

January 17, 2008

Dear Mr. Braitman,

I received your letter this morning in which you make reference to your initial response to Susan Basham's letter dated January 09, 2008.

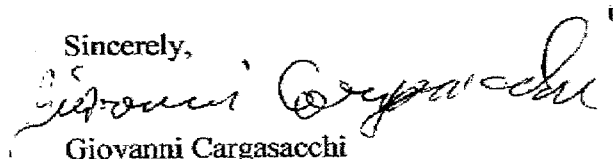
I would like to hear your interpretation and comments regarding Christopher Marks letter to the Lakeview Estates property owners dated February 01, 2002. In particular, the fourth paragraph, last sentence. Mr. Marks makes some important observations regarding the easement burden.

I would also like to hear your interpretation and comments on Barbara Walshon's letter dated June 27, 2007. In the third paragraph, she points to County Counsel's understanding to the use of the easement.

Additionally, why was County Counsel much involved in procuring and drafting the document permitting a limited increase of the MOA easement that the county required in order for Mr. Marks to secure and/or finish his new home?

If you have any question, please feel free to call me at (805)736-0463. Thank you in advance for your time.

Sincerely,



Giovanni Cargasacchi
P.O. Box 188
Lompoc, CA 93438
(805)736-0463

January 16, 2008

Mr. Bob Braitman
Executive Officer
LAFCO
105 East Anapamu Street
Santa Barbara, California 93101

Dear Mr. Braitman:

I have been notified of the January 24, 2008 meeting in Buellton. I would like to again request that John Karamitsos be present at this meeting since he can clarify some of the misinformation provided by the Lakeview owners.

I strongly believe each and every owner of the Lakeview Estate properties should be notified of this meeting and given the opportunity to attend or have someone with power of attorney represent them. Being present to discuss and receive the information first hand will help eliminate misunderstanding and misrepresentation, which is currently what is happening.

A while ago, Jennifer Christensen informed me that you were provided a copy of the Memorandum of Agreement and Easement Location Document as well as the letter from Barbara Walshon dated June 27, 2007.

At the January 9, 2008 meeting in Buellton, I provided you with the following five documents to help clarify what has been transpiring:

- 1) Christopher E. Marks' letter dated February 1, 2002 which outlines problems and suggested solutions.
- 2) A letter from the Public Works Department to Supervisor Holmdahl in reference to the Lakeview subdivision road standards (Dixon Engineering) dated November 24, 1986.
- 3) Fire Chief Peterson's list of minimum road standards required for the subdivision dated May 20, 1986.
- 4) A letter from Kirk & Simas dated November 27, 2002 indicating the incorporation of the Rancho Santa Rita Access Association listing responsibilities and obligations of the Lakeview property owners.
- 5) A report from John Karamitsos dated December 20, 2006 and entitled RE: Land Use Permit Status of Rancho Santa Rita Access Association, Inc. Grading Road Construction; 00LUP-00002-06435 (00-LUN-604); APN: 099-150-016 indicating that no activity occurred to satisfy the County mediated and Board of Supervisors approved Conditions of Approval to issue the Land Use Permit to construct the access road to the subdivision.

Please note that the Lakeview owners have an existing funding mechanism to build the access road and currently have before the County of Santa Barbara an application for a

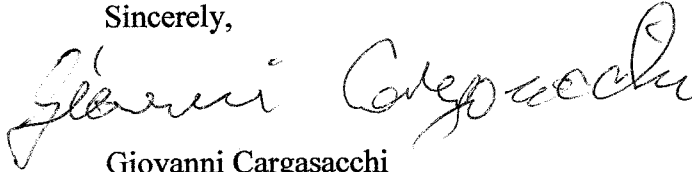
January 16, 2008

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permit to build the access road. This permit application has been before the County for several years.

I hope a review of these documents will help provide a better understanding of the existing problem.

Sincerely,

A handwritten signature in cursive script that reads "Giovanni Cargasacchi". The signature is written in black ink and is positioned above the typed name.

Giovanni Cargasacchi
Post Office Box 188
Lompoc, California 93438
(805) 736-0463

PRICE, POSTEL & PARMA LLP

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OUR FILE NUMBER

15035.1

January 9, 2008

Mr. Bob Braitman
Executive Officer
Santa Barbara LAFCO
105 East Anapamu Street
Santa Barbara, CA 93101

Re: Santa Rita Hills Community Services District Proposal

Dear Mr. Braitman:

We are in receipt of your letter dated January 4, 2008 in which you invite selected persons to a meeting for the purpose of trying "to reach an agreement regarding access to the Lakeview Estates parcels utilizing the existing road easement." As you know, we represent Giovanni Cargasacchi, one of the invitees and the owner of the property over which the subject road easement lies. We understand that your proposed date for the meeting of Wednesday, January 9, 2008, has been changed, and we anticipate attending at the rescheduled time. In the meanwhile, we would like to respond to one specific concern expressed in your letter.

You state: "It would be most useful if we could start the meeting by explaining provisions of the existing agreement among property owners which, I understand, is intended to provide access to the Lakeview Estates properties sufficient to allow the issuance of land use permits." You ask that if your understanding of the "purpose of the easement" is incorrect, you would like to know that. In our view, your statement of the easement's purpose is not accurate.

The "existing road easement" you refer to is appurtenant to some 39 parcels commonly known today as Lakeview Estates. Under the Memorandum of Agreement and Easement Location Document (Instrument No. 90-017789) (the "MOA"), which we assume is the "existing agreement" to which you refer, the easement clearly is intended to provide access to the Lakeview properties, but your characterization of the access as "sufficient to allow the issuance of land use permits" is inconsistent with the specific grant and other governing documents.

The easement was established originally as a grant between ranch owners: Bartolo Cargasacchi, the predecessor in title to our client, Giovanni Cargasacchi, and Wallace P. Dyer, the predecessor in title to the so-called Lakeview parcels. The recorded grant of easement dated January 3, 1968 formalized a long-standing arrangement by which the owners and employees of the Dyer ranch used the private roadway over the Cargasacchi ranch to connect with Sweeney Road and thereby to reach the "county highway" now identified as California 246. Subsequently Mr. Dyer sold his ranch and his successor subdivided it into the so-called Lakeview parcels, each measuring approximately 40 acres. Instead of having a single rancher and his employees traversing the Cargasacchi property, the Cargasacchis then had the owners of 38 separate lots using their private roadway.

In 1987, apparently as a result of growing tensions concerning the expanded use of the private road in the right-of way-easement, Mr. Cargasacchi and the Lakeview owners executed a Clarification to and Expansion of the Grant of Easement (Instrument No. 1987-035869) (the "Clarification"), which formally made the 1968 easement appurtenant to each of the Lakeview parcels and defined the width of the easement as 30 feet. Then, in 1990, as a result of litigation to resolve the legality of the access, the Lakewood owners and Mr. Cargasacchi entered into the MOA to locate and define the 1968 easement on the Cargasacchi property and establish their understandings concerning use of that easement going forward. At that time, the easement was also made appurtenant to an adjacent parcel known as Rancho Dos Mundos (for purposes of this discussion, considered a Lakeview property).

The MOA relocates the original 1968 easement and releases all other easements and rights of the Lakeview owners lying outside the easement location described in the MOA, and it quitclaims all other rights and claims across the Cargasacchi property, whether acquired by prescription, grant or otherwise. It requires that the Lakeview owners will construct a road in the relocated easement area for access to their properties and will be responsible for all of the costs of design, construction and maintenance of the road. Before the road is constructed, they must establish a mechanism such as an assessment district to insure that funds will be available to pay the costs of construction and maintenance of the road.

Most significantly, the MOA also requires that the Lakeview owners "shall not materially increase the burden or impose new or additional burdens upon the easement or [owners of the Cargasacchi property]." The right to grant permission for any future requests to increase the use and/or burden on the easement and to grant additional easements is reserved to the owners of the Cargasacchi property. This language provides a broad discretionary right to Mr. Cargasacchi without limitation as to the nature of possible burdens. While the heading of the relevant section is "No Overburdening by Additional Parcels," California courts generally interpret such headings as an aid to the reader and not as a term or condition of a contract.

The quitclaim of the old easement, by the terms of the MOA, actually occurred when the Lakeview owners executed the MOA, and technically the only easement they now have a right to use is the easement as relocated by the MOA. However, the MOA relocates a portion of the easement away from the existing private road, and therefore the relocated easement is not usable for access purposes until the Lakeview owners meet their obligation to construct a roadway within it. In a separate paragraph, the MOA provides that the “old road may be used until the new road is constructed.” This was a personal permission provided by Mr. Cargasacchi to the Lakeview owners with the expectation that the new road would be constructed within a reasonable period of time following execution of the MOA. He certainly did not anticipate that 18 years later the Lakeview owners would still be accessing their properties by the “old road,” including the portion over which they relinquished their easement rights.

In summary, in light of these provisions, we think it is not correct to state that the MOA was “intended to provide access to the Lakeview Estates properties sufficient to allow the issuance of land use permits.” The MOA establishes the location of the easement for the access road, requires the construction of the road according to certain standards, and affirms the right of the Lakeview owners to use the road, with specific limitations – nothing more. It was not written to enable development.

In a June 27, 2007 letter, the County advised Mr. Cargasacchi that it will not approve development permits for any Lakeview parcels that rely on the “existing road” for any use “not already in existence” unless the applicant obtains Mr. Cargasacchi’s permission under the “enforceable agreement.” The County also advised that the Lakeview owners are obligated to build the new road per the agreement. The requirements in the MOA concerning permission from Mr. Cargasacchi are specific to the easement as relocated, not one roadway or the other, and thus protect the Cargasacchi interests beyond the time when the roadway actually is constructed. Whether the roadway will be “sufficient to allow the issuance of land use permits” involves consideration of the proposed use of each Lakeview parcel and the anticipated increase in burden associated with that use.

It would be more correct to state that the MOA was intended to provide access to the Lakeview estates consistent with the original grant in 1968 and the 1989 Clarification, in a location and with requirements that minimize the burden on the Cargasacchi property. Whether development of the Lakeview parcels, or the issuance of land use permits for such development, will be consistent with this purpose is a separate question.

Mr. Bob Braitman
January 9, 2007
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We will be glad to discuss this matter with you and with the participants at the scheduled meeting. Please feel free to contact us with any questions you may have.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read "Susan M. Basham". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Susan M. Basham
for PRICE, POSTEL & PARMA LLP

SMB:lkh

cc: Giovanni Cargasacchi

DIRECTORS:

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WALLACE S. MARSH
Lompoc
- DIVISION 2
STEPHEN E. JORDAN
Lompoc
- DIVISION 3
JON C. PICCIUOLO, President
Vandenberg Village - Mission Hills
- DIVISION 4
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Santa Ynez River
WATER CONSERVATION DISTRICT

P. O. Box 719 - 3669 Sagunto Street, Suite 108
Santa Ynez, California 93460
Telephone: (805) 693-1156
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December 6, 2007

GENERAL MANAGER:

BRUCE A. WALES

SECRETARY:

BRUCE A. WALES

CONSULTANTS:

ERNEST A. CONANT
General Counsel

STETSON ENGINEERS
Engineer

Santa Barbara Local Agency Formation Commission
105 East Anapamu Street
Santa Barbara, California 93101

**Attention: Bob Braitman
Executive Officer**

**RE: Proposed Formation of Santa Rita Hills Community Services District
Proposal No. LAFCO 03-13**

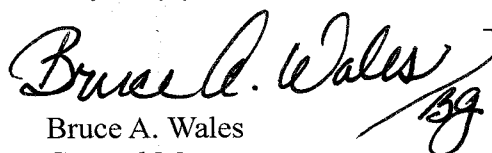
Dear Commission:

Our Board of Directors reviewed the subject proposal at its Board meeting last evening. We note that one of the stated purposes of the proposed district is to construct and operate a water distribution system. Because no environmental document was prepared in connection with the proposal and no additional information is available, it is difficult to evaluate whether providing water to this 1,590 acres is realistic, feasible and in compliance with applicable State water law.

Our Board did express concerns that there may not be adequate water supplies available for the proposal. We encourage the Commission to further evaluate such matters. If and when the district is formed, we further encourage the new district to confer with us before preparing plans to develop a water distribution system.

If you have any questions, please contact me.

Very truly yours,



Bruce A. Wales
General Manager

cc: Directors
Ernest A. Conant
Stetson Engineers

December 5, 2007.

RE: LAFCO 03-13 Formation of Santa Rita Hills Community Services District.

From: Peter and Julia Cargasacchi
Resident Lakeview property owners, Cargasacchi Vineyards.

Dear Mr. Braitman and LAFCO members,

Formation of the Santa Rita Hills Community Services District will cause great financial hardship and burdens that would probably require us to sell our parcels in the subdivision. Formation of the CSD and residential development would prevent us from using these parcels in the agricultural manner that they were intended, in which we are currently engaged and as prescribed by a private covenant running with the land.

As stated by the County of Santa Barbara in documents that are notably absent from the LAFCO files, the cost of building and maintaining the proposed access will be extremely high as the properties are in a remote and mountainous area bisected by ravines and endangered species habitat.

The cost of construction will require many owners, including us, to sell their properties in order to comply with the cost of construction requirements because construction of residential roads into the subdivision are not financially feasible for agricultural purposes. There is also serious question whether construction of roads will be feasible for residential purposes as outlined by the County of Santa Barbara funded engineering report, "THE DIXON REPORT," which is also absent from the LAFCO file. Where is the County of Santa Barbara funded "DIXON REPORT" that was specifically required by the County of Santa Barbara for the subdivision?

The impacts of development will have severe impacts on agriculture, the adjoining permanent wetlands, and on endangered steel head trout, Tiger Salamanders and other wildlife as well as on the rural character of the region.

We are in opposition to the formation of the Santa Rita Hills Community Services District and request that you require a full Environmental Impact Report before proceeding.

As established by documents and repeatedly stated by Santa Barbara County Counsel and County staff on multiple previous occasion, but conspicuously absent from the LAFCO file, the proposed formation is not exempt from CEQA.

CEQA Guidelines Section §15384. Substantial Evidence. There is existing evidence in the public record and the record as a whole that supports the conclusion that the project will have a significant impact on the environment and that the project is not exempt under §15378(b)(4) CEQA Guidelines.

1. THE RESULT AND PURPOSE OF THE PROPOSED CSD FORMATION IS TO REPLACE AN EXISTING PRIVATE ROAD ASSOCIATION AND ALLOW SUBDIVISION INFRASTRUCTURE DEVELOPMENT. CSD **FORMATION WILL NOT SIMPLY CREATE A FUNDING MECHANISM.** THEREFORE FORMATION IS NOT EXEMPT FROM CEQA UNDER §15378(b)(4) CEQA GUIDELINES.

The stated purpose, as demonstrated by letters submitted in the LAFCO file by property owners within the proposed Santa Rita Hills Community Services District, is to bring about and allow development of the Lakeview Subdivision. Under CEQA Guidelines §15378 (a) this creates the potential for a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

The information and letters submitted by the Lakeview property owners outline and amongst other things describe and request the ability for residential development, in addition to formation of the funding mechanism. Formation of the CSD is not exempt from the CEQA requirement of a full EIR pursuant to CEQA Guidelines Section §15378 (a) 1, (a) 2, (a) 3.

The creation of a CSD involves the direct commitment to the development of a 1,590 acre subdivision with 39 parcels for residential construction that is currently zoned agricultural and in which building permits are restricted by a private covenant and zoning regulations created with the direction and under oversight of the County of Santa Barbara.

The CSD would replace an existing private road association with and on which the County of Santa Barbara has created and imposed substantial private standards and restrictions that would be impacted by conversion or replacement of the private entity by a public entity.

There is an existing open permit granted to the RANCHO SANTA RITA ACCESS ASSOCIATION that was appealed to the Santa Barbara County Board of Supervisors as 00LUP-06435 and as approved by the Santa Barbara County Board of Supervisors on November 9, 2004.

The private road association is not compliant with the permit and the members are now seeking to create the proposed public entity that will replace an existing private road association.

The replacement of the private entity with a public one would impose and create new and increased burdens on the properties within the subdivision, on neighboring properties in the vicinity and on endangered species known to exist in the affected properties.

In addition, the proponents/applicants of the CSD are not in compliance with existing building permits or road access requirements for the permits issued at 4375 Sweeney Road.

2. THE PROPOSED CSD FORMATION IS AN ATTEMPT TO CHANGE FROM A PRE-EXISTING PRIVATE ENTITY GOVERNED BY PRIVATE ROAD STANDARDS TO A PUBLIC ENTITY, WITH SIGNIFICANT AND UNAVOIDABLE CONSEQUENCES AND DIRECT PHYSICAL CHANGES TO THE ENVIRONMENT AS DESCRIBED BY EXISTING COUNTY REPORTS.

The change from existing private road entity to a public one creates substantial changes and large-scale increases in standards, environmental impacts, costs, and burdens on both properties within the proposed CSD and neighboring properties.

Omitted from the LAFCO file but previously discussed by **County Counsel memo dated October 25, 2001:**

“Bob Braitman recently proposed the creation of a County Service Area. However creation would have to be contingent on dedication of the private road to the public.” This would necessitate the use of eminent domain and condemnation.

“...Public Works also has concerns about whether the road can be built according to the present plan, which utilizes the flat (i.e. buildable) portion of each lot for road construction. Scott McGolpin thinks the plans may be unacceptable to some owners when they take a closer look.”

(Memo by County Counsel Michael R. Ledbetter, dated October 25, 2001.)

The County has gone on to state that the differences between a public road as required by the CSD are significant and create substantial burdens on both participants and the environment.

3. THE LAFCO FILE IS INCOMPLETE AND HAS OMITTED MEMORANDUMS AND DOCUMENTS THAT ESTABLISH AND SUPPORT THE REQUIREMENT OF AN ENVIRONMENTAL IMPACT REPORT AND THE EXISTENCE OF EXTENSIVE, PREVIOUS GOVERNMENT CONDUCT REGARDING THE LAKEVIEW SUBDIVISION ACCESS ROADS AND THE EXISTING PRIVATE ENTITY AND PRIVATE STANDARDS.

Pertinent memos and disclosures affecting these matters have been omitted from the LAFCO file. This includes the memo, in reference to a similar public road request made to the Santa Barbara County Board of Supervisors in 1992, for which it was stated in that **memo by County Counsel dated November 4, 1993:**

“Preliminary review of the CEQA issue by staff indicates a likelihood that full Environmental Impact Report would be necessary prior to formation of the district. This CEQA process could be rather involved, in that it would involve, at a minimum, the potential development of forty residential units, effects on adjoining property, effect on nearby streambed and possible wetlands areas, creation of the new district and condemnation of land for the connecting road to the west.”...

...1. The existing access to the Lakeview subdivision is by means of a private right of way. A bond issue for an improvement district would require a public road and the public easement would have to be condemned...

...3. The southern edge of the Lakeview property adjoins the Santa Ynez river and there are concerns that development could adversely affect the watershed and possible wetlands...”

...4. A parcel which serves as a keystone in the proposed road net through the subdivision has been given by its former owners to an environmental preservation organization. There is potential for complications with this parcel, which is near the water, being so key to the development of the roads.”

...6. There are numerous CEQA issues which could complicate this process, many of which are discussed above.

...8. ...However, the existing road plan would require lot line adjustments in several cases in order to result in fully usable lots for those parcels which are bisected, or sometimes trisected, by the road as proposed.”
(Memo by County Counsel Kevin Ready, dated Nov. 4, 1993.)

The LAFCO file also omits the existence of previously established private roadway standards and private covenants, which the County of Santa Barbara was instrumental in creation and implementation.

These documents relevant to the existing road standard across the subdivision access include the County mediated lawsuit settlement agreement **“Memorandum of Agreement and Easement Location Document”**, (a.k.a. MOA) which grants the specific relief requested in the lawsuit demanding a new, specific private road location filed by Lakeview owners against the Cargasacchis and recorded March 16, 1990 as instrument 90-017789 of the official records.

The MOA, a covenant binding all Lakeview subdivision parcels, was created to limit subdivision impacts on the Cargasacchi Ranch and to protect agriculture, the adjoining permanent wetlands, steel head trout, and the character of the region.

The MOA is a restrictive covenant that limits development and states:

...“**DOMINANT TENEMENT OWNERS shall not materially increase the burden or impose new or additional burdens upon the easement or SERVIENT TENEMENT OWNERS. The right to grant permission for any future requests to increase the use and/or burden of the easement and to grant additional easements is hereby reserved to the SERVIENT TENEMENT OWNERS.**”...

The creation of a public entity with eminent domain powers and “public bond” issuance requirements for public roads, as stated by County Counsel in the memo dated October 25, 2001 above, will require the condemnation of the private easement and the removal of the restriction on development. This will create an imminent, foreseeable and significant environmental impact.

4. THE COUNTY FIRE DEPARTMENT WILL REQUIRE A SECOND ACCESS TO THE SUBDIVISION THROUGH NEIGHBORING PROPERTY CREATING THE IMMINENT USE OF EMINENT DOMAIN.

The proposed subdivision development would create a serious risk to life and safety because it would create a **wild land urban interface**. During a previous fire within the Lakeview subdivision in September of 1997, the County Fire Department was unable to enter the Lakeview Subdivision because there is only one entrance and exit. The subdivision has been deemed unsafe for fire protection services and access. Development will require the use of condemnation to secure a secondary access with significant consequences to neighboring properties and the environment. These requirements are known, and have been discussed and previously stated by the Santa Barbara County Fire Department, County staff, and County Counsel.

5. THE COST OF DEVELOPMENT IS PROHIBITIVE AND MANY OWNERS WILL BE FORCED TO SELL THEIR PARCELS TO COMPLY WITH “PUBLIC ENTITY DEVELOPMENT STANDARDS.”

County Counsel memo dated October 25, 2001, it was stated by County Counsel in describing the differences between private vs public standards:

“Other factors which make CSA formation problematic, besides the 100% participation of property owners:

1. Cost of an engineer’s report...
2. Application of bidding and prevailing wage laws (add 20—30%).
3. County auditor collection and administrator pro-rata costs.
4. Risk Management/Liability costs.
5. Costs of complying with prop 218...

The amount of an assessment calculated to construct, maintain and reconstruct the road at the end of its useful life can only be estimated at the present time, however, the amount is thought to be extremely high as the construction must take place in a

remote mountainous area...”(Memo by County Counsel Michael R. Ledbetter, dated October 25, 2001.)

As agriculturalists in the Lakeview subdivision, the cost of construction for residential road purposes will create an extreme financial hardship on us.

6. COUNTY COUNSEL’S OFFICE AND THE COUNTY OF SANTA BARBARA HAVE A SUBSTANTIAL CONFLICT OF INTEREST IN THIS MATTER AND ARE ACTING IN VIOLATION OF PUBLIC POLICY.

REQUEST FOR DISCLOSURE.

Public policy requires that the issues raised and created by the County of Santa Barbara’s previous attempt to unlawfully seize the private road way easement requires full disclosure and clarification by the County of Santa Barbara prior to further proceedings because it directly concerns the subject matter affected by the proposed CSD.

Because of the manner in which the County of Santa Barbara undertook to unlawfully seize the private road easement across the Cargasacchi ranch in a collusive, secretive and deceptive manner following the rejection of the use of eminent domain by the Santa Barbara County Board of Supervisors, **a full disclosure is required and is requested** for this subject matter.

Rather than bringing an action to “quiet title” as would have been appropriate if the County’s claim of road ownership was sincerely valid and in good faith, the County of Santa Barbara opted to circulate secret allegations and set into motion circumstances and burdens that violated public policy and law, and which would have circumvented due process if not discovered accidentally.

In addition, there are questions of conflict of interest for Santa Barbara County Supervisor Joni Gray’s actions and representations as related to work performed by her law firm as to the subject matter, representations and formation of the private road association that requires full disclosure prior to proceeding with this matter. It appears from the letters from Lakeview owners and other documents that substantial conduct transpired at the request of Supervisor Joni Gray’s office in relation to these issues and which creates a conflict of interest.

Activities by the County of Santa Barbara raise questions as to the County’s self interest and objectivity in this matter and **require a heightened level of review and disclosure in accordance with CEQA.**

7. THE LAFCO FILE INCORRECTLY REPRESENTS THE STATUS OF AGRICULTURAL LANDS IN THE PROPOSED AREA, WHICH CONTAINS SEVERAL VINEYARDS, AND LAND THAT IS PRIME AGRICULTURAL LAND AS DEFINED BY G.C. 56064. THE ACCESS TO THE PROPOSED DEVELOPMENT TRAVERSES PRIME AGRICULTURAL LANDS.

Interior subdivision lands include cultivated pastures and several critically acclaimed vineyards in the Sta. Rita Hills American Viticultural Region. The subdivision access between the end of Sweeney road and to the subdivision traverses 120 acres of prime agricultural lands. 104 acres of this land is cultivated to row crops with a 3 crop rotation per year that includes lettuce, cabbage, broccoli and cauliflower. The balance of 16 acres is the Cargasacchi Pinot Noir vineyard which has been in production since 2001. On a yearly basis, the Pinot Noir vineyard produces from 1.5 to 3 tons of pinot noir per acre with a field value of \$4500 per ton.

It has been stated by County Counsel that condemnation of these primes agricultural lands would be required.

8. THE PETITIONERS' PARCEL AT 4310 SWEENEY ROAD DOES NOT REQUIRE OR POSSESS SUBDIVISION EASEMENTS, AND ALREADY POSSESSES ACCESS, WATER AND UTILITIES DUE TO ITS LOCATION ON THE EASTERN BOUNDARY OF THE SUBDIVISION. PETITIONERS APPEAR TO BE NON COMPLIANT AND IN VIOLATION OF COUNTY ZONING REQUIREMENTS.

Petitioners' property is a remainder from the creation of the subdivision and does not need internal subdivision improvements.

The petitioner's property has no need for interior roads because it is located at the edge of the subdivision and possesses utilities, water and access. There is no need for this parcel to petition for improvements and for which they do not possess internal easements.

The purpose of the petition appears intended to circumvent the private road covenant by creating a public entity with eminent domain powers. This appears to be primarily for the benefit of the parcel and non-compliant building permit at 4375 Sweeney road, in the Lakeview subdivision, and is in violation of public policy.

9. NOT ALL PARCELS BENEFIT FROM THE CREATION OF THE CSD. CREATION OF THE CSD WOULD IMPOSE UNNECESSARY FINANCIAL BURDENS ON THE FIRST PARCEL IN THE SUBDIVISION. APN 099-200-041

We, (Peter and Julia Cargasacchi,) reside on APN 099-200-041 of the Lakeview subdivision. This is the first parcel in the subdivision and the existing house, which we occupy, is located adjacent to the easement across the Cargasacchi ranch from the end of Sweeney road. The house and parcel being located as the first parcel in the subdivision, on the edge of the subdivision has all necessary improvements already in existence, including access, water and utilities.

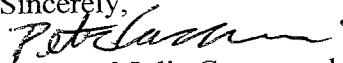
10. IN THE EVENT OF FORMATION, WE WOULD LIKE TO REQUEST THAT OUR PARCEL APN 099-200-041 BE EXCLUDED FROM THE CSD BECAUSE OF THE EXTREME HARDSHIP AND FINANCIAL BURDEN IT WOULD CREATE, WITHOUT BENEFIT TO US.

Subjecting APN 099-200-041 to inclusion in the CSD would create an unfair financial burden because the parcel is already developed and will not benefit from subdivision improvements. By only creating a burden on the property, the inclusion of this parcel in the CSD is a violation of our civil rights and of due process and equal protection of the U.S. Constitution.

As has been discussed and pointed out on previous occasion, it appears from observation that Peter and Julia Cargasacchi are the only actual permanent and full time residents of the Lakeview subdivision. There appears to be substantial irregularities with the claim of residency by the petitioners for the CSD that suggests voter fraud issues and is a violation of our civil rights as the only permanent, full time residents in the Lakeview Subdivision. It also appears that at least one signatory claiming residency for voter registration purposes has a homestead exemption on another, their actual residence.

We are in opposition to the formation of the Santa Rita Hills Community Services District and as required by CEQA, request a full Environmental Impact Report before proceeding, in addition to the feasibility study required by the California Government Code prior to formation of the CSD.

Sincerely,


Peter and Julia Cargasacchi
4400 Sweeney Road.
Lompoc, CA.

