
LAW OFFICES OF E. PATRICK MORRIS

A PROFESSIONAL CORPORATION
ATTORNEYS AND COUNSELORS AT LAW

3/5/2015

Doreen Farr, County Member, Chair
Janet Wolf, County Member
Roger Aceves, City Member
Craig Geyer, Special District Member
Jeff Moorhouse, Special District Member
Roger Welt, Public Member
Bob Orach, City Member

Paul Hood, Executive Officer
SBLAFCO
105 E. Anapamu Street
Santa Barbara, CA 93101

Re: March 5, 2015 Agenda; "Changes of Organization Item 1," "Consideration of LAFCO Resolution Initiating Proceeding for the Dissolution of the Status of the Santa Rita Hills Community Services District (SRHCSD),"

Dear Members of the Commission, and Mr. Hood:

As you are well aware, my job is to protect and advance the interests of various members of the Cargasacchi family who own land immediately adjacent to the Santa Rita Hills Community Services District ("SRHCSD"), but within the designated "Sphere of Influence" of a proposed "Bridge & Highway District" encompassing the current, but dysfunctional SRHCSD and adjacent land. Some of my clients also own, individually or collectively, 20% of the lots within SRHCSD's borders.

Once again, I am required to write to you for the record and your consideration, not well in advance of your deliberations as I had planned, but at the last minute. I am forced to do so because, once again, your Executive Officer Mr. Hood failed to provide us with the public information we requested for SBLAFCO well in advance of this meeting, choosing instead to parse the information out as he saw fit, days after it was to be made available, some of it only yesterday.

I write in reference to what has been placed on your agenda as "Changes of Organization Item 1," titled "Consideration of LAFCO Resolution Initiating Proceeding for the Dissolution of the Status of the Santa Rita Hills Community Services District (SRHCSD)," because that is what this Commission asked to be placed on the agenda by

unanimous vote at its last regular meeting. An allege proposal to create a new "Bridge & Highway" district for Santa Rita Hills is not before you.

While Mr. Hood has assigned SBLAFCO file number 15-01 to a "petition" to form a "Bridge & Highway District" (apparently in lieu of SRHCSD), as of February 25, 2015 the "file" contained nothing but a petition signed by the owners of a mere 11 of the 40 parcels that would be affected, and even then those signatures were affixed to a document that specifically says "Your signature on this Petition dos not commit you to support the formation of the Santa Rita Hills Bridge & Highway District or the dissolution of the Santa Rita Hills Community Services District" and the signatures lacked the required certification of the circulator.

With respect to the SBLAFCO Resolution Initiating Proceeding for the Dissolution of the Status of the Santa Rita Hills Community Services District, my clients support Option 1, to approve the proposed resolution for dissolving SRHCSD, and ask you to vote unanimously to support that resolution.

My clients also ask that you approve the EO's recommendation in the Special Study dated February 23, 2015 to approve the study and move forward with dissolution of SRHCSD.

My clients oppose the recommendation of Executive Officer Hood in his memo dated for this meeting that this body keep the SRHCSD on life support "to allow processing of the proposed Reorganization to Form a Bridge and Highway District and Dissolve the Santa Rita Hills Community Services District."

To do so would ignore the report to this body in the "Special Study" that the organization is incapable of acting; intends to keep collecting taxes despite its complete inability to function (although it appears to continue to employ staff and lawyers who cannot be legally be paid); and that in more than five years of existence, "has not completed any road construction, improvement or maintenance projects since the time of formation . . . it appears that this situation has no chance of changing." It also ignores that the proposed new district is months, if not years from being formed, if ever it is.

There is no pending application to form any new district. There is only a petition signed by a small minority of landowners, as noted above. No fees have been paid to this Commission to process the petition, even though Mr. Hood has spent countless hours over the last six months helping the proponents of a new district and their cadre of lawyers try to "get it right," while refusing to meet with anyone who opposes this effort. Mr. Hood's time is required to be paid for by fees, but this "petition" has been "processed" for hours by him without a penny being paid to SBLAFCO.

The new "plan" to try to form yet another "district" in what was known as "Lakeview Estates" is a not even disguised attempt by some landowners in the area, who voluntarily bound themselves to a specific access road contract they no longer wish to honor, to create another government entity with the power to condemn the access road they contracted to build. That access road is the "Memorandum of Agreement" road.

The Memorandum of Agreement road was designed with the input of the owners of all 39 affected lots, and the County of Santa Barbara. It was specifically designed to respect the predominantly agricultural nature of this remote area, which is designated a "special problems area" by the County of Santa Barbara, due not only to access problems, but also issues of "present or anticipated flooding, drainage, grading, road width, access, sewage disposal, water supply, location and elevation problems." (See Santa Barbara County Board of Supervisors Resolution No. 86-93, attached hereto.) The Resolution prohibits the further development of this land, with or without access, until this myriad of problems is addressed. It is dishonest to claim that the creation of an access road will solve all of the area's problems, or cause the restrictions to be lifted.

The Memorandum of Agreement Road as designed and agreed to by all affected parcels is sensitive to the agriculture that abounds in the area, and maintains the rural environment by restricting the use of the lands its serves to agricultural purposes. That restriction is why, when these same landowners last tried to condemn an access road through the SRHCSD in summer 2013 by applying to LAFCO to expand the CSD's Sphere of Influence" so they could avoid the use restrictions to which they or their predecessors agreed, the Santa Barbara County Agricultural Advisory Committee specifically recommended to SBLAFCO that the access into SRHCSD be limited to the Memorandum of Agreement road, due to the agricultural nature of the area and the accommodations therefore in the Memorandum of Agreement. (The AAC letter of August 2013 is also attached hereto.)

The owners of all 39 lots that are currently part of SRHCSD signed the Memorandum of Agreement, and had it recorded in the chain of title to each and all of the parcels within SRHCSD as well as the proposed new district. Thus, no land owner in the defunct or proposed districts can honestly claim that they cannot obtain an adequate access road without forming some absurd "Bridge & Highway District" (where will they build their bridge, or their highways?) They can have adequate access to their land, simply by building the road to which they already agreed, the Memorandum of Agreement road. That road can be built in the next 90 days.

No landowner within the defunct and proposed districts should be heard to express support for option 3 before this Commission without first answering two simple questions: ***Will you agree to build the Memorandum of Agreement road, and if not, why not?***

The pleas for time to formulate the district to build non-existent bridges and highways across fertile farm land are nothing other than an effort to make sure that these private landowners can continue to fund their efforts with tax dollars collected and held by

the long dysfunctional, now effectively defunct SRHCSD, by transferring that money from the CSD to the new district, as acknowledged by the EO's report. The Commission should take note that in the amended budget of SRHCSD attached to the Special Study as Exhibit "C", five years into its existence SRHCSD budgeted a mere \$20,000 of its estimated \$276,039 budget for "preliminary engineering," but \$140,000 (more than half its budget) for "attorney."

As recently as last week, Mr. Hood was presented with a bill from the SRHCSD's attorney demanding payment of \$15,000 from SRHCSD's remaining tax funds for him helping the private landowners try to form the new district (which is not a SRHCSD activity.) The County Controller has justifiably refused to pay that bill.

This charade must be put to an end by moving forward with the dissolution of SRHCSD, which has long fed teams of lawyers, one group of whom are the personal lawyers of one of the new district's chief proponents, Hank Blanco, and others whose sole goal has been to help a small group of landowners evade their obligations under the Memorandum of Agreement.

Finally, in deciding whether to keep SRHCSD's money alive for use by these landowners and their lawyers, or put an end to this entity's illegal activities, the Commission should consider that the EO's report to this body erroneously claims "the Commission could approve the proposal which would dissolve the SRHCSD and form in its place a Bridge and Highway District." This Commission cannot form a Bridge & Highway District, and Messrs. Dillon and Hood should be required to provide this Commission for any legal authority to support that claim.

The formation of a "Bridge & Highway District" within the boundaries of the defunct SRHCSD is a long, long way from ever reaching fruition. SBLAFCO cannot "approve" a Bridge & Highway District as a matter of law. SBLAFCO could be petitioned to recommend to the Santa Barbara County Board of Supervisors (BOS) that it should pass an "Ordinance of Intention" to form such a District.

Assuming the BOS did so, that ordinance would not form the District. Instead, in the ordinance, the BOS would decide to proceed by petition or election in proposing to form the District. Once the ordinance passed, either a petition would need to be circulated according to the formation statutes, or an election would need to be held.

Pending the outcome and certification of such a petition and/or election, the local elections office could certify the formation request to the California Secretary of State (SOS). The SOS would in turn make mandatory public notice filings over a period of weeks, inviting opposition to the formation. If any such opposition was timely received, the SOS would then send the issue of the formation, and the opposition thereto, to the Superior Court for this county for adjudication.

Only after there had been a final court adjudication of the issue of the District formation would the SOS be permitted to certify the District's formation, at which time the BOS could then appoint a Board of Directors, which is not required to consist of landowners.

This brief primer on the formation of a Bridge & Highway District" demonstrates that the EO's wildly optimistic suggestion that this Commission delay dissolving the defunct and dysfunctional special district until the "successor district" is formed is nothing other than an effort to allow those who were unable to effectively use SRHCSD to their personal financial advantage (despite Mr. Blanco's open admission at the February 5, 2015 SBLAFCO meeting that SRHCSD had "blown through \$500,000 of taxpayer money") to continue to slurp at the trough of public money, taken from the approximately 1/2 of lot owners who apparently do not support the formation of this new "district," to keep the public money trough alive until they can once again drain public resources for personal advantage.

This Commission must say "no" to this avarice and approve the Special Study and the resolution to dissolve, once and for all, SRHCSD.

Thank you for your consideration of these issues,

Very truly yours,

LAW OFFICES OF E. PATRICK MORRIS



E. Patrick Morris, Esq.

Cc: Clients

1 RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
2 COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA

3
4 A RESOLUTION DESIGNATING A)
5 CERTAIN AREA IN THE SANTA RITA)
6 MOUNTAINS BETWEEN SWEENEY ROAD)
AND MAIL ROAD AS A)
"SPECIAL PROBLEM AREA")

RESOLUTION NO. 86-93

7
8 WHEREAS, Section 10-21(b) of the Santa Barbara County
9 Code amends Section 303 of the the Uniform Building Code to
10 provide for a designation of certain areas which have present or
11 anticipated flooding, drainage, grading, road width, access,
12 sewage disposal, water supply, location, or elevation problems
13 as "Special Problem Areas"; and

14 WHEREAS, building permits shall not be issued in such
15 "Special Problem Areas" until and unless plans and
16 specifications for the proposed buildings or structures have
17 been reviewed by the Santa Barbara County "Special Problems
18 Committee" and any and all reasonable and necessary conditions
19 have been imposed as conditions of approval of said building
20 permit application, as provided in said amended section 303; and

21 WHEREAS, that certain area in the Santa Rita Mountains
22 between Sweeney Road and Mail Road as described on the attached
23 EXHIBIT A, is an area with present or anticipated flooding,
24 drainage, grading, road width, access, sewage disposal, water
25 supply, location and elevation problems,

26 NOW, THEREFORE, BE IT RESOLVED that the area depicted
27 on the attached map, marked EXHIBIT A and incorporated herein by
28 reference, is hereby designated as a "Special Problem Area"

1 pursuant to the provisions of Santa Barbara County Code Section
2 10-21(b) by reason of the present and anticipated flooding,
3 drainage, grading, road width, access, sewage disposal, water
4 supply, location and elevation problems found in the area,
5 PROVIDED; HOWEVER, that the portion of real property which is
6 designated as Assessor's Parcel No. 99-200-56 on the attached
7 Exhibit A, comprising approximately 502.79 acres, shall be
8 excluded from the "Special Problem Area" upon the determination
9 of the Santa Barbara County Fire Chief that there exist adequate
10 roads and improvements for residential and emergency equipment
11 access.

12 BE IT RESOLVED, FURTHER, that a copy of the attached
13 map, marked EXHIBIT A, shall be certified as a true and correct
14 copy by the Clerk of the Board of Supervisors and transmitted to
15 the Director of Public Works; the Flood Control Engineer; the
16 Director of County Health Care Services; the County Fire
17 Department and the County Counsel.

18 BE IT RESOLVED, FURTHER, that a copy of said map, so
19 certified, shall be deposited with the Building and Safety
20 Division of the Department of Public Works for use as provided
21 in said Section 10-21(b) of the Santa Barbara County Code.

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PASSED, APPROVED AND ADOPTED by the Board of
Supervisors of the County of Santa Barbara, State of California,
this February 18, 1986, by the following vote:

AYES: David M. Yager, Michael B. Stoker, William B.
Wallace, DeWayne Holmdahl, Toru Miyoshi

NOES: None

ABSENT: None

ATTEST:
HOWARD C. MENZEL
COUNTY CLERK-RECORDER

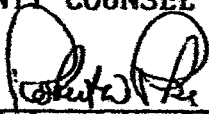
/s/ Toru Miyoshi

Toru Miyoshi, Chairman
Board of Supervisors
County of Santa Barbara

By /s/ Betsy Seamans (seal)

Deputy Clerk-Recorder

APPROVED AS TO FORM;
KENNETH L. NELSON
COUNTY COUNSEL

By 

Robert W. Pike
Deputy County Counsel

RWP:lh
8207C

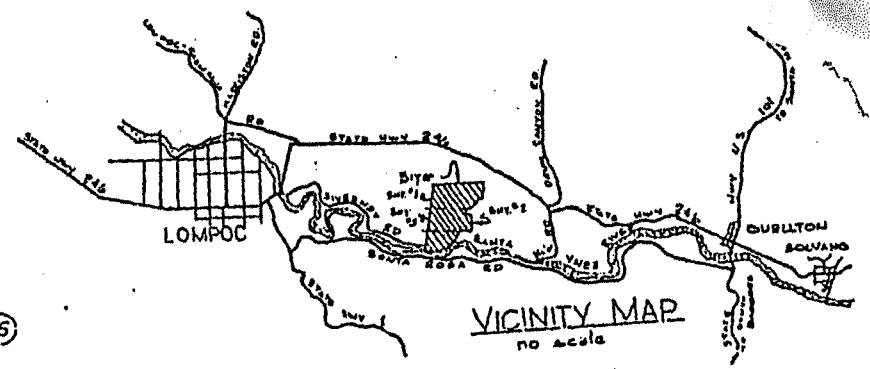
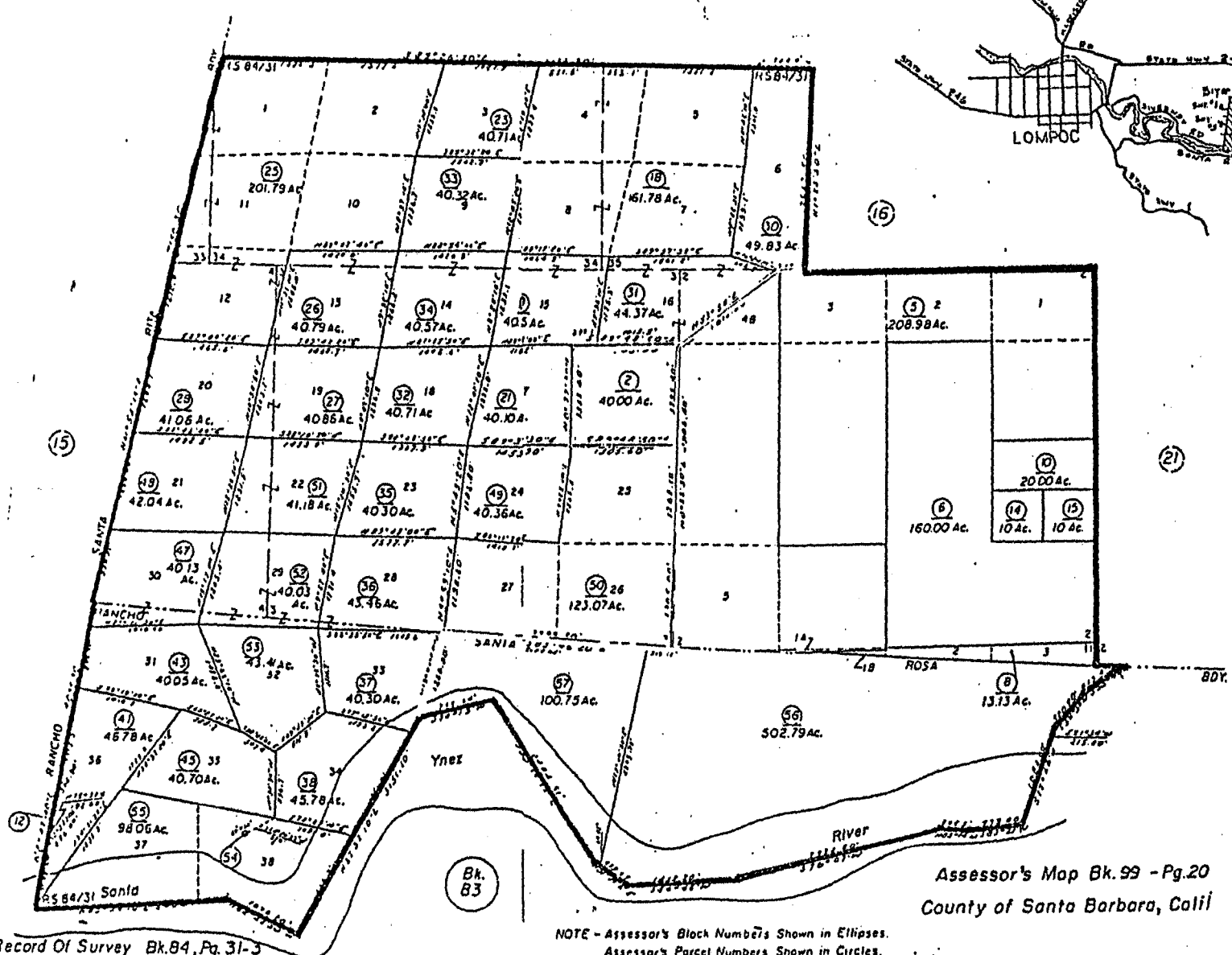


EXHIBIT A



Bk. 83



COUNTY OF SANTA BARBARA

AGRICULTURAL ADVISORY COMMITTEE

August 15, 2013

Paul Hood
Executive Officer
SBLAFCO
105 East Anapamu Street
Santa Barbara CA 93101

Re: Santa Rita Hills Community Services District (SRHCSD) – Request for Sphere Expansion and Authorization to Construct Access Road Outside of District

Dear Mr. Hood:

The Agricultural Advisory Committee (AAC) on July 31, 2013, reviewed the *Santa Rita Hills CSD-Request for Sphere of Expansion and Authorization to Construct an Access Road Outside of the District*. This item was included in the LAFCO June 6, 2013 LAFCO agenda. The Agricultural Advisory Committee (AAC) is concerned about the impacts to the agricultural resources involved with the SRHCSD request. The AAC serves as an advisory group by reviewing matters that have agricultural resource issues, such as, land use, economics, pesticides, legislation, water, regulatory issues, property rights and agricultural practices.

In July, the AAC formed a subcommittee to thoroughly review the SRHCSD annexation request and to meet with the different stakeholders involved with this proposal. The subcommittee presented the results of their review process to the AAC during the July 31st 2013 meeting.

The AAC have the following recommendations regarding the SRHCSD annexation request:

- Limit the Sphere of Influence Expansion exclusively to the “Access roadway per the Memorandum of Agreement (MOA).”
- Unless objections are raised by the access road landowner(s), authorize the District to provide services outside of its boundaries exclusively to construct and maintain an access road between Sweeny Road and the District Boundaries via the “MOA” alignment.
- Do not authorize the District to exercise the power of eminent domain.

Furthermore, the AAC encourages the different stakeholders involved with the SRHCSD request to memorialize the current intent of conversations regarding the public or private nature of the access road and future land use intensity on the parcels through a more permanent mechanism, such as an easement. Additionally, the AAC recommends LAFCO to include the MOA documentation as an exhibit in the next LAFCO staff report.

Sincerely,



Paul Van Leer, Chair
Agricultural Advisory Committee

Committee Members

Bradley Miles
Ron Caird
Sharyn Merrit
Mike Ruffoni
Ruth Jensen
Kari Campbell-Bohard,
Claire Wineman
Paul Van Leer-Chair
June Van Wingerden
Lisa Bodrogi
Willy Chamberlin
Daren Gee

Representing

1st District Supervisor, Salud Carbajal
2nd District Supervisor, Janet Wolf
3rd District Supervisor, Doreen Farr
4th District Supervisor, Peter Adam
5th District Supervisor, Steve Lavignino
California Women for Agriculture
Grower-Shipper Vegetable Association
Santa Barbara County Farm Bureau
Santa Barbara Flower & Nursery Growers' Association
Central Coast Wine Growers Assn
Santa Barbara County Cattlemen's Assn.
Strawberry Commission