



<b>AGENDA</b>
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MEETING OF THE  
**EXTERNAL AFFAIRS/LEGISLATIVE COMMITTEE**  
OF THE  
**SANTA BARBARA METROPOLITAN TRANSIT DISTRICT**  
A PUBLIC AGENCY  
THURSDAY, SEPTEMBER 24, 2015  
2:00 P.M.  
**SANTA BARBARA MTD CONFERENCE ROOM**  
550 OLIVE STREET (UPSTAIRS), SANTA BARBARA, CA 93101

1. **CALL TO ORDER**
2. **ROLL CALL OF THE EXTERNAL AFFAIRS/LEGISLATIVE COMMITTEE**  
Dave Davis, Chair, Olivia Rodriguez, Director, Roger Aceves, Director
3. **REPORT REGARDING POSTING OF AGENDA**
4. **APPROVAL OF PRIOR MINUTES (ATTACHMENT- ACTION MAY BE TAKEN)**  
The Board will be asked to waive the reading of and approve the draft minutes for the committee meeting of October 8, 2014
5. **PUBLIC COMMENT**  
Members of the public may address the Committee on items within the jurisdiction of the Committee that are not scheduled for public hearing. The time allotted per speaker will be at the discretion of the Committee Chair. **Please complete and deliver to the MTD Board Clerk, before the meeting is convened, a "Request to Speak" form including a description of the subject you wish to address.**
6. **CALLE REAL PROPERTY- (INFORMATIONAL)**  
The committee will hold a discussion regarding the history of the use and development proposals for MTD's Calle Real property.
7. **OTHER**
8. **ADJOURNMENT**

**AMERICANS WITH DISABILITIES ACT:** If you need special assistance to participate in this meeting, please contact the MTD Administrative Office at 963-3364 at least **48 hours in advance** of the meeting to allow time for MTD to attempt a reasonable accommodation.



## **MINUTES**

**MEETING OF THE  
EXTERNAL AFFAIRS/LEGISLATIVE COMMITTEE  
OF THE  
SANTA BARBARA METROPOLITAN TRANSIT DISTRICT  
A PUBLIC AGENCY**

**WEDNESDAY, OCTOBER 8, 2014**

**9:00 A.M.**

**SANTA BARBARA MTD CONFERENCE ROOM  
550 OLIVE STREET (UPSTAIRS), SANTA BARBARA, CA 93101**

**1. CALL TO ORDER**

Committee Chair Davis called the meeting to order at 9:00 a.m.

**2. ROLL CALL OF THE EXTERNAL AFFAIRS/LEGISLATIVE COMMITTEE**

Committee Chair Davis reported that all members were present.

**3. REPORT REGARDING POSTING OF AGENDA**

Natasha Garduno, Executive Assistant, reported that the agenda was posted on Friday, October 3, 2014 at MTD's Administrative Office, mailed and emailed to those on the agenda list, and posted on MTD's website.

**4. PUBLIC COMMENT**

None was made.

**5. THREE- BIKE RACKS - (INFORMATIONAL)**

The committee received an update on three-bike racks for transit buses. Mr. Maas reported that recently Governor Brown approved Assembly Bill (AB) 2707 that increases the maximum distance that a bike rack can extend from the front of a transit bus to 40 inches. If MTD were to move forward with the purchase of three-bike racks, the estimated cost for 100 would total in the range of \$150,000. Staff is aware of two competitive grant programs that could potentially provide MTD with the funding for this project.

**6. CAP-AND-TRADE AUCTION PROCEEDS- (INFORMATIONAL)**

The committee received an update on the allocation of California Cap-and-Trade auction proceeds. Mr. Maas reported that staff continues to monitor developments in the allocation of proceeds. Santa Barbara County may not be eligible for the 25 percent of the proceeds that are to be dedicated to projects that benefit disadvantaged communities as defined by the California Environmental Protection Agency (CalEPA), it is expected that county agencies will be an eligible recipient of other portions of the Cap-and-Trade auction proceeds.

**7. COMMUNITY COLLEGE TRANSPORTATION FEE LEGISLATION- (INFORMATIONAL)**

The committee received an update from staff on its progress related to potential legislation.

**8. OTHER**

No other items were discussed.

**9. ADJOURNMENT**

Director Aceves moved to adjourn the meeting. Director Rodriguez seconded the motion. The motion passed unanimously.



## EXTERNAL AFFAIRS COMMITTEE REPORT

**MEETING DATE:** SEPTEMBER 24, 2014

**AGENDA ITEM #:** 6

**TYPE:** INFORMATIONAL

**PREPARED BY:** JERRY ESTRADA

\_\_\_\_\_  
*Signature*

**REVIEWED BY:** GENERAL MANAGER

\_\_\_\_\_  
*GM Signature*

**SUBJECT:** Calle Real Property

### **DISCUSSION:**

Staff will hold a discussion with the Committee regarding the history of the use and development proposals for MTD's Calle Real property.



BUYNAK · FAUVER · ARCHBALD · SPRAY

ATTORNEYS

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PARTNER

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September 18, 2015

Santa Barbara Metropolitan Transit District  
External Affairs Subcommittee  
c/o Mr. Jerry Estrada, General Manager, MTD  
550 Olive Street  
Santa Barbara, CA 93101

*Via Email Only*

**Re: Calle Real**

Dear Chair Davis, External Affairs Subcommittee:

I have been asked to provide a *brief* history of the use and development proposals for MTD's Calle Real property. That property is comprised of four (4) parcels of land, and is commonly identified as 4678 Calle Real in Goleta. It is on the corner of Calle Real and North San Antonio Street, adjacent to the Santa Barbara County Government Complex and near the Turnpike off ramp from Highway 101. The four Calle Real parcels total approximately 19 acres. *See attached Google aerial map and plot map.*<sup>1</sup>

## **HISTORICAL USE**

MTD purchased the property years ago (without the use of federal funds), for the purpose of a potential bus terminal or transit site. Eventually, the Olive Street site was acquired for that purpose, instead. The property was zoned residential in the mid-1990's, but subsequently, the largest three of the four parcels were "temporarily" rezoned A-1-5 for agricultural use. Although some row crop farming did occur on the property years ago, the property is currently vacant and has *not* been farmed for at least a decade.

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<sup>1</sup> The aerial map was prepared in 2008 by a Forte Ranch resident and is used with his authorization.

Although not yet final, the Eastern Goleta Valley Community Plan recommends that 10.2 acres of the property be rezoned DR-20 which would allow for residential density of up to 20 dwelling units per acre. The separate, westernmost approximately 2 acre parcel was already zoned DR-20. The remaining approximate 6.8 acres is recommended to be rezoned DR-0.20 (accommodating only one dwelling unit on that acreage), given that some of that area may be considered sensitive habitat.

Assuming the recommended rezoning is finally approved by the Board of Supervisors, the buildable portions of the property would permit approximately 250 dwelling units.<sup>2</sup> It should be noted that a sale *or* long term ground lease of this property for a transit oriented development (“TOD”) or to another public agency/entity would *not* require compliance with Government Code Section 54221, commonly known as the surplus land disposition statute. That statute deems certain public land (determined by an agency to be no longer necessary) to be considered “surplus,” requiring that it be offered for sale first to certain other public agencies before marketing it to the general public.

As alluded to above, Public Utilities Code section 99420 authorizes the joint planning or construction of a TOD and provides an exception to Section 54221. Section 99420 states, in relevant part, that:

“(a) Notwithstanding any other provision of law, a transit operator may enter into agreements with a...person or entity, ...for the joint use or joint development of any property or rights of the transit operator...for the establishment of...transfer of passengers,...sales or leasing, or for any other purpose necessary for, incidental to, or convenient for, the full exercise of the powers granted to transit operators.

“(b)(1) ‘Joint development’ or ‘jointly develop’ means the joint planning, financing, construction, operation, or use of any land,...or interest therein,...of the transit operator. Joint development may be for public, commercial, residential, or mixed uses.

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“(c) The purpose of any joint development project entered into in accordance with this section shall be to foster transit use, enhance the transit service, or foster the integration of land use and transportation.

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“(e) Any transit oriented joint development project pursuant to this section shall comply with the land use and zoning regulations of the city, county, or city and county in which the project is located in accordance with the Planning and Zoning Law (Chapter 1 (commencing with Section 65000) of Division 1 of Title 7 of the Government Code) relating to zoning.

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<sup>2</sup> This number does *not* include any potential density bonus units MTD might be entitled to under California law. See Gov. Code Sections 65915-65918

## DEVELOPMENT PROPOSALS

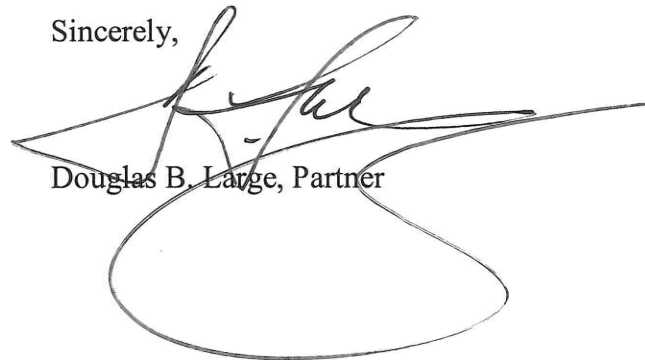
In approximately 2003-2004, following a design/development competition sponsored by MTD, a Santa Barbara County Housing Authority development team began negotiating with MTD to build a transit oriented development of largely low income and workforce housing. The initial proposal was for MTD to sell the property to this development team. Although that potential transaction morphed into a potential long term ground lease, no sale or lease to that development team ever materialized. However, various *draft*, sale and/or lease agreements and/or deal term sheets were developed during that process.

Thereafter, other entities, including public agencies, have expressed interest in purchasing or leasing some or all of the Calle Real property. The property has been considered for housing, as well as a site for a new criminal courts building and/or a California Highway Patrol substation.

Given the expected approval of the Eastern Goleta Valley Community Plan, which includes the above mentioned rezone of the Calle Real property, MTD is now presented with another opportunity to finally make this real property asset a benefit and further its public transportation goals. Attached as Exhibit "A", is a simple options matrix which summarizes likely costs, benefits, and risks of four optional future uses of the Calle Real property.

Please let me know if you or the subcommittee has questions or desires additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Douglas B. Large', is written over a large, stylized, handwritten 'S' or 'L' shape that spans across the signature line and extends downwards.

Douglas B. Large, Partner

## OPTIONS MATRIX

	<b>HOLD*</b>	<b>STRAIGHT SALE *</b>	<b>SELL* (for Transit Oriented Development ("TOD"))</b>	<b>LONG TERM GROUND LEASE* (for TOD)</b>
<b>COST</b>	<ul style="list-style-type: none"> <li>Negligible</li> </ul>	<ul style="list-style-type: none"> <li>Real Estate Commission(s)</li> </ul>	<ul style="list-style-type: none"> <li>Real Estate Commission(s)</li> <li>Joint Planning for TOD—Public/Private Partnership?</li> <li>Housing Consultant</li> <li>Legal</li> </ul>	<ul style="list-style-type: none"> <li>Real Estate Commission(s)?</li> <li>Joint Planning for TOD —Public/Private Partnership?</li> <li>Housing Consultant +</li> <li>Legal +</li> <li>Lease administration</li> </ul>
<b>BENEFIT</b>	<ul style="list-style-type: none"> <li>Hold for future MTD needs</li> <li>Potential FMV increase</li> </ul>	<ul style="list-style-type: none"> <li>One-time sales price payment (apply to unfunded MTD liabilities?)</li> </ul>	<ul style="list-style-type: none"> <li>One-time sales price payment (apply to unfunded MTD liabilities?)</li> <li>TOD</li> <li>Low, moderate, workforce (MTD employee preference?) and market rate housing</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing payments to supplement MTD operations</li> <li>TOD</li> <li>Low, moderate, workforce (MTD employee preference?) and market rate housing</li> </ul>
<b>RISK</b>	<ul style="list-style-type: none"> <li>Decrease in land value</li> <li>Zoning change</li> <li>Partial or full condemnation (although FMV recovery)</li> </ul>	<ul style="list-style-type: none"> <li>Potential future increase in FMV</li> <li>No potential for future MTD needs</li> </ul>	<ul style="list-style-type: none"> <li>No potential for future MTD needs</li> <li>Potential development risks (mitigated by insurance and indemnification agreements)</li> </ul>	Reversionary interest <i>versus</i> re-negotiation of ground leases Potential development risks (mitigated by insurance and indemnification agreements)

\* No option is exclusive for entire property. For example, a portion of the property could be sold and other portions leased or held.

**EXHIBIT A**

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