

January 9, 2026

Dear Friends and Neighbors,

For those who are unaware, Protect the Covenant, represented by four covenant members, is scheduled for mediation with the Rancho Santa Fe Board of Directors regarding its conduct in relation to the proposed Silvergate, high density development project.

To ensure clarity, both for the Board and Rancho Santa Fe Covenant Membership at large, the appended letter was sent to the members of the Board, and copied to the members of the Art Jury, on December 10, 2025. The letter outlines, in plain language, the issues to be mediated, and the specific outcomes Protect the Covenant seeks through mediation.

In a nutshell, we are looking for both the RSFA Board and the Art Jury to follow Rancho Santa Fe's governing documents as written and as interpreted by numerous Boards and Art Juries that came before them for almost a century. We also seek greater transparency from the board, and that, going forward, it conducts its review of all matters, including the Silvergate project, in open session, unless specifically constrained by matters under threatened or actual litigation.

If you agree with our positions on these issues, your notes of encouragement to members of the RSFA Board, that they enter into mediation with open minds and follow the mediator's guidance and recommendations, would be appreciated. Please send your emails to the Board to: RSFA@rsfassociation.org

If you haven't done so already, please consider becoming a member of Protect the Covenant, which you can do through the following link:

<https://protectthecovenant.net>

We hope everyone had a very happy holiday break and are currently enjoying a great start to 2026.

Warm Regards,

Your Friends at Protect the Covenant

Date: December 11, 2025

To: Members of the Rancho Santa Fe Association Board of Directors

Cc: Dominique Albrecht, Rancho Santa Fe Association Manager; Members of the Art Jury

President Gamboa, Members of the RSFA Board of Directors,

Thank you for agreeing to our request for Alternative Dispute Resolution Mediation regarding the dispute over the annexation of the non-Covenant Silvergate parcels, the propriety and legitimacy of RSFA Board Resolution 2025-102, and violations of the Davis-Sterling Act.

Given that our request for Mediation was made on September 17, 2025, but was not scheduled until January 14, 2026, we request the Board and the Art Jury suspend all activities related to the Silvergate project until the conclusion of our Mediation.

While correspondence from our counsel, which went into great legal detail, was presented to the Board on this matter, we thought it would be valuable to reiterate the specific issues, in non-legalese, for which we seek resolution.

The first issue regards the RSFA Governing Documents' requirement for the Annexation of non-Covenant properties prior to further consideration of the proposed Silvergate project by the Board or Art Jury. This requirement is addressed in three different places within our Protective Covenant, as well as in RSFA's Restated Articles of Incorporation, which specifically state: "the Association shall not approve or enter into any covenant or other written instrument for the purpose of making any lands of property subject to the provisions of the Rancho Santa Fe Protective Covenant, or the jurisdiction of the Association, except in compliance with the provisions of this Article. For the purposes of this Article, any such action by the Board may be referred to as an annexation."

The second issue regards the RSFA Board of Directors Resolution 2025-102, "Board Resolution Determining the Appropriate Class Use for the Proposed Silvergate Project," which is problematic for several reasons, including:

Lack of Jurisdiction: The resolution states: "The (*meaning Silvergate's*) proposed uses as presented to the Association are consistent with the uses set forth in Use Class C" and "To the extent any proposed uses are not expressly listed in the PC, they are not substantially different than uses already allowed in Use Class C." However, two of the four parcels upon which the Silvergate project may be constructed remain unannexed and are zoned as RR (SR-2) by the County. This leaves both the Board and the Art Jury in a compromised position as they are making zoning judgments on parcels of land over which neither has jurisdiction.

Incorrect Class Zoning Use Designation: A logical reading of Class C is that it is intended as residential, except for properties within the commercial core of the Village. Historically, properties within the area where the Silvergate properties are located are zoned C & L and were developed as either large horse properties, or as single-family residences, which include horse keeping, and a minimum of 2.86-acre lot sizes. Silvergate's gated rental community of 178 dwelling units, with its plethora of supporting commercial services, is hardly what the Covenant's founders, including Lillian Rice, ever intended for that location within the Covenant.

Violation of the Davis-Stirling Act: While the Davis-Stirling Act provides for an HOA board to meet in closed session to consider matters pertaining to pending or threatened litigation, it specifically does not authorize a board to meet in private when considering general, business-related legal issues and opinions, such as those regarding the proper determination of land usage. Based on RSFA's legal billing records, for a period of over two years the Board met behind closed doors with counsel regarding the Silvergate project on matters that were neither privileged nor confidential.

The only public conversation ever held between RSFA Board members regarding the appropriate land class use for the Silvergate project—the largest development project ever considered for Rancho Santa Fe—occurred during the Special Board Meeting of February 11, 2025, and lasted less than 12 minutes.

It is clear from the brevity of the Special Board Meeting of February 12, 2025, and the perfunctory conduct of the Board during that meeting—which lacked any cross-conversation or debate between Board members—that the conclusion of Resolution 2025-102 was predetermined during the numerous behind-closed-doors discussions held prior to the meeting, in clear violation of the Davis-Stirling Act.

Compounding our concerns is the fact that the Board refused to provide us with the legal opinions relied upon to proceed without annexation and to issue Resolution 2025-102.

In summary, we seek three specific outcomes from our mediation:

1. Annexation needs to be addressed now, before the project moves forward.  
As a matter of record, the Art Jury Minutes of February 4, 2024, and October 28, 2025, state: "...Continuing consideration of this project is conditional upon the annexation of the two non-Covenant parcels....".
2. The Rescission of Resolution 2025-102, for the reasons stated above.
3. Greater RSFA Board transparency. Going forward, the Board must conduct its review of all matters, including the Silvergate project, in open session and not behind closed doors, unless specifically constrained by matters under threatened or actual litigation.

Finally, as stated in our formal legal communications to date, we represent the collective interests of a growing number of Covenant members who, having become increasingly aware of the true commercial nature, size, scope, and density of Silvergate's proposed project, do not believe it, or anything similar, belongs within an area zoned as Rural Residential (SR-2) in the Covenant.

Thank you for your time and consideration. We look forward to a productive mediation on Jan 14.

Sincerely,

PROTECT THE COVENANT, LLC

Dick Clotfelter

Russ Penniman

Sharon Ruhnau

Saiid Zarrabian