

# Santa Barbara Happenings



Terry A. Bartlett – Reetz, Fox & Bartlett LLP

## More Housing Proposed in Santa Barbara Under Builder's Remedy

Multiple projects have been proposed under the "Builder's Remedy". Developer Steve Johnson proposed a 25-unit project at 515 West Olivos Street. The lot is currently the site of a 1,025 square foot single family home with an outbuilding, both of which will be converted to studio apartments. The main building will be 3 stories and 22 units and the smaller building will be 2 stories and 3 units. 5 of the units will be for very low-income renters (those who make 80% less than the area median income). No parking is proposed, a situation over which many community members have expressed concern.

There is also a 30-unit project proposed under the Builder's Remedy for 1609 Grand Avenue (located in the lower portion of the Riviera). The developers are Industrial Partners Group, a company based in Los Angeles. There has been much criticism of the Grand Avenue proposal because it conflicts with the zoning in the area. Typically, only 2 units would be allowed on the lot for which 30 units are currently being proposed.

This is a failure of the City to timely update the housing element as required by state law, and again by the City Council for not fighting to keep control of local land use decisions. Stay tuned and watch Santa Barbara become Santa Monica north.

## Downtown S.B. Business Property Owners Vote to Assess Themselves to Fund Community Benefit Improvement District

Commercial property owners in downtown Santa Barbara voted recently to assess themselves in order to create a pool of funds to pay for improvements to downtown. The Community Benefit Improvement District funds will be used to improve cleanliness, safety, aesthetics and maintenance of the downtown area. These new assessments will be passed on to their commercial tenants as tax increases under NNN leases.

## Cities Regain Control of Public Spaces

Rising rates of homelessness have led some cities to pass ordinances prohibiting sleeping outside or in a car. Enforcement had been blocked by the 9th Circuit Court of Appeals. This has now changed.

The Supreme Court recently ruled 6-3 in the case of *The City of Grants Pass v. Johnson* that ordinance-

es imposing fines and jail time for sleeping in public spaces, cars, and homeless encampments are not violating homeless persons' eighth amendment right against cruel and unusual punishment. The majority determined that the eighth amendment was intended to prevent punishments that caused 'terror, pain or disgrace' and, by the time of the Amendment's adoption, had 'long fallen out of use' and that the ordinances were not punishing offenders for the state of being homeless, only for the act of sleeping in public places.



## There Is No Debate: Rent Caps Hurt Renters and Communities

A recent rent control study funded by the National Apartment Association and conducted by Dr. Andrew Hanson of the University of Illinois analyzed data from the American Housing Survey section of the U.S. census for 15 cities from 2015-2021 and found that an increase in the number of rent controlled apartments in an area is correlated with an increase in interior and exterior housing deficiencies. Interior deficiencies were defined as rodent problems, electrical issues, mold, and interruptions in water service and exterior deficiencies were structural issues and neighborhood problems like trash in the streets, crime and schools that residents were less likely to rate as 'good' when asked by surveyors.

Previous research published by the National Apartment Association indicates that 61% of housing providers expect to defer maintenance when they own rent-controlled units. These findings show that the lower revenue received by housing providers for rent-controlled units means that they are less able to afford to maintain quality housing for their occupants. The result is that tenants suffer and less rental units are available in the marketplace for rental housing.

## Historic St. Anthony's Property Sold for \$16.7M

St. Anthony's Seminary at 2300 Garden Street recently sold at auction for \$16.7 million (although its assessed value was \$30 million). The auction was held online by the auction house Concierge Auctions. The property's previous owner was the San Roque

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School Charitable Trust. The buyer, 2300 Garden, LLC, is currently associated with the conversion of office buildings to apartments in Monterey.



The property is currently zoned for single family homes on lots of at least 15,000 square feet and holds a legal non-conforming use as an educational facility. If the buyer wants to change the zoning it will require approval by the City.

### How the Climate Hysteria Is Lowering Your Standard of Living

Appliances, cars and the construction of houses are all being increasingly regulated in order to prevent supposed "climate change." The jury is still out on the reality of the claim but we know new regulations are causing rising costs of production and less effective products which, over time, will erode the overall quality of life for all of us. The funding of solar and wind power is also detrimental to the quality of life as these ways of generating electricity are less and less effective and more and more expensive.

### Californians Will Decide on Minimum Wage, Rent Control, Slavery, and More in November

The following Constitutional amendments will be on the November ballot: (1) an amendment to the state constitution that would remove language indicating that marriage is between a man and a woman, (2) an amendment to the Constitution which would ban forced prison labor as a type of slavery and (3) an amendment that would lower the threshold for local governments to approve increased taxes to fund pet projects.

Ballot measures regarding bonds include: (1) a proposed \$10 million bond allocating state funds for the renovation of school buildings, and (2) a proposed \$10 million dollar bond that would be used to ensure safe drinking water and fund wildfire prevention, heat mitigation, sustainable agriculture and renewable energy efforts.

You pay for tax increases used to pay off these bonds.

Other ballot initiatives include: (1) a proposed repeal of the Costa Hawkins Rental Housing Act that would likely lead to increased rent control, (2) a proposed increase in minimum wage, (3) an initiative that would affect Medi-Cal drug prices and (4) an initiative that aims to correct the previous

proposition 47 which lowered some felonies to misdemeanors by making some crimes felonies again, and (5) an initiative that would indefinitely extend funding for Medi-Cal.

Remember the general rule: When in doubt, vote no.

### Commercial Real Estate Vacancies Are Extremely High

U.S. commercial real estate vacancy rates recently reached 20.1%, the highest vacancy rate in 50 years. In San Francisco, vacancy rates are particularly high at 34.5%.



### California Joblessness Soars

According to data from the U.S. Bureau of Labor Statistics, there has been a steep decline in private industry jobs since 2022. The technology and finance sectors have lost the most jobs with an 8% and 16% decline, respectively.

There has been growth in the public sector in health care and social services. These jobs are often supported by the federal government and tax dollars.

Overall, California has the highest unemployment rate in the nation at 5.2%.

### Proposition 36 Proposes reforms to Proposition 47

Proposition 36 on November ballot would revoke some of the egregious changes in 2014. It will restore the charges for certain theft and drug crimes to felonies and implement a treatment focused court process for certain felony drug charges which will require the offender to complete a mental health and drug treatment program or be sentenced to up to 3 years in prison. Proposition 36 would also require courts to warn people convicted of selling drugs that they could be charged with murder if someone buys drugs from them and dies. It will also lengthen the sentences for some theft and property damage related felonies and require that certain felonies be served in prison instead of jail or probation.

Proposition 36 is intended to mitigate a rise in crime over the last few years by re-implementing more stringent punishments and making treatment programs mandatory.

The money contributed to the program by the City will

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go toward hiring a program attorney and a bilingual legal assistant, as well as administrative personnel.

### Tony Becerra Challenges for Council Seat for Council Seat on Westside

Santa Barbara native and martial arts teacher, Tony Becerra, who runs a dojo (The Academy of Koei Kan-Karate) on San Andres Street, is running for the District 3 Santa Barbara City Council seat against incumbent Oscar Gutierrez. Becerra intends to prioritize Westside business and housing issues if he is elected. He understands the needs of small businesses.



### Giving Americans \$1,000 per Month Disincentivizes Them from Working

Results from a 3-year study conducted by the National Bureau of Economic Research that were recently published indicate that unconditional cash transfers of \$1,000 to low income individuals correlated with a 2 percentage point decrease in their labor market participation, with no significant effects on investments in human capital, and no noticeable impact on the quality of their work compared to a control group who received \$50 per month transfers.

In other words, when individuals received the \$1,000 per month cash transfers, they did not use the extra income to enter training programs or start businesses but mainly to take more time for leisure activities. Study authors found that on average the incomes of those who received \$1,000 decreased 21 cents per dollar received and the number of hours they worked per week decreased by 1.3-1.4 hours.

### Conservative Professor Disciplined for Criticizing DEI Gets \$2.4 Million To Settle Lawsuit Against College

Matthew Garrett, previously a tenured history professor at Bakersfield College, was investigated, disciplined and ultimately dismissed from his position for speaking against the Diversity, Equity, and Inclusion (DEI) agenda. He recently settled his lawsuit against the college for \$2,400,000.



In 2019, Garrett gave a public lecture criticizing the use of grant money by some of his fellow professors to support a partisan DEI agenda and called for an investigation into how the money was being spent. In 2020, an investigation was initiated and Garrett's employment was terminated after he commented at a Diversity Committee meeting about a proposed racial climate task force.

The college now agrees with Garrett that he was exercising his right to free speech and that his termination was primarily in retaliation for him questioning the use of grant money to fund DEI initiatives.

Terry A. Bartlett is a real estate, housing, and landlord-tenant attorney at Reetz, Fox & Bartlett LLP in Santa Barbara.



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