

Santa Barbara Happenings

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Transient Occupancy Rates Increase

Effective January 1, 2025, Transient Occupancy Tax has increased for the following areas: the unincorporated area of Santa Barbara County, Buellton, Solvang and Carpinteria. Transient Occupancy Tax (also known as bed tax) is the tax that is collected by local jurisdictions for occupancy of any structure for dwelling, lodging or sleeping purposes for a period less than thirty (30) calendar days. Put in normal terms, Transient Occupancy Tax applies to all hotels, motels and short-term vacation rental units rented for less than thirty (30) days.

The rate increases, passed by voters in November, were through the following measures: Measure B (Carpinteria only); Measure D (Buellton only), Measure E (Solvang only); Measure H (Santa Barbara County, only applicable to the unincorporated area but voted on by all voters). Given the passing of all of these measures the rates have increased as follows: Santa Barbara County (unincorporated area only): 12% to 14%, Carpinteria 12% to 15%, Solvang 12% to 14%, Buellton 12% to 14%.

Any owners of property in the above areas that rent units for under thirty (30) days are now responsible for collecting this higher rate from their occupants.

Agricultural Enterprise Ordinance Takes Effect

The Santa Barbara County Board of Supervisors has approved the Agricultural Enterprise Ordinance which will allow properties zoned as AG-II to have campgrounds, farm stays, special events and tours. This ordinance will apply to all unincorporated areas of the county. Low impact campgrounds and small campgrounds that are not next to residential areas will only need zoning clearance while small scale campgrounds next to residential zones would need a land use permit.



Image: Freedog Farms, Cactus Flower Ranch in Buellton, CA

The Supervisors also agreed to allow landowner provided accommodations (tents, yurts, camper trailers, etc.) on 70% of sites in the campgrounds. Landowner provided accommodations are subject to a Transient Occupancy Tax

(now 14%) for guests who stay for a period of 30 consecutive days or less, which would be received by the County. The ordinance went into effect January 9th, 2025.

Santa Barbara County Seeks Coastal Plan Change

Santa Barbara County is attempting to change elements of the Coastal Plan in order to implement objective design standards that would replace the Architectural Board of Review for multifamily and mixed-use housing projects.

Santa Barbara's Coastal Program has subjective and objective language describing what developers can build in the Coastal Zone. The County's revisions are intended to clarify some of the subjective guidelines, for instance, by implementing numeric standards.

The Coastal Commission has requested that the County review the entire Coastal Plan and add objective language to all resource protection policies. It remains to be seen what changes will be implemented and approved. For anyone with property in the Coastal Zone and the unincorporated area of the county this is something worth paying attention to.

New Hotel Proposed for Funk Zone Moves Forward

The Santa Barbara City Council recently denied an appeal objecting to the 44-room hotel proposed for 17-21 West Montecito Street in the Funk Zone. The appeal cited the following issues: potential flood hazards, incomplete information regarding the mixed-use designation, issues with the underground parking lot and poor community planning.

The hotel will be built on the property previously occupied by Ducati Santa Barbara, as well as 2 adjoining lots, and will include a 10,000 square foot underground parking garage, a roof top restaurant and lounge area and meeting rooms which, according to the City, means that it meets the require-



Image Noozhawk.com : The proposed hotel at 101 Garden St. in Santa Barbara would feature 250 rooms and an underground garage.

Continued on page 37

ments to be a mixed-use development. The City Planners also assured the City Council that the project aligned with federal, state and local guidelines.

Miramar Housing and Retail Project

The Santa Barbara County Board of Supervisors recently approved plans to build 26 affordable housing units, 8 market rate units and 17,500 square feet of high-end retail shops at the Rosewood Miramar Beach Resort on South Jameson Lane in Montecito.

Although multiple appeals had been filed by the community citing concerns regarding increased traffic, air pollution, flooding, parking, evacuations and incomplete environmental review, the Board unanimously denied all appeals.

Gaviota Coast Conservancy Acquires Rancho Tajiguas

The Gaviota Coast Conservancy recently acquired the Rancho Tajiguas property between Gaviota State Park and Isla Vista that spans 3,272 acres.



Image: Noozhawk.com Historic Rancho Tajiguas

The Property has been used for agriculture since the 1790's, the primary crops grown there being persimmons and avocados. The organization intends to maintain the property as a functioning ranch and to restore the habitats of the local wildlife such as black bears, mountain lions, steelhead trout and salmon.

Hope Ranch Height Restrictions Ruled Unenforceable

Santa Barbara County Superior Court Judge Donna Geck ruled recently that an 85-year-old deed restriction affecting the height of a structure built in Hope Ranch was unenforceable. The property's owners sought to waive the height restrictions, and their neighbor filed suit, saying that a waiver would impact his views and privacy.

According to the Court, the one-story restriction is not necessary to protect Hope Ranch's views or character, and other nearby properties with similarly restrictive deeds have multi-story homes built on them. It is likely that this will be appealed and, if appealed, this decision may have a significant impact on the enforcement of deed restrictions regarding height.

Plans for Eight Story Apartment Building Proposed for Property Near the Mission are still Incomplete

In December, the City of Santa Barbara sent a second letter to the development team for a 255-unit

project proposed at 505 East Olivos Street near the Santa Barbara Mission. The eight-story apartment building with hundreds of underground parking spots was proposed under the Builder's Remedy. The project's application is still considered incomplete. According to the City, the proposed structure is too close to Mission Creek.

California's Unemployment Insurance Fund Debt Reaches \$20 Billion

California's unemployment insurance fund is \$20 billion in debt. The debt was incurred during the COVID - 19 pandemic when the State borrowed money from the federal government for its unemployment fund. The state is paying hundreds of millions in interest on the debt and, as a result, California businesses face a \$21 increase in required contributions toward the unemployment insurance fund per employee. Something is obviously broken in the system. Whether seeking additional money from businesses (especially small businesses) will fix the problem remains to be seen, but it is unlikely.

California's Proposition 36: New Law Regarding Drugs and Theft

In December, Proposition 36, the Homelessness, Drug Addiction, and Theft Reduction Act, took effect. Certain offenses will now be treated as "wobblers" offenses (i.e. offenses that can be either a misdemeanor or a felony). These offenses are:



possession of a hard drug (fentanyl, heroin, cocaine, methamphetamine, etc.) with 2 prior drug-related convictions, and petty theft or shoplifting with 2 prior theft-related convictions. There are no age limits or other restrictions on prior convictions.

Proposition 36 also significantly increases penalties for fentanyl trafficking as well as penalties for property crimes resulting in losses exceeding \$50,000 and requires those who are convicted of drug-related offenses to complete drug treatment programs. All of these changes are intended to dissuade drug use and theft crimes. Hopefully, these changes will have the desired effect of reducing theft and drug use.

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