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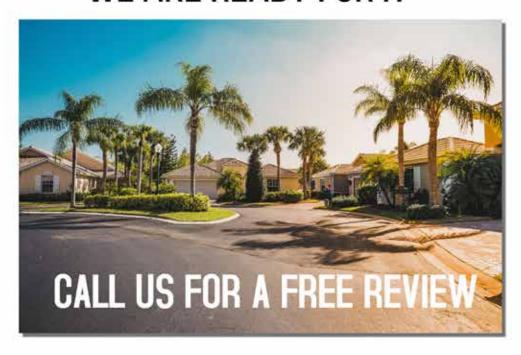
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123 West Padre Street, Suite D Santa Barbara, CA 93105

> Office Hours: By Appointment Only

**www.sbrpa.org**Phone: (805) 687-7007
Fax: (805) 687-9708

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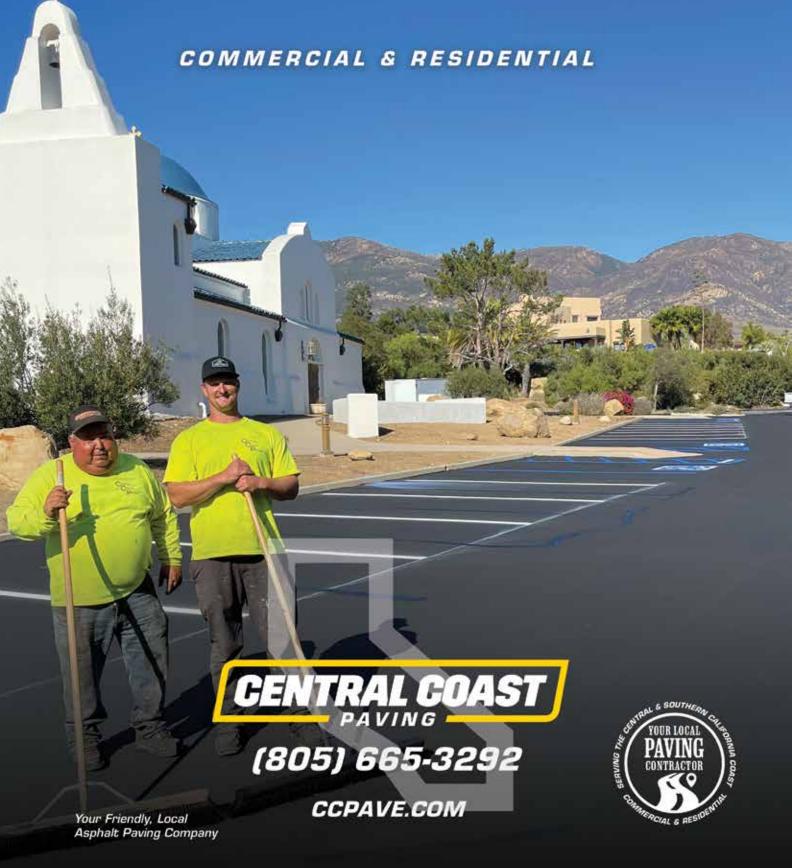
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## President's Message



Betty L. Jeppesen Esq. • Attorney at Law and Real Estate Broker

## Rent Registry and 2% Rent Cap

On Tuesday, April 19<sup>th</sup>, the City Council received 5 hours of public comment on its December 9, 2021 proposal to move forward with a rent registry for Santa Barbara as well as a 2% rent cap.

City Attorney Ariel Calonne gave his report to the Council. He listed questions such as:

What is an appropriate maximum amount of rent increase?
What is an appropriate relocation payment?
Should properties under 3 units be treated differently?
What are viable options to incentivize long-term tenant retention?
How does Santa Barbara's recent rental rate and rate increase history affect renters in view of local housing availability and local income and wage levels?

He stated that there are 30,000 dwelling units in Santa Barbara.

He also stated that rent control is relatively expensive to administer. It typically requires a rent board of administrative official to implement and administer. And, he stated that it must assure the right to a fair return on investment. He doesn't want housing to deteriorate. There is a 5<sup>th</sup> Amendment right to hold property which is why Courts will enforce a Judgment for Possession by force if necessary through the Sheriff's Civil Bureau. He discussed the Costa-Hawkins Rental Housing Act of 1995 which has exemptions for single family homes and condos. This is for pre-1995 construction only. It allows for vacancy decontrol.

In the staff report accompanying the agenda, in the fiscal impact section, it states that a rent registry would cost "several million dollars" to start and to administer and there is admittedly no source of these funds identified.

The public voiced their opinions.

Some 250 people wrote to the City Council opposing these both a rent registry and a CPI plus 2% rent cap on rent increases.

Over 50 people spoke either in person or via Zoom. Of those, there were both housing providers and residents.

Peter Rupert, UCSB economist, spoke first outlining why rent control simply does not work. It helps the rich and hurts the poor. It deletes housing opportunities rather than creating them. He proffered examples such as Minneapolis/St. Paul where construction of new housing stock stopped since the rent control was established in October of 2021. He also cited examples since WWII showing that housing units simply vanished instead of expanding the number of such units.

Instead of a rent registry and a 2% rent cap, the idea of Vouchers was presented as a much more viable way to ensure that the work force remain in Santa Barbara and that Santa Barbara retain its diverse population. If companies could provide vouchers for their work force or funds otherwise used for studies or enforcement could be freed up for those people who need them, then the burden need not continue to fall squarely on the shoulders of the housing providers.

In any event, a 2% plus CPI rent cap does not correspond to the rising costs of housing providers for their rising costs. Maintenance, repair, and payments far exceed CPI plus 2%. This does not allow a housing provider a fair return on his/her investment.





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## President's Message from page 5

Many housing providers presented illustrations of helping their tenants and not raising rents until the state began imposing rent caps. With this introduction and the state-wide rent control now found in the Civil Code, most if not all landlords have begun to raise their rents regularly.

Not all housing providers are rich. Many housing providers, indeed 80% of the members of SBRPA are "Mom and Pop" housing providers with 4 or fewer units. They saved and were able to purchase one or two units to help supplement their retirement funds. In some cases, the rental units are being used to pay for the care of one or the other of the "Mom and Pop" team either in a care facility or with round the clock help at home.

Courts are beginning to enforce the Equal Protection Clause, the Due Process Clause and the Contracts Clause of the US Constitution.

On Friday, April 15<sup>th</sup>, 2022, the L.A. Superior Court by Judge Highberger in GHP Management v. County of Los Angeles ruled that moratoria creates a government sanctioned "taking" [of private property by the government without just compensation] which is proscribed [not allowed] by the Contracts Clause of the Constitution. Judge Highberger asked "how far is too far?" When a property owner has suffered a physical invasion no matter how minute no matter how weighty the public purpose behind it the Supreme Court has required compensation, he stated citing the 1992 Lucas v. South Carolina case.

So, if a housing provider is forced to provide housing without just compensation, that is a physical invasion of the housing provider's right to contract for his property.

At the end of the evening, the City Council voted unanimously to appoint an Ad Hoc Committee to discuss the Santa Barbara Housing Crisis while folding in rent registry and rent caps for further study. This committee will be chaired by Oscar Gutierrez and includes Alejandra Gutierrez and Kristin Sneddon. This committee committed to reaching out to all the various housing provider and resident groups. The \$200,000 study by an outside agency was dismissed.

During this time of rapid change, please consult our SBRPA regularly for updates between our newsletter printings.

Thank you for your membership.

Betty L. Jeppesen

President







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## **SBRPA Calendar**



Online Learning and Webinar Recordings



## NAA's Apartmentalize

JUNE 22-24, San Diego Get ready for NAA's annual Apartmentalize where where the industry's thought leaders, trendsetters, and innovators come together to share ideas and solutions.conference. https://apartmentalize.naahq.org/

## **NAA Seminars & Recordings**

For a listing of previous seminars and links to their recordings, go to: https://www.naahq.org/education-careers/online-learning/webinars

The office is now open for limited hours. Please call or email for an appointment email: admin@sbrpa.org
phone: 805-687-7007

## **Welcome New Members**

Steve Kritz, Robert Rauchhaus, Joey White, Gloria Dias, Earl Arnold, Joey Antonucci





SBRPA Certificate Course: Fair Housing 05-24-2022, Tue., 10:00AM to 3:00PM

Our Fair Housing seminar will be taught this year by Denise Cato of the Fair Housing Council of Orange County (FHCOC).



Register online at www.sbrpa.org. See page 31 for more information.







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## RECENT CLOSED TRANSACTIONS

SOLD 3/22	Santa Barbara	4 Apartment Units (beach)	\$ 8,835,000 (Seller)
SOLD 3/22	Santa Barbara	Mixed-Use 2 Spaces+SFR	\$ 4,887,500 (Seller)
SOLD 2/22	Santa Barbara	8 Apartment Units	\$ 5,950,000 (Buyer/Seller)
SOLD 2/22	Santa Barbara	5 Apartment Units	\$ 3,950,000 (Buyer/Seller)
SOLD 12/21	Santa Barbara	2 Development Lots	\$ 2,600,000 (Buyer/Seller)
SOLD 12/21	Isla Vista	Development Lot	\$ 750,000 (Buyer/Seller)
SOLD 11/21	Santa Barbara	Retreat Compound	\$ 7,500,000 (Buyer/Seller)
SOLD 8/21	Isla Vista	2 Apartment Units	\$ 1,585,000 (Buyer/Seller)
SOLD 7/21	Goleta	2 Commercial Spaces	\$ 1,168,000 (Buyer/Seller)
SOLD 9/20	Isla Vista	4 Apartment Units	\$ 2,950,000 (Seller)
SOLD 8/20	Santa Barbara	2-Unit Vacation Rental	\$ 1,925,000 (Seller)
SOLD 5/20	Santa Barbara	3 Apartment Units	\$ 1,325,000 (Seller)
SOLD 3/20	Goleta	4 Apartment Units	\$ 1,650,000 (Buyer/Seller)
SOLD 3/20	Goleta	4 Apartment Units	\$ 1,550,000 (Seller)
SOLD 1/20	Isla Vista	2 Apartment Units	\$ 1,630,000 (Seller)
SOLD 1/20	Goleta	4 Apartment Units	\$ 1,637,000 (Seller)

## FOR SALE \$8,950,000



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## Note from the Executive Director



Laura Bode, Executive Director



## Dear Members:

During the pandemic, there were substantial changes in the laws protecting renters. Unfortunately, it is no longer "business as usual". To protect yourself, SBRPA wants to ensure you are aware of the changes in how you must now do business.

Following is a document, "Santa Barbara Renter – Rights & Responsibilities", outlining the current legal rights of renters. Potentially, it will be distributed to all Santa Barbara County renters. So it is important that you are as knowledgeable as your renters.

#### Read it.

## Follow it for your business practices.

And, as always, contact SBRPA for assistance. The new laws are incredibly complex. We are <u>NOT</u> attorneys, so unfortunately we cannot answer legal questions. However, we can guide you on what SBRPA form to use and provide you with a list of attorneys if needed.

Sincerely,

Laura

Laura Bode Executive Director



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## **JUST SOLD!**

**305 LADERA STREET** Santa Barbara, CA 93101

Type: Multifamily; Units: 4 Units

Price: \$2,715,000; COE: 4/6/2022
Beachside Partners successfully represented the seller in this off-market transaction of this 4 unit property located near SBCC. Unit mix consists of (3) 2BD/1BA and (1) - 2BD/1.5BA town home style apartments, (4) garages with additional parking lot at the rear of the property, washer/dryer in each unit (unit D laundry is located in garage), fully leased out for 2022-2023. All utilities are separately meter, 4 individual water meters with a 1 lot parcel map for condo purposes recorded.

## **JUST SOLD!**

1533 DE LA VINA STREET Santa Barbara, CA 93101

**Type:** Multifamily; **Units:** 5 Units **Price:** \$2,326,000; **COE:** 3/21/2022

Beachside Partners successfully represented the buyers in their 1031 exchange of this Santa Barbara apartment building comprised of 5 units and two car garage on a 6,535+/- SF R4 Lot. Gas & Electric are separately metered and some units have private patio areas. Property is close to Downtown on the corner of De La Vina & Arrellaga Streets this location has a 92 Walk Score & 95 Biker's Score.





**JON STANDRING** 

FOUNDER 805.626.0112 JON@BEACHSIDEPARTNERS.COM DRE# 01893163

**LORI ZAHN** 

BROKER ASSOCIATE 805.451.2712 LORI@BEACHSIDEPARTNERS.COM DRE# 01914851

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## **SANTA BARBARA RENTERS'**RIGHTS & RESPONSIBILITIES

BELOW ARE GENERAL STATEMENTS ABOUT YOUR RIGHTS AND RESPONSIBILITIES AS A RENTER. THERE ARE EXCEPTIONS TO THESE GENERAL RULES, SO IT IS IMPORTANT TO REVIEW THE SPECIFIC FACTS OF YOUR SITUATION WITH SOMEONE WHO HAS LEGAL EXPERTISE.



The City of Santa Barbara operates the Rental Housing Mediation Program (RHMP). The purpose of the program is to resolve rental housing disputes by offering mediation services, and

information on residential Landlord-Tenant rights and responsibilities. Phone: (805) 564-5420

- Andrea Bifano
   Senior Rental Housing Mediation Specialist
   ABifano@SantaBarbaraCA.gov
- Alba Marshall
   Rental Housing Mediation Specialist
   (Se Habla Español)
   AMarshall@SantaBarbaraCA.gov
- Raymond Rengo
   Rental Housing Mediation Specialist

   RRengo@SantaBarbaraCA.gov

In addition, the Legal Aid Foundation of Santa Barbara County provides assistance.

http://lafsbc.org; (805) 963-6754

## **APPLICATION**

Can I be charged an application fee?

Yes, but it needs to reflect the Housing Provider's actual costs for processing the application and as of 2022, cannot be more than \$52.46.



## Can I be asked about any criminal history?

Applicants can only be rejected for past convictions that are "directly-related" to the application.

How do I get a service animal approved for units that don't normally allow pets?

The Fair Housing Act (FHA) requires



landlords to accommodate both licensed service and/or emotional support animals in residential units. Tenants must provide their landlords with the proper certification in the case of a licensed support animal, or a physician's note in the case of an emotional support animal. Tenants seeking approval of an ESA should have documentation of treatment from a local mental healthcare provider that substantiates the request. Remote/online providers are generally frowned upon and may not support your request, if challenged.

## Can I change from a month-to-month lease to a one-year lease?

Santa Barbara City requires some landlords to offer tenants one-year leases. Tenants may still opt for month-to-month leases by submitting a form to their landlord. Landlords must make this offer annually or after the first one year term, if the Landlord wishes to terminate the relationship he/she must offer a one-session conciliation meeting with the Santa Barbara Rental Housing Mediation Board. Properties where landlords are not required to offer one-year leases include single-family homes, condominiums, and planned developments.

## **SECURITY DEPOSIT**

What is the maximum security deposit I can be charged?



Unfurnished rentals:

Max of 2 months' rent. (Except: Active service member: Max of 1 month rent.)

#### Furnished rentals:

Max of three months' rent. (Except: Active service member: Max of 2 months' rent.)

Can I be present when the Housing Provider inspects my unit for the return of the security deposit?

You have the right to be present when the Housing Provider does both the initial and final inspection. You can also request a pre-inspection.

## After I vacate the unit and return the keys, how much time to get my security deposit back?

Within 21 calendar days of surrender of the unit, or the end of the lease, whichever is later, the Housing Provider must send an itemized statement of any security deposit deductions and return any money left over.

## **RENT**

## Can I be charged a late fee for bounced checks?

Yes. \$25 for the first bounced check. \$35 for



each additional bounced check. Under no circumstances may a landlord evict the tenant because of late fees. However, unpaid late fees may be taken out of the security deposit when you vacate.

## Can I be charged a fee if I pay my rent late?

Yes, if late fees are specifically included in the lease. The late fee must be a reasonable estimate of the Housing Provider's cost because rent was late.

## How long can I not pay my rent before being evicted?

Housing Provider must serve you with a 3-day notice to "pay rent or quit" (pay rent or move out.) If you don't pay the rent within 3 days, the Housing Provider can file in Court to evict you. You will receive a notice to appear in Court for a hearing. If the Judge is convinced you are late paying your rent, the Judge can order the Sheriff to evict you and remove your belongings from the rental unit.

#### Can my rent be increased during my lease?

Not during the time you have a written lease. Your lease states how much you must pay. For the time period the lease covers, your rent can't be increased. After your lease ends, if you continue renting on a month-to-month basis, your rent can be raised <u>AFTER</u> you are given 30 days' written notice. (90 days' notice if the rent increase is more than 10%).

#### Does Santa Barbara have rent control?

While Santa Barbara City does not have its own rent control, the state of California caps yearly rent increases to 5% + the percentage change in the All California CPI (Consumer Price Index). This combined increase cannot exceed 10%.

## After my current lease expires, how much can my rent be increased?

The amount depends upon whether your rental unit is "Subject to" or "Exempt" from the **TENANT PRO- TECTION ACT OF 2019, AB1482**. It is very important to know if your unit is "Subject to" or "Exempt" from the Act.



Generally:

### EXEMPT FROM 1482 ACT

Single family homes & Owner-occupied duplexes

## SUBJECT TO 1482 ACT

Multi-family (duplex or larger)

Your Housing Provider was required to give you notice if your unit is "Subject to" or "Exempt" from the Act. (For leases signed since 2020, the notice will probably be in your lease.)

#### IF YOUR UNIT IS SUBJECT TO THE ACT:

The Act prohibits during any 12 month period, a rent increase of more than 5% + the % change in CPI – to a maximum of 10%, whichever is lower. As of March 2021, the maximum rent increase is 9% total. This amount will change in May or June when the new CPI is announced.

### IF YOUR UNIT IS EXEMPT FROM THE ACT:

Your rent can be increased by any amount after your current lease expires.

## YOUR RIGHT TO A LIVEABLE (HABITABLE) DWELLING

What is the "IMPLIED WARRANTY OF HABIT-ABILITY"?

In the State of California, every rental unit automatically has an "implied



warranty of habitability"-is a guarantee that your rental property is in compliance with basic living and safety standards. The Housing Provider is responsible for ensuring that the warranty of habitability is met, not the renter.

Below is the applicable section of the California law. CIVIL CODE - CIVDIVISION 3. OBLIGATIONS [1427 - 3273.16] (Heading of Division 3 amended by Stats. 1988, Ch. 160, Sec. 14.)

PART 4. OBLIGATIONS ARISING FROM PARTICULAR TRANSACTIONS [1738 - 3273.16] (Part 4 enacted 1872.)

TITLE 5. HIRING [1925 - 1997.270] (Title 5 enacted 1872.)

CHAPTER 2. Hiring of Real Property [1940-1954.06] (Chapter 2 enacted 1872.)

#### 1941.1.

- (a) A dwelling shall be deemed untenantable for purposes of Section 1941 if it substantially lacks any of the following affirmative standard characteristics or is a residential unit described in Section 17920.3 or 17920.10 of the Health and Safety Code:
  - (1) Effective waterproofing and weather protection of roof and exterior walls, including unbroken windows and doors.
  - (2) Plumbing or gas facilities that con formed to applicable law in effect at the time of installation, maintained in good working order.
  - (3) A water supply approved under appli cable law that is under the control of the tenant, capable of producing hot and cold running water, or a system that is under the control of the land lord, that produces hot and cold

### 1941.1 (a) continued

- running water, furnished to appropriate fixtures, and connected to a sewage disposal system approved under applicable law.
- (4) Heating facilities that conformed with applicable law at the time of installa tion, maintained in good working order.
- (5) Electrical lighting, with wiring and electrical equipment that conformed with applicable law at the time of installation, maintained in good working order.
- (6) Building, grounds, and appurtenances at the time of the commencement of the lease or rental agreement, and all areas under control of the landlord, kept in every part clean, sanitary, and free from all accumulations of debris, filth, rubbish, garbage, rodents, and vermin.
- (7) An adequate number of appropriate receptacles for garbage and rubbish, in clean condition and good repair at the time of the commencement of the lease or rental agreement, with the landlord providing appropriate serviceable receptacles thereafter and being responsible for the clean condition and good repair of the receptacles under his or her control.
- (8) Floors, stairways, and railings maintained in good repair.
- (9) A locking mail receptacle for each residential unit in a residential hotel, as required by Section 17958.3 of the Health and Safety Code. This subdivision shall become operative on July 1, 2008.
- (b) Nothing in this section shall be interpreted to prohibit a tenant or owner of rental properties from qualifying for a utility energy savings assistance program, or any other program assistance, for heating or hot water system repairs or replacement, or a combination of heating and hot water system repairs or replacements, that would achieve energy savings.

(Amended by Stats. 2012, Ch. 600, Sec. 1. (AB 1124) Effective January 1, 2013.)

Warranty of Habitability continued

To summarize, this means that you are entitled to a habitable dwelling that meets basic requirements, such as:

- Common areas are safe and clean
- Sufficient hot water
- Reliable heat



Interior view of the Housing Authority of the city of Santa Barbara's Johnson Court apartment

- Roof, floors, stairs and walls aren't in danger of imminent collapse
- No significant danger from environmental hazards such as lead, asbestos, and mold
- Reasonable protection from foreseeable criminal intrusion
- Rats and other vermin exterminated.

Regarding your rights, it's important to distinguish between major habitability issues versus annoying problems in your rental. The basic question to ask yourself is:

"Does this make my rental unsafe to live in?"
YES – It's a habitability issue that **must** be repaired.

NO – It's an annoyance. Minor or cosmetic damage can be annoying, ugly or unpleasant-but doesn't seriously endanger your health or safety.

Table 1 shows examples of the difference between a habitability issue that must be fixed versus an annoying problem:

## How much notice must be provided to me before entering the rental?

For non-emergencies, 24 hours written notice is required. No notice is required if it is an emergency (serious threat to safety or property) or when you have left the property for good.

## Can I withhold rent for repairs?

Yes, IF there is a <u>HABITABILITY</u> problem that imperils health or safety. (The problem must not have been caused by you or your guest.) You must also provide notice to the Landlord of the habitability issue prior to deducting from the rent, in order to give the Landlord the opportunity to repair the condition.

Table 1. Habitability Problems vs Annoyance

HABITABILITY PROBLEM	ANNOYANCE	
A roof leak that results in a wall of mildew in the bedroom	A roof leak that has caused a slight stain in the ceiling plaster in the hallway	
A totally broken hot water heater	A hot water heater that heats to 5° less than the temperature required by state statute	
A furnace that won't turn on	A furnace that clanks and creaks when the fan runs	
A front door that will not lock	A screen door (in front of a door that locks) with a broken latch	
A toilet that won't flush in a one-bathroom rental	A toilet that flushes poorly in a two-bath unit	
A lobby that is filled with tenants' garbage because the landlord has failed to provide trash bins and has not arranged for pick-up	A lobby that's in need of a good vacuuming and paint job	
A broken heater during the winter	A broken heater in the summer during a warm spell	
An apartment rented to a family with young children where there is deteriorating lead paint	An apartment with faded and dirty latex paint	

Excerpt from NOLO https://www.nolo.com/legal-encyclopedia/overview-landlord-tenant-laws-california.html

It is illegal for a landlord to retaliate against a tenant in California who has complained to the Housing Provider or a government agency about unsafe living conditions.

## **EVICTION RULES**

### How do evictions work in California?

As of Jan. 1, 2020, landlords may no longer simply issue 30 or 60-day notice of termination of tenancy. All applicable evictions must be based on "Just cause," meaning the owner must have a just cause for the eviction. "Just cause" is divided into two categories: At-fault evictions and No-fault evictions. The law requires landlords to provide a reason for the eviction (in the notice to quit) and it must fall within the permissible reasons.



**Eviction Rules continued** 

There is a very important legal difference between:

- AT-FAULT EVICTION (you violated the terms of your lease and the Court requires you to move.)
- NO-FAULT EVICTION (Housing Provider does not renew your lease)

## AT-FAULT EVICTIONS

At-Fault eviction causes are based on the actions or activities of the renter. These include:

- Default of rent payment
- Breach of lease
- Nuisance
- Committing waste
- Tenant has refused to extend lease
- Criminal activity
- Unapproved subletting
- Tenant's refusal to allow entry to rental unit (per law)
- Using the premises for unlawful purpose
- Failure to vacate after termination as an employee, agent or licensee
- Failure to deliver possession of the rental unit.

### Can the Housing Provider evict me without a reason?

NO! When you signed a lease, you and the Housing Provider both signed a contract agreeing to do certain things. If you don't do what you said you would do, you are "violating" your agreement. This is the only reason a Housing Provider can go to court to ask that you be evicted.

Generally, there are 3 reasons/causes for At-Fault eviction:

• Failure to pay rent. Housing Provider must properly serve you with a 3-day notice to "pay rent or quit" (pay rent or move out.) If you don't pay the rent within 3 days, the Housing Provider can file in Court to evict you. You will receive a notice to appear in Court for a hearing. If the Judge agrees, the Judge can order the Sheriff to evict you and remove your belongings from the rental unit.  <u>Lease violation</u>. When you signed your lease, you agreed to certain conditions of living there. (For example, your lease says "No pets".)

If you break the rules you agreed to, you can be given a "Cure or Quit" Notice where you have 3 days to comply with the rules or else you must move. If you don't fix the problem within 3 days, the Housing Provider can file in court to have you evicted.

- <u>Unconditional quit notice</u>. You can be given a 3-day notice to move, without any chance to fix the problem, if you:
  - Sublet the rental without permission,
  - Commit waste or a nuisance, or
  - Engage in illegal activity at the rental.

Am I entitled to Tenant Displacement Assistance for an "At-Fault" Eviction?

No.

#### **NO-FAULT EVICTIONS**

First, it is very important to know if your unit is "Subject to" or "Exempt" from AB1482, the Tenant Protection Act ("Act").\*



Your Housing Provider was required to give you notice if your unit is "Subject to" or "Exempt" from the Act. (For leases signed since 2020, the notice will probably be in your lease.) Generally:

#### **EXEMPT FROM 1482**

Single family homes & Owner-occupied duplexes

#### SUBJECT TO 1482

Multi-family (duplex or larger).

<sup>\*</sup> Please check with an attorney or the Santa Barbara RHMP (Rental Housing Mediation Program) if you do not know or are uncertain whether your unit is 'Subject to' or 'Exempt' from the Tenant Protection Act.

Eviction Rules continued

If my unit is EXEMPT from the "ACT", do "no fault" eviction protections apply to me?

Generally, no.

## If my unit is SUBJECT TO the "ACT", do "no-fault" eviction protections apply to me?

Generally, yes. Protections apply to renters who have resided in the unit for 12 months or more. If an additional renter(s) is added to the lease (prior to an existing renter continuously residing in the unit for 24 months) then the 'Just cause' provisions do not apply until all renters have continuously resided in the unit for 12 months or more, or at least one of the renters has continuously resided in the unit for 24 months or more.

## What is a "no-fault" eviction?

No fault eviction causes are when the eviction is not based on the actions of the renter, but rather due to the owner's actions or the owner's compliance with a government entity. These include:

- Intent (owner, spouse, domestic partner, children, grandchildren, parents, and/or grandparents to occupy unit)
- Withdrawal of the unit from the rental market
- Owner complying with an order from a court or government agency
- Intent to demolish or to substantially remodel the rental unit.



Intent to demolish a rental unit is one approved 'No Fault' eviction cause.



## What qualifies as a "Substantial Remodel?"

"The replacement or substantial modification of any structural, electrical, plumbing or mechanical system that requires a permit from a government agency, or the abatement of hazardous materials, including lead-based paint, mold, or asbestos, in accordance with applicable federal, state and local laws, they cannot be reasonably accomplished in a safe manner with the tenant in place and that requires the tenant to vacate the residential real property for at least 30 days. Cosmetic improvements alone, including painting, decorating, and minor repairs, or other work that can be performed safely without having the residential real property vacated, do not qualify as substantial rehabilitation."

#### Will I get paid relocation fees?

For units 'Subject to' the Act, the Housing Provider must pay tenant displacement assistance if all renters have resided in the unit for 12 months or more.

If an additional renter(s) is added to the lease (prior to an existing renter continuously residing in the unit for 24 months) then the 'Just cause provisions do not apply until all renters have continuously resided in the unit for 12 months or more, or at least one of the renters has continuously resided in the unit for 24 months or more.

## How much do I get paid?

In the City of Santa Barbara, relocation fees are set at 3x the unit's current monthly rent. Outside the City limits the relocation fee is 1x the unit's current monthly rent.

## **LEASE LENGTHS FAQs**

Are Santa Barbara landlords required to offer yearlong leases?

Santa Barbara City requires some landlords to offer tenants one-year leases. Properties where landlords are not required to offer one-year leases include:

- Single-family dwellings
- Condominiums
- Planned developments
- Rooms or accommodations in hotels or boarding houses which are lawfully rented to transient guests for a period of less than thirty days
- Dwelling units in a condominium, community apartment, planned development or stock cooperative, or in a limited equity stock cooperative as defined in the California Business and Professions Code

Are month-to-month leases still allowed in Santa Barbara?

Yes. If the landlord and tenants prefer to establish or maintain a month-to-month lease arrangement, the tenant must by submitting a form stating their rejection of a full-year lease to their landlord.

If I'm currently on a month-to-month arrangement, when does my landlord need to offer me a year-long lease?

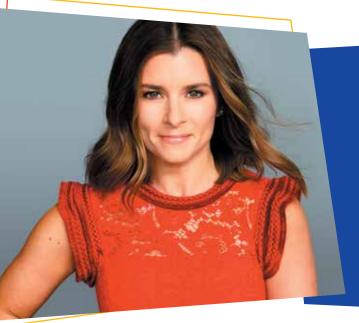
Landlord's must make the offer of a one-year lease on an annual basis, even if a tenant as opted for month-to-moth leases in the past.



JUNE 22-24 | San Diego

## **APARTMENTALIZE**

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## **Danica Patrick**

Racing Legend, Entrepreneur,
Author and Podcaster
Thursday General Session
June 23, 10 a.m. - 11:30 a.m.

## Get Revved Up for a Power-Packed Speaker!

When your professional life needs some acceleration, nothing compares to the energy, inspiration and ideas you'll get from attending Apartmentalize. Come top off your tank!

As the first woman to win a Cup Series pole in the 55th Daytona 500 race, Danica Patrick has broken records and stereotypes throughout her racing career. She is now a business owner and entrepreneur, author and the host of the podcast, *Pretty Intense*.

apartmentalize.naahq.org

## Dear Friend of the Santa Barbara Rental Property Association

Time to get out and have some fun! Join us Friday, October 28 for some golf. If you have been with us in years past you know what a great golf tournament this is, and we did not want you to miss out on the opportunity to have your business share the spotlight with other industry leaders in the multifamily industry.

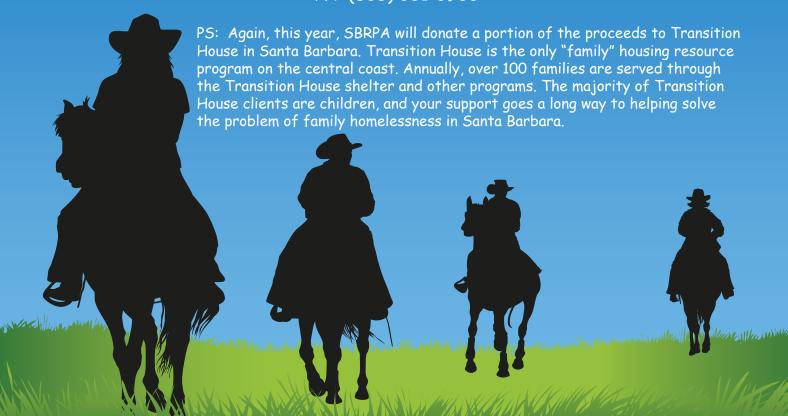


Whether as a "Cart Sponsor", "Entertainment Sponsor", or a "Gold" or "Silver" Sponsor, opportunities abound to join the fun and give your firm the recognition it deserves. Attached you will find the Sponsor Opportunity Flyer along with a registration form detailing the many different ways you can participate in this fun day.

Time to get out in the sunshine, hang out with your colleagues and enjoy a relaxing day of golf with something fun on every hole: food, contests, drinks. Call us now, especially if you want to reserve one of the sponsorships as the best ones go fast. Sign up today as a sponsor -- or as a foursome. We have sold out the last couple of years so get your confirmation in to Danielle.

Sincerely,

Danielle Holzer SBRPA Board of Directors & Golf Committee Chair danielleHolzer@dmhproperties.net PH: (805) 331-3963





## A refreshingly **simple** way to manage your properties













Residential

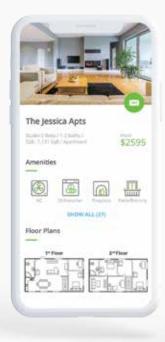
Commercial

Affordable

Self Storage

Condo/HOA

Manufactured



Yardi Breeze is easy to use.
Tenant tracking, maintenance
requests and online support ...
I love everything about it!

Danielle Drozdek RB Homes, Inc.

Discover what you can do with	Breeze	Breeze PREMIER
intuitive & powerful property management software	Starting at per unit per month*	Starting at per unit per month*
Easy setup	<b>✓</b>	<b>✓</b>
Property accounting	<b>✓</b>	<b>✓</b>
Vacancy & prospect tracking	<b>✓</b>	<b>✓</b>
ILS posting	<b>✓</b>	<b>✓</b>
Online applications	<b>✓</b>	<b>/</b>
Online payments	<b>✓</b>	/ /
Online maintenance	<b>✓</b>	/ /
Email & text communications	<b>✓</b>	/ //
Walk-in payments with PayNearMe	<b>✓</b>	/ //
Vendor payments	<b>✓</b>	V //
Owner payments & reports	<b>✓</b>	✓ ///
Live chat support	<b>✓</b>	/ ///
Renters insurance <sup>†</sup>	<b>✓</b>	✓ ////
Resident screening <sup>†</sup>	<b>✓</b>	V 1//
Corporate websites <sup>†</sup>	<b>✓</b>	/ //
Property websites <sup>†</sup>		✓
Online lease execution <sup>†</sup>		✓
Customer relationship management		<b>✓</b>
Job cost tracking		<b>✓</b>
Rent deferment		✓
Rent control		✓
Invoice approval & processing		<b>✓</b>
Corporate accounting		<b>✓</b>
Customizable financial statements		<b>✓</b>
Menu-level security		✓

\*Minimums apply

†Additional fees apply

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## Meet the SBRPA Officers & BOD



Steve Battaglia, Director



Steve Battaglia has been active on SBRPA's board of directors since 2018. During his tenure, Steve has had a particular concern for the political direction of our state and local governments as it COMMERCIAL relates to rental housing. He chose to be a board member

so that he could be an advocate for housing providers and give back to our industry. He says, "Housing providers need support and a place to stay informed, especially in California's crazy regulatory environment."

Steve meets with our local elected officials in Santa Barbara, San Luis Obispo, and other regional counties to discuss topics of interest to rental property owners. He spearheaded several town halls in Santa Barbara, Santa Lompoc, and San Luis



Steve with Rob Kooyman and Maria, Executive Director Laura Bode, speaking at an SBPRA meeting

Obispo when those cities were dealing with onerous legislation. He also attends SBRPA's annual Legislative Day in Sacramento to advocate with our state legislators on our association's behalf.



Steve was SBRPA's representative on the California Rental Housing Authority (CalRHA) for 3 years, too. He is most

proud of helping to unify the state-level lobbying efforts of the 9 member associations during his tenure on the CalRHA board.

Laura Bode, SBRPA's Executive Director, says, "Steve Battaglia is the ultimate engaged SBRPA member. From the charity golf tournament to serving on our state CalRHA Board, Steve has always been the first to volunteer to donate his time to advance the mission of SBRPA. His wealth of experience and strategic thinking has greatly deepened the scope and depth of services SBRPA offers its members. In addition to his Board leadership. Steve has led SBRPA in developing two new initiatives:

- 1. Expansion to serving new territories.
- 2. Developing our ability to lobby locally on issues that impact our members. The latter came at a particularly critical time as the fight for rent control began in our county."

Steve owns rental property in California, Arizona, and Florida and has done extensive remodeling on many of these properties.



Steve with son Tommy at the Grand Canyon.

Battaglia Commercial's sponsored tee at the 2021 golf tournament. L to R: Steve Battaglia, Bill Krauch, Paul Heron, Dan Lockhart.

Gretchen & Steve with daughter Rachel

### Day Job

Steve owns and operates Battaglia Commercial Real Estate, which specializes in multi-family brokerage in Santa Barbara and San Luis Obispo Counties. The company also handles commercial sales and leasing in the Santa Ynez Valley. Steve prides himself in assisting his clients achieve their financial goals through real estate.

Prior to commercial real estate, Steve worked in the International Theme Park industry, providing project and design management, utilizing his engineering and design background. He is especially proud of the theme parks he worked on in South Korea and Singapore.

When asked how he got into the commercial real estate profession, he said, "I loved my theme parks job, but it required a lot of international travel. When my daughter was born, I made a career change that allowed me to spend more time at home. My extended family had been in

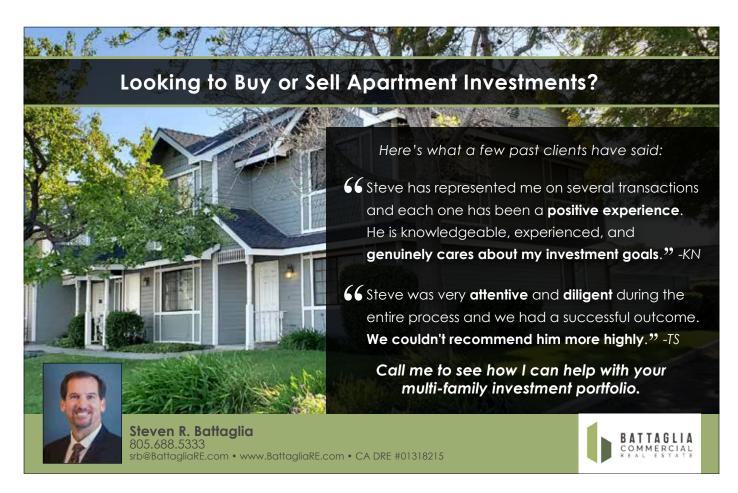
investing in multi-family properties for 4 decades, and I had some small investments, too, so commercial real estate was a natural choice for me."

#### On A Personal Note

When he's not "on the job," Steve can be found playing volleyball, tennis, or golf; hiking; or woodworking. He is a member Valley Christian Fellowship as well as Viking Charities, Solvang-based organization that provides help medical related needs in Santa Barbara County.



Steve has been married to his wife Gretchen for 24 years, and they have a daughter and son, both in their early 20's.



## Sustainability & Resilience CITY OF SANTA BARBARA



Kristian Hoffland, Energy & Climate Analyst

## How leveraging incentives to add EV chargers to your property can improve marketability and increase value

Rental property renovations, retrofits, or just end-oflife equipment replacements can be a complicated and costly matter. Financing, project management, renter coordination and staging can all be fraught with potential problems, and I certainly have empathy with owners who want to limit scope, simplifying the process and avoiding retrofits unless completely necessary.

However, right now there are some great incentives and support out there for those willing take the time to do a little sleuthing of the programs on offer that can increase property value, and attract new or retain existing renters. Specifically, there are some great incentives & programs right now for both single family and multifamily energy efficiency upgrades, electrification upgrades, solar panels, and electric vehicle (EV) chargers. In the past most incentive programs offered a small fixed dollar incentives per unit to incrementally improve energy efficiency and quaranteed a mountain of red tape and long wait times to get reimbursed for capital expenditures. Now many programs will offer much more substantial incentives, provide mid-stream rebates to installers, help in the plan phases or even provide turn-key installation services in an effort to advance state and regional sustainability goals.

## Let's explore the case of EV chargers:

Long have EV's been the exclusive realm of climate do-gooders, trend setters and boutique manufacturers. However, California is all in on the EV push, already passing legislation prohibiting the sales of light duty gasoline vehicles by 2035, with talk of ramping up that goal to as soon as 2030. GM, Ford, Chrysler, Toyota and VW among many others all have pledges out to only make or launch new cars that are EV's in the very near future and no longer are they only designed for the niche market. New affordable EV models are coming out seemingly every month, and statewide sales of EV's are expanding at an

exponential rate, now accounting for more than 12% of all light duty sales last year in California, up %79 from 2020, and expected to be over 25% of all sales by 2025. There will even be five new EV trucks under \$50k



image ciriondo.com

expected out within the next two years. All of this indicates that this trend is not a fad anymore, and as vehicle production ramps back up post-chipshortage & supply chain disruption, and as gasoline reaches record highs, (EV's are about 1/3 the cost to fuel and about 40% cheaper to maintain) many consumers, even previously skeptical or outpriced ones or ones who don't care about sustainability, are turning to EV's.

With this EV explosion, comes a needed change in how we fuel our vehicles. Currently you can stop at a gas station for 5 minutes to fuel up, but EV's require longer to charge. Even the fastest fast-chargers still take 20-60 minutes to charge an EV, and although fast-chargers are popping up all over the place, they are primarily intended to support vehicles on long trips, and are not realistic to be able to support daily/weekly charging needs for the tens of thousands of renters in the county.

So at-home charging has widely been accepted as the best and most cost effective place to charge an EV for %90+ people %90+ of the time. For the %40+ of Santa Barbarians who are renters, over 100,000 of them, mostly without EV charger access at their rental, that poses a problem! Some jurisdictions have dabbled in public curbside charging programs, but largely they have not been successful or scalable, and fast chargers are largely impractical and too expensive to meet this demand. That leaves the option of installing level-1 or level-2 chargers at rental properties. Since there has been very low adoption of EV chargers at rental properties, and it is seen as an equity issue and significant roadblock to widespread adoption, there are now a lot of money being put into installing EV chargers at rental properties.

However, why would you, as a rental property owner, make an investment in EV chargers? There are a myriad of barriers to installing EV chargers beyond the cost of the physical chargers themselves including the costs of electrical service upgrades, trenching, ongoing networking & maintenance fees, and renter disruption just to name a few. There is little to no upside, right?

Actually, there are big upsides and some new programs are doing their best to alleviate all of these barriers to catch your attention and get wider adoption. Renters are already starting to shop around for rentals where they can charge their shiny new EV's, and what might be seen as an unnecessary amenity today, it is likely to become expected in the near future and you are at risk of driving renters away from your property if you continue to ignore offering on-site charging. Adding EV chargers can increase the marketability of your property and keep existing renters content, which can result in less turnover and vacancy, equaling more revenue. Electrical charging fees can be monetized with a percentage going to the property owner, resulting in additional income stream while still providing low cost fueling to renters. Taking advantage of significant incentives now, can protect your property against possible future state mandates for EV charging infrastructure which may be on the horizon.

## **Incentive and Support Resources**UTILITY

SCE (South County): Charge Ready Program has Incentives, free assessments, planning, and turnkey services for multifamily EV charger installations. GoGreen Multifamily Financing and Energy savings assistance programs offer additional services.

www.sce.com/residential/rebatessavings/multifamily-rebate-program

**PG&E (North County)**: Property Manager and Owner portal, 0% interest loans, energy education center, rebates on smart thermostats and water heaters for single family homes. EV Charge program is currently full, but may reopen soon to provide EV charger incentives. <a href="https://www.PG&E.com">www.PG&E.com</a>

Central Coast Community Energy (3CE): Incentives for EV chargers and EV readiness infrastructure and all-electric new construction. 3Cenergy.com

**Santa Barbara Clean Energy (SBCE)**: Rebates for solar PV and battery storage Programs like Southern California Edison's Charge Ready program can install and pay for electrical upgrades up to a meter, and can even provide turn-key installation services for the entire project in many cases.



EV charger at Granada lot

they even provide free multi-family EV readiness assessments, so you can get a comprehensive EV readiness evaluation for your specific property without any commitment to install anything. Electric utilities are all in, as they end up with more revenue.

In short, if you are thinking of installing EV chargers, but either don't know where to start or think it is too expensive, now might be the right time to take a closer look at some of the resources below so you don't miss out on some substantial incentives. Similarly, if you are planning on replacing water heaters, air conditioners, space heaters, dryers or stoves, you can get incentives for installing high efficiency electric models at often no or little additional cost compared to standard gas or electric models, reducing fire risk, improving indoor air quality and reducing utility bills for your renters.

Kristian Hoffland is an Energy & Climate Analyst for the City of Santa Barbara focused on building and transportation decarbonization. He previously worked as a project architect for 5 years, mainly on renovation of multifamily properties, before moving on to work for the city of Washington, DC on building energy efficiency, electrification, benchmarking and energy auditing.

installs and smartsplitters for adding EV chargers to single family homes without expensive electrical upgrades. www.sbcleanenergy.com

## LOCAL:

## Tri-County Regional Energy Network (3CREN):

Trainings, energy code coaching and Multifamily Home Energy Savings Program (MFHES) including no-cost energy assessments and incentives up to \$750 per apartment for hot water heaters, space heating/cooling, pool heaters, dryers and cooking appliances. www.3c-ren.org/multifamily

**Electric Drive 805**: Regional EV education campaign with resources for property owners and managers to plan and install EV chargers.

www.electricdrive805.org/property-managers

#### STATE:

**The Switch is ON**: A statewide one-stop-shop for residential electrification resources and incentives including the TECH program, offering up to \$6,600 per unit and technical support for electrification of single family and multifamily properties.

www.switchison.org

## FREE 45 MIN WEBINAR

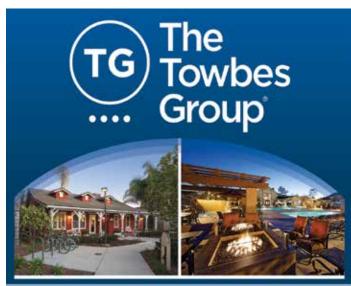
May 24, 2022 | 1 PN



## UNLOCKING REBATES FOR EV CHARGING INFRASTRUCTURE

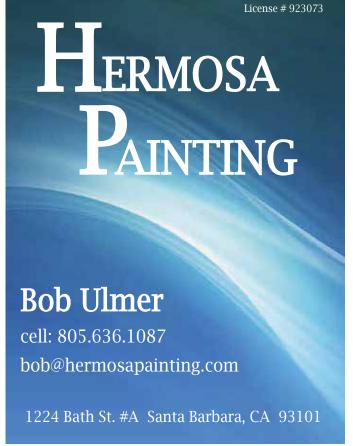
Learn how you can use Southern California Edison's Charge Ready program, as well as other local incentives, to offset charging equipment costs at your multi-family property.

Register at forms.office.com/g/e8zCwK81FD











## FREE RENTAL FOR RENT LISTING SITE

List your property with confidence on our rental listing site that boasts a dynamic tenant pool. Our site can be accessed only by the employees of local member companies.

> For questions or help with your listing Contact: Kym Paszkeicz kym@coastalhousing.org 805-450-5698



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YOUR PROPERTY WILL BE VIEWED BY THE EMPLOYEES OF COASTAL HOUSING'S 60 AREA MEMBER COMPANIES THAT EMPLOY 45,000 LOCAL WORKERS!"

~ Bob Hart, Santa Barbara Association of Realtors

For 35 years, Coastal Housing Partnership has helped local employers attract, hire and retain valued employees by providing a suite of housing benefits. More than 60 local employers are members of Coastal Housing Partnership and employ over 45,000 local workers.

## City of Santa Barbara Presents Fair Housing Award to RHMP

Introducing the Rental Housing Mediation Program CITY OF SANTA BARBARA, Community Development

The City of Santa Barbara operates the **Rental Housing Mediation Program (RHMP)**. It was established in 1976 and serves residents of the cities of Santa Barbara, Goleta, and Carpinteria. RHMP has 3 full-time staff members and a Board of 15 community volunteers appointed by the Santa Barbara City Council, who are all trained in mediation. The Program addresses residential rental housing issues, including termination of tenancies, habitability & repair, right to entry/right to privacy, rent increases, discrimination, and security deposits.

On Tuesday, April 19, 2022, Santa Barbara Mayor Randy Rowse presented a Fair Housing Month Proclamation to Andrea Bifano, Senior Rental Housing Mediation Specialist. Ms. Bifano, City of Santa employee for nearly 35 years, accepted the Proclamation on behalf



of Santa Barbara's Fair Housing Office, the Rental Housing Mediation Board and Program, and gave a speech regarding Fair Housing Month. See below for an excerpt of her speech:

"During this unprecedented time of the world Pandemic, Fair Housing Laws, practices, enforcement, and the Rental Housing Mediation services, including educating, preventing, and settling disputes out of court, have been needed now more than ever. The theme this year for National Fair Housing Month from the White House Administration is, "Fair Housing: More Than Just Words."

It is important to reflect on the history of The Fair Housing Act of 1968, and to realize that its significance has to be "more than just words" for impact and change to occur at every level within our society, beginning with local communities.

The passage of this Act was preceded by the Civil Rights Act of 1964, and the assassination of Reverend Martin Luther King Jr. on April 4, 1968, and the following day on April 5th President Lyndon B. Johnson wrote a letter imploring Congress to guarantee a basic American right to secure a home regardless of the color of skin. On April 11, 1968, the Fair Housing Act was enacted by Congress and signed by President Johnson.

Its purpose was created to eliminate discriminatory practices in all aspects of housing concerning landlords, tenants, lending institutions, sellers and buyers, and the real estate industry.

Over 50 years later, racial disparities in housing are still very prevalent and continue to be reported, which substantiates the continued need for the Fair Housing Act, and the promotion of equal opportunity in housing for all."

Public comment followed Ms. Bifano's speech led by Laura Bode, Executive Director of the Santa Barbara Rental Property Association, Petra Lowen, Community Living Advocate for Independent Living Resource, Inc. and Alex Entrekin, Attorney for the Legal Aid Foundation of Santa Barbara County.



The RHMP provides Dispute Resolution Services, including information on Rights and Responsibilities to Landlords and Tenants as a method of resolving disputes out of Court. There is no cost for their service. The Phone number is (805) 564-5420

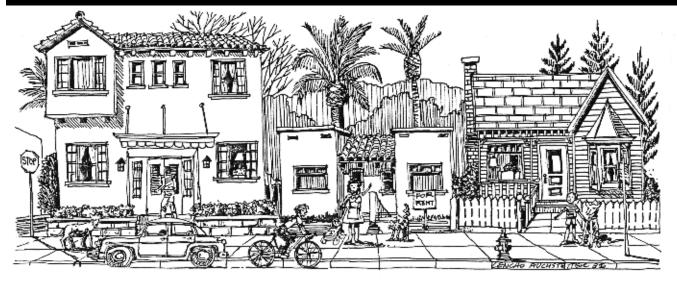
The California DRE (Department of Real Estate published a document for National Fair Housing Month. outlining some of the important California housing and discrimination laws. An excerpt follows with the full document available on our website (www.sbrpa.org) along with a copy of the Proclamation given to the RHMP.

California Real Estate Law describes several prohibited practices:

- Refusing to negotiate the sale, rental, or financing of a property.
- Refusing to show, rent, sell, or finance a property, provide information about a property, or steering a person away from a property.
- Discriminating in soliciting or negotiating the sale or purchase of property, in loan servicing, or in soliciting or negotiating mortgage loans.
- Discriminating in the terms, conditions, or privileges of sale, rental, or financing the purchase of property.
- Representing to any person that property is not available for inspection, sale, or rental when such property is in fact available.
- Processing an application more slowly or otherwise acting to delay or avoid the sale, rental, or financing of the purchase of property.

- Refusing or failing to cooperate with or assist another real estate licensee in negotiating the sale, rental, or financing the purchase of property.
- Soliciting sales, rentals, or listings of real estate from any person, but not from another person within the same area because of differences in a protected characteristic.
- Providing information or advice to any person concerning the desirability of particular property or area that is different from information or advice given to any other person.
- Making or publishing any notice or advertisement concerning the sale, rental, or financing of the purchase of property that indicates any preference, limitation, or discrimination.
- Quoting or charging someone a price, rent, or cleaning or security deposit for a particular property that is different from the price, rent or security deposit quoted or charged to any other person because of a difference in a protected characteristic.
- Making any effort to instruct or encourage licensees to engage in any discriminatory act in violation of a federal or state fair housing law.

## RENTAL HOUSING MEDIATION PROGRAM (805) 564-5420





## Learn Best Practices in Fair Housing

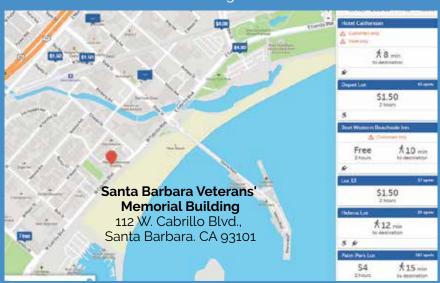
Denise Cato, CEO Fair Housing Council of Orange County

## Topics will include:

- New Fair Housing Laws
- · Successful Fair Housing business practices and tools to maximize profits and minimize liabilities
- · How Fair Housing laws apply to tenants with disabilities and families with children
- How to update your management policies and property rules to comply with Fair Housing Laws
- · How Fair Housing can serve as a resource for owners and managers.

Member: \$ 95.00 Nonmember: \$175.00

Register online at www.sbrpa.org.
Call (805) 687-7007 or email office@sbrpa.org if you have any questions or need help signing up for the class.



Parking: https://en.parkopedia.com/parking/building/veterans-memorial-building-santa-barbara-ca-2/?arriving=202204181230&leaving=202204181430





## **Denise Cato**President/CEO, Fair Housing Council of Orange County

Denise Y. Cato has been the President/CEO of the Fair Housing Council of Orange County since June of 2008 (and is recognized throughout Southern California as a fair housing advocate). Denise Cato has more than 30 years experience in the fair housing arena and has worked for various fair housing agencies including the San Fernando Fair Housing Council, Fair Housing Foundation of Long Beach, Westside Fair Housing Council and the Fair Housing Council of Orange County. Denise has served over 9 years as a member of the board of directors of the National Fair Housing Alliance. Denise is considered an expert in fair housing and has extensive experience from both the apartment owners and fair housing agency's perspective. Denise is also a Fair Housing Trainer and has provided fair housing and property management training to numerous property management firms, the Apartment Association of Greater Los Angeles, the Apartment Association of Orange County, the Apartment Association of Southern Cities, and the Code Enforcement Department of the City of Los Angeles.

Denise's hobbies include traveling and spending time with her three grandchildren. When Denise is not busy watching MSNBC and sometimes holding her own political commentary side show you can find her over on the SCY-Fi channel enjoying some great fictional TV.



## JUST SOLD! 759 EMBARCADERO DEL MAR & 6587 CERVANTES RD

The Golis Team & Mike Chenoweth recently handled the sale of two multifamily assets totaling 22 units plus ±12,302 SF of land in the supply constrained and demand-inelastic student housing market of Isla Vista, CA. The property was listed for more than \$10 million.

Commercial and residential rental income properties of all sizes continue to be highly sought after in our market at a time of extremely low inventory. We have buyers ready to purchase with exchange dollars or all-cash offers.

Contact the Golis Team today for expert representation in your commercial real estate ventures on the South Coast.

**STEVE GOLIS** • **805.879.9606** • *sgolis@radiusgroup.com* CA LIC. 00772218

MIKE LOPUS • 805.879.9637 • mlopus@radiusgroup.com

**ANETA JENSEN** • **805.879.9624** • *ajensen@radiusgroup.com* CA Lic. 01994822



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## **APARTMENTALIZE**

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# JUNE 22-24 San Diego

## Mark Your Calendar for June 2022!

Join us in June at the San Diego Convention Center. We'll have more opportunities for you and your team to make brilliant connections, get bright ideas and see success in a new light. Plan now to be there!

## **REGISTRATION IS NOW OPEN!**

Visit apartmentalize.com for all of the details.





## Another Chance TO Focus Forward

2021 Apartmentalize was exactly what we needed to reconnect with the industry, reenergize and find a better way of doing things. If you or your team missed the Chicago event or missed a few education sessions, here's your chance to catch up and continue learning.

Order NAA's REWIND program to get access to 80+ PowerPoint-synced audio and video sessions from Apartmentalize.

Learn more at naahq.org/rewind







## CalRHA Legislative Updates



Kate Bell, KateBellStrategies.com

April 2022

## **Eviction Moratorium Extension**

Over the last month, CalRHA participated in negotiations with the Legislature during their consideration of extending the eviction moratorium



beyond the sunset of March 31, 2022. They were considering extending the eviction moratorium through the end of August.



CA Assemblyperson Tim Grayson

In the end, the deal was amended into AB2179 (Grayson). The bill extends for three more months, through June 30, 2022, two components of AB832: (1) protections against eviction for nonpayment of rent, but only in cases where an application for emergency rental assistance to cover the unpaid rent was pending as of

March 31, 2022; and (2) pre-emption of additional local protections against eviction for nonpayment of rent that were not in place on August 19, 2020. This preemption includes the local eviction moratoriums for Covid-19 related nonpayment of rent in: Los Angeles County, San Francisco, Fresno, etc. The bill passed the Legislature and was signed into law last week. CalRHA voiced opposition to the bill due to its impact on rental housing providers who have been providing housing in California, oftentimes with no rent, nor any rent assistance. Immediately following enactment, the Attorney General posted the following statement, reminding tenants of the protection.

Press Release Friday, 4/1/2022

OAKLAND - California Attorney General Rob Bonta today issued a consumer alert reminding California's tenants of their rights and protections under state law. Attorney General Bonta provides the following information to help Californians understand the



CA Attorney General Rob Bonta

protections in place as of April 1, 2022. More information and resources can be found at *oag.ca.gov/consumers/covid-19*. In addition to statewide protections, some cities and counties have additional rental protections, including limits on rent increases and requiring just cause for evictions. Californians should check what protections are in place where they live.

"Hardworking California families are struggling to keep up with the rising cost of living, and for many, the pandemic has only made their financial situation more precarious," said Attorney General Bonta. "While some eviction protections expired yesterday, tenants still have a number of rights under California law and those who have applied and are waiting for COVID-19 rent relief continue to be protected against eviction. I urge all Californians to know your rights, and seek legal aid if you are being threatened with eviction."

Attorney General Bonta recognizes that many families across the state are still facing difficulty affording rent as the result of layoffs, reduced working hours, and other impacts of COVID-19-related economic shock. While many protections specific to the COVID-19 pandemic have expired, some have been extended and there are still other protections in place against high rent increases and some types of evictions.

Tenants should make every effort to pay their rent in full in order to avoid eviction. This is true even if you have applied for COVID-19 government rental assistance for rent you owe for earlier months. If you cannot afford your rent, or if you are being threatened with eviction, you should seek legal advice right away. To find a legal aid office near where you live, please visit www.LawHelpCA.org.

Tenant Protections Related to COVID-19: Tenants have limited protections related to COVID-19. Even if you think these protections apply to you, if you receive an eviction lawsuit, don't ignore it! It is very important that you respond to the eviction case immediately.

 If you owe rent that was due after March 31, 2022, your landlord can file an eviction case against you. You should pay this rent immediately if you get a "three-day notice to pay rent or quit."

- If you owe rent that was due between October 1, 2021 and March 31, 2022, and if you applied for rental assistance before March 31, 2022, your landlord should not be able to file an eviction case against you until July 1, 2022. Notify your landlord in writing that you have applied for rental assistance.
  - Your landlord can file an eviction case against you if you did not apply for rental assistance by March 31, 2022 or if your application was denied.
- If you owe rent that was due between March 1
  and August 31, 2020, and if you submitted this
  declaration to your landlord, your landlord
  should not be able to evict you for that unpaid
  rent. The declaration requires you to confirm
  that you can't pay your full rent because of
  COVID-19. If you never sent this declaration to
  your landlord, send it now and save a copy.
- If you were unable to pay rent that was due between September 1, 2020 and September 30, 2021, your landlord will never be able to evict you for that unpaid rent if you submitted this declaration to your landlord and you paid at least 25% of your September 2020 to September 2021 rent by September 30, 2021. The declaration requires you to confirm that you can't pay your full rent because of COVID-19.
- If you are in an eviction case about rent that accrued because of COVID-19 and you are approved for governmental rental assistance, you can ask the court to pause your eviction case while you are waiting for the rental assistance to pay your rent. If the rental assistance does not cover all the rent you owe, you will need to pay the rest to your landlord. Once your landlord receives all the rent you owe, you can ask the court to dismiss the eviction case so you can stay in your home.
- Tenants with disabilities are entitled to additional protections. For more information, please visit <a href="https://www.dfeh.ca.gov/housing/">https://www.dfeh.ca.gov/housing/</a>.

Landlords should be aware of the following requirements relating to evictions during the COVID-19 pandemic:

• The Tenant Relief Act and COVID-19 Rental Housing Recovery Act make big changes to the rules for notices to quit and eviction cases. Landlords must follow all these rules. For example, when serving a tenant a notice for unpaid rent or other charges for certain periods of time, landlords must also provide a blank hardship declaration form to notify the landlord that the tenant cannot afford the rent because of COVID-19.  A landlord who received a declaration from a tenant that he or she cannot pay rent, including due to COVID-19-related



hardship, may be prohibited from taking action to evict that tenant.

- Landlords may be required to seek government rental assistance before bringing an eviction case to court based on nonpayment of rent or other charges.
- Tenants who cannot pay the full rent due because of COVID-19 have the right to avoid eviction by paying 25% of the rent due between September 1, 2020 and September 30, 2021. Landlords should not try to get around this tenant protection by applying payments to a prior time period.
- Landlords should not try to evict tenants for breaking their lease agreements to get around COVID-related tenant protections. The law requires that a lease violation be "substantial" or "material" in order to evict a tenant. Many technical lease violations are not substantial enough to evict a tenant, and landlords should not attempt to do so.

## **Statewide Rent Caps and Eviction Protections:**

In 2019, California enacted the Tenant Protection Act (AB 1482), which created significant new protections for most tenants, including the following:

- <u>Limits on Rent Increases</u>: The Tenant Protection Act caps rent increases for most tenants in California. Landlords cannot raise rent annually more than 5% plus inflation according to the regional Consumer Price Index, for a maximum increase of 10% each year. If a tenant moves out, the landlord is free to charge any rent for the next tenant who moves in.
- Just Cause: The Tenant Protection Act also creates new statewide eviction protections for tenants who have been living in their units for at least a year. The law sets out two kinds of evictions: "at fault" evictions and "no fault" evictions. At fault evictions include, for example, nonpayment of rent, criminal activity on the premises, and refusal to allow lawful entry. No fault evictions include, for example, owner move-in, substantial rehabilitation or remodel, intent to demolish the unit, and withdrawal of the unit from the rental market. Landlords can only evict a tenant for one of the reasons listed here <a href="https://oag.ca.gov/consumers/covid-19#tenants">https://oag.ca.gov/consumers/covid-19#tenants</a>). Some of these reasons have specific

 requirements. Lying about the reason for evicting a tenant is illegal.

## Other Landlord Responsibilities:

Landlords and those who act on their behalf, such as property managers and attorneys, are responsible for complying with all state and local laws, including:

- Landlords are responsible by law for keeping tenants' units safe and habitable.
- Landlords may not retaliate against tenants for exercising their rights.
- It is illegal to try to "evict" a tenant by locking them out, shutting off the water or electricity, or removing their personal property. The only lawful way to evict a tenant is to file a case in court. A "self-help" lockout is a serious offense and can result in major legal consequences, including law enforcement action or a private court case by the tenant.
- Any landlord planning an owner move-in or a relative move-in for their rental unit must act truthfully and in good faith and only proceed in circumstances that comply with all state and local requirements. Similarly, landlords must act truthfully when evicting a tenant to conduct a substantial remodel of a unit. Landlords should be aware that there may be special protections for protected groups such as senior tenants.
- Landlords should also be aware that price gouging protections in place due to ongoing states of emergency, including protections under city or county price gouging ordinances and as a result of local emergency proclamations, may apply to rental housing, effectively limiting rent increases. Likewise, in addition to statutory statewide rental protections, many cities and counties have enacted additional rental protections, including rent stabilization and just cause eviction ordinances.

Attorney General Bonta is committed to advancing housing access, affordability, and equity in California. In November, the Attorney General announced the creation of a Housing Strike Force within the California Department of Justice and launched a Housing Portal on DOJ's website with resources and information for California homeowners and tenants. The Housing Strike Force is actively monitoring compliance with state housing laws, and recently sent letters notifying Woodside and Pasadena of violation of SB 9 and Encinitas of violations of state housing laws relating to its rejection of a proposed mixed use development project.

The Housing Strike Force also secured a \$3.5 million judgment against Wedgewood that resolved allegations that the company was unlawfully evicting tenants from properties purchased at foreclosure sales. Most recently, the Housing Strike Force sent warning letters to 91 law firms across the state that represent landlords in eviction cases after being notified that some firms and their clients may have violated the law.

The Housing Strike Force encourages Californians to send complaints or tips related to housing to housing@doj.ca.gov. Information on legal aid in your area is available at *lawhelpca.org*.

(End Attorney General's statement)

## **Legislative Update**

Policy committee hearings have been proceeding. Notably, the Wicks vaccine mandate, AB 1993, was pulled by the author and is no longer moving this year. Additionally, several bills have been amended and are now priority bills, including, but not limited to, a bill to create a \$500 excise tax, a new Ellis Act bill, and TOPA legislation. It is safe to say we are facing more onerous bills this year than over the last few years. It promises to be a busy year indeed.

Below, please find several key bills that CalRHA has been engaged on to date

- AB 916 (Salas) Sponsored ADU Bill SUPPORT
   Pending in Senate
- AB 1710 (Lee) Light pollution Would circumvent the Building Standards Commission and seek to legislate residential and light emitting diodes (LED) that create "light pollution" at night OPPOSED
- AB 1738 (Boerner Horvath) EV Charging stations - Would require mandatory building standards for the installation of electric vehicle charging stations existing multifamily dwellings - OPPOSED
- AB 1721 (Rodriguez) Seismic Retrofit Funding for Softstory Multifamily Housing - SUPPORT -Passed Assembly Emergency Management Committee
- AB 1738 (Boerner Horvath) EV Charging Station Mandate in Existing Buildings - OPPOSED
- AB 1771 (Ward) 25% Transfer Tax OPPOSED
- AB 1791 (Nazarian) \$500 Excise Tax on Residential Units OPPOSED
- AB 1858 (Quirk-Silva) Substandard Buildings -Would include violation of municipal codes and specify that. Would authorize a court to order a different amount of relocation compensation

based on equity in order to adequately compensate a tenant for relocation costs and temporary living expenses during the repairs. - OPPOSED

- AB 2021 (Wicks) Property Tax Sales to Nonprofits: First Right of Refusal - OPPOSED
- AB 2050 (Lee) Ellis Act Is a reintroduction of the Ellis Act bill killed earlier this year on the Assembly Floor - OPPOSED
- AB 2053 (Lee) Social Housing Act Creates the Social Housing Act and would establish the quasi-governmental authority, California Housing Authority, to produce and acquire social housing developments for the purpose of eliminating the gap between housing production and regional housing needs. - OPPOSED
- AB 2203 (Rivas) Credit Report in Rental Housing Application Would prohibit requiring a consumer credit report as part of the application process for a rental housing accommodation in instances where there is a government rent subsidy. OPPOSED
- AB 2290 (Carillo) Unlawful Detainer Cases -Would limit access to records and require reporting - OPPOSED
- AB 2383 (Jones Sawyer) Ban the Box in Rental Applications - Would make it a discriminatory housing practice for the owner of a rental housing accommodation to inquire about, or require an applicant for a rental housing accommodation to disclose, a criminal record during the initial application assessment phase. -OPPOSED
- AB 2469 (Wicks) Rent Registry Would create a rent registry to collect information from landlords including, the address and owners of a rental property, the number and type of rooms in the rental property, and information related to the payments collected and the duration of tenancies, - OPPOSED
- AB 2710 (Kalra) Tenant Opportunity to Purchase Act - OPPOSED
- AB 2713 (Wicks, Bloom, and Grayson) This bill would revise owner occupy just-cause termination to good faith intent to occupy by the owner or owner's spouse, domestic partner, children, grandchildren, parents, or grandparents for at least 3 consecutive years. The bill would prohibit an owner from terminating a tenancy if the owner or relative already occupies a unit at the property or if there is a vacancy at the property. OPPOSED



image senate.ca.gov

#### Senate Bills

- SB 843 (Glazer) Renter's Tax Credit SUP-PORT - Passed the Senate Governance and Finance Committee
- SB 847 (Hurtado) Covid-19 Rent Relief Grant Program - SUPPORT - Passed the Senate Housing Committee
- SB 897 (Weickowski) ADU Height Limit -Would increase limit from 16 to 25 feet - SUP-PORT - Passed the Senate Housing Committee
- SB 1017 (Eggman) Lease Termination: Abuse or Violence - Would prohibit a landlord from terminating or failing to renew a tenancy based on an act of abuse or violence against a tenant, a tenant's immediate family member, or tenant's household. - OPPOSED
- SB 1133 (Archuleta) Price Gouging: State of Emergency: Specified Housing Exclusion - The bill would also exclude specific categories of housing from these provisions, including housing that was issued a certificate of occupancy for residential use within the 3 months preceding a proclamation of a state of emergency or declaration of local emergency or within the duration of the proclamation or declaration. -SUPPORT
- SB 1335 (Eggman) Expands FEHA discrimination to use of credit history - OPPOSED

## Rent Assistance Update

The rent assistance application portal is now closed and approximately \$2.6 billion has been paid out in rent assistance in the state. For more information on the rental assistance program, please visit *Housing is Key.* 

## **MrLandlord**

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## Rental Owner Updates

March 23, 2022

#### HOW SUCCESSFUL LANDLORDS GOT STARTED

Buying rental property continues to be one of the few vehicles or investment opportunities where an average individual can get started with nothing and build significant wealth. The beginning



image redfin.com

of the story is often not very glamorous, which offers hope for anyone if you are able to hang in there, keep at it, and keep learning. Here is how one landlord's story began.

## Richard (MI)

I grew up poor. I went into the service after high school. I got out of service with partial college education at 21 yrs old in 1971. I took a year off and traveled the country. Then I decided to work my way through the rest of college and started a handyman company in California. Soon I had many students working and made way more money than college would have paid for the courses I was taking. So I dropped out of college and built the company from 1973-1975.

I got divorced and lost 1/2 of everything in the divorce and sold the company at 25 years old and retired in 1975. I took the other 1/2 that was left and another year off. After the money/party ran out, I started another construction company at 28 years old in 1977.

I moved to Phoenix in 1977 and helped build the endless tracts of Phoenix, Tempe, Mesa, Sun City, Awahtukie, and more. While doing this, I found that California was paying 70 percent more to do the same thing, so moved back to California in the end of 1978.

By 1985, I had amassed enough spare cash to start buying houses in California to use as rentals. (I waited way too long; I should have started in 1971, but I was a kid and was not paying that much attention). At that point, in 1985, I put the company on autopilot and let the workers do the work while I bought rentals and flips. I did this until 1989 and then sold out and retired again at 39. I moved to the

Florida Keys, drank rum, and partied from 1990-1996. Got bored and started building and buying houses there. After a while, I moved to Wisconsin with family at the end of 1996 to be near my wife's family (her idea). Lived the retirement life (which was boring for me) for a bit. I did some flips. Got divorced yet again in 2007 as things crashed in the recession of 2007-2008 (some people are gluttons for punishment:). I lost 1/2+ of everything again. Moved to lower Michigan.

I started buying rentals again during the crash of 2008-2012. Now I've been retired for 33 years, since 1989. I'll be buying plenty more when the next crash happens and putting



image hgtv.com

everything into trusts. I'll have them managed after I'm gone with part of the cash flow to go to charity and the rest to buy more rentals where ever the buying is good indefinitely. With the way things are going in this country at this time, that may well be overseas. Who knows? Only time will tell.

Advice I have to give:

- 1. Start early.
- Learn how to use other people's money and skills. You can't do it all and you don't have the time anyway.
- 3. Don't work yourself to death. Use knowledge, not backbreaking work.
- 4. Don't work so much that you neglect your wife. They will get bored and find someone else.
- 5. Choose a partner/wife carefully. Very carefully.
- 6. Protect your assets or plan on losing most of them.
- 7. Put problems behind you. Don't let them make you a miserable old person.
- 8. Have fun.

Read more short stories of real life examples of how 10 successful landlords in different parts of the country got started with nothing. Be sure to read "between the lines" because there are a few words of advice sprinkled in from these varied experiences that can be helpful to you if you are starting (or are re-starting) and looking to build wealth with rental property. https://www.mrlandlord.com/landlord-forum/display.php?id=14643678#14643678

April 4, 2022

## MINIMUM FICO SCORE ACCEPTED?

A landlord was trying to determine what would be the minimum FICO score he would accept from a



image experian.com

rental applicant. He asked the following question on our MrLandlord Q&A to get feedback from other successful landlords:

"As you all probably know, FICO scores range from a low of 350 to a high of 850. In addition, there is a relationship between a person's FICO score and the likelihood that tenant will pay their rent by the due date. That being said, what is the lowest FICO score you will accept and not immediately disqualify the applicant?"

One landlord responded as follows and offered a challenge to not only the landlord who asked the question, but to all landlords who are trying to determine what minimum FICO score they should accept.

"Landlords find a comfort spot in housing quality and housing style, which also differs with location. So the answers will vary for everyone. I offer a challenge to everyone as this is an awesome question. With two or three years of your archived move out paperwork in hand, some even hold it longer, compare how your former tenants moved out (Early termination, non-renewal, extended, lived in the unit for 3 years, roommate break up, divorce/break up, landlord asked to terminate or had to evict, etc) and compare THAT to the credit score at move in.

WOW was this an eye opener for me. I thought I was giving some folks a second chance, but I was getting bulldozed by the snow jobs. I was worried about filling units because I was losing money. Nope. Turns out, turn over cost, especially those that happened early and often, were killing me.

At this point, if you have a 520 credit score – I really don't care if you have Warren Buffet as a co-signer. In my opinion, a 520 credit score means they are out of control and life is driving the person. Even now, with a score below 580, I will probably not accept you in my worst rental. These lives are too unstable, but having Buffet would be a huge plus.:)

Again. Excellent question. Hope this answer (and my challenge to you to analyze and compare your former move-outs to their original credit scores at application) increases someone's cash flow like it

did for me. I need to thank Jeffrey though about him saying your turnovers cost money. That made me ask the follow up question and determine where is the breaking point in my area."

Review the complete discussion and see how other landlords responded to the minimum credit score they would accept <a href="https://www.mrlandlord.com/landlordforum/display.php?id=14644692#14644692">https://www.mrlandlord.com/landlordforum/display.php?id=14644692#14644692</a>

April 12, 2022

## CHECK OUT AZIBO'S FREE LANDLORD MANAGEMENT PLATFORM



If you're a landlord managing multiple units but don't want to pay for expensive property management software, I want to introduce you to Azibo, the FREE, one-stop-shop platform for rental property finances.

Azibo helps landlords to save time, stay organized, and achieve passive income. With Azibo, you can:

- Automate rent collection and track payments
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- Export your Schedule E tax forms with a click of a button - tagging transactions has never been simpler with Azibo's transaction tagging software
- Open an FDIC-insured checking account that earns five times the national interest rate and comes with a 1% cash back debit card
- Save up to 25% on rental property insurance simply upload your policy and one of our dedicated agents will check to see if you're getting the best rate and/ or the best coverage
- Get access to competitive mortgages and loans tailored to your needs
- And receive exclusive discounts for best-inclass landlord services through Azibo Marketplace.

Azibo provides a dedicated customer success team to make sure you get the most out of the platform. Go here to get more information: https://azibo.com/mr-landlord/

April 20, 2022

#### **DON'T WAIT LONG!**

A landlord mentioned on the MrLandlord Q&A forum that they receive a lot of inquiries (in one particular case, over 1,000) and hundreds of applications. However, by the time he gets back to a couple of the truly qualified applicants, they have already found another rental home. I offered the following suggestion:

How long do you take before you get back with applicants? I used to take a day or two going through the entire verification process. Then after that, I get back with the ones who met my qualifications. To my frustration, every now and then, when I finally got back to a qualified applicant, he or she responded that they had already rented another property. Ouch!

So I changed my screening process. Now I make it my goal to do an initial "surface" review of the main application criteria plus run a couple of quick screening reports (credit, eviction, and criminal). I do this within one or two hours maximum of receiving the application.

If the surface review of the main criteria (income, rental history, credit score, cooperation level, etc) of the applicant meets my minimum criteria, I immediately get back with the applicant. I congratulate them and let them know they have been preapproved!

After implementing this new process, I now do not have anyone who I pre-approve and call to congratulate respond that they have found another property. Once they get the phone call from me, they do not keep looking for another place to rent, which used to happen while applicants were waiting a day or two for me to call them back with an answer.

By the way, I still have the right to finish my verification process after informing the applicant that they have been pre-approved. If I am not able to fully verify anything on the application, I can call them back and inform the applicant that we were not able to verify something on the application.

Again, the beauty to this strategy is that I never lose any qualified applicant because they kept looking and found another place while waiting around for my answer. In this day and time, many applicants will not simply wait a day or two when there are so many other good looking homes or apartment options who are willing to respond very quickly.



If you are a landlord who finds very few truly qualified applicants, using a similar strategy may help you not lose out on one of the rare qualified applicants who come your way. :) Best of success to you in your landlording!

This tip was part of an informative discussion of how one landlord handles receiving literally over 1,000 inquiries, hundreds of applications, and the process he uses. Other landlords offered tips on how they handle a large number of inquiries. They shared the changes they make to their advertising and screening process when the number of inquiries become excessive. Click here to check out the full discussion which has a happy ending with the landlord finding his ideal applicant after receiving 1100+ inquiries.:)

Agree or Disagree? Share your thoughts. We welcome your feedback or any landlording tip you would like to share. Email editor@MrLandlord.com.



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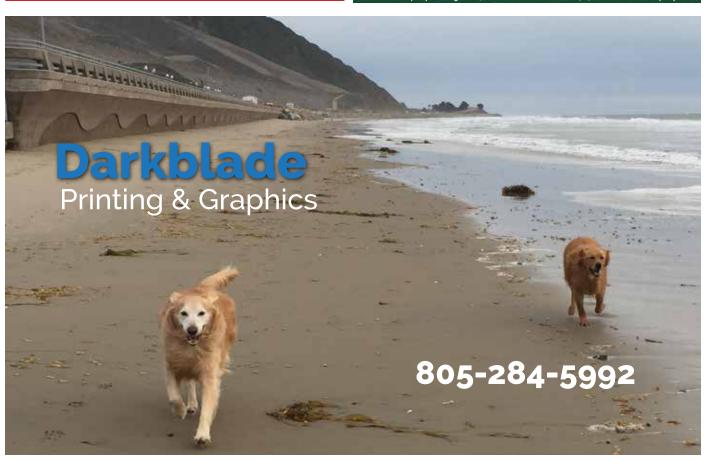
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## **Legal Assistance Program**



National Apartment Association

As part of the Member Services, NAA's Legal Assistance Program helps protect the multifamily housing industry by addressing critical industry issues in courtrooms across the nation.

NAA affiliates and member companies can make use of our Amicus (friend-of-the-court) Brief Program where NAA's expert attorneys submit legal briefs that supplement and strengthen the arguments your legal counsel makes to the court. By ensuring the industry's collective voice is heard, amicus briefs positively influence federal and state appellate court opinions on issues important to the apartment industry. Recently, NAA has filed amicus briefs on a number of legal issues that confront our members daily including land use, fair housing, sub-metering, rent control and illegal immigration amongst others.

Because negative legal precedent can spread from court to court, across state lines, and around the nation, amicus briefs are valuable both in individual cases as well as to the entire industry. Therefore, NAA strongly encourages member companies and state and local affiliates to request appellate assistance. Amicus assistance may be requested for ongoing cases by using our legal action process.

In certain instances of ongoing, influential litigation, in consultation with the member NAA may alternatively seek to intervene as a party to the case.

For information on NAA's legal program please contact Ayiesha Beverly, General Counsel. abeverly@naahq.org



## **Application Process**

Once the NAA Legal Assistance Committee has received a request for amicus assistance, it will review the following factors to determine whether to approve the application:

- Is the legal matter significant to the industry or limited only to the parties involved?
- Would a favorable judgment in the case enhance the stature of NAA and its member?
- What is the likelihood of success and what would be the impact to the multifamily housing industry if the case is not successful?
- Is the legal position consistent with NAA's established policies?
- If additional parties, including but not limited to NAA state and local affiliates, individual firms, or supplier companies wish to contribute to the legal action.

The full process for filing an amicus brief can take a significant amount of time. Because filing deadlines are governed by strict local rules of court, it is critical that NAA receive the request for amicus assistance at the earliest possible opportunity.



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## Santa Barbara Happenings



Terry A. Bartlett - Reetz, Fox & Bartlett LLP

## Rental Assistance Applications Close - Some Tenant Protections Remain in Place

On March 31, 2022, applications closed for COVID-19 rental assistance. Many applications, however, are still pending. In response, the California legislature passed 2179, extending eviction Assembly Bill protections until June 30, 2022 for tenants who have applications pending. Tenants who submitted rental assistance applications on or before March 31, 2022, and are awaiting payment or approval, are still protected from evictions based on nonpayment of rental debt accumulated due to COVID-19 hardship (March 1, 2020 through March 31, 2022). The new law also requires landlords that issue notices during April, May, and June for nonpayment of recovery period rent (October 1, 2021 through March 31, 2022) to include the following language:

"NOTICE FROM THE STATE OF CALIFORNIA: If you completed an application for government rental assistance on or before March 31, 2022, you may have protections against eviction. For information about legal resources that may be available to you, visit lawhelpca.org."

Rent accrued beginning in the month of April and going forward will not be considered rental debt that accumulated due to COVID-19 hardship. Accordingly, landlords can proceed with evictions for nonpayment of current rent without jumping through these extra hoops.

## Effort to Repeal New Death Tax on Transfers from Parents to Children

The ability of parents to transfer real property to their children was severely limited by the recent passage of Proposition 19 in November 2020. Now a transfer to your kids means they will be subject to reassessment of the real property for local property tax purposes up to its full fair market value. Yikes!

If you have owned the property for a while, the property taxes you have been paying will now be increased many times over for your kids. The family home, farm, or other assets will likely need to be sold rather than continued by the next generation. Howard Jarvis Taxpayer Association is working to get an initiative on the ballot in November 2022 to correct the error.

## Howard Jarvis Taxpayers Association Endorses Mike Stoker for Assembly

As a part of their effort to reinstate the Parent-Child Exclusion from property tax reassessment, the Howard Jarvis Taxpayer Association endorsed assembly candidate Mike Stoker and recognized that he would help fix the problem and reinstate the Parent-Child Exclusion.

# 27 Homeless Residents Return to the Street at the Conclusion of the Rose Garden Inn Project

The City of Santa Barbara's "encampment to motel plan," known as the Rose Garden Inn Project, began July 5, 2021 and ended January 31, 2022. During that time, 63 people stayed at the motel on Upper State. At the conclusion of the project, 12 people were placed into permanent housing, 13 were connected to mental heath and substance abuse treatment programs, 33 were able to obtain documents in order to be eligible for disability or other social services, and 27 returned to the street.

During the 2021 fiscal year, the City granted \$1.8 million to nonprofit homeless service providers. The City also provided approximately \$480,000 in socio-economic mitigation funds for a bridge housing program at local motels. 30 people were provided bridge housing.

The Rose Garden Inn Project generated unfavorable reviews. Councilmember Mike



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## Santa Barbara Happenings from page 47

Jordan was quick to point out that such an expensive model for temporary housing is not sustainable. Members of the City Council along with Mayor Randy Rowse agreed to send a letter to the County CEO and Board of Supervisors asking for help from the County. The County is able to apply for state and federal grant money in areas that the City is not eligible. The City also asked for a South County Solutions Court. The program, already established in North County, allows the County to negotiate with homeless people who have committed illegal activities to accept social services in lieu of other punishment for their crimes.

## The Fate of Short-Term Rentals in Santa Barbara County

Short-term rentals are residential properties offering overnight stays of 30 days or less. While the rentals have the ability to provide rent to homeowners, local leaders worry about the impact they have on the local housing supply and on the nuisance issues for neighbors. Short-term rental operators are required to collect Transient Occupancy Tax (TOT) and pay the County or City in which they are located.

Santa Barbara County recently audited a Summerland resident and found he owed approximately \$20,000 in unpaid TOT. The resident appealed the unpaid tax bill arguing, that since this was his private residence, he was unaware he had to pay TOT. The County denied his appeal.

At the same meeting, the Board of Supervisors approved a Santa Maria resident's homestay short-term rental permit who rents out two of her seven bedrooms. The Planning Commission had previously denied the homestay permit, arguing that it was not compatible with the neighborhood or its rural character.

## **California's Vanished Dream**

California is in danger of losing its youthful mojo. People are leaving. Many of those leaving, according to IRS data, come from young, middle and working class families. When these people leave, birthrates plummet. Los Angeles and San Francisco rank last and second-to-last in birthrates among the 53 U.S.

major metropolitan areas. Among California's big metros, only Riverside/San Bernardino exceeds the national average in women aged between 15 and 50 with births. California's total fertility rate, long above the national average, is now the nation's 10th lowest. Los Angeles County alone has lost three quarters of a million people under 25 over the past twenty years.

California today is as old as the rest of the country and aging 50 percent faster than the national norm.

It is rapidly replacing the surfboard with a walker.

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#### **ATTORNEYS AT LAW**

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