

CITY OF SANTA BARBARA 2021 RENT SURVEY FOR THE SOUTH COAST

18 MAY 2021 - FINAL REPORT

Prepared for:



City of Santa Barbara

Prepared by:

 **Robert D. Niehaus, Inc.**

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2021 RENT SURVEY FOR THE SOUTH COAST
FINAL REPORT**

Prepared for:

City of Santa Barbara
Community Development Department
630 Garden Street
Santa Barbara, CA 93101
(805) 564-5461

Prepared by:

Robert D. Niehaus, Inc.
140 East Carrillo Street
Santa Barbara, CA 93101
(805) 962-0611

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TABLE OF CONTENTS

1. Introduction	1
Rent Survey Approach.....	1
Coronavirus Pandemic	1
2. Methodology.....	2
Geographic Area.....	2
Data Sources	2
Housing Criteria.....	2
Duplicate Listings	2
Key Statistics	3
3. Results	4
4. Affordability Analysis	9
5. Tenant Displacement Assistance Ordinance	10

1. INTRODUCTION

Every year the City of Santa Barbara (City) publishes data on rental housing listings across Santa Barbara County's southern coast (South Coast), including the cities and communities of Goleta, Isla Vista, Santa Barbara, Montecito, Summerland, and Carpinteria. For the 2021 analysis, the City outsourced this work to Robert D. Niehaus, Inc. (RDN), a local economic firm specializing in rental housing analysis. If you have any questions regarding this survey, please email Lucy Graham at LGraham@SantaBarbaraCA.gov or call (805) 564-5461.

Rent Survey Approach

RDN compiled a list of rental housing listings in the South Coast area for the month of April 2021, removing duplicates and housing described as subleases, shared (rooms), restricted (set aside for students or seniors), subsidized, short-term, and/or furnished. The sources for these data include Craigslist, the Santa Barbara News Press, the Santa Barbara Independent, and RDN's proprietary data feed that aggregates approximately one million rental listings nationally each week from various listing websites.

RDN classified rental listings into the four types of housing units collected in the City's previous studies: apartments, condominiums, duplexes/townhouses, and single-family houses. Next, RDN calculated median rents by area, housing type, and number of bedrooms (studio, one-bedroom, two-bedroom, three-bedroom, and units with four or more bedrooms). The median rent and sample size for each housing type and bedroom category are included in the tables of this report.

This survey provides a snapshot of the local private rental housing market as of April 2021 and tracks changes in the market over time. This report also includes a calculation of affordability and provides information used to calculate benefits under the City's Tenant Displacement Assistance Ordinance (TDAO).

Coronavirus Pandemic

Social distancing guidelines, travel restrictions, and eviction moratoriums resulting from the coronavirus pandemic continue to impact Santa Barbara's rental housing market. The magnitude and direction of these impacts have evolved considerably over the past year. Many businesses re-opened and began hiring, increasing the demand for housing. Schools are another major driver of rental housing demand. As of April 2021, both University of California, Santa Barbara (UCSB) and Santa Barbara City College (SBCC) still held most of their classes remotely whereas primary and secondary schools transitioned to hybrid or fully in-person schedules. Meanwhile, record low interest rates have fueled a surge in housing prices and home sales, including from first-time homebuyers. An increase in the homeownership rate would tend to lower the demand for rental housing. These and other factors may have put net upward or downward pressure on rental prices on the South Coast depending on the unique dynamics of each area.

2. METHODOLOGY

RDN collected monthly prices for rental units across the South Coast, in accordance with Santa Barbara Municipal Code (SBMC) Sections 28.89 and 30.190, Tenant Displacement Assistance Ordinance, and direction from the City's Community Development Department.

Geographic Area

The geographic area for this survey includes the entire South Coast of Santa Barbara County, and is broken down into the following cities and communities: Goleta, Isla Vista, Santa Barbara, Montecito, Summerland, and Carpinteria.

Data Sources

RDN performed the rent survey using the following data sources:

1. April 4, 11, 18, and 25, 2021 editions of the Santa Barbara News Press
2. April 1, 8, 15, 22, and 29, 2021 editions of the Santa Barbara Independent
3. April 12, 19, 26, and May 3, 2021 downloads of April listings posted on Craigslist
4. April 2, 9, 16, 23, and 30, 2021 listings from RDN's proprietary rental data feed

SBMC Sections 28.89.010 and 30.190.010 state, "...the median advertised rental rate shall be calculated annually based on the median of a representative sample of rental units advertised in a newspaper of general circulation for one Sunday during the month of April." However, given the availability of inexpensive and free online advertising platforms, few rental units are advertised in newspapers. During the month of April, the Santa Barbara News Press and Santa Barbara Independent accounted for a total of 12 non-duplicate listings. The "apartments / housing for rent" section of Craigslist is a popular source for rental listings in Santa Barbara. This year's sample includes 289 rental listings that were posted on Craigslist. The remaining 363 rental listings were sourced from other websites included in RDN's rental data feed, for a total of 664 rental listings overall. This total reflects only those listings that were available during the month of April 2021 and met the City's other survey criteria.

Housing Criteria

The survey evaluates prices for four housing types, including apartments, condominiums (condos), duplexes/townhouses (duplex/TH), and single-family residences (houses). These categories are further classified by number of bedrooms, including studios (no bedrooms), one-bedroom units, two-bedroom units, three-bedroom units, and units with four or more bedrooms. Any listing identified as a "cottage" is reported as a single-family house.

Listings for subleases, shared housing (e.g., a room in a house), short-term/vacation rentals, and furnished units were excluded from the sample. Other non-market rate housing was also excluded, including affordable housing (e.g., Section 8) and units that are only rented to students or seniors.

Duplicate Listings

RDN reviewed the data sample to identify and aggregate duplicate listings per the City's instructions. Depending on the specific scenario, duplicate listings were either removed from the sample or averaged together, using the following methodology:

1. Listings with the same address, housing type, and number of bedrooms that appeared multiple times during the data collection period with no change to the rent were counted as one observation (i.e., the first instance was included in the sample and all other instances were removed).

2. Listings with the same address, housing type, and number of bedrooms that appeared multiple times on different days with different rents were counted as unique observations, with one instance for each distinct listing date and rent price (i.e., the first instance was included in the sample, as well as any later instances with different listing dates and rent prices. Any instances that included the same rent price as one of the previously seen instances were removed from the sample).
3. Listings that appeared the same day and had the same address, housing type, and number of bedrooms were aggregated into one observation (i.e., complexes may have several floorplans that vary in price but have the same housing type and number of bedrooms). In these instances, the observations were assigned the average rent of the grouped listings.

Key Statistics

This report presents the median rent and number of listings in the sample by area, housing type, and number of bedrooms. For a given range of values, the median is the middle value (or the average of the two middle values). These key statistics are reported in the next section.

3. RESULTS

Table 3-1 presents median rents in the South Coast region by housing type and number of bedrooms over the last decade, including the results of the 2021 survey. Note the bottom section of the table also presents the number of listings (sample sizes) that were surveyed each year.

**Table 3-1: Median Rent by Housing Type and Number of Bedrooms,
South Coast Region, 2012-2021**

	2012	2013	2014	2015	2016	2017	2018	2019*	2020	2021
ALL HOUSING TYPES										
0 BR	\$1,150	\$1,150	\$1,150	\$1,288	\$1,438	\$1,495	\$1,553	\$1,520	\$1,638	\$1,695
1 BR	\$1,470	\$1,375	\$1,477	\$1,650	\$1,695	\$1,750	\$2,253	\$1,875	\$1,925	\$2,000
2 BR	\$2,000	\$2,200	\$2,332	\$2,500	\$2,500	\$2,550	\$2,701	\$2,695	\$2,950	\$2,800
3 BR	\$2,475	\$3,100	\$3,200	\$3,950	\$3,300	\$3,700	\$3,669	\$3,900	\$4,473	\$3,993
4+ BR	\$2,695	\$4,998	\$4,000	\$4,000	\$4,195	\$5,000	\$3,590	\$5,100	\$6,800	\$5,000
APARTMENT										
0 BR	NSD	\$1,150	\$1,100	\$1,275	\$1,438	\$1,495	\$1,456	\$1,500	\$1,638	\$1,695
1 BR	\$1,425	\$1,325	\$1,400	\$1,600	\$1,695	\$1,700	\$1,748	\$1,863	\$1,925	\$1,984
2 BR	\$1,940	\$2,123	\$2,295	\$2,400	\$2,325	\$2,450	\$2,525	\$2,563	\$2,800	\$2,748
3 BR	\$2,095	\$2,938	\$3,080	\$3,895	\$3,040	\$3,140	\$3,838	\$3,425	\$4,900	\$3,950
4+ BR	NSD	NSD	NSD	\$3,995	\$3,138	\$4,500	\$3,290	\$4,698	\$7,650	\$4,750
CONDO										
0 BR	NSD	NSD	NSD	NSD	NSD	NSD	\$3,195	\$2,800	NSD	NSD
1 BR	\$1,875	\$2,075	\$1,625	\$1,700	\$2,500	\$2,375	\$2,250	\$2,150	\$2,525	\$2,275
2 BR	\$2,100	\$2,200	\$2,812	\$2,500	\$2,700	\$2,700	\$2,550	\$2,850	\$3,000	\$3,075
3 BR	\$2,350	\$2,750	\$2,947	\$3,063	\$2,987	\$3,400	\$3,500	\$3,150	\$3,675	\$3,750
4+ BR	NSD	\$2,490	\$4,000	\$2,690	\$4,000	NSD	\$3,590	\$3,700	\$5,000	\$3,800
DUPLEX/TH										
0 BR	NSD	NSD	NSD	NSD	NSD	NSD	\$1,411	NSD	NSD	NSD
1 BR	\$1,695	\$1,250	\$1,570	\$1,650	NSD	\$2,250	\$2,314	\$1,850	\$1,825	\$2,095
2 BR	\$1,950	\$1,418	\$2,350	\$2,400	NSD	\$2,700	\$2,853	\$2,823	\$3,200	\$2,835
3 BR	\$2,475	\$2,400	\$2,995	\$2,995	NSD	\$3,150	\$3,200	\$4,099	\$5,500	\$3,600
4+ BR	NSD	NSD	\$3,995	NSD	NSD	NSD	NSD	NSD	\$10,000	\$4,500
HOUSE										
0 BR	NSD	NSD	NSD	NSD	NSD	NSD	\$1,650	\$1,520	NSD	NSD
1 BR	NSD	\$3,200	\$2,100	\$2,100	\$2,500	\$2,450	\$2,256	\$1,750	\$1,873	\$2,025
2 BR	\$2,495	\$2,750	\$3,200	\$3,350	\$2,900	\$3,000	\$3,425	\$3,200	\$3,195	\$2,923
3 BR	\$2,650	\$3,400	\$3,750	\$4,200	\$3,600	\$4,000	\$4,869	\$3,950	\$4,425	\$4,250
4+ BR	\$2,750	\$5,000	\$4,000	\$4,440	\$4,450	\$5,175	\$5,375	\$5,625	\$6,800	\$5,975
NUMBER OF LISTINGS										
Apartment	147	556	342	426	493	646	457	318	172	459
Condo	15	126	55	81	38	50	73	37	25	30
Duplex/TH	8	65	62	4	0	27	62	39	18	74
House	30	142	86	131	206	216	271	117	80	101
ALL	200	889	545	642	737	939	863	511	295	664

Notes: *Data for 2019 collected in July; all other years' data collected in April. NSD=No Sample Data; TH=Townhouse.

Table 3-2 through Table 3-5 present, for each housing type, a breakdown of median rent and number of listings/observations (obs), or sample size, by area and number of bedrooms.

Table 3-2: Median Rent and Sample Size, by Area and Number of Bedrooms, Apartments

APARTMENT	0 Bedroom		1 Bedroom		2 Bedroom		3 Bedroom		4+ Bedroom	
City	Median Rent	Obs	Median Rent	Obs	Median Rent	Obs	Median Rent	Obs	Median Rent	Obs
Santa Barbara	\$1,695	12	\$2,000	115	\$2,688	110	\$3,800	21	\$4,150	2
Goleta	\$1,495	3	\$2,250	48	\$2,783	32	\$3,620	19	\$4,500	1
Isla Vista	NSD	0	\$1,765	33	\$2,900	23	\$6,600	19	\$8,250	3
Carpinteria	NSD	0	\$2,000	1	\$2,295	3	\$3,500	3	\$4,700	2
Montecito	\$1,750	4	NSD	0	NSD	0	NSD	0	NSD	0
Summerland	NSD	0	\$1,985	1	\$2,348	4	NSD	0	NSD	0
South Coast Total	\$1,695	19	\$1,984	198	\$2,748	172	\$3,950	62	\$4,750	8

Note: NSD = No Sample Data.

Table 3-3: Median Rent and Sample Size, by Area and Number of Bedrooms, Condos

CONDO	0 Bedroom		1 Bedroom		2 Bedroom		3 Bedroom		4+ Bedroom	
City	Median Rent	Obs	Median Rent	Obs	Median Rent	Obs	Median Rent	Obs	Median Rent	Obs
Santa Barbara	NSD	0	\$2,625	2	\$3,075	14	\$3,500	5	NSD	0
Goleta	NSD	0	\$2,050	3	NSD	0	\$3,200	1	\$3,800	1
Isla Vista	NSD	0	NSD	0	NSD	0	NSD	0	NSD	0
Carpinteria	NSD	0	\$1,950	1	NSD	0	\$5,125	2	NSD	0
Montecito	NSD	0	NSD	0	NSD	0	NSD	0	NSD	0
Summerland	NSD	0	NSD	0	NSD	0	\$6,500	1	NSD	0
South Coast Total	NSD	0	\$2,275	6	\$3,075	14	\$3,750	9	\$3,800	1

Note: NSD = No Sample Data.

Table 3-4: Median Rent and Sample Size, by Area and Number of Bedrooms, Duplexes/Townhomes

DUPLEX/TH	0 Bedroom		1 Bedroom		2 Bedroom		3 Bedroom		4+ Bedroom	
City	Median Rent	Obs	Median Rent	Obs	Median Rent	Obs	Median Rent	Obs	Median Rent	Obs
Santa Barbara	NSD	0	\$2,100	9	\$2,713	18	\$3,550	4	NSD	0
Goleta	NSD	0	\$2,080	3	\$2,325	9	\$3,125	3	\$4,500	3
Isla Vista	NSD	0	NSD	0	\$2,970	14	\$4,330	4	\$8,750	2
Carpinteria	NSD	0	NSD	0	\$3,000	1	\$3,300	3	NSD	0
Montecito	NSD	0	NSD	0	NSD	0	\$5,900	1	NSD	0
Summerland	NSD	0	NSD	0	NSD	0	NSD	0	NSD	0
South Coast Total	NSD	0	\$2,095	12	\$2,835	42	\$3,600	15	\$4,500	5

Note: NSD = No Sample Data.

Table 3-5: Median Rent and Sample Size, by Area and Number of Bedrooms, Single-Family Houses

HOUSE City	0 Bedroom		1 Bedroom		2 Bedroom		3 Bedroom		4+ Bedroom	
	Median Rent	Obs	Median Rent	Obs	Median Rent	Obs	Median Rent	Obs	Median Rent	Obs
Santa Barbara	NSD	0	\$2,400	19	\$2,850	21	\$4,000	21	\$5,975	7
Goleta	NSD	0	\$1,750	4	\$2,995	1	\$3,900	5	\$4,375	4
Isla Vista	NSD	0	NSD	0	\$5,675	1	\$8,825	4	\$7,925	4
Carpinteria	NSD	0	\$2,000	3	NSD	0	\$3,900	3	NSD	0
Montecito	NSD	0	NSD	0	\$5,500	1	\$7,500	3	NSD	0
Summerland	NSD	0	NSD	0	NSD	0	NSD	0	NSD	0
South Coast Total	NSD	0	\$2,025	26	\$2,923	24	\$4,250	36	\$5,975	15

Note: NSD = No Sample Data.

Figure 3-1 through Figure 3-3 chart rental price trends in the South Coast region over the last decade for select housing types and bedroom categories. Figure 3-1 charts the median rent for studios, one-bedroom, two-bedroom, and three-bedroom apartments. Figure 3-2 charts the overall median rent by number of bedrooms for all housing types combined. Figure 3-3 charts the median rent for two-bedroom units broken out by housing type. Lastly, Figure 3-4 plots the two-bedroom median rent in 2021 across all housing types, by area.

Figure 3-1: South Coast Median Rent by Number of Bedrooms, Apartments, 2012-2021

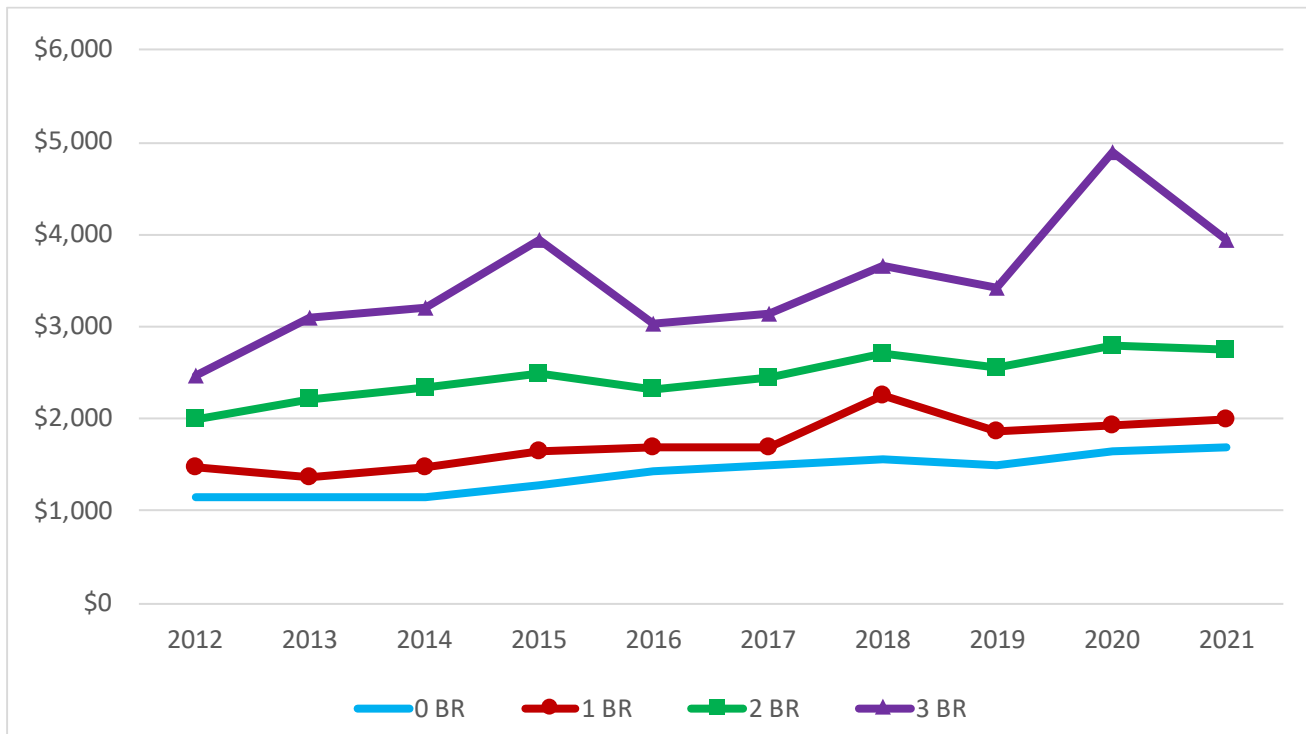


Figure 3-2: South Coast Median Rent by Number of Bedrooms, All Housing Types, 2012-2021

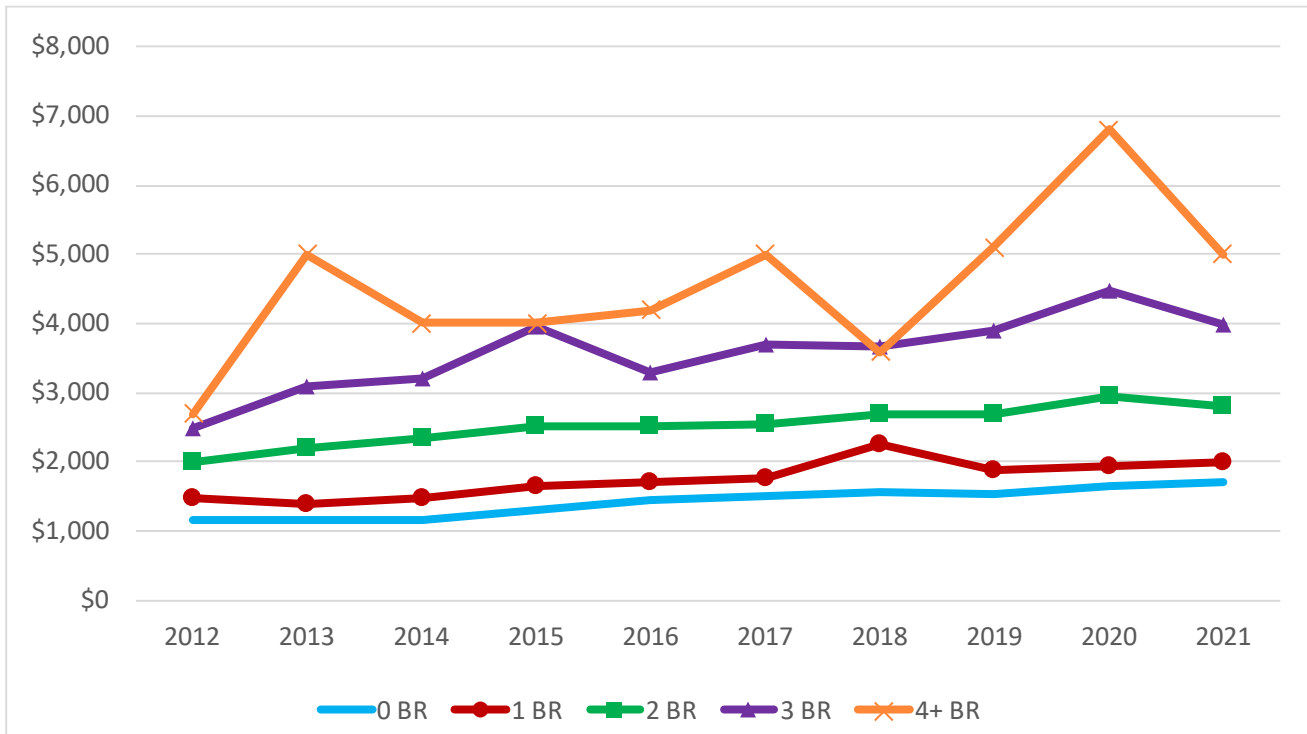


Figure 3-3: South Coast Median Rent for Two-Bedroom Units, by Housing Type, 2012-2021

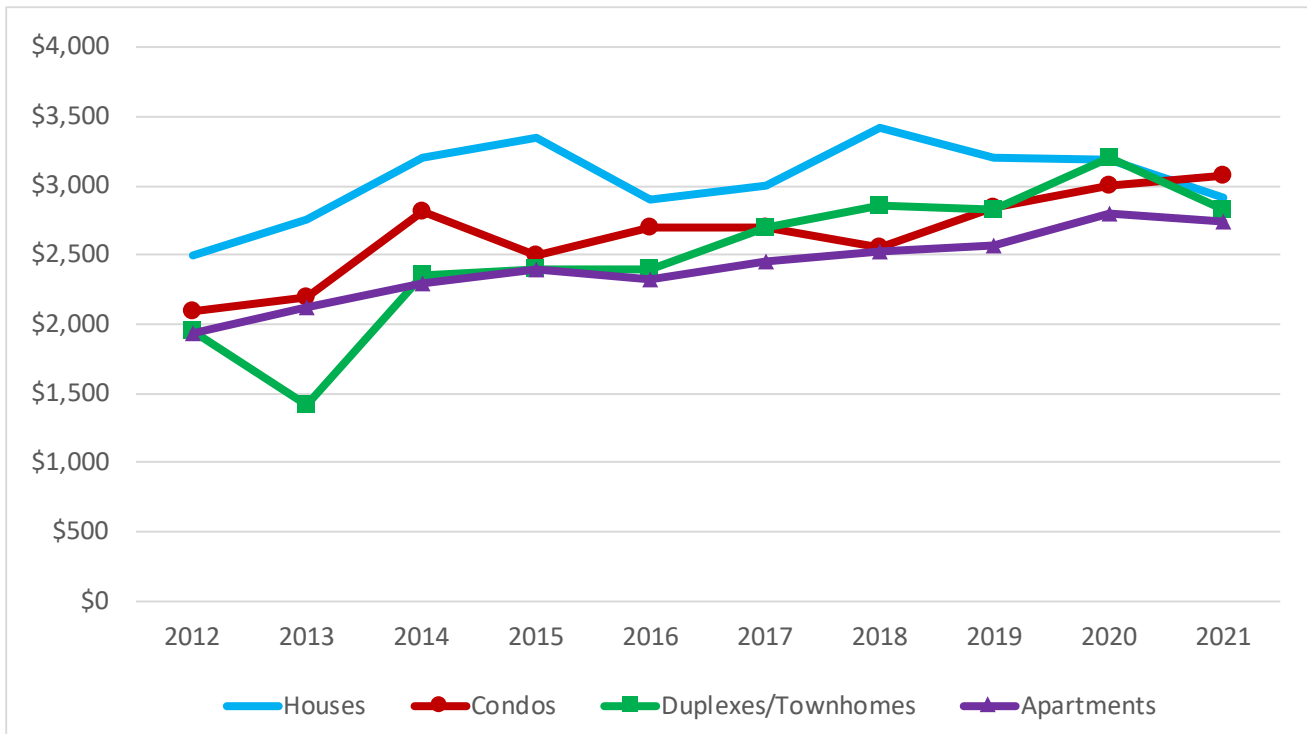
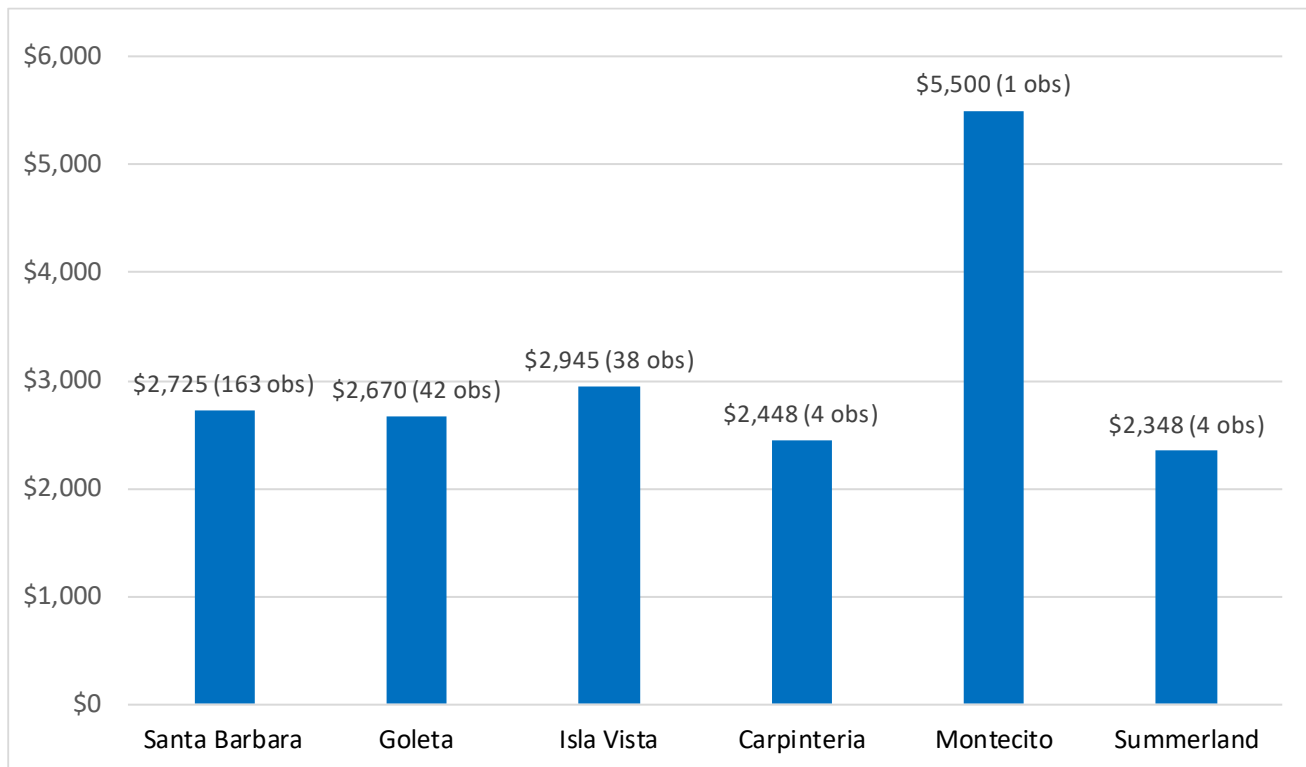


Figure 3-4: 2021 Median Rent for Two-Bedroom Units of All Housing Types, by Area



Note: "obs" is number of observations (rental listings) in the sample.

4. AFFORDABILITY ANALYSIS

This affordability analysis considers the 2021 median rent prices for apartments in the City of Santa Barbara relative to tenant income. Table 4-1 displays the level of income needed for median rent to represent 30 percent of tenant income. Table 4-2 and Table 4-3 display 2021 median household incomes and 2021 minimum wage household incomes, respectively, based on household sizes of one person for studios, two people for one-bedroom apartments, three people for two-bedroom apartments, four people for three-bedroom apartments, and five people for apartments with four or more bedrooms. These tables include the percentage of median or minimum wage household income that would be required to reach the annual income needed for median rent prices to represent 30 percent of tenant income.

Table 4-1: Hourly and Annual Income Needed to Afford Median Rent

Apartment Size	Median Rent	Hourly Income Needed ¹	Annual Income Needed ¹
Studio	\$1,695	\$32.60	\$67,800
1 Bedroom	\$2,000	\$38.46	\$80,000
2 Bedroom	\$2,688	\$51.68	\$107,500
3 Bedroom	\$3,800	\$73.08	\$152,000
4+ Bedrooms	\$4,150	\$79.81	\$166,000

Table 4-2: Median Income relative to Income Needed to Afford Median Rent

Apartment Size	Household Size	2020 Median Household Income ²	% of Median Household Income Needed ¹
Studio	1 Person	\$63,070	107%
1 Bedroom	2 People	\$72,080	110%
2 Bedroom	3 People	\$81,090	136%
3 Bedroom	4 People	\$90,100	175%
4+ Bedrooms	5 People	\$97,308	195%

Table 4-3: Minimum Wage Income relative to Income Needed to Afford Median Rent

Apartment Size	Household Size	2021 Minimum Wage Household Income ³	% of Minimum Wage Household Income Needed ¹
Studio	1 Person	\$27,040	251%
1 Bedroom	2 People	\$54,080	147%
2 Bedroom	3 People	\$81,120	135%
3 Bedroom	4 People	\$108,160	146%
4+ Bedrooms	5 People	\$135,200	141%

Notes: [1] Income required if household pays 30% of income to rent.

[2] Source: City of Santa Barbara, 2021. "City of Santa Barbara Income Limits." Downloaded 18 May from City's website: <https://www.santabarbaraca.gov/civicax/filebank/blobdload.aspx?BlobID=233594>. Santa Barbara, CA.

[3] Assumes current minimum wage of \$13 per hour for 2080 hours for each person in the household.

5. TENANT DISPLACEMENT ASSISTANCE ORDINANCE

Figure 5-1 presents the median rent by housing type and number of bedrooms in the City of Santa Barbara. These rent prices are presented for use under the Tenant Displacement Assistance Ordinance (TDAO) of the City of Santa Barbara Municipal Code (Chapters 28.89 and 30.190).

**Figure 5-1: Median Rent in the City of Santa Barbara
for use under the Tenant Displacement Assistance Ordinance**

City of Santa Barbara Tenant Displacement Assistance Ordinance (TDAO) Median Rents as of April 2021 By Housing Type and Unit Size					
	Studio	1 BR	2 BR	3 BR	4+ BR
Apartments	\$1,695	\$2,000	\$2,688	\$3,800	\$4,150
Duplexes	NSD	\$2,100	\$2,713	\$3,550	NSD
Condos	NSD	\$2,625	\$3,075	\$3,500	NSD
Houses	NSD	\$2,400	\$2,850	\$4,000	\$5,975

Note: BR = Bedroom; NSD = No Sample Data.