

CITY OF SANTA BARBARA 2022 RENT SURVEY FOR THE SOUTH COAST

14 JUNE 2022 - FINAL REPORT

Prepared for:



City of Santa Barbara

Prepared by:

 **Robert D. Niehaus, Inc.**

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2022 RENT SURVEY FOR THE SOUTH COAST
DRAFT REPORT**

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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 2022 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 report, please email Maria Schroeder, Housing Programs Specialist, at mschroeder@SantaBarbaraCA.gov or call (805) 564-5461 x4473.

Rent Survey Approach

RDN compiled a list of rental housing listings in the South Coast area for the month of April 2022, 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 2022 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

The COVID-19 pandemic has had a significant impact on Santa Barbara's housing market. Businesses have mostly resumed normal operations, though many continue to be impacted by supply chain disruptions and high inflation. Most schools have also returned to regular in-person classroom instruction after extended periods of remote or hybrid learning. Meanwhile, record low interest rates and a glut of household savings in 2021 fueled a surge in housing prices and home sales. While the housing market has begun to show signs of cooling off in the face of economic headwinds and increasing interest rates, prices and overall demand remain high. These and other factors have contributed to lower rental vacancy rates and higher rents across the South Coast.

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 3, 10, 17, and 24, 2022 editions of the Santa Barbara News Press
2. April 7, 14, 21, and 28, 2022 editions of the Santa Barbara Independent
3. April 18, 25, and 29, 2022 downloads of April listings posted on Craigslist
4. April 1, 8, 15, 22, and 29, 2022 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 10 non-duplicate listings. The “apartments / housing for rent” section of Craigslist remains a popular source for rental listings. This year’s sample includes 119 rental listings that were posted on Craigslist. The remaining 192 rental listings were sourced from other websites, including RDN’s rental data feed, for a total of 321 rental listings overall. This total reflects only those listings that were available during the month of April 2022 and met the City’s other survey criteria. Remarkably, the number of units available in April 2022 was less than half of the number that were available in April 2021, indicating that Santa Barbara’s rental market has tightened considerably over the past year.

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 (sample size) by area, housing type, and number of bedrooms. For a given range of values, the median is the middle value when the sample size is odd or the average of the two middle values when the sample size is even. 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 2022 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 Bedroom and Housing Type, South Coast Region, 2013-2022

	2013	2014	2015	2016	2017	2018	2019*	2020	2021	2022
ALL HOUSING TYPES										
0 BR	\$1,150	\$1,150	\$1,288	\$1,438	\$1,495	\$1,553	\$1,520	\$1,638	\$1,695	\$2,000
1 BR	\$1,375	\$1,477	\$1,650	\$1,695	\$1,750	\$2,253	\$1,875	\$1,925	\$2,000	\$2,624
2 BR	\$2,200	\$2,332	\$2,500	\$2,500	\$2,550	\$2,701	\$2,695	\$2,950	\$2,800	\$3,993
3 BR	\$3,100	\$3,200	\$3,950	\$3,300	\$3,700	\$3,669	\$3,900	\$4,473	\$3,993	\$5,425
4+ BR	\$4,998	\$4,000	\$4,000	\$4,195	\$5,000	\$3,590	\$5,100	\$6,800	\$5,000	\$8,000
APARTMENT										
0 BR	\$1,150	\$1,100	\$1,275	\$1,438	\$1,495	\$1,456	\$1,500	\$1,638	\$1,695	\$2,000
1 BR	\$1,325	\$1,400	\$1,600	\$1,695	\$1,700	\$1,748	\$1,863	\$1,925	\$1,984	\$2,554
2 BR	\$2,123	\$2,295	\$2,400	\$2,325	\$2,450	\$2,525	\$2,563	\$2,800	\$2,748	\$3,687
3 BR	\$2,938	\$3,080	\$3,895	\$3,040	\$3,140	\$3,838	\$3,425	\$4,900	\$3,950	\$4,200
4+ BR	NSD	NSD	\$3,995	\$3,138	\$4,500	\$3,290	\$4,698	\$7,650	\$4,750	\$6,600
CONDO										
0 BR	NSD	NSD	NSD	NSD	NSD	\$3,195	\$2,800	NSD	NSD	NSD
1 BR	\$2,075	\$1,625	\$1,700	\$2,500	\$2,375	\$2,250	\$2,150	\$2,525	\$2,275	\$2,950
2 BR	\$2,200	\$2,812	\$2,500	\$2,700	\$2,700	\$2,550	\$2,850	\$3,000	\$3,075	\$4,450
3 BR	\$2,750	\$2,947	\$3,063	\$2,987	\$3,400	\$3,500	\$3,150	\$3,675	\$3,750	\$4,850
4+ BR	\$2,490	\$4,000	\$2,690	\$4,000	NSD	\$3,590	\$3,700	\$5,000	\$3,800	NSD
DUPLEX/TH										
0 BR	NSD	NSD	NSD	NSD	NSD	\$1,411	NSD	NSD	NSD	NSD
1 BR	\$1,250	\$1,570	\$1,650	NSD	\$2,250	\$2,314	\$1,850	\$1,825	\$2,095	\$2,674
2 BR	\$1,418	\$2,350	\$2,400	NSD	\$2,700	\$2,853	\$2,823	\$3,200	\$2,835	\$3,725
3 BR	\$2,400	\$2,995	\$2,995	NSD	\$3,150	\$3,200	\$4,099	\$5,500	\$3,600	\$5,200
4+ BR	NSD	\$3,995	NSD	NSD	NSD	NSD	NSD	\$10,000	\$4,500	\$11,500
HOUSE										
0 BR	NSD	NSD	NSD	NSD	NSD	\$1,650	\$1,520	NSD	NSD	NSD
1 BR	\$3,200	\$2,100	\$2,100	\$2,500	\$2,450	\$2,256	\$1,750	\$1,873	\$2,025	\$2,650
2 BR	\$2,750	\$3,200	\$3,350	\$2,900	\$3,000	\$3,425	\$3,200	\$3,195	\$2,923	\$4,850
3 BR	\$3,400	\$3,750	\$4,200	\$3,600	\$4,000	\$4,869	\$3,950	\$4,425	\$4,250	\$6,000
4+ BR	\$5,000	\$4,000	\$4,440	\$4,450	\$5,175	\$5,375	\$5,625	\$6,800	\$5,975	\$7,725
NUMBER OF LISTINGS										
Apartment	556	342	426	493	646	457	318	172	459	159
Condo	126	55	81	38	50	73	37	25	30	13
Duplex/TH	65	62	4	0	27	62	39	18	74	61
House	142	86	131	206	216	271	117	80	101	88
ALL	889	545	642	737	939	863	511	295	664	321

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 the 2022 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	\$2,000	7	\$2,473	68	\$3,475	26	\$3,500	5	\$6,600	1
Goleta	\$1,825	3	\$3,483	21	\$4,545	13	\$4,870	3	NSD	0
Isla Vista	\$1,325	1	\$2,015	1	NSD	0	NSD	0	NSD	0
Carpinteria	\$2,000	3	\$2,700	3	\$2,795	1	\$5,500	1	NSD	0
Montecito	NSD	0	\$4,500	1	NSD	0	NSD	0	NSD	0
Summerland	NSD	0	NSD	0	NSD	0	NSD	0	NSD	0
South Coast Total	\$2,000	14	\$2,554	94	\$3,687	40	\$4,200	10	\$6,600	1

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	\$2,700	1	\$4,500	9	\$4,850	1	NSD	0
Goleta	NSD	0	NSD	0	NSD	0	NSD	0	NSD	0
Isla Vista	NSD	0	NSD	0	NSD	0	NSD	0	NSD	0
Carpinteria	NSD	0	NSD	0	\$2,950	1	NSD	0	NSD	0
Montecito	NSD	0	\$3,200	1	NSD	0	NSD	0	NSD	0
Summerland	NSD	0	NSD	0	NSD	0	NSD	0	NSD	0
South Coast Total	NSD	0	\$2,950	2	\$4,450	10	\$4,850	1	NSD	0

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	\$2,523	6	\$3,800	12	\$5,350	6	NSD	0
Goleta	NSD	0	\$2,914	8	\$3,325	6	\$4,373	6	NSD	0
Isla Vista	NSD	0	\$2,088	4	\$3,950	3	\$6,600	4	\$11,500	2
Carpinteria	NSD	0	NSD	0	\$2,950	1	NSD	0	NSD	0
Montecito	NSD	0	NSD	0	\$7,000	1	\$9,000	1	NSD	0
Summerland	NSD	0	NSD	0	\$3,700	1	NSD	0	NSD	0
South Coast Total	NSD	0	\$2,674	18	\$3,725	24	\$5,200	17	\$11,500	2

Note: NSD = No Sample Data.

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

HOUSE	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	\$3,975	2	\$4,500	24	\$6,000	27	\$8,750	11
Goleta	NSD	0	NSD	0	NSD	0	\$5,675	4	\$5,750	2
Isla Vista	NSD	0	NSD	0	\$6,500	2	NSD	0	\$9,700	1
Carpinteria	NSD	0	\$2,350	1	\$4,200	1	\$3,500	1	\$7,450	3
Montecito	NSD	0	\$2,850	1	\$4,600	2	\$7,500	4	\$12,000	1
Summerland	NSD	0	NSD	0	\$6,500	1	NSD	0	NSD	0
South Coast Total	NSD	0	\$2,650	4	\$4,850	30	\$6,000	36	\$7,725	18

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 2022 across all housing types, by area.

Figure 3-1: South Coast Median Rent by Number of Bedrooms, Apartments, 2013-2022

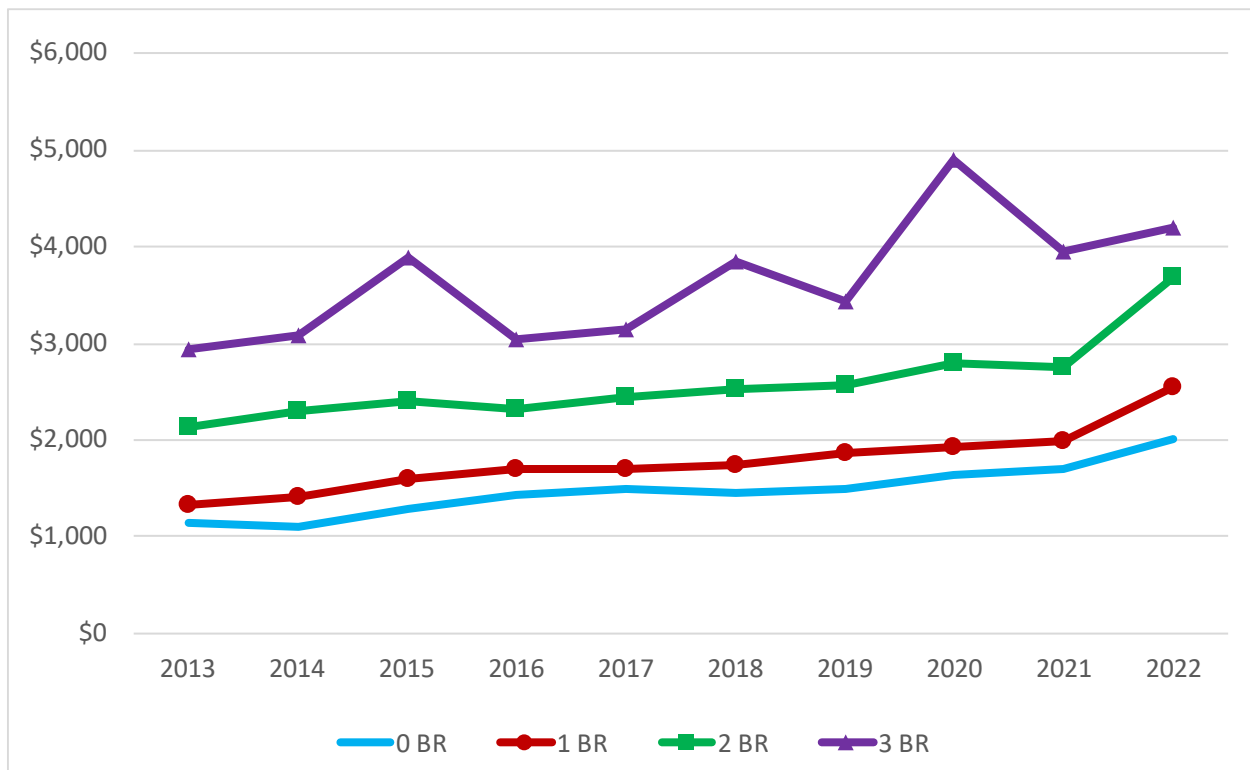


Figure 3-2: South Coast Median Rent by Number of Bedrooms, All Housing Types, 2013-2022

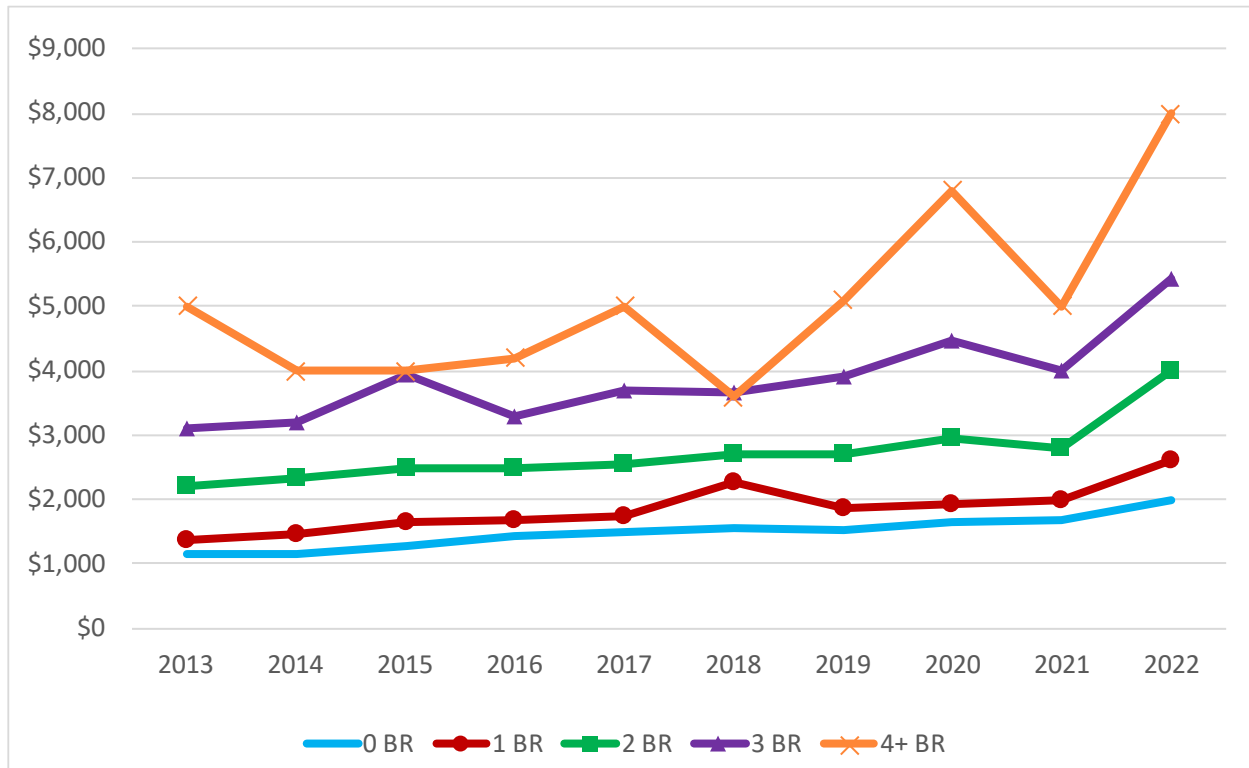


Figure 3-3: South Coast Median Rent for Two-Bedroom Units, by Housing Type, 2013-2022

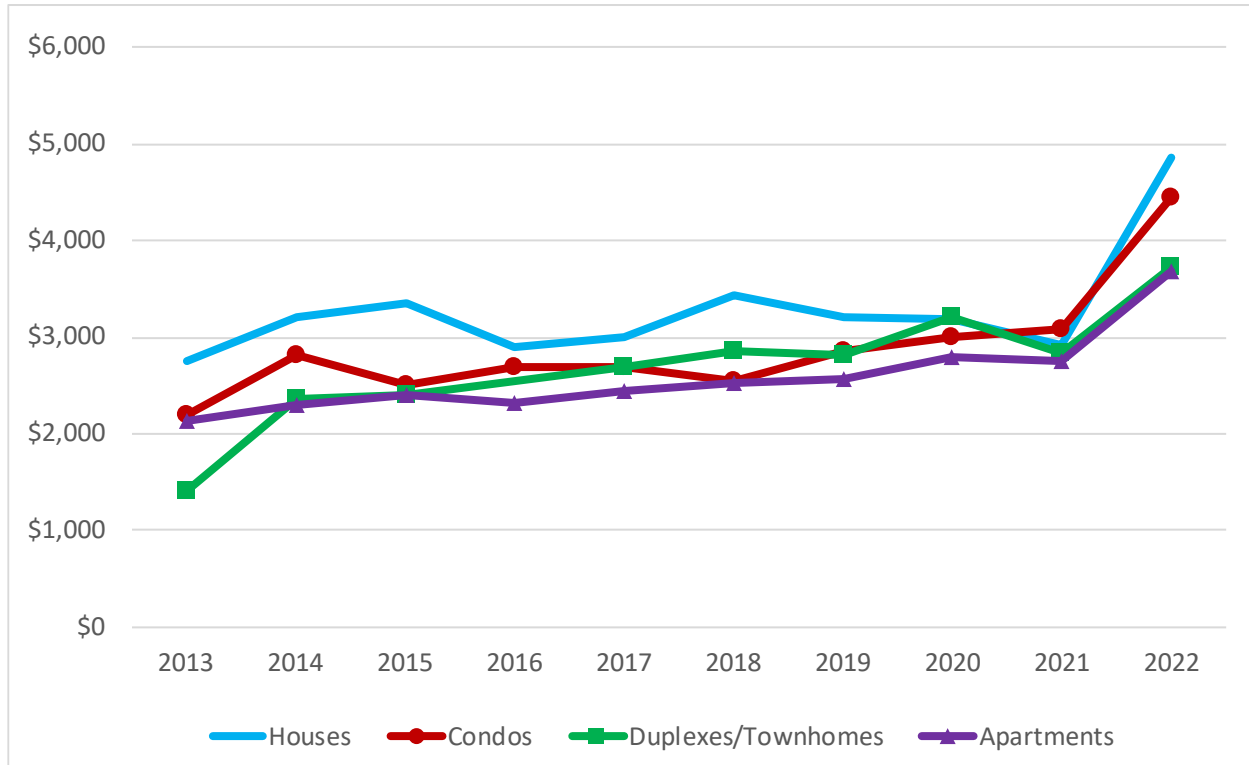
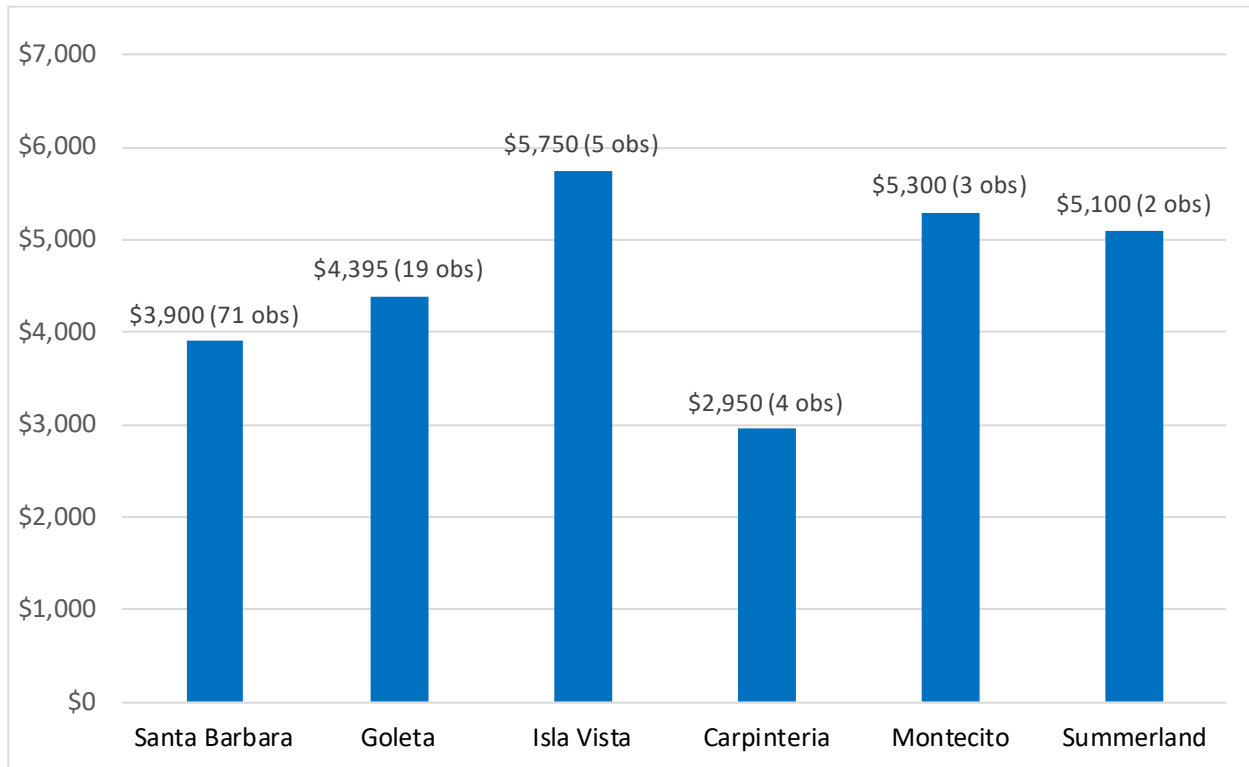


Figure 3-4: Median Rent for Two-Bedroom Units of All Housing Types, by Area, 2022



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

4. AFFORDABILITY ANALYSIS

This affordability analysis considers the 2022 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 2022 median household incomes and 2022 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	\$2,000	\$38.46	\$80,000
1 Bedroom	\$2,473	\$47.55	\$98,900
2 Bedroom	\$3,475	\$66.83	\$139,000
3 Bedroom	\$3,500	\$67.31	\$140,000
4+ Bedrooms	\$6,600	\$126.92	\$264,000

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

Apartment Size	Household Size	2022 Median Household Income ²	% of Median Household Income Needed ¹
Studio	1 Person	\$70,070	114%
1 Bedroom	2 People	\$80,080	124%
2 Bedroom	3 People	\$90,090	154%
3 Bedroom	4 People	\$100,100	140%
4+ Bedrooms	5 People	\$108,108	244%

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

Apartment Size	Household Size	2022 Minimum Wage Household Income ³	% of Minimum Wage Household Income Needed ¹
Studio	1 Person	\$29,120	275%
1 Bedroom	2 People	\$58,240	170%
2 Bedroom	3 People	\$87,360	159%
3 Bedroom	4 People	\$116,480	120%
4+ Bedrooms	5 People	\$145,600	181%

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

[2] Source: City of Santa Barbara, 2022. "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 \$14 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 2022 By Housing Type and Unit Size					
	Studio	1 BR	2 BR	3 BR	4+ BR
Apartments	\$2,000	\$2,473	\$3,475	\$3,500	\$6,600
Duplexes	NSD	\$2,523	\$3,800	\$5,350	NSD
Condos	NSD	\$2,700	\$4,500	\$4,850	NSD
Houses	NSD	\$3,975	\$4,500	\$6,000	\$8,750

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