



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** December 17, 2013

**TO:** Mayor and Councilmembers

**FROM:** City Attorney's Office  
City Administrator's Office

**SUBJECT:** Grant Agreement With Legal Aid Regarding Dario Pini

**RECOMMENDATION:** That Council:

- A. Authorize the City Administrator to execute a grant agreement, in a form of agreement acceptable to the City Attorney, with the Legal Aid Foundation of Santa Barbara County ("Legal Aid") in an amount not to exceed Twenty-Five Thousand Dollars (\$25,000) in order to reimburse Legal Aid for providing legal services to the tenants of city landlord Dario Pini; and
- B. Allocate \$25,000 from appropriated reserves to the City Attorney's Office to fund the proposed grant to Legal Aid.

**DISCUSSION:**

Last October, the City Attorney's office obtained a comprehensive Superior Court "code enforcement" judgment against local property owner Dario Pini with respect to every property owned by Mr. Pini within the City. A major component of this judgment provides for indirect Superior Court supervision of the Pini properties by a court-appointed attorney (called a "Special Master") for a period of five (5) years, expiring on December 31, 2018. The individual appointed by Superior Court Judge Colleen Sterne as the Special Master overseeing the Pini properties is local attorney, and former Santa Barbara County District Attorney, Stan Roden. As part of the Special Master oversight process, the judgment provides for regular quarterly hearings between City staff from code enforcement and the City Attorney's office, Mr. Pini and his property managers, and Mr. Roden. These regularly scheduled meetings will be in addition to any "emergency" hearings that may be convened by Mr. Roden at the City's request if newly discovered violations on Mr. Pini's properties involve serious tenant health or safety issues.

In effect, the City's judgment against Mr. Pini anticipates that the supervision of the Pini properties will be an ongoing work-intensive process for City Code Enforcement staff, the City Attorney's office, and the Special Master, particularly with respect to Mr. Pini's longstanding predilection for failing to properly maintain his larger multi-family apartment

properties within the City. The City received civil penalties in the amount of \$35,000 from Mr. Pini, and the imposition of additional civil penalties remains a potential, depending how appropriately Mr. Pini responds to the requirements of the Stipulated Judgment.

As part this ongoing enforcement process, Building & Safety and Zoning Code Enforcement staff are transitioning to what we consider “Phase II” – that of strictly enforcing the Pini judgment vis-à-vis his larger apartment complexes. This phase will involve prioritizing and inspecting each apartment building and, where warranted and with tenant consent, conducting interior inspections of each of the dwelling units within these buildings. Based on past experience, staff believes it is likely that the City will find it necessary to issue violation notices which will require Mr. Pini to do extensive work to bring the interiors of these units up to the “habitability” standards required by the City’s Uniform Housing Code. These sorts of “habitability” violations are likely to range from construction work done without permits (such as unpermitted work dividing one original unit into two illegal units) to extreme overcrowding. Staff also expects to find many cases of poor interior maintenance resulting in “uninhabitable” units. This would most likely involve such things as inadequate heating and ventilation, non-functioning plumbing, cooking, and electrical systems, and general dilapidation resulting from a lack of painting, proper floor coverings, and typical interior maintenance such as pest control.

Because these sorts of “habitability” violations are likely to necessarily impact many of Mr. Pini’s tenants and their families, the City Attorney’s Office and City Code Enforcement staff plan to closely coordinate our Phase II enforcement efforts with the Special Master and with a concurrent outreach program to the Pini tenants who may be negatively impacted by our efforts. While the goal of our Phase II enforcement efforts will be to improve the habitability of Mr. Pini’s dwelling units without causing a need for a tenant to vacate (even temporarily), there remains a distinct possibility that the remedial work will be so extensive that a unit must be vacated. Among other things, this outreach program will educate tenants about their rights as tenants under state law, particularly any rights they may have to monetary relocation assistance at Mr. Pini’s expense. We will also seek to use our meetings with the Special Master to address the potential relocation obligations Mr. Pini may have under the law.

Both City staff and the staff of Legal Aid Foundation of Santa Barbara County (Legal Aid) have been contacted on several occasions recently by tenants of Mr. Pini requesting assistance in protecting their legal rights as tenants, especially concerning their right to insist on a habitable dwelling unit and to be free of retaliation by Mr. Pini should they find it necessary to complain to the City or the Special Master about the condition of their dwelling unit. In staff’s experience, there is indeed a possibility of improper retaliation by Mr. Pini against his tenants for permitting these City inspections or for complaining to City Staff about the conditions of their units.

For these reasons, we believe it will be preferable for all concerned if Mr. Pini’s tenants have ready access to affordable legal services of the sort typically provided by a non-

profit legal aid law firm, such as Legal Aid. This situation is similar to that which occurred a few years ago when Code Enforcement staff found it necessary to force the owners of the Deluxe Trailer Park to shut down their mobile home park, which in turn forced all of Deluxe's tenants to relocate. In the case of Deluxe, the City agreed to make a grant to Legal Aid, which allowed all of the Deluxe tenants access to a lawyer; this access seemed to make the Deluxe relocation process very successful.

The Legal Aid Foundation has offered to allow City staff to refer Mr. Pini's tenants to Legal Aid in order to obtain their services should a tenant face retaliation or fail to receive appropriate relocation assistance. The terms of the grant agreement will provide that Legal Aid would be paid on a reimbursement basis – that is, Legal Aid will be reimbursed by an amount of up to \$1,250 for each tenant family they represent with the City grant providing for a hourly reimbursement rate for attorney services of \$125 per hour. The maximum amount of the grant will be \$25,000, at least initially.

As mentioned above, the City will make every effort, working through the Special Master process, to require Mr. Pini to provide the sort of relocation assistance required under these circumstances by state law, such as the provisions of the state Health & Safety Code relating to temporary evictions necessitated by an order of the Building Official. Thus, in seeking voluntary compliance by Mr. Pini with state law requirements, the City hopes to provide most of the tenants with the assistance they may need without necessarily having a tenant forced to seek the legal assistance from Legal Aid.

#### BUDGET/FINANCIAL IMPACT

Staff recommends an initial grant with Legal Aid in an amount not to exceed \$25,000. As part of the judgment against Mr. Pini, the City received civil penalties in the amount of \$35,000. These funds were received last fiscal year and deposited in the General Fund at that time. Staff recommends using \$25,000 of appropriated reserves to fund this request.

**SUBMITTED BY:** Paul Casey, Assistant City Administrator  
Steve Wiley, City Attorney

**APPROVED BY:** City Administrator's Office