CHAPTER III – HOUSING NEEDS SUMMARY

A. Existing Housing Needs

State Housing Element Law requires the City to consider a wide range of factors that have an impact on housing supply, demand, and affordability, such as population and employment growth, the condition of the housing stock, and the needs of segments of the population with special needs, such as the elderly, persons with disabilities, and large families or single parent households. This chapter summarizes the key points of the City's existing housing needs; additional information is available in Appendix A – Housing Needs Assessment.

1. Population Projections and Employment Trends

Sausalito's population has remained relatively constant from 7,338 people in 1980 to 7,061 people in 2010. The age breakdown of community's population in 2010 was strongly skewed towards those aged 25 and older. According to the Marin Commission on Aging[1], the greatest increases in population age groups in Marin County from 2000 to 2020 are expected to be persons 60 years or older. The 2010 Census shows that one quarter of Marin residents are 60 years of age or older, and about two-thirds of those aged 85 and older are women.

2007 ABAG projections indicated that in 2010 Sausalito would have 5,290 employed residents. In 2008, two thirds of the employed residents were employed in professional, management, business or financial occupations. Other sectors include service, sales and office, farming, fishing, and forestry, construction, extraction and maintenance, production, transportation and material moving. 2008 data showed that the majority of employed Sausalito residents were employed by for-profit organizations (66%) or self-employed (22%).

The 2007 ABAG projections also projected a slowing rate of job growth in Sausalito, and a higher jobs/housing balance ratio by the year 2020. The ratio of jobs per households is expected to increase in Sausalito from 1:1.6 in 2000 to 1:1.7 in 2020. A highly skewed ratio often implies that workers must commute far from where they live, although a balanced ratio towards 1:1 does not necessarily guarantee a reduction in commute trips. Therefore, one focus of the Housing Element is to address the issue of matching housing costs and types to the needs and incomes of the community's employed residents.

[1] Marin Commission on Aging, Marin County Area Plan for Aging 2009-2012

ATTACHMENT B

2. Summary of Housing Needs

The summary of existing housing needs is organized into four areas: housing availability, housing affordability, housing adequacy and special needs households. These needs are summarized in Table 3.1. Items 3 through 6 in this section explain the four areas in detail.

Table 3.1: Existing Housing Needs in Sausalito

Housing Availability			*Housing Affordability*		
Total Housing Units	**4,536**		**Overpaying Households** (>30% Income on Rent)		
Total Occupied Units	**4,112**		Renters	736	34%
Owner-Occupied	2,088	51%	- Low Income Renters (<80% AMI)	487	84%
Renter-Occupied	2,044	49%			
Total Vacant Units	**424**	**9.3%**	Owners	753	36%
Owner Units	50	2.3%	- Low Income Owners (<80% AMI)	343	74%
Rental Units	140	6.4%			
Seasonal, Recreational	158				
Other Vacant	76				
Housing Adequacy			*Special Needs Households/Persons*		
Overcrowded Households (>1.01 Persons/Room)			Households with Seniors (65+)	1,083	26%
Renter	52	2.4%	- Senior Homeowners	820	(75%)
Owner	9	<1%	- Senior Renters	263	(25%)
			- Seniors Living Alone	335	(31%)
			Disabled Persons	1,166	16%
Est. Substandard Units	5		Female-Headed Families	146	4%
			Large Households (5+ persons)	41	1%
			Farm/fishery workers	10	<1%
			Homeless Persons	30	<1%

Sources: 2010 Census (Housing Units, Owner/Renter Tenure, Vacant Units, Special Needs Groups – Seniors, Female-Headed, Large Households); 2000 Census (Overcrowding, Special Needs Groups - Disabled, Farm/Fishery Workers); HUD Comprehensive Housing Affordability Strategy (CHAS) Data Book 2003 (Overpaying households); Sausalito Building Department (Substandard housing units); 2011 Marin Point in Time Homeless Count.

3. Housing Availability

Sausalito's 2010 housing stock consists of 4,536 housing units, of which roughly half are single-family attached and detached homes and condominiums, and half are multi-family apartment units, duplexes and triplexes. Residential growth is limited -- the Census recorded a net increase of only 25 units during the past decade, with the 22 unit affordable senior project developed by Rotary Housing comprising the bulk of these new units. Two important forms of affordable housing in Sausalito – accessory dwelling units and liveaboards – have historically been undercounted by the Census, and are integral to the City's Housing Element sites strategy.

Sausalito is the only community in Marin County which evidenced a decline in its population between 2000 and 2010, decreasing four percent from 7,330 to 7,061. Today, 47 percent of Sausalito's households are single person households, and 26 percent of households are seniors (age 65 and above), contributing to an average household size of just 1.7 persons.
Housing tenure in Sausalito is a balance between owners (51%) and renters (49%). While the 2010 Census identifies 424 units as vacant (9.3%), over one-third of the vacant units are seasonal or vacation homes. The vacancy rate among the City's owner housing is 2.3 percent, and 6.4 percent among the City's rental housing.

4. Housing Affordability

The level of overpayment is commonly used as a measure of housing affordability. Overpayment is defined by State and Federal standards as spending more than 30 percent of gross household income on housing. By this standard, 34 percent of renters and 36 percent of homeowners in Sausalito overpaid for housing in 2000. Among low income households (those earning less than 80% the area median income, or AMI), 84 percent of low income renters overpaid and 74 percent of low income owners overpaid.

An assessment of the affordability of current market rents and housing prices in Sausalito reveals the following. Citywide apartment rents are above the level affordable to very low and low income households, making it difficult for lower income occupations such as home-health care providers, retail and restaurant workers, and childcare providers to rent in Sausalito. For-sale housing prices in Sausalito are well beyond the reach of moderate income households, impacting the ability of occupations such as school teachers, marine workers, and public safety personnel to purchase housing where they work.

Survey data on liveaboards and accessory dwelling units (ADUs) collected by the City in 2010 document that these forms of housing provide an important source of affordable housing in the community. Total liveaboard housing costs (including berth rents; liveaboard, parking and storage fees; utility costs; and pump out charges) fall well within the levels affordable to low income households in Marin County. And rental information on nearly 100 accessory dwelling units in Sausalito indicates 28 percent of rented ADUs are affordable to very low income households, 57 percent are affordable to low income households, and 15 percent are affordable to moderate income households. (Refer to Chapter IV – Housing Resources for the more detailed discussion of liveaboard and ADU rents.)

5. Housing Adequacy

A common measure of housing adequacy and quality is the age distribution of the housing stock. Over 85% of the 4,533 housing units in Sausalito in 2000 were built before 1980. Of these units, more than 50% were built before 1960 and 25% were built before 1940. As a result, Sausalito's housing stock is old. A general rule in the housing industry is that structures over 30 years typically begin to show signs of deterioration and require reinvestment to maintain or upgrade their quality. However, despite the advanced age of the housing stock in Sausalito, the general condition of the units is very good due to ongoing repairs, maintenance, rehabilitation, and reconstruction. The City's Building Division has reported that there are five dwellings in Sausalito that are in need of repair and not currently under permit.

The incidence of overcrowded housing is another general measure of whether there is an available supply of adequately sized housing units. The State defines an overcrowded unit as one occupied by more than 1.01 people per room excluding bathrooms and kitchens. A unit with more than 1.5 people per room is severely overcrowded. In Sausalito in 2000, only 1.43% percent (61 households) of all households were considered overcrowded, and of these, about 40 households were severely overcrowded. 52 of the overcrowded households were renter households, and nine were owner households.

6. Special Needs Households

Certain segments of the community may have particular difficulties in finding decent, affordable housing because of their special needs and circumstances. In Sausalito, these special needs groups include seniors, persons with disabilities, single-parent and female-headed households, large households, farmworker households, marine workers, and the homeless.

a. Seniors

Seniors are a significant special needs group in Sausalito, with 21 percent of the City's population age 65 and above in 2010, nearly double the 11 percent share of seniors statewide. Over one-quarter of Sausalito's households are headed by seniors, with homeowners comprising three-quarters of the community's 1,083 senior households and renters comprising the remaining one-quarter. An estimated 335 seniors live alone (31% of senior households) and approximately 40 percent are low income (<80% AMI).

With the overall aging of society and the community in Sausalito, the need for affordable and specialized housing for older residents will grow. The particular housing needs of this group include the need for smaller and more efficient housing, for barrier-free and accessible housing, and for a wide variety of housing with health care and/or personal services, including the provision of a continuum of care as elderly households become less self-reliant. Typical forms of housing to meet the needs of seniors include smaller attached or detached housing for independent living (both market rate and below-market rate); "granny" or "in-law" ADUs and housing where an in-home care-giver may reside; shared housing; age-restricted subsidized rental developments; assisted living facilities; and skilled nursing homes.

Low- and very-low-income seniors often cannot afford the cost of assisted living facilities in Marin. According to a report in 2009 by the Marin County Division of Aging, the average basic rent for assisted living was between $3,500 to $4,000 per month for a single bed (room, bathroom, and three meals a day). Personal care was an additional cost above the basic housing charge.

Sausalito has three small affordable housing projects for seniors. Bee Street Housing is owned and managed by the non-profit Ecumenical Association for Housing (EAH), and Rotary Village and Rotary Place are owned by Rotary Housing. The three facilities provide a total of 38 units of affordable rental housing for very-low income seniors.

b. Persons with Disabilities

Physical and mental disabilities can hinder access to traditionally designed housing units as well as potentially limit the ability to earn income. Disabilities refer to mental, physical, or health conditions that last over six months. The 2000 Census documented 1,166 persons with one or more disabilities in Sausalito, representing 16 percent of the population. Among the City's senior citizens (age 65 and over), 300, or one third, were identified as having a disability. Depending on the type and severity of disabilities, as well as personal preference and lifestyle, this group requires a wide range of housing types to serve its needs. The design of housing, accessibility modifications, proximity to services and transit, and group living opportunities represent some of the considerations and accommodations important in serving the disabled population.

The Golden Gate Regional Center currently provides services to eight persons with developmental disabilities residing in the 94965 zip code, generating an estimated need for three housing units. Golden Gate has identified a number of community-based housing types appropriate for persons living with a developmental disability: licensed community care facilities and group homes; supervised apartment settings with support services; SB 962 homes (for persons with special health care and intensive support needs); and for persons able to live more independently, rent subsidized homes; inclusionary housing, and Section 8 rental vouchers.

Sausalito's Housing Element sets forth several programs which seek to encourage and facilitate housing for persons with disabilities, enable group homes and ensure reasonable accommodation (9. Non-Traditional Housing Types, 21. Zoning Text Amendments for Special Needs Housing, 25. Reasonable Accommodation Procedures, 26. Universal Design/Visitability).

c. Large Households

Large households, defined as households with five or more persons, typically consist of families with children. The 2010 Census identifies 41 large households in Sausalito - 22 homeowners and 19 renters – representing just one percent of all households. The limited number of large households is not surprising as families with children comprise only ten percent of Sausalito's households. While large households are not a significant special needs group, the City is interested in providing a greater range of housing options to allow families to reside in the community.

d. Single Parent and Female-Headed Households

Single parent and female-headed households may have difficulty finding appropriately sized housing and need affordable housing with day care and recreation programs on-site or nearby, in proximity to schools and with access to services. Also, despite fair housing laws, discrimination against children may make it more difficult for this group to find adequate housing. Women in the housing market, especially the elderly, lower and moderate income individuals, and single-parents, face significant difficulties finding housing, and both ownership and rental units are extremely expensive relative to the incomes of many people in this population category. In 2010 there were 146 female headed householders in family households with no husband present, which amounted to 3.6 percent of the total number of households in Sausalito. Nearly half of these female-headed families (62 households) included children under the age of 18.

e. Farmworker (and Fishery Worker) Households

State law requires that jurisdictions evaluate the need for farmworker housing in the housing element. According to the US Census, the "farmworker" occupational category includes those working in the farming, fishing and forestry industries. In Sausalito, farmworkers are reflective of persons working in the fishing industry, and overlaps with the community's marine industry. There are no agricultural uses in Sausalito and, because lots tend to be small, the demand for landscape maintenance workers is small. The 2000 Census identifies just ten persons employed in agriculture, forestry, fishing and hunting, which were likely those working within the fishing industry. Sausalito has a diversity of housing types, including houseboats and liveaboards that could serve the needs of this special needs group.

f. Marine Workers

Marine workers are an integral part of the community's history and the working waterfront. Marine-related occupations including boat builders and boat repair workers, sailmakers, canvas workers, marine surveyors, harbor masters, ship mates, captains and merchant marines, among others. Many of Sausalito's marine workers reside on liveaboards, and the majority are lower income. The Galilee Harbor co-op was specifically established to provide an affordable liveaboard community for Sausalito's artists and maritime workers, and since 2003 has provided 38 rent- and income-restricted berths. Support of similar and other affordable housing options consistent with existing zoning would help workers to locate in Sausalito, and showcase the skills of local marine workers.

g. Individuals and Families who are Homeless

Homelessness continues to be one of most visible reminders of the pressing needs facing families and individuals in marginal economic, housing, and health conditions. This population consists of a wide range of persons and families suffering from domestic violence, mental illness, substance abuse, and joblessness among a number of other conditions.

According to the 2011 Marin County *Point in Time Count of Homeless Persons,* there were 30 persons counted in Sausalito that met the Marin County Health and Human Services definition of "unsheltered" homeless.[2] The *Point in Time Count* identified 574 unsheltered homeless Countywide, and a total of 1,220 sheltered and unsheltered homeless persons.

The nearest emergency shelters to Sausalito are located in Novato and San Rafael. The Fireside Apartments, located less than a mile away in Mill Valley, offers ten of its fifty units as permanent supportive housing for homeless families.

[2] The County defines unsheltered as any person that resides in a place not meant for human habitation, such as a car, park, sidewalk, open space or on the street.

B. Future Housing Needs

State Housing Element law[3] requires that each city and county develop local housing programs to meet its respective "fair share" of existing and future housing needs for all income groups, as determined by the jurisdiction's council of governments. This "fair share" allocation concept seeks to ensure that each jurisdiction accepts responsibility for the housing needs of its resident population across all income categories, as well as the jurisdiction's projected share of regional housing growth. Regional growth needs are units that need to be added in each jurisdiction to accommodate the forecasted number of households, as well as the number of units that would need to be added to compensate for anticipated demolitions and changes to achieve an "ideal" vacancy rate.

The "fair share" allocations for Sausalito and other Bay Area jurisdictions are determined by the Association of Bay Area Governments (ABAG), based upon a regional housing need projection established by the State for the 2007-2014 Housing Element cycle. Using the state's projection, ABAG distributed "fair share" allocations by income categories to each jurisdiction in the Bay Area. These allocations are referred to as the Regional Housing Needs Allocation (RHNA). The RHNA represents the minimum number of housing units each jurisdiction is required to accommodate. The jurisdiction needs to demonstrate in its housing element that is has "adequate sites" to accommodate its RHNA. The adequate sites analysis is one of the primary criteria necessary to achieve certification of a housing element by the State Department of Housing and Community Development (HCD).

Sausalito's RHNA for the 2007-2014 planning cycle was established by ABAG at 165 housing units (refer to **Table 3.2**), allocated among the four income categories. State Housing Element law also requires an estimate of the future housing needs of "extremely low income households" (0-30% AMI) as a subset of very low income households (0-50% AMI). Extremely low income households comprise an estimated half of Sausalito's very low income households, translating to 23~~2~~ extremely low income housing units.

Table 3.2: City of Sausalito Regional Housing Needs Allocation 2007-2014

Income Level	Percent AMI	Housing Unit Growth Needs
Very Low*	0-50% AMI	45
Extremely Low*	0-30% AMI	(23)
Low	51-80% AMI	30
Moderate	81-120% AMI	34
Above Moderate	120%+ AMI	56
TOTAL		165

* Of the total 45 unit very low income RHNA allocation, half is allocated to extremely low income households, and half to very low income households.

[3] Government Code 65580 et seq.

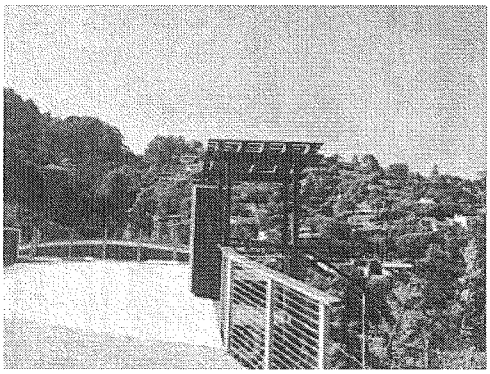
Assembly Bill 1233, which took effect on January 1, 2006, requires local governments which failed to ~~"carry over" RHNA allocations if a housing element fails~~ to identify or make adequate sites available in the~~o~~ prior planning period to "carry over" any unaccomodated RHNA need. Since Sausalito did not adopt housing element for the prior 1999-2006 planning period, the City must carry-over any unaccomodated~~the~~ RHNA allocation from the prior planning period into the current 2007-2014 planning period. Furthermore, any rezoning necessary to address the shortfall in sites from the prior planning period must be completed within the first year of the new housing element. As presented in **Table** 4.~~13.3~~ in the following Chapter,~~below,~~ Sausalito has fully addressed its prior 1999-2006 RHNA for 207 units through a combination of developed projects and existing residential zoning, and thus has no RHNA carry-over into the 2007-2014 planning period. ~~has a carry-over of 207 units from the prior 1999-2006 planning period. It is noteworthy that a significant portion of the 207 housing need units from the 1999-2006 planning period were determined when Sausalito had a larger sphere of influence, including Marin City, the Manzanita/Heliport area, and Fort Baker. While all these areas except for the Manzanita/Heliport area were removed from Sausalito's jurisdiction in 2004 by the Marin Local Agency Formation Commission (LAFCo), Sausalito did not receive relief from the housing need allocation, or credit for units built during that time period in the removed areas.~~

~~Table 3.3: City of Sausalito Regional Housing Needs Assessment 1999-2006~~

~~Income Level~~	~~Percent AMI~~	~~Housing Unit Growth Needs~~
~~Very Low*~~	~~0-50% AMI~~	~~36~~
~~Low~~	~~51-80% AMI~~	~~17~~
~~Moderate~~	~~81-120% AMI~~	~~50~~
~~Above Moderate~~	~~120%+ AMI~~	~~104~~
~~TOTAL~~		~~207~~

~~* Of the total 36 unit very low income RHNA allocation, half is allocated to extremely low income households, and half to very low income households.~~

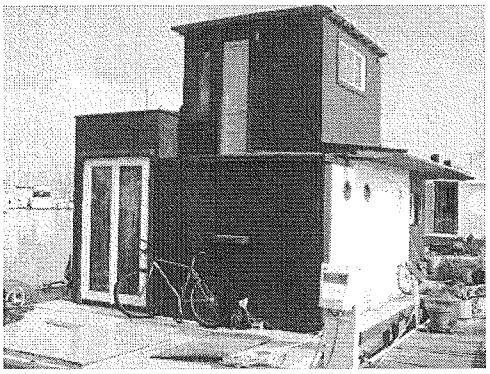
~~As detailed in the Sites Inventory analysis in Chapter IV, a sufficient supply of sites zoned at appropriate densities is available to accommodate the carry-over RHNA of 207 units from the prior planning period, as well as the current RHNA of 165 units. As such, no rezoning is required to address the identified RHNA carry-over from the prior planning period. Table 3.4 summarizes how the prior RHNA carry-over is met through: a) units constructed during the prior planning period, and b) the sites inventory.~~



~~Table 3.4: RHNA Compliance for Prior Planning Period 1999-2006~~

	~~Very Low~~	~~Low~~	~~Moderate~~	~~Above Moderate~~	~~Totals~~
~~Prior 1999-2006 RHNA~~	~~36~~	~~17~~	~~50~~	~~104~~	~~207~~
~~Units constructed 1999-2006~~	~~22~~	~~--~~	~~--~~	~~20~~	~~42~~
~~Site Inventory~~	~~42~~	~~42~~	~~52~~	~~35~~	~~171~~
~~R-1 District Capacity~~	~~--~~	~~--~~	~~--~~	~~19~~	~~19~~
~~R-2 5 District Capacity~~	~~--~~	~~--~~	~~--~~	~~16~~	~~16~~
~~R-2 2.5 District Capacity~~	~~6~~	~~6~~	~~39~~	~~--~~	~~51~~
~~R-3 District Capacity~~	~~19~~	~~19~~	~~--~~	~~--~~	~~38~~
~~Commercial District Capacity~~	~~17~~	~~17~~	~~13~~	~~--~~	~~47~~
~~Totals~~	~~64~~	~~42~~	~~52~~	~~55~~	~~213~~

~~The following Table 3.5 illustrates the calculation of Sausalito's aggregate RHNA of 372 units for both the 1999-2006 and 2007-2014 housing element planning periods.~~

~~Table 3.5: RHNA for 1999-2006 and 2007-2014 Planning Periods~~

	~~Very Low~~	~~Low~~	~~Moderate~~	~~Above Moderate~~	~~Totals~~
~~1999-2006 RHNA~~	~~36~~	~~17~~	~~50~~	~~104~~	~~207~~
~~2007-2014 RHNA~~	~~45~~	~~30~~	~~34~~	~~56~~	~~165~~
~~Aggregate RHNA 1999-2014~~	~~81~~	~~47~~	~~84~~	~~160~~	~~372~~