

## CHAPTER IV – HOUSING RESOURCES

An important component of the Housing Element is the identification of sites for future housing development, and an evaluation of the adequacy of these sites in fulfilling the City's share of regional housing needs (RHNA). This "Housing Resources" chapter describes the resources available for development, rehabilitation, and preservation of housing in Sausalito, including sites for new housing; financial and administrative resources available to facilitate housing production and housing-related services; and opportunities for energy conservation in existing and new residential development as a means of reducing housing costs.

### A. Sites to Accommodate the 1999-2006 RHNA

As described in the prior section on Future Housing Needs, California State Housing Law states:

"For housing elements due on or after January 1, 2006, if a city or county in the prior planning period failed to identify or make available adequate sites to accommodate the regional housing need allocated, then the city or county shall, within the first year of the planning period of the new housing element, zone or rezone adequate sites to accommodate the unaccommodated portion of the regional housing need allocation from the prior planning period."

Sausalito did not adopt a housing element for the prior 1999-2006 planning period. Hence, the City must carry over any unaccommodated RHNA need to the new housing element. The State Department of Housing and Community Development (HCD) recommends the following steps to determine the "unaccommodated" RHNA need:

- Step 1: Subtract the number of units from the RHNA approved or constructed (by income category) since the start of the prior planning period.
- Step 2: Subtract the number of units from the RHNA that could be accommodated on any appropriately zoned sites specifically identified in the element adopted for the previous planning period.
- Step 3: Subtract the number of units from the RHNA accommodated on sites rezoned for residential development pursuant to the site identification programs in the element adopted for the prior planning period.
- Step 4: Subtract the number of units from the RHNA accommodated on sites rezoned for residential development independent of the sites rezoned in conjunction with the element's site identification program.

As illustrated in Table 4.1, Sausalito has fully addressed its 207 unit RHNA need for the 1999-2006 planning period through:

- a) Units approved or built during the prior planning period
- b) Existing residential zoning

-Because the City does not have an unaccommodated housing need, its 1999-2006 RHNA does not carry over into the future planning period.

**Table 4.1: Unaccommodated Housing Need Analysis – 1999-2006 RHNA**

<u>Income Levels</u>	<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Moderate</u>	<u>Total</u>
<u>RHNA</u>	<u>36</u>	<u>17</u>	<u>50</u>	<u>104</u>	<u>207</u>
<u>Units Approved/Built</u>	<u>34</u>	<u>26</u>	<u>0</u>	<u>20</u>	<u>80</u>
<u>Existing Residential Zoning</u>					
<u>R-1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>19</u>	<u>19</u>
<u>R-2-5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>16</u>	<u>16</u>
<u>R-2-2.5</u>	<u>6</u>	<u>6</u>	<u>38</u>	<u>0</u>	<u>50</u>
<u>R-3</u>	<u>19</u>	<u>19</u>	<u>0</u>	<u>0</u>	<u>38</u>
<u>CN-1/CR</u>	<u>17</u>	<u>17</u>	<u>13</u>	<u>0</u>	<u>47</u>
<u>Total</u>	<u>76</u>	<u>68</u>	<u>51</u>	<u>55</u>	<u>250</u>
<u>Remaining Need</u>	<u>-40</u>	<u>-51</u>	<u>-1</u>	<u>49</u>	<u>0</u>

### 1. Housing Constructed in Prior Planning Period

As presented in Table 4.1, a total of 80 net new units were provided in Sausalito during the prior 1999-2006 planning period, including 60 units affordable to very low and low income households.

- 22 very low income units were developed by the non-profit Rotary Housing as part of the Rotary Village senior housing project.
- The 38 slip Galilee Harbor marina was completed in 2003, providing permanent space for liveaboard boats and houseboats occupied by members of the Galilee cooperative. 12 berths (or units) in Galilee Harbor are restricted to very low income households and another 26 berths are restricted or priced at low income levels, as described in greater detail in the Liveaboard section of this chapter.
- The City issued building permits for 20 market rate units during the planning period, providing housing for above moderate income households.

### 2. Site Capacity within Existing Zoning

As detailed in the Sites Inventory section which follows, Sausalito has developed a thorough and realistic approach to identifying sites suitable for development during the planning period. Through this more refined site inventory analysis, the City is able to demonstrate sufficient site capacity zoned at appropriate densities to accommodate its RHNA for both the prior and current planning periods.

As summarized in Table 4.1 (and provided in greater detail in Table 4.3), sites have been identified within Sausalito's residential and commercial these districts suitable to accommodate 42 units affordable to very low income households, 42 units affordable to low income households, 51 units affordable to moderate income households, and 35 units affordable to above moderate income households. (While the sites inventory provides a shortfall of sites to accommodate Sausalito's above moderate income needs, the excess site capacity under very low and low income units can offset this shortfall.)

### B. Sites Inventory

This ~~chapter section~~ documents the methodology used to demonstrate the capacity of the City's land supply for the 2009 – 2014 Housing Element planning period. The methodology recognizes Sausalito's unique small-town character and the residents' strong desire to preserve and strengthen the community's history, character and overall sense of place.

The methodology for meeting the City's regional housing needs allocation (RHNA) employs a balanced approach utilizing the full range of options allowed under State Housing Element law. ~~Additionally, a "buffer" is provided above the required RHNA. The State Department of Housing and Community Development (HCD) recommends that jurisdictions provide extra capacity in their site inventory to offset sites that may be developed at lower densities, and therefore a "buffer" is provided above the required RHNA. The 1999-2006 planning period has a 162% buffer, and the 2007-2014 planning period has a 11630% buffer.~~

Sausalito's sites strategy includes housing units built or issued building permits during the planning period, accessory dwelling units, liveaboards, and potential housing units on vacant and under-utilized parcels.

This strategy acknowledges the built-out, dense development pattern of the City, its unique demographics (very high percentage of single-person households), and significant physical constraints to the development of new residential and mixed-use projects (e.g., steep slopes, small lots, proximity to watercourses). ~~Tables 4.1, 4.2, and 4.3 summarize the potential housing units and provides a comparison with Sausalito's 2007-2014 the RHNA. These tables include a summary for the 1999-2014 planning period, and breakdowns for the 1999-2006 and 2007-2014 planning periods. A list of sites with potential housing units is provided in Appendix C – Residential Sites Analysis.~~

Table 4.1: Potential Housing Units during 1999-2014 Planning Period

Income Levels	Very Low	Low	Moderate	Above Moderate	TOTALS	
<b>RHNA TARGETS</b>	<b>81</b>	<b>47</b>	<b>84</b>	<b>160</b>	<b>372</b>	
Approved/Built	22	0	1	29	52	12%
R-1 District Capacity	0	0	0	19	19	4%
R-2-5 District Capacity	0	0	0	16	16	4%
R-2-2.5 District Capacity	6	6	38	0	50	12%
R-3 District Capacity	19	19	0	0	38	9%
Commercial District Capacity	17	17	13	0	47	11%
Existing Liveboards	12	64	0	0	76	18%
Future Liveboards	0	55	0	0	55	13%
New Accessory Dwelling Units	14	27	7	0	48	11%
Existing Accessory Dwelling Units	7	15	4	0	26	6%
<b>TOTALS</b>	<b>97</b>	<b>203</b>	<b>63</b>	<b>64</b>	<b>427</b>	
Percentage Over Target	20%	322%	-25%	-60%	15%	BUFFER
Difference	16	156	-21	-96	55	

Note: As the ADU and Liveaboard policies are not yet in place for the prior 1999-2006 planning period, all of the units under these strategies are placed in the calculations for the current 2007-2014 planning period.

Table 4.23: Potential Housing Units during 2007-2014 Planning Period

Income Levels	Very Low	Low	Moderate	Above Moderate	TOTALS	% Total Units
<b>RHNA TARGETS</b>	<b>45</b>	<b>30</b>	<b>34</b>	<b>56</b>	<b>165</b>	
Approved/Built	0	0	1	9	10	3%
R-1 District Capacity	0	0	0	190	190	50%
R-2-5 District Capacity	0	0	0	160	160	40%
R-2-2.5 District Capacity	60	60	380	0	500	140%
R-3 District Capacity	190	190	0	0	380	110%
Commercial District Capacity	170	170	130	0	470	130%
Existing Liveaboards	012	6438	0	0	3876	1135%
Future Liveaboards	0	55	0	0	55	1526%
New Accessory Dwelling Units	14	27	7	0	48	1422%
Existing Accessory Dwelling Units	7	15	4	0	26	742%
<b>TOTALS</b>	<b>6333</b>	<b>17761</b>	<b>6312</b>	<b>44</b>	<b>32147</b>	
Percentage Over/Under RHNA Target:	<u>40-27%</u>	<u>49037%</u>	<u>-865%</u>	<u>-2184%</u>	<b>11030%</b>	<b>BUFFER</b>
Unit Capacity Over/Under RHNA Target:	<u>-182</u>	<u>14731</u>	<u>-292</u>	<u>-4712</u>	<u>18250</u>	

## 1. Units Built or Approved within the Planning Period

The City has issued building permits for ~~ten~~ 52 housing units since the start of ~~the~~ during the current two Housing Element planning periods (January 2007 ~~July 1999~~ – December 2011). As illustrated in Table 4.1, ~~22 of these units were affordable to very low income households (Rotary Village senior housing);~~ ~~One of these units~~ was affordable to moderate income households (a residential unit above commercial), ~~with~~; and ~~nine~~ 29 units priced at levels ~~for~~ were affordable to above moderate income households.

## 2. Vacant and Underutilized Land

State Housing Element law requires local governments to prepare an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites. The inventory of land suitable for residential development must be used to identify sites that can be developed for housing within the planning period. In terms of evaluating the adequacy of these sites to address the affordability targets established by the RHNA, State Housing Element law provides for use of “default densities” to assess affordability. Based on its population, Sausalito falls within the default density of 20 units/acre for providing sites affordable to very low and low income households. For moderate income households, a threshold of 12 units/acre is used to reflect a reasonable density for achieving moderate income development.

Table 4.43: Acreage and Number of Parcels by Zoning District

Land Use Category	Zoning	No. of Parcels	Acreage	Average Density	Projected Dwelling Units
<b>VACANT RESIDENTIAL SITES</b>					
Very Low Density Residential	R-1-20	13	5.58	3.3 du/acre	13
Low Density Residential	R-1-8	1	0.22	4.6 du/acre	1
Medium Low Density Residential	R-1-6	5	0.65	7.8 du/acre	5
Medium Density Residential	R-2-5	1	1.90	8.4 du/acre	16
Medium High Density Residential	R-2-2.5	7	0.91	17.5 du/acre	14
High Density Residential	R-3	1	0.41	26.7 du/acre	11
<b>Subtotal</b>		<b>28</b>	<b>9.66</b>		<b>60</b>
<b>UNDERUTILIZED TWO-FAMILY &amp; MULTI-FAMILY SITES</b>					
Medium High Density Residential	R-2-2.5	25	3.66	18.6 du/acre	36
High Density Residential	R-3	15	2.33	27.0 du/acre	27
<b>Subtotal</b>		<b>40</b>	<b>6.00</b>		<b>63</b>
<b>UNDERUTILIZED MIXED USE SITES</b>					
Neighborhood Commercial	CN-1	10	1.35	17.5 du/acre	21
Mixed Residential & Commercial	CR	9	1.12	25.3 du/acre	26
<b>Subtotal</b>		<b>19</b>	<b>2.47</b>		<b>47</b>
<b>TOTAL</b>		<b>87</b>	<b>18.13</b>		<b>170</b>

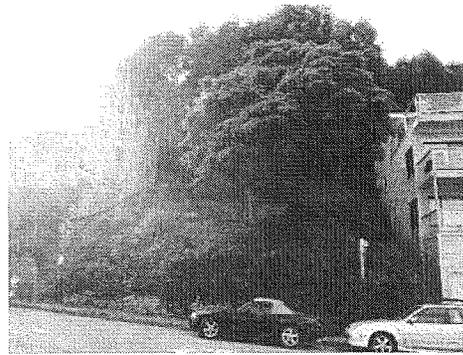
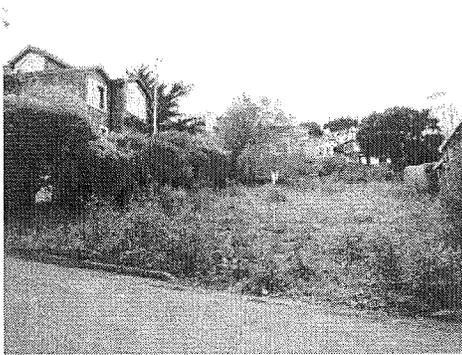
#### a. Residential Infill Sites

A review of all parcels within the City with residential zoning in place yields a total of **68** parcels that are considered good candidates for infill residential development (refer to **Table 4.34**). On these parcels, it is estimated that **123** new residential units could be built in the future under existing zoning regulations.

In order to assure a meaningful analysis, a number of filters were developed in order to identify only those properties that truly have realistic development potential. The filters indicate parameters below which development would likely be challenging and less feasible. Please see Appendix C – Vacant and Underutilized Sites Analysis for a more detailed explanation of each filter.

- Parcels of 40% average slope or more were excluded for R-2 and R-3 Districts as steeper slopes create more development constraints;
- All landlocked parcels were removed as access would be a challenge;
- Underutilized parcels with existing homes built after 1980 were removed;
- All parcels less than 3,000 square feet (s.f.) in size were removed as parcels that are too small present challenges meeting development standards;
- All parcels on the City's List of Noteworthy Historic Structures were removed;
- All parcels on the City's list of Constructed and Approved projects were removed to avoid double-counting;
- All parcels that could take on only one additional unit were included if there was relatively straightforward development potential. Lots that were included had underutilized portions, or had existing buildings where another floor could be added without conflicting with development standards, or had existing buildings that were dilapidated or abandoned;
- All parcels that had obvious parking constraints preventing the addition of units were removed; and
- Visual checks were made using Google Earth and Google Streetview, and site visits were made to all parcels listed, to ascertain the actual build out and visual conditions of buildings.

The City allows a fairly dense development pattern through the application of the zoning regulations which allow floor area ratios of 35% and 50%, front yard setbacks of zero feet (including corner lots), five foot side yard setbacks typically, and a height limit of 32 feet.



### b. Commercial Infill Sites

The existing zoning regulations allow for residential uses on upper floors of commercially-zoned property. This form of mixed-use infill development is an ideal way for the City to utilize its existing stock of parcels currently served by existing roads and utilities. Residents over ground floor commercial provide passive security for the area, provide a built-in customer base, and create increased activity and vitality within commercial areas. This form of traditional mixed-use enhances the historic development pattern found in the commercial areas of the City where a number of apartments and flats exist above street level retail spaces.

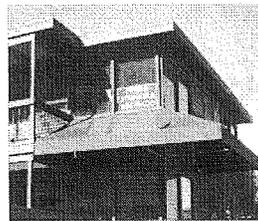
Parcels with residential development potential in the CC, CN-1, and CR, Zoning Districts were identified based on the following filters:

- Parcels of 40% slope were excluded as steeper slopes create more development constraints;
- All landlocked parcels were removed as access would be a challenge;
- All parcels less than 3,000 square feet (s.f.) in size were removed as parcels that are too small present challenges meeting development standards;
- All parcels that were deemed infeasible due to size, age and condition of existing buildings were removed;
- All parcels on the City's List of Noteworthy Historic Structures were removed;
- All parcels that had obvious parking constraints preventing the addition of units were removed;
- All parcels that were on the City's list of Constructed and Approved projects were removed to avoid double-counting; and
- Visual checks were made using Google Earth and Google Streetview, and site visits were made to all parcels listed, to ascertain the actual build out and visual conditions of buildings.

As depicted in **Table 4.34**, 19 parcels were identified as good candidates for mixed-use development under existing zoning designations. Some sites would support adding new residences by converting existing commercial space, constructing new upper levels, or above existing buildings, where other sites would involve a redevelopment of the site by demolishing existing buildings and erecting new buildings. There are 47 units in this category, which represents 11% of the total housing units planned.

An additional visual survey of all commercial parcels in the City showed that there are currently at least 8 existing upper-floor commercial units with lease signs, and are suitable for conversion into housing.

None of the Commercial Infill Sites are located within the Marinship. Changes in land use within the Marinship are subject to the Fair Traffic Initiative, which would require a city-wide vote.



### 3. Liveboards

Sausalito has a long-standing tradition as a working waterfront with a vibrant marine culture that has defined the community for over 100 years. There are eight marinas in the City with over 1,500 vessels where several hundred boat owners reside on their boats as permanent “liveaboard” housing. In recognition of the important role liveaboards play in providing affordable housing for the community’s marine workers and other modest income residents, the San Francisco Bay Conservation and Development Commission (BCDC) and Sausalito Zoning Ordinance both allow for up to 10% of marina berths to be used as permanent liveaboard housing. The Environmental Protection Agency and the National Oceanic and Atmospheric Administration support the provision of liveaboards in well-managed marinas as an environmentally sustainable housing option.

In order to document the nature and affordability of liveaboards in Sausalito, the City conducted an anonymous survey of liveaboard tenants in Sausalito’s marinas in 2009. A total of 42 written surveys were completed, providing the following insights into Sausalito’s liveaboard population<sup>1</sup>:

- Liveaboard residents are generally not transient and tend to stay on their boats for extended periods of time. The average tenure of those surveyed was over 10 years, with 73% of respondents living on their boats at least the last five years.
- The overwhelming majority of liveaboards consider themselves permanent residents of their boats, and when asked whether they would prefer to spend their money on a boat or an apartment, 94% expressed a preference for living on board.
- In addition to lifestyle preference, many liveaboard tenants earn modest incomes and are only able to afford to live in Sausalito by living on their boats. The survey documents a median income of \$42,500 among liveaboards and the median cost of a berth at \$660, well below the \$1,900 average rent for a one-bedroom apartment in Sausalito.
- While the majority (62%) of liveaboards are single-person households, 33% of survey respondents are two person households, and 5% are three person households. Roommates, couples and single-parent households typify Sausalito’s multi-person liveaboards.
- A large number of liveaboard residents are employed in marine-related occupations, and include boat builders and repair, sail makers, restorers of historic boats, maritime artists, marine surveyors, harbor masters, shipmates and boat captains, among others. Living on the water allows these marine workers to showcase their skills and to live near work opportunities.

For purposes of the Housing Element site inventory, the following methodology is utilized to quantify the number of existing and future liveaboards that can be credited towards Sausalito’s RHNA:

1. Document the number of liveaboards counted in the 2000 census and thus already reflected in ABAG’s count of existing units in Sausalito in the 2009-2014 RHNA;
2. Document the number of existing “legal” liveaboards in each census block with permits from the San Francisco Bay Conservation and Development Commission (BCDC);
3. Quantify the number of permitted liveaboards not counted by the 2000 census by census block and apply towards the City’s RHNA;

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<sup>1</sup> The complete results of the survey are published in the *Liveaboard Technical Report* dated May 25, 2011 and available at the Community Development Department and on the City’s website under the Housing Element link.

4. Conduct a follow-up survey with the marina operators to confirm berth rents, liveboard fees and other monthly housing costs to assess affordability, and;
5. Identify future liveboard "sites" based on any unused liveboard capacity within each marina and credit towards the RHNA.

**a. 2000 Census Count of Liveboards**

The U.S. Census defines a housing unit as "a living quarters in which the occupant or occupants live separately from any other individuals in the building and have direct access to their living quarters from outside the building or through a common hall." The Census further states that "nontraditional living quarters such as boats, RVs, and tents are considered to be housing units only if someone is living in them and they are the occupant's usual residence or the occupant has no usual residence elsewhere. These nontraditional living arrangements are not considered to be housing units if they are vacant."

Sausalito's legally permitted liveboards represent a permanent form of housing which conforms to the Census definition of a housing unit. The liveboard survey documents the non-transient nature of Sausalito's liveboard residents, with three-quarters of survey respondents living on their boats for at least five years. Furthermore, housing elements for two other jurisdictions – Marin County and Redwood City - recognize liveboards as permanent housing, and have utilized liveboards to address a portion of their respective RHNAs.

**Table 4.45** compares the 2000 Census count of liveboards by census block with the actual number of existing "legal" liveboards as authorized by BCDC. As indicated by this table, the 2000 Census identifies 76 housing units<sup>2</sup> within the three census blocks which encompass the City's eight marinas. In contrast, a total of 10845 existing liveboards with BCDC permits are located within these census blocks (excluding the 38 berth Galilee Harbor which was occupied in 2003 and thus counted as a project for the prior planning period). A comparison of the 2000 Census housing unit count within each census block with the number of existing BCDC permitted liveboards reflects a net Census undercount of 7638 liveboard units. Most of the City's marinas do not provide on-site mailboxes for liveboard residents, and thus many liveboards do not receive census forms, as well as other public notices, thus contributing to the Census undercount.<sup>3</sup>

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<sup>2</sup> The Census does not break down housing units by type of unit at the block level. However, the three census blocks which contain the City's eight marinas coincide with the City's waterfront and contain no housing units on land.

<sup>3</sup> As a means of better integrating liveboards within the community, Housing Element Implementing Program 11 includes coordination with marina operators to establish a bulletin board at each marina for the posting of public notices and the potential establishment of mailboxes for liveboard tenants.

**Table 4.45: Comparison of Existing Permitted Liveaboards and 2000 Census**

Census Block (Tract 1302, Block Group 1)	2000 Census Housing Unit Count	Marina	Existing Liveaboards in 2000 with BCDC Permits	2000 Census Undercount of Permitted Liveaboards
1000	8	Pelican Harbor	9	32
		Sausalito Yacht Harbor	31	
1001	10	Galilee Harbor*	(38)	446
		Schoonmaker Marina	16	
		Sausalito Marine Ways	--	
1020	58	Clipper Yacht Harbor	52	0
		Marina Plaza	--	
		Sausalito (Arques) Shipyard	--	
<b>Totals</b>	<b>76 units</b>		<b>10846</b>	<b>7638 units</b>

Source: 2000 U.S. Census; San Francisco Bay Conservation and Development Commission (BCDC) December 2011; City of Sausalito *Liveaboard Technical Report*, May 25, 2011.

\*Note: As the new Galilee Harbor opened as a legally permitted marina in 2003, it is assumed none of the 10 units counted in 2000 in census block 1001 are attributable to Galilee Harbor.

**b. Liveaboard Affordability**

In order to assess the affordability of liveaboard rents, the City compiled data on monthly berth rents as reported in the survey of liveaboard residents, and conducted follow-up interviews with marina operators to more precisely define total monthly housing costs (liveaboard, parking and storage fees; utility costs; and pump out charges).<sup>4</sup> Adding these additional housing costs to the berth rents identified in the liveaboard surveys results in total monthly housing costs ranging from \$825-\$1,415 for one person households, and from \$1,000-\$1,675 for two person households. As indicated in Table 4.56 below, these total liveaboard housing costs fall well within the levels affordable to low income households in Marin County.

**Table 4.56: Liveaboard Rents and Affordability**

Household Size	Total Monthly Housing Costs (e.g., berth rent, liveaboard fee, parking, storage, pump out, and utilities)		Max Affordable Housing Cost to Low Income
	Range	Median	
1	\$825 - \$1,415	\$1,000	\$1,500
2	\$1,000 - \$1,675	\$1,500	\$1,710

Source: City of Sausalito *Liveaboard Technical Report*, May 25, 2011; State Income Limits for 2011 (Marin County).

Note: Does not include rent restricted berths in Galilee Harbor.

<sup>4</sup> Mortgage costs were not included as the majority of liveaboards own their boats, as confirmed by the liveaboard survey which documents 90% of respondents own their boats.

One of the City's marinas – Galilee Harbor – is a member-run cooperative maintained as an affordable housing community with rent and income restrictions. The Galilee Harbor Community Association (GHCA) was formed in 1980 by boatworkers and artists who lived in vessels on and near the historic Napa Street Pier in response to development proposals which would uproot their long-term liveaboard community. After prolonged negotiations, GHCA received BCDC and City permits for a live-aboard marina providing low-cost housing to artists and maritime workers, thereby helping to preserve the working Sausalito waterfront. As Member boats moved in to the 38-slip marina in 2003, Galilee is counted as an approved project under the prior planning period (refer to Table 4.1).

Income and affordability restrictions at Galilee Harbor are governed by the Memorandum of Understanding between GHCA, BCDC and the City, as well as affordability restrictions imposed by the various sources of public funds used to build the marina, including Federal Home Loan Bank AHP funds, Marin County CDBG funds, and Marin Community Foundation funds. In aggregate, the income restrictions at Galilee are as follows:

- Minimum 5 berths – extremely low income (<30% AMI)
- Minimum 7 berths – very low income (<50% AMI)
- Minimum 15 berths – low income (<80% AMI)
- Up to 7 berths – moderate income (<120% AMI)
- Up to 4 berths - unrestricted

While 11 of Galilee's 38 berths are not restricted to low income occupancy (either moderate income or unrestricted income), based on discussions with Galilee's marina manager and market rents at other marinas, rent levels still fall within levels affordable to low income households. The non-profit housing corporation EAH conducts annual income certification of tenants in Galilee to ensure continued compliance with the Memorandum of Understanding.

Zoning Ordinance Section 10.44.170.H regarding liveaboards states: "As vacancies occur, marina operators shall give preference to qualified low and moderate income tenants until such tenants constitute at least 50% of the liveaboard vessels in the marina." The liveaboard program in the Housing Element calls for monitoring and enforcement of these provisions as part of the liveaboard Conditional Use Permit.

### **c. Future Liveaboard Capacity**

Similar to residential sites capacity under zoning, several marinas have additional capacity for liveaboards as authorized by BCDC and the City. As illustrated in Table 4.67, BCDC has authorized 201 liveaboards within five marinas in the City whereas 146 permitted liveaboards currently exist in these marinas, providing capacity for 55 additional liveaboards. Given the rent structure in these marinas, it can be assumed future liveaboards would continue to provide affordability to low income households.

**Table 4.67: Additional Liveboard Capacity in Permitted Marinas**

Marinas with BCDC Permits	Authorized Liveboards under BCDC Permit	Existing Permitted Liveboards	Additional Liveboard Capacity
Pelican Harbor	9	9	0
Sausalito Yacht Harbor*	62	31	31
Galilee Harbor	38	38	0
Schoonmaker Marina	20	16	4
Clipper Yacht Harbor	72	52	20
<b>Totals</b>	<b>201</b>	<b>146</b>	<b>55</b>

Source: San Francisco Bay Conservation and Development Commission (BCDC) December 2011; City of Sausalito *Liveboard Technical Report*, May 25, 2011.

\*BCDC indicates that current authorized liveboards of 5% (31) can be increased to 10% (62) upon owner's request and demonstration of compliance with SF Bay Plan marina policies. The marina owner is currently moving forward with obtaining BCDC permits for the full 10% capacity.

**d. Summary of Liveboard RHNA Credits**

Based on the preceding analysis, **Table 4.78** summarizes the number and affordability of liveboards which can be credited towards the 2007-2014 RHNA:

**Table 4.78: Existing and Future Liveboards RHNA Credits**

	Total Liveboard Units	Affordability Category		
		Extremely Low	Very Low	Low
2000 Census Undercount of Permitted Liveboards*	<u>7638</u>	5	7	<u>6438</u>
Additional Liveboard Capacity	55			55
<b>Totals</b>	<b><u>12193</u></b>	<b>5</b>	<b>7</b>	<b><u>11993</u></b>

\* As the new 38-slip Galilee marina opened in 2003, Galilee is counted as an approved project under the prior planning period (refer to Table 4.1).

#### 4. New and Existing Accessory Dwelling Units

The Housing Element allows and encourages the creation of new accessory dwelling units (ADUs) as a form of small scale, contextual infill development that will provide an affordable housing type throughout the City. Due to the City's very high percentage (47%) of single person households, this strategy is ideally suited to Sausalito.

##### a. Existing Accessory Dwelling Units

ADUs, also referred to as second units, are small, self-contained dwelling units that provide a kitchen, bathroom and sleeping area. The unit can be attached to the main home with a separate entrance or can be a small detached unit located in the rear yard or above a garage. ADUs can provide affordable rental options for smaller households, such as caregivers or the elderly parents of the primary homeowner, and can provide rental income for the homeowner.

While Sausalito adopted a zoning regulation in 1984 prohibiting the development of ADUs in all residential zone districts, the City recognizes the existence of hundreds of ADUs in the community illegally built without permits. In order to collect information on the extent and nature of ADUs for the Housing Element, in 2010 the City mailed surveys to all 3,200+ residential property owners in the City. A total of 715 of these postage-paid, anonymous questionnaires were completed and returned.<sup>5</sup> The results of the ADU survey can be summarized as follows:

##### Property Owners with an Existing ADU

- 108 respondents (15% of total) indicated they currently have an ADU on their property
- Nearly half (46%) of respondents with an ADU said they would apply for amnesty if the City adopted an amnesty program to legalize unpermitted ADUs, 6% said they would not apply for amnesty, 26% said they were not sure, and 22% said amnesty did not apply (ADU likely built prior to the 1984 regulation prohibiting ADUs)
- Two-thirds of respondents indicated their ADU was currently occupied, and three-quarters of respondents indicated their ADU was rented to a tenant.
- 97 respondents provided information on the rents charged for the ADU. 28% of rents were within the level affordable to very low income households, 57% were affordable to low income households, and 15% were affordable to moderate income households.

**Table 4.89: ADU Rents and Affordability**

Bedrooms	Very Low Income		Low Income		Moderate Income	
	Max Affordable Rent	# ADUs	Max Affordable Rent	# ADUs	Max Affordable Rent	# ADUs
Studio/One	\$935	26	\$1,500	52	\$2,135	13
Two	\$1,070	1	\$1,710	3	\$2,440	2
<b>Total</b>		<b>27</b>		<b>55</b>		<b>15</b>
<b>ADU Rent Distribution</b>		<b>28%</b>		<b>57%</b>		<b>15%</b>

<sup>5</sup> The complete results of this survey are published in the *ADU Single-Family Technical Report* and *ADU Multi-family Technical Report*, both dated March 28, 2011, and available at City Hall and on the City's website under the Housing Element link.

### **Property Owners without an Existing ADU**

- 606 survey respondents indicated they do not currently have an ADU on their property.
- 62 (10%) of respondents indicated they have an existing structure on their property that could potentially be converted into an ADU.
- 186 respondents (31%) indicated they have at least 500 square feet of undeveloped space on their lot which could potentially accommodate an ADU.
- 115 respondents said they would be inclined to build an ADU if City regulations permitted, representing 19% of non-ADU property owners.
- Among those respondents who had considered building an ADU or incorporating one into their house, the primary reason was for extra income, followed by having a location for relatives to live. Other responses included having space for a live-in caregiver and space for relatives visiting from out of town.

In summary, the community has come to recognize ADUs as a low impact approach to addressing a portion of the community's lower income housing needs, and the Housing Element thus establishes programs to both allow new ADUs and legalize existing ADUs which were built without permits. The following describes how each of these approaches will contribute towards the City RHNA.

### **b. New Construction of Accessory Dwelling Units**

The City's survey indicates a strong interest by property owners in building an ADU, and illustrates the physical capacity of adding a detached unit on nearly one-third of respondents' parcels. Given the City's very high percentage (47%) of single person households, combined with the high incidence of senior households (26%), ADUs are a good match for the City's housing needs. The City's goal will be to establish development standards, which both encourage and facilitate the provision of ADUs and promote quality design and neighborhood compatibility. The following ADU incentives will be evaluated for inclusion in the updated regulations:

- Flexible development standards including exemption of ADUs from floor area and/or building coverage limits;
- Discounted building permit fees; and
- Parking reductions if near transit.

The Community Development Department will work with architects and residents to prepare "stock" ADU building plans appropriate for local neighborhoods. The intent is to provide applicants with designs, elevations and floor plans that comply with the City's ADU standards, thereby expediting permit approval.

Extensive public education and outreach will be provided in conjunction with development of the ADU regulations and amnesty program. Once adopted, the City will develop a brochure describing the new ADU standards and incentives to promote their development.

The City is proceeding with preparation of updated ADU regulations in conjunction with the Housing Element, with the goal of adopting both the regulations and Housing Element in mid 2012. Given the strong demand for ADUs, the demonstrated capacity to provide such units, and

the incentives to be adopted to encourage their development, the City's objective will be to achieve the creation of 48 new ADUs during the balance of the 2007-2014 planning period. This 48 unit goal has been derived based on the following findings from the City's ADU survey:

- The ADU survey demonstrated that 19% of residential property owners without an ADU would be inclined to create a new ADU if City regulations permitted.
- Applying this 19% to all 2 bedroom or more units (3,000 units) yields 570 potential new ADUs.
- Assuming one-third of these property owners had the physical site capacity to provide an ADU and parking (or were able to qualify for a parking waiver) yields 190 ADUs.
- Assuming that one-quarter of these 190 property owners would take advantage of creating an ADU within the 2012-2014 planning period yields 48 ADUs.

The affordability of these 48 ADUs is based on rent levels from the City's ADU survey as follows:

**Table 4.910: 2012-2014 Objectives for New Accessory Dwelling Units**

	Total	Income Category		
		Very Low	Low	Moderate
Number of New ADUs	48	14	27	7
% by Income Category	--	28%	57%	15%

**c. Registration and Amnesty for Existing Accessory Dwelling Units**

Given the existence of possibly hundreds of accessory dwelling units in the community built illegally which may or may not meet basic health and safety guidelines, the City's goal is to legalize these units, bring them into the official housing stock to contribute towards meeting regional housing needs allocation (RHNA), and make them safe and sanitary for current and future tenants. To achieve this goal, the City will implement an amnesty program to allow property owners with ADUs not currently recognized as "units" in the Census the opportunity to register these units with the City without facing fines for non-permitted construction.

Both Marin County and Mill Valley have had highly successful ADU amnesty programs, with legalization of over 100 unpermitted ADUs in each jurisdiction. Sausalito will follow the model these amnesty programs used to build public trust, conducting extensive community outreach to reassure the public that applicants will not be penalized for illegal construction and explaining the benefits of legalization (increase in property value, allowance for relaxed development standards, reduced fees, opportunity to register unit without facing fines).

As an incentive to property owners to apply for an ADU amnesty permit, the City will offer certain modified standards to accommodate existing buildings. In addition to the flexibility in development standards identified for *new* ADUs, the following additional incentives have been identified for evaluation to encourage legalization of *existing* ADUs:

- Waiver of parking requirements;
- Exemption of ADUs from building coverage and floor area limits;
- Significant discounts in building permit fees; and
- Elimination of the ADU permit application fee.

Both Marin County and Mill Valley received a 50% reduction in water connection fees from the Marin Municipal Water District during the amnesty period of their highly successful ADU amnesty programs. Sausalito will contact the Water District to establish a similar fee reduction.

To receive an ADU amnesty permit, all health and safety code violations must be corrected based on City building inspections of the unit. For purposes of crediting the ADU towards the RHNA, property owners will be required to demonstrate that the unit did not have an individual address as of the 2000 census and does not have a building permit of record, and thus has not been accounted for in the count of existing units in the City's 2009-2014 RHNA. Acceptable documentation may include:

- Written affidavits from current and/or former owners, tenants, or neighbors, signed and notarized under penalty of perjury;
- County Assessor records;
- Rental contracts and/or receipts;
- Income tax records; and
- Utility bills.

The City is proceeding with development of the ADU amnesty program in combination with creation of the updated regulations for new ADUs, with the goal of adopting both in conjunction with the Housing Element in mid-2012. The City anticipates the accessory dwelling unit amnesty program will, at a minimum, bring 26 previously unpermitted units not previously recorded by the Census into the City's official housing stock during the balance of the 2007-2014 planning period, as supported by the following findings from the City's ADU survey:

- The ADU survey demonstrated that 15% of residential property owners have an existing ADU on their property.
- Applying this 15% to all 2 bedroom or more units (3,000 units) yields 450 existing ADUs.
- Approximately 25% of owners indicated their ADUs were constructed without building permits. Applying this 25% to the estimated 450 existing ADUs yields 112 existing illegal ADUs.
- The survey documents that half of nearly half (46%) of respondents with an ADU would apply for amnesty, equating to 52 of the estimated 112 illegal units.
- Assuming that one-half of these 52 property owners would take advantage of legalizing their ADU within the 2012-2014 planning period yields 26 ADUs.

-The affordability of these 26 ADUs is based on rent levels from the City's ADU survey as follows:

**Table 4.101: 2012-2014 Objectives for Existing Accessory Dwelling Units under Amnesty Program**

	Total	Income Category		
		Very Low	Low	Moderate
Number of Existing ADUs Legalized	26	7	15	4
% by Income Category	--	28%	57%	15%

## 5. Residential Development Potential Compared to the RHNA

As detailed earlier in **Table 4.22**, the City's residential development potential during the planning period is comprised of the following:

- 1052 units issued residential permits during the ~~1999-2006~~ and 2007-2014 planning periods to be credited towards the RHNA,
- 123 residential units from unmet capacity in residential zoning districts, within the current General Plan and zoning framework,
- 47 residential units from unmet capacity in mixed-use zoning districts, within the current General Plan and zoning framework,
- 3876 existing liveboards undercounted in the 2000 Census,
- 55 liveboards from the remaining capacity in marinas with BCDC permits,
- 48 future Accessory Dwelling Units projected to be constructed, and
- 26 existing unpermitted Accessory Dwelling Units to be permitted under an amnesty program.

In total, the City's site inventory provides for 427347 units. In terms of evaluating the adequacy of these sites to address the affordability targets established by the RHNA, affordability for vacant and underutilized sites is based on "default densities" of 20 units/acre for very low and low income households and 12 units/acre for moderate income households; affordability for liveboards is based on the surveys of liveboard tenants and marina rents; and affordability for accessory dwelling units is based on rents levels documented in the City's ADU survey. As summarized in **Table 4.112** below, the City has provided adequate sites to address its ~~1999-2006~~ aggregate RHNA of 372 207 units and 2007-2014 RHNA of 165 units, for all income categories, providing a 165% and 116110% buffer respectively above its minimum RHNA requirement. The City aims to further encourage and facilitate the production of affordable units throughout the community through implementation of the policies and programs set forth in Chapter II – Housing Plan.

**Table 4.112 Comparison of RHNA and Sites Inventory**

	Very Low	Low	Moderate	Above Moderate	TOTALS
<u>2007-2014 RHNA</u>	<u>45</u>	<u>30</u>	<u>34</u>	<u>56</u>	<u>165</u>
<u>Residential Sites Inventory</u>	<u>63</u>	<u>177</u>	<u>63</u>	<u>44</u>	<u>347</u>
<u>Buffer</u>	<u>18</u> (40%)	<u>147</u> (490%)	<u>29</u> (85%)	<u>-21</u> (-12%)	<u>182</u> (110%)

## 6. Availability of Infrastructure and Public Services

Sausalito is an urbanized community therefore land designated for residential use can be linked up to the existing infrastructure grid easily, including sewer and water lines, streets, storm drains, telephone, electrical and gas lines. The Sausalito-Marin City Sanitary District provides the City's sewer needs, and Bay Cities Refuse serves the garbage removal function, with fees based on volume. The Marin Municipal Water District provides Sausalito with its water supply, with most of the water coming from rainfall collected in Marin reservoirs. There is no shortfall anticipated during the 2009-2014 planning period in the ability of these districts to provide these necessary public services.

However, Sausalito's sewer infrastructure system is old and in need of repair. The City has over 27 miles of sewer pipe, some over 60 years old. In recent years, the antiquated pipes have caused sewage spills, releasing raw sewage into Richardson's Bay. In April 2008, the U.S. Environmental Protection Agency (EPA) issued an Administrative Order mandating that the City assess, repair, or replace its aging sewer pipes. In addition, the City was sued by Northern California River Watch for violations under the Clean Water Act. In November 2008, the City reached a settlement with River Watch. The City is implementing plans to upgrade its antiquated sewer system, complying with terms laid out by EPA and River Watch. To fund the estimated \$7.6 million upgrade, sewer fees were increased in 2009.

In addition to improving the City's sewer lines, the City must also explore strategies to hasten the repair of private lateral sewer pipes on private property. Every residence has a private lateral sewer line connecting to a city sewer line. Unfortunately, many of these private laterals are also in need of repair, and add stress to the current sewer system.

The City has put various programs in place, such as assessment and mandated repair of private sewer lateral lines when a property is sold. Still, by some estimates this strategy alone would take 60 years or more to adequately address the private lateral sewer line problem. As a result, the City continues to explore additional programs and options for private lateral sewer pipe repair.

Research is also on-going regarding the sanitation conditions and practices of marinas in the City. Detailed documentation on these practices is not readily available at the time of writing, however, the City recognizes the importance of preventing pollution to the waterways and the Bay, and will continue working with relevant agencies such as BCDC to ensure that the marina and harbor activities remain sustainable. Direct discharge of effluent into Richardson's Bay is a misdemeanor. There are also organizations that seek to provide environmentally clean facilities to the boating community and protect waterways from pollution. The Richardson's Bay Regional Agency (RBRA), in co-operation with the Department of Boating and Waterways, operates sewage pump-out services for Richardson's Bay area marinas and anchored vessels. Another example is Clean Marina, and the Clipper Yacht Harbor is a certified Clean Marina under their program. It is in the City's interest to ensure that the new implementing program to permit the marinas would involve conditions for meeting certain sanitary standards.

## **CB. Financial Resources**

The extent to which the City can achieve its Housing Element goals and objectives is due in some part to the availability of financial resources for implementation. Below is a summary of major sources of existing and potential funding available to carry out housing activities.

### **1. Local Programs**

#### **a. Affordable Housing Fund**

Chapter II of the Housing Element sets forth an implementing program to establish an Affordable Housing Fund that will be used to construct or help leverage construction of affordable housing. Potential Fund resources include: in-lieu fees from an Inclusionary Housing Program; in-lieu fees on small condominium conversions (three to four units); in-lieu fees for development of single-family units in multi-family zones; and commercial in-lieu fees. Implementing regulations will be established to manage the Fund and establish parameters for allocation of funds towards projects. This program will move forward once a funding source have been identified, and will coincide with the collection of fees.

#### **b. Marin Workforce Housing Trust**

The Marin Workforce Housing Trust is a public/private partnership that has been created to meet the challenges of housing affordability for workers in Marin County. Through a revolving loan fund, the Trust provides low-interest rate loans to nonprofit and for-profit developers who are constructing homes affordable to lower income families, as well as special needs populations. Every dollar that is contributed to the Housing Trust is matched by both the Marin Community Foundation and the County of Marin, thereby tripling the value of each donation.

#### **c. Community Development Block Grant (CDBG)**

Sausalito is a participating city in Marin County's Community Development Block Grant (CDBG) program, and is thus income qualified residents are eligible for participation in several of the County's CDBG programs, including the Residential Rehabilitation Loan Program and Home Connection of Marin matching services for home seekers and people interested in sharing their homes.

#### **d. Section 8 Rental Assistance Program**

The Section 8 Rental Assistance Program extends rental subsidies to very low-income households (50% AMI), offering a voucher that pays the difference between the current fair market rent and what a tenant can afford to pay (i.e., 30% of household income). The program is administered by *Marin Housing*. Given the significant gap between market rents and what very low income households can afford to pay for housing in the City, Section 8 plays a critical role in allowing such households to remain in the community. Several of liveaboard residents receive Section 8 assistance.

## 2. State Programs

The State Department of Housing and Community Development (HCD) administers more than 20 programs that award loans and grants for the construction, acquisition, rehabilitation and preservation of affordable rental and ownership housing, homeless shelters and transitional housing, public facilities and infrastructure, and the development of jobs for lower income workers. Most of these programs award points for jurisdictions with an adopted housing element found in substantial compliance by HCD. The following highlights several of the State's programs with potential relevance in Sausalito:

### a. Building Equity and Growth in Neighborhoods (BEGIN) Program

The BEGIN Program is a homeownership program providing grants to local governments that reduce regulatory constraints to housing. Grants are provided for down payment assistance to low- and moderate-income first-time homebuyers.

### b. Infill Incentive Grant (IIG) Program

The IIG Program provides funds for infrastructure improvements necessary to facilitate new infill housing development.

### c. HOME Investment Partnership Programs (HOME)

The HOME Program provides grants to cities, counties, and Community Housing Development Organizations (CHDOs) for housing rehabilitation, new construction, and acquisition and rehabilitation for both single-family and multi-family housing projects serving lower income renters and owners.

### d. Housing Enabled by Local Partnerships (HELP) Program, California Housing Finance Agency

The HELP Program and the Residential Development Loan Program (RDLP) offer reduced rate loans to local government entities for locally determined affordable housing activities and priorities (acquisition, construction, rehabilitation, single-family homeownership, or preservation of multi-family and special needs units).

### e. Local Housing Trust Funds (LHTF)

State funding is available to assist existing and new Local Housing Trust Funds (LHTFs). The State will provide matching grant funds to LHTFs. Approved activities include development of affordable multi-family rental and ownership housing and emergency shelters. New Local Housing Trust Funds that are in a county with a population of less than 425,000 persons will be given priority for receiving funding during each of the NOFA rounds.

### f. Multifamily Housing Program (MHP)

Provides deferred payment loans to assist the new construction, rehabilitation and preservation of permanent and transitional rental housing for lower income households. The conversion of non-residential structures to rental housing are also eligible.

## DC. Administrative Resources

The Bay Area is home to numerous nonprofit housing developers who have produced thousands of high-quality affordable housing projects over the past 40 years. These non-profit agencies can serve as resources in helping Sausalito to address its housing needs, and in the implementation of its Housing Element programs.

In Sausalito, two non-profits have a track record of developing and managing successful affordable housing projects – Rotary Housing and EAH. The recently incorporated Sausalito Village can also serve as a resource to the City in implementing its senior-oriented housing programs. The Nonprofit Housing Association of Northern California (NPH) serves as a local networking agency, advocacy group and resource organization for affordable housing developers in the Bay Area.

The key to the success of non-profit developers lies in three areas: first, in their ability to draw upon a diversity of funding sources and mechanisms to make their developments work financially; second, in their commitment to working cooperatively and constructively with the local community, including local officials as well as neighborhood residents; and third, in their long-term commitment to ensuring excellence in design, construction and management of their developments, creating assets that are valued by the people who live in the developments as well as their neighbors and others in the community.

## ED. Opportunities for Energy Conservation

Conventional building construction, use and demolition along with the manufacturing of building materials have multiple impacts on our environment. Nationwide, the building industry accounts for:

- ✓ 65 percent of electricity consumption
- ✓ 30 percent of greenhouse gas emissions
- ✓ 30 percent of raw materials use
- ✓ 30 percent of landfill waste
- ✓ 12 percent of potable water consumption

Interest in addressing these impacts at all levels of government has been growing. In 2004, the State of California adopted legislation requiring LEED (Leadership in Energy and Environmental Design) certification for new and renovated public buildings. Some local jurisdictions have not only adopted similar standards for their public buildings, but have also required LEED certification for larger commercial and residential developments.

LEED certification building standards are one piece of a coordinated green building program. In an effort to promote green buildings, cities are adopting green building programs. Most local building standards already consider energy and stormwater issues. In addition, many jurisdictions have programs related to energy, recycling, water conservation, stormwater management, land use, and public health. However, these programs are often overlapping and

uncoordinated. One of the primary goals behind establishing a green building program is to create a holistic and integrated design approach to green building.

A green building program considers a broad range of issues, including community and site design, energy efficiency, water conservation, resource-efficient material selection, indoor environmental quality, construction management, and building maintenance. The end result will be buildings that minimize the use of resources, are healthier for people, and reduce harm to the environment.

Both the public and private sectors currently offer grants, refunds, and other funding for green building. In addition, developments built to green standards assist both the owners and tenants with energy and maintenance costs over time. The following presents a variety of ways in which Sausalito can promote energy conservation and green building:

- ✓ Develop green (energy-efficient and environmentally-sensitive) building standards for public buildings.
- ✓ Provide incentives, such as expedited plan check, for private developments that are building green.
- ✓ Encourage higher densities and mixed use development within walking distance of commercial, thereby reducing vehicular trips and reducing greenhouse gas emissions.
- ✓ Promote financial resources available through the California Energy Commission for use of solar panels.
- ✓ Provide resource materials and training opportunities regarding green building and energy conservation.
- ✓ Apply green building criteria to rehabilitation of single and multi-family buildings.

As part of the Housing Element, Sausalito will implement green building regulations consistent with the State Green Building Code, and complete a Climate Action Plan that would have programs for ensuring more efficient energy use in the lifespan of buildings. The adoption of these measures emphasizes the City's leadership role in encouraging "green" building techniques. In addition, the community's emphasis on liveboards and accessory dwelling units create a reduced environmental footprint in comparison to larger types of housing, and are recognized by the Environmental Protection Agency and the National Oceanic and Atmospheric Administration as environmentally sustainable housing options.

### **1. Energy Conservation Programs Offered through Local Utilities and Organizations**

Utility rebate programs and energy audits are available through Marin County and Pacific Gas and Electric, particularly connected to housing rehabilitation programs. Lower-income households are also eligible for State sponsored energy and weatherization programs. The City will be pro-actively publicizing these programs on the City's website to promote rehabilitation assistance in the City, and also among the liveboard community in permitted marinas.

Some non-profit organizations also provide free energy audits. Berkeley-based Rising Sun Energy organization offers free home energy audits to Marin County residents. This program hires youth professional Energy Specialists to conduct the audits and offer tips and suggestions for improving energy efficiency.

## 2. Pacific Gas & Electric

Pacific Gas & Electric ([www.pge.com](http://www.pge.com)) provides both natural gas and electricity to residential consumers in Marin County, including Sausalito. The company provides a variety of energy conservation services for residents and PG&E also participates in several other energy assistance programs for lower-income households, which help qualified homeowners and renters conserve energy and control electricity costs. These include the following:

- **The California Alternate Rates for Energy (CARE) Program** – Provides a 20 percent monthly discount on gas and electric rates to income qualified households, certain non-profits, facilities housing agricultural employees, homeless shelters, hospices and other qualified non-profit group living facilities.
- **The Relief for Energy Assistance through Community Help (REACH) Program** – Provides one-time emergency energy assistance to low income customers who have no other way to pay their energy bill. REACH aims to assist who are in jeopardy of losing their electricity services, particularly the elderly, disabled, sick, working poor, and the unemployed, who experience severe hardships and are unable to pay for their necessary energy needs. Customers who have experienced an uncontrollable or unforeseen hardship may receive an energy credit up to \$200.
- **The Balanced Payment Plan (BPP)** – Designed to eliminate big swings in a customer's monthly payments by averaging energy costs over the year. On enrollment, PG&E averages the amount of energy used by the household in the past year to derive the monthly BPP amount. PG&E checks the household's account every four months to make sure that its estimated average is on target. If the household's energy use has increased or decreased dramatically, PG&E will change the amount of monthly payment so that the household does not overpay or underpay too much over the course of a year.
- **The Low-Income Home Energy Assistance Program (LIHEAP) Block Grant** – Funded by the federal Department of Health and Human Services, it provides two basic types of services. Eligible low-income persons, via local governmental and nonprofit organizations, can receive financial assistance to offset the costs of heating and/or cooling dwellings, and/or have their dwellings weatherized to make them more energy efficient. This is accomplished through these three program components:
  - The Weatherization Program provides free weatherization services to improve the energy efficiency of homes, including attic insulation, weather-stripping, minor home repairs, and related energy conservation measures.
  - The Home Energy Assistance Program (HEAP) provides financial assistance to eligible households to offset the costs of heating and/or cooling dwellings.
  - The Energy Crisis Intervention Program (ECIP) provides payments for weather-related or energy-related emergencies.
- **The Family Electric Rate Assistance (FERA) Program** – PG&E's rate reduction program for large households of three or more people with low- to middle-income. It enables low income large households to receive a Tier 3 (131 percent to 200 percent of baseline) electric rate reduction on their PG&E bill every month.

- **Medical Baseline Allowance Program** – PG&E offers additional quantities of energy at the lowest (baseline) price for residential customers that have special medical or heating/cooling needs.

In addition, PG&E launched a campaign to hand out one million compact fluorescent light bulbs (CFLs) as part of Energy Star's "Change a Light, Change the World" campaign in October 2007 (<http://www.pge-cfl.com/>). PG&E is also educating its customers on how to work directly with manufacturers and retailers to discount the bulbs at the point of sale and are working with state and local governments to promote fluorescent lamp recycling through the California Take-It-Back Partnership (<http://www.dtsc.ca.gov/TIB/index.cfm>).

### **3. Marin Energy Authority**

The Marin Energy Authority (MEA) is a not-for-profit public agency formed by the County of Marin and eight other towns and cities. MEA administers the **Marin Clean Energy** program by partnering with PG&E, to deliver green energy and reduce greenhouse gas emissions in Marin County. MEA purchases power from clean, renewable sources, and the power is delivered to residential and business customers through PG&E's power distribution system.

Marin Clean Energy is offered at two tiers. The first is known as 'Light Green', which delivers State certified 27% renewable energy procured from wind, solar, and biomass projects in northern California, Oregon, and Washington. The second tier is called 'Deep Green' and offers 100% renewable energy, produced entirely by non-polluting, renewable sources such as water, wind, and sunlight by projects in California and the western United States.

Marin Clean Energy was launched in 2010 and is rolling out in phases. Residents, commercial and municipal customers in Marin County incorporated jurisdictions, including those in Sausalito, are automatically signed up for the program. These customers will receive notices informing them of their pending enrollment, but may also choose to opt out.

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