



## MEMORANDUM

**DATE:** September 26, 2011  
**TO:** Housing Element Task Force  
**FROM:** Lilly Schinsing, Associate Planner  
**SUBJECT:** Liveboard Assumptions

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At the August 22, 2011 Housing Element Task Force meeting the Task Force added the discussion of the assumptions in the liveboard portions of the Menu of Options document to the September 26, 2011 meeting. Attached are pages 6-7 and 13-14 of the Menu of Options document, which reference the assumptions in the "existing" and "future" liveboard strategies. Staff recommends that the Task Force review Staff assumptions in liveboard sections of the Menu of Options and determine an appropriate liveboard component of the RHNA strategy.

Attachment

Pages 6-7 and 13-14 of the Menu of Options document, dated August 2011

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- **Development Standards:** Some communities offer floor area and/or building coverage credits to encourage the development of ADUs. Should Sausalito offer such a discount? Offering a discount may result in more ADUs to credit the RHNA.

Another factor is that building permits and water/sewer hook-up fees will be required to develop a new accessory dwelling unit. These fees can range from \$20,000 to \$40,000. Although building permit fees are controlled by the City, water and sewer fees are set by agencies outside of the City's control. These costs might be prohibitive to some property owners.

Taking all of these factors into account suggests that may be unrealistic to expect that the entire RHNA could be accommodated with new accessory dwelling unit regulations alone. The Task Force should consider how strong of an accessory dwelling unit strategy to pursue and how many associated ADUs could be accommodated through 2014. An accessory dwelling unit strategy may need to be coupled with other strategies to accommodate the RHNA.

**Strategy E: Liveabords - Existing**

Sausalito has a well-established and vibrant boating culture that plays an important role in shaping the character of the community. Many boaters have chosen to make their boats their homes. The Sausalito Zoning Ordinance allows for 10% of berths to be used for housing, and calls for half of those to be available to low and moderate income residents. However, low and moderate income liveaboards are currently not counted towards Sausalito's affordable housing quota. In 2009 a survey was conducted among the boating community and the results were described in detail in the Liveaboard Technical Study which was approved by the Housing Element Task Force on May 23, 2011. This study indicated, that the median income reported by liveaboards was approximately \$42,500 and that the median cost of a berth for those surveyed was \$657.50, which is significantly below the market rate for a one-bedroom apartment in Sausalito. Furthermore, the survey data suggests that the majority of liveaboards are permanent residents on their boats.

In this strategy, the goal is to show that the 2000 US Census did not count some existing unpermitted liveaboards and that the Housing Element identifies an amnesty program to legalize as many of the estimated 116 unpermitted liveaboards as possible, subject to the requirement that they not exceed 10% of each marina. Documentation would be provided to show why liveaboards should count as housing units and as providing affordable housing. **Attachment IV** details the basic assumptions, taken from the Liveaboard Technical Study, provides a Light, Medium and Heavy approach that could be adopted and shows the potential RHNA credits that could be obtained. This is summarized below in **Table 6**.

**Table 6: Potential RHNA Credits from Existing Liveaboards**

Strategy Existing Liveaboards	Potential RHNA Credits				
	Very Low	Low	Moderate	Above Moderate	Total
Light	23	23	23	23	92
Medium	31	31	30	0	92
Heavy	46	46	0	0	92

It should be noted, that the City has been advised by Mintier-Harnish, that there is a risk that this strategy will not be accepted by the HCD:

*The same issues that apply to counting existing ADUs apply to existing liveabords. It is difficult, if not impossible, to count existing units against the RHNA, unless they were built within the planning period (i.e., since 1999)<sup>c</sup>.*

**Strategy F: Liveboards - Future**

In this strategy, the Housing Element would provide incentives to encourage permitted marinas to offer the remainder of their liveaboard allotment to low/moderate income households as outlined in **Attachment V** and summarized in **Table 7** below.

**Table 7: Potential RHNA credits from Future Liveboards**

Strategy Future Liveboards	Potential RHNA Credits				Total
	Very Low	Low	Moderate	Above Moderate	
Light	0	0	0	22	22
Medium	7	7	8	0	22
Heavy	11	11	0	0	22

Mintier-Harnish made the following comment regarding a future liveaboard strategy:

*The City's strategy to count capacity for liveboards as affordable housing is a unique strategy that HCD has probably not encountered before. This does not mean it is not a valid strategy. However, an incentive-based approach may not be adequate to convince HCD that all of the remaining liveaboard allotments will be affordable housing for lower- or moderate-income households. Since there is no evidence to support the success of incentives in creating affordable liveabords, HCD may want to see a firm commitment to creating deed-restricted affordable units<sup>d</sup>.*

**Strategy G: Rezoning - Certain Existing Residential/ Mixed Use Sites to a Higher Density**

State Housing Element law requires a parcel-specific inventory of appropriately zoned, available, and suitable sites that can provide realistic opportunities for the provision of housing to all income segments within the community. Preparation of a site suitability analysis is the second step in addressing the "adequate sites" requirement. In addition to providing a listing of sites, the City must prepare an analysis that demonstrates which identified sites can accommodate housing, by income level, within the Housing Element planning period. The Task Force's job is to carefully look at each of the sites for its potential to accommodate affordable housing. During the analysis there may be constraints identified that would significantly limit the development of affordable housing. For example, a site with very steep slopes or that contains a historic building might not be suitable or appropriate for the development of affordable housing.

The rezoning of certain existing residential/mixed use sites to a higher density strategy involves the up-zoning of certain sites to R-3 (multi-family residential), thus providing an increased density. In addition an Affordable Housing Overlay District (AHOD) could also be applied to these sites which would provide an incentive to enhance the feasibility of an affordable housing project. The AHOD would allow

<sup>c</sup> From Minter-Harnish's May 19, 2011 "City of Sausalito Housing Element – Preliminary Comments on Menu of Options"

<sup>d</sup> From Minter-Harnish's May 19, 2011 "City of Sausalito Housing Element – Preliminary Comments on Menu of Options"

**ATTACHMENT IV: Liveaboards- Existing**

**Strategy:**

- Provide documentation as to why liveaboards as should count as housing units and as providing affordable housing
- Show that the 2000 Census did not count some existing unpermitted liveaboards
  - Using block-level Census data, the 2000 Census indicated that 78 housing units were on/near waterfront
  - Houseboats (5) +Arks (7) + Legal Liveaboards (99) =111 permitted units
  - Unpermitted liveaboards (from 2011 count)= 116
- The Housing Element identifies amnesty program to legalize as many of the 116 unpermitted liveaboards as possible (limited to 10% of the marina)

**Basic Assumptions (from Liveaboard Technical Study):**

- The City and BCDC allow only 10% of a Marina's boat slips to be liveaboards
- The following Marinas do not have City or BCDC permits for liveaboards and therefore have the potential for amnesty for up to 10% of boat slips:
  - Sausalito Yacht Harbor: 600 boat slips= 60 liveaboards
  - Sausalito Marine Ways: 61 boat slips= 6 liveaboards
  - Schoonmaker: 161 boat slips= 16 liveaboards
  - Marina Plaza: 103 boat slips= 10 liveaboards

Approach	Light	Medium	Heavy	Strategy	Additional Assumptions	Potential RHNA Credits				
						Very Low	Lower	Moderate	Above Moderate	Total
				Legalize up to 10% of unpermitted liveaboards at unpermitted marinas <sup>m</sup> via an amnesty program (up to 92 liveaboards). Require an even split between all income levels.	Even split between all income levels	23	23	23	23	92
				Legalize up to 10% of unpermitted liveaboards at unpermitted marinas via an amnesty program (up to 92 liveaboards). Require that there is an even split between very low, lower and moderate (must provide an inventive, e.g., relaxation of permitting requirements, administrative process if certain standards are met).	Even split between very low, lower and moderate	31	31	30	0	92
				Legalize up to 10% of unpermitted liveaboards at unpermitted marinas via an amnesty program (up to 92 liveaboards). Require that there is an even split between very low and lower (must provide a large inventive e.g., relaxation of permitting requirements, administrative process if certain standards are met).	Even split between very low and lower	46	46	0	0	92

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<sup>m</sup> From Liveaboard Technical Study: Sausalito Yacht Harbor (up to 60 unpermitted liveaboards), Sausalito Marine Ways (up to 6 unpermitted liveaboards), Schoonmaker (up to 16 unpermitted liveaboards), Marina Plaza (up to 10 unpermitted liveaboards)  
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**Attachment V: Liveaboards- Future**

**Strategy:**

- Provide incentives to encourage permitted marinas to offer the remainder of their liveaboard allotment to low/moderate income households

**Basic Assumptions (from Liveaboard Technical Study):**

- The following permitted Marinas have additional liveaboard capacity:

- Marina Plaza= 4 additional
- Clipper Yacht=18 additional

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Strategy		Assumptions	Potential RHNA Credits				Total
			Very Low	Lower	Moderate	Above Moderate	
Approach	Light	Status quo	0	0	0	22 <sup>n</sup>	
	Medium	Provide incentives to encourage permitted marinas to offer the remainder of their liveaboard allotment to low/moderate income households (e.g., administrative process if certain standards are met).	7	7	8	22	
	Heavy	Provide strong incentives to encourage permitted marinas to offer the remainder of their liveaboard allotment to low/moderate income households (e.g., administrative process if certain standards are met).	11	11	0	22	

<sup>n</sup> From the Liveaboard Technical Report: Marina Plaza has 4 additional liveaboard slips and Clipper has 18 additional liveaboard slips that are not occupied  
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