

CHAPTER 5

POPULATION AND HOUSING CHARACTERISTICS

This chapter evaluates existing and projected population, economic, and housing characteristics. Key findings related population, economics, and housing for the unincorporated area of Sacramento County include:

- The population of unincorporated Sacramento County is estimated to have increased slightly (less than two percent) between 2000 and 2007 (after accounting for the incorporations of Elk Grove and Rancho Cordova, which removed more than 100,000 residents from the unincorporated area). The estimated 2007 population is 561,951. Although several growth areas of the County have incorporated, population growth for the unincorporated area is expected in the communities of Antelope, Rio Linda and Elverta, the Florin-Vineyard area, the Highway 50 and other major transportation corridors, and other areas during 2008-2013. SACOG projects that 5-year growth rates between 2000 and 2025 will range from three percent to nine percent.
- Unincorporated Sacramento County's population is older, with a higher percentage (62 percent) of Non-Hispanic White residents than the County as a whole (53 percent).
- According to the 2000 Census, approximately 44 percent of the unincorporated county's households were low income, earning less than 80 percent of the median family income (MFI). Approximately 15 percent of unincorporated county residents had extremely low incomes (ELI), and 14 percent of unincorporated county residents lived in poverty in 2000. It must be noted that these conclusions are made from data that is not adjusted for household size - all incomes are compared against the median income of a family of four.
- The jobs-to-housing ratio for the unincorporated county was approximately 1.04 in 2000, and this rate is expected to remain steady through 2024. Job growth of about one percent annually is expected in the unincorporated area. Since there were approximately 1.4 workers per household countywide in 2000, this ratio indicates more housing than jobs in the unincorporated area of the County.
- About 58 percent of the County's housing units were reported to be owner-occupied in the 2000 Census, slightly above the statewide level. However, the price of housing has risen more sharply than incomes, and the percentage of Sacramento households that can afford to purchase the median-priced home has declined from 51 percent at the end of 2001 to 13 percent in the first quarter of 2007. Although home prices have leveled off, and even declined in some areas of the County since 2005, the long-term gap between incomes and home prices is likely to continue once the housing market recovers, continuing the decline in housing affordability.
- About 38 percent of the unincorporated County's housing was more than 30 years old at the time of the 2000 Census. Older homes, especially older rental units, are more likely to be in need of maintenance, updating of utilities or interior amenities, rehabilitation, or replacement. An estimated 11-15 percent of the County's housing units are estimated to be in need of rehabilitation, and an estimated one percent of housing units are estimated to require replacement.

Many of the comparisons in this chapter are those between the unincorporated areas of the County and the City of Sacramento. This was done because the unincorporated areas of the County contain traditional suburbs while the City is the urban core of the metropolitan area. A comparison between the two areas will illuminate differences in population and housing characteristics that are consistent with other similar analyses.

POPULATION CHARACTERISTICS

POPULATION TRENDS

Between 2000 and 2007, the population of Sacramento County grew by approximately 15 percent from 1,223,499 to 1,406,804 (Table 5-1). The population in the unincorporated county area declined by 15 percent during that same time with the incorporations of Elk Grove (2000 census-designated place [CDP] population of 59,984) and Rancho Cordova (2000 CDP population of 55,060). Although a direct comparison of 2000 and 2007 population figures for the unincorporated county is difficult because of the incorporation activity, the population is estimated to have been stable or slightly increased (less than two percent) in the unincorporated areas between 2000 and 2007 when accounting for the removal of Elk Grove and Rancho Cordova.

The largest percentage growth among the cities within Sacramento County occurred in the City of Elk Grove. The population of the Elk Grove CDP in 2000 may not be exactly comparable to the actual city limits due to boundary changes, but comparison of the 2000 CDP and 2007 city populations indicates a growth rate of approximately 127 percent. This was followed by the cities of Folsom and Galt, which experienced growths of 37 percent and 21 percent, respectively. Isleton showed a slight decline in population over the period of 2000-2007.

The largest numerical population growth was posted in the City of Elk Grove, approximately 76,000 residents, and in the City of Sacramento, which saw an increase of approximately 60,000. Table 5-1 shows that most unincorporated communities (except areas that are now part of Rancho Cordova and Elk Grove) experienced little population growth between 1990 and 2000. The primary growth areas were in the north county (North Highlands CDP and Antelope), the south county (Parkway-South CDP), Arden-Arcade CDP, and Rancho Murieta CDP.

The Sacramento Area Council of Governments (SACOG) projects Sacramento County's population growth to be in the single-digit range for each 5-year period between 2000 and 2025. The rate of population growth per 5-year period is anticipated to gradually decline, from nearly nine percent between 2000 and 2005 to about three percent between 2020 and 2025. SACOG projects similar, modest population growth in the unincorporated county area. Table 5-2 shows the SACOG population growth projections. SACOG projects a small increase in the average household size in the unincorporated area between 2005 and 2025, based on the assumption that housing development will attract more families with children. Conversely, SACOG projects slight declines in average household sizes for most of the cities in Sacramento County.

TABLE 5-1. SACRAMENTO COUNTY POPULATION GROWTH					
JURISDICTION	1990	2000	2007 ¹	PERCENT CHANGE, 1990-2000	PERCENT CHANGE, 2000-2007
Cities and County					
Citrus Heights ²	107,439	85,071	87,017	-21%	2%
Folsom	29,802	51,884	70,835	74%	37%
Galt	8,889	19,472	23,469	119%	21%
Isleton	833	828	815	-1%	-2%
Sacramento City	369,365	407,018	467,343	10%	15%
Unincorporated	524,891	659,226	561,951	26%	-15%
Entire County	1,041,219	1,223,499	1,406,804	18%	15%
Census-Designated Places³					
Arden-Arcade	92,040	96,025	NA	4%	-
Carmichael	48,702	49,742	NA	2%	-
Elk Grove ⁴	17,483	59,984	136,318	243%	127%
Elkhorn	1,458	1,591	NA	9%	-
Fair Oaks	26,867	28,008	NA	4%	-
Foothill Farms	17,135	17,426	NA	2%	-
Gold River	-	8,023	NA	-	-
La Riviera	10,986	10,273	NA	-6%	-
North Highlands	42,105	44,187	NA	5%	-
Orangevale	26,266	26,705	NA	2%	-
Parkway-South Sacramento	31,903	36,468	NA	14%	-
Rancho Cordova ⁵	48,731	55,060	59,056	13%	7%
Rancho Murieta	2,336	4,193	NA	79%	-
Rio Linda	9,481	10,466	NA	10%	-
Rosemont	22,851	22,904	NA	0%	-
Wilton	3,858	4,551	NA	18%	-

Sources: U.S. Census Bureau 1990 and 2000, California Department of Finance 2007.

¹ The California Department of Finance only provides population projections for cities and counties.

² Citrus Heights was not an incorporated city in 1990. This table shows the Citrus Heights population separately to compare 1990 and 2000 population growth. The population of Citrus Heights in 1990 was based on census-designated place boundaries, which included a larger population than the incorporation boundaries at the time of the 2000 U.S. Census.

³ Census-designated places (CDPs) include unincorporated communities, with boundaries determined by the U.S. Census Bureau. The CDP names and boundaries do not correspond with Community Planning Area names and boundaries, or city boundaries for Elk Grove and Rancho Cordova. The populations shown in Tables 5-1 and 5-2 will therefore differ from those shown in Chapter 11 for Sacramento County's unincorporated communities. Furthermore, 2007 population estimates for Rancho Cordova and Elk Grove are not directly comparable with 2000 population totals for the CDPs.

⁴ Elk Grove was incorporated in 2000. Census information for 2000 does not reflect this change.

⁵ Rancho Cordova was incorporated in 2003. Census information for 2000 does not reflect this change.

NA = not available

TABLE 5-2. POPULATION GROWTH PROJECTIONS, 2005-2025 ¹					
	2005	2010	2015	2020	2025
Population					
Citrus Heights	91,350	91,650	91,775	91,575	91,125
Elk Grove	98,110	122,600	149,430	166,300	168,465
Folsom	62,900	74,185	76,333	76,333	76,333
Galt	23,450	26,490	29,210	31,620	33,790
Isleton	1,010	1,160	1,270	1,320	1,360
Sacramento City	446,960	485,420	512,060	523,200	528,880
Unincorporated	611,503	658,447	714,342	755,697	795,545
Entire County	1,335,283	1,459,952	1,574,420	1,646,045	1,695,498
Households					
Citrus Heights	33,947	34,143	34,256	34,304	34,310
Elk Grove	33,050	41,916	51,633	57,955	59,448
Folsom	21,141	25,812	27,682	27,685	27,691
Galt	7,684	8,679	9,616	10,479	11,253
Isleton	393	450	493	512	526
Sacramento City	165,860	180,217	190,136	195,018	198,434
Unincorporated	234,279	251,813	271,986	286,817	300,579
Entire County	496,354	543,030	585,802	612,770	632,241
Persons per Household					
Citrus Heights	2.68	2.67	2.66	2.65	2.63
Elk Grove	2.96	2.92	2.89	2.87	2.83
Folsom	2.64	2.60	2.50	2.50	2.50
Galt	3.03	3.01	2.99	2.97	2.96
Isleton	2.55	2.55	2.55	2.55	2.55
Sacramento City	2.64	2.64	2.64	2.63	2.61
Unincorporated	2.57	2.58	2.59	2.60	2.61
Entire County	2.54	2.54	2.55	2.55	2.55

Source: SACOG 2000 (latest SACOG data available, new data projected to be released in Summer 2008).

¹ The City of Rancho Cordova is shown as part of the unincorporated area of the county because it was incorporated after the release of the 2000 SACOG projections.

ETHNICITY

Sacramento County’s racial and ethnic composition varies significantly among the various incorporated cities, and the unincorporated county area. In the unincorporated area, about 62 percent of all residents identified themselves as Non-Hispanic Whites in the 2000 U.S. Census. Persons of Latino or Hispanic origin composed the second largest population group, at 11 percent. Asian/Pacific Islander populations represented nine percent of the unincorporated county’s population, followed by Black/African American residents at seven percent of the

population. Some cities, such as Sacramento, Galt and Rancho Cordova, contain larger concentrations of minority residents than the County as a whole. In the Sacramento area more broadly, there is no “majority” or “minority” population. Table 5-3 compares the ethnic composition of the population in 2000 for the cities, the County, and statewide.

RACE	CITRUS HEIGHTS	FOLSOM	GALT	ISLETON	SACRAMENTO CITY	UNINCORPORATED SACRAMENTO COUNTY	CALIFORNIA
Non-Hispanic White	80%	74%	59%	56%	41%	62%	47%
Black	3%	6%	1%	1%	15%	7%	6%
Native American	1%	<1%	1%	1%	<1%	<1%	1%
Asian/ Pacific Islander	3%	7%	3%	8%	17%	9%	11%
Other	<1%	<1%	<1%	1%	<1%	5%	<1%
Two or More Races	3%	2%	3%	6%	4%	5%	3%
Hispanic or Latino	10%	10%	33%	27%	22%	11%	32%

Source: U.S. Census Bureau 2000.

¹ 2000 Census data for unincorporated Sacramento County include Elk Grove and Rancho Cordova, which had not yet incorporated.

AGE OF THE POPULATION

Persons ages 35-54 years old represent the largest segment of the population in all locations, ranging from 28 percent in the City of Sacramento to 36 percent in the City of Folsom (Table 5-4). The median age of the population within the cities in Sacramento County ranges from 31 to 39. By comparison, the unincorporated area of Sacramento County had a median age of 35 years in 2000. CDPs had slightly higher median ages, with Carmichael, Fair Oaks, Wilton, Gold River, and Rancho Murieta having the highest median ages—40 years old and over. These communities have experienced less population growth and household turnover or, in the case of Rancho Murieta, have developed community features that older households find attractive.

HOUSEHOLD SIZE AND COMPOSITION

One- and two-person households comprise the majority of Sacramento County’s households - 59 percent countywide and 56 percent in the unincorporated area. The City of Sacramento has the largest percentage of small households composed of one or two persons, 62 percent. The unincorporated area had a higher percentage of three- and four-person households, nearly one-third of all households, than either the entire county or the cities. These differences, the smaller percentage of one- and two-person households and the higher percentage of three- and four-person households, suggests that more families with children have moved to unincorporated communities and newly incorporated cities since 1990. Much of the difference is the result of population growth in Elk Grove, the

northern county areas (Antelope and North Highlands), and Rancho Cordova. Table 5-5 shows the number of households by persons per household in 2000.

TABLE 5-4. AGE DISTRIBUTION (2000) ¹

	UNDER 5 YEARS	5-19 YEARS	20-34 YEARS	35-54 YEARS	55-64 YEARS	65 AND OVER	MEDIAN AGE
Citrus Heights	7%	21%	22%	29%	8%	13%	35
Folsom	7%	19%	22%	36%	7%	9%	36
Galt	8%	28%	20%	29%	6%	9%	31
Isleton	6%	21%	16%	29%	12%	16%	39
Sacramento City	7%	23%	23%	28%	7%	12%	33
Unincorporated Sacramento County	7%	23%	21%	30%	8%	11%	35
California	7%	23%	22%	29%	8%	11%	33
Census-Designated Places							
Arden-Arcade	6%	18%	22%	29%	8%	17%	38
Carmichael	5%	20%	17%	31%	10%	17%	40
Elk Grove	8%	28%	19%	32%	6%	7%	32
Elkhorn	6%	23%	17%	36%	10%	8%	38
Fair Oaks	5%	20%	16%	33%	12%	14%	41
Foothill Farms	9%	25%	23%	26%	8%	9%	31
Gold River	6%	20%	9%	38%	12%	15%	43
La Riviera	6%	16%	29%	30%	10%	9%	34
North Highlands	7%	25%	22%	26%	8%	12%	30
Orangevale	6%	24%	17%	33%	9%	11%	37
Parkway-South Sacramento	10%	29%	22%	23%	6%	10%	27
Rancho Cordova	8%	23%	23%	27%	9%	10%	32
Rancho Murieta	5%	15%	9%	32%	17%	22%	49
Rio Linda	7%	27%	17%	32%	8%	9%	34
Rosemont	7%	23%	26%	29%	7%	8%	31
Wilton	5%	23%	11%	37%	13%	11%	42

Source: U.S. Census Bureau 2000.

¹ 2000 Census data for unincorporated Sacramento County include Elk Grove and Rancho Cordova, which had not yet incorporated.

	UNINCORPORATED SACRAMENTO COUNTY	SACRAMENTO COUNTY	SACRAMENTO CITY
1 Person	24%	27%	32%
2 Persons	32%	32%	30%
3 Persons	17%	16%	14%
4 Persons	15%	14%	11%
5 Persons	7%	7%	6%
6 Persons	3%	3%	3%
7 + Persons	2%	2%	3%

Source: U.S. Census Bureau 2000.

¹ 2000 Census data for unincorporated Sacramento County include Elk Grove and Rancho Cordova, which had not yet incorporated.

² Percentages may not equal 100 due to rounding.

Table 5-6 compares the household composition of the City of Sacramento to the unincorporated area of Sacramento County. The unincorporated County has a significantly higher percentage (50 percent versus 38 percent) of married couple families than the City of Sacramento. Likewise, Sacramento has a higher percentage of non-family households (41 percent versus 31 percent) than the unincorporated county. This is consistent with the discussion in the previous paragraph. It can be concluded that the unincorporated county with its suburbs tend to attract more traditional families while the City of Sacramento with its urban amenities tend to attract singles and other nontraditional households.

HOUSEHOLD TYPE	NUMBER OF HOUSEHOLDS		PERCENT OF POPULATION	
	UNINCORPORATED SACRAMENTO COUNTY	SACRAMENTO CITY	UNINCORPORATED SACRAMENTO COUNTY	SACRAMENTO CITY
Married couple families	120,912	59,302	50%	38%
Other family, male householder	12,598	8,045	5%	5%
Other family, female householder	33,680	23,790	14%	16%
Nonfamily households	74,840	63,444	31%	41%
Total	242,030	154,581	100%	100%

Source: U.S. Census Bureau 2000.

¹ 2000 Census data for unincorporated Sacramento County include Elk Grove and Rancho Cordova, which had not yet incorporated.

INCOME CHARACTERISTICS

Median household incomes increased 36 percent countywide between 1990 and 2000. By comparison, household incomes in the City of Sacramento increased by 31 percent during the same period. Nonfamily households, typically composed of one or two persons, in the City of Sacramento experienced the largest increase in

household incomes (47 percent). By contrast, family incomes in both the County and City of Sacramento increased more modestly (27 percent and 34 percent). The lag in an increase in family incomes relative to nonfamily incomes suggests both a growing number of more affluent households without children and a growing number of lower income families with children. See Table 5-7 for a comparison of median household incomes in 1990 and 2000 for Sacramento County and the City of Sacramento based on the U.S. Census.

TABLE 5-7. 1990 MEDIAN INCOME VERSUS 2000 MEDIAN INCOME

JURISDICTION	MEDIAN HOUSEHOLD INCOME	MEDIAN FAMILY INCOME	MEDIAN NONFAMILY INCOME	PER-CAPITA INCOME
1990				
Sacramento City	\$28,183	\$33,087	\$20,526	\$14,087
Sacramento County	\$32,297	\$37,841	\$22,125	\$15,265
2000 (With Percentage Increase)				
Sacramento City	\$37,049 (31%)	\$42,051 (27%)	\$30,208 (47%)	\$18,721 (33%)
Sacramento County	\$43,816 (36%)	\$50,717 (34%)	\$31,035 (40%)	\$21,142 (38%)

Sources: U.S. Census Bureau 1990 and 2000.

Patterns of household income, as measured by median household income, vary by geography and household characteristics. It must be noted that this data is not adjusted for household size but rather are compared against a family of four. For this reason, the following data does not have maximum accuracy and should be viewed as being estimates only.

The highest income communities, such as Rancho Murieta, Gold River, and Wilton, had approximately twice or more the incomes of the lowest income communities, such as Parkway-South Sacramento, Foothill Farms, and the City of Rancho Cordova. Communities with significantly higher than average percentages of low-income households were North Highlands Arden-Arcade, South Natomas, Rio Linda-Elverta and the City of Rancho Cordova. Incomes by population group also vary considerably. Age is another important indicator of household income (Table 5-8).

Table 5-9 compares incomes by dollar level in 2000 for the unincorporated area, all of Sacramento County, and the City of Sacramento. According to Table 5-9, incomes rise with age and peak just before retirement. This was true in Sacramento County in 2000. The median income for households with a head of household under age 25 was about \$21,000 in 2000. By age 35-44, the median household income rose to approximately \$46,000 and peaked at approximately \$55,000 for households age 55-64. Household incomes declined as heads of household entered retirement years, to about \$40,000 for households age 65-74, and to \$36,000 for households age 75 or more. Although household incomes decline later in life, accumulated wealth, particularly as measured by home equity, tends to peak at retirement (see the Housing Characteristics section of this chapter).

TABLE 5-8. COMPARISON OF MEDIAN INCOMES AND PERCENT LOW INCOME BY COMMUNITY

COMMUNITY PLANNING AREAS CITIES	MEDIAN INCOME ¹	PERCENT LOW INCOME (ESTIMATE) ²
Antelope	\$58,966	29%
Arden-Arcade	\$45,622	49%
Carmichael	\$48,557	45%
Citrus Heights	\$43,859	47%
Cosumnes	\$69,087	27%
Elk Grove ³	\$61,974	28%
Fair Oaks	\$63,210	32%
Folsom	\$73,175	25%
Franklin-Laguna	\$68,156	21%
Galt	\$45,052	48%
Isleton	\$33,958	60%
North Highlands	\$36,110	60%
North Natomas	\$65,000	26%
Orangevale CDP ⁴	\$53,371	30%
Rancho Cordova ⁵	\$47,245	47%
Rancho Murieta	\$77,236	23%
Rio Linda-Elverta	\$44,163	47%
Sacramento	\$37,049	56%
South Natomas	\$43,975	48%
Southeast	\$53,340	42%
Vineyard	\$43,550	33%
TOTAL UNINCORPORATED AREA	\$43,816	44%

Source: U.S. Census Bureau 2000.

CDP = census-designated place

¹ Based on income reported in the 2000 U.S. Census.

² Percent of households who earned less than 80 percent of the median family income for Sacramento County based on the U.S. Department of Housing and Urban Development's income guidelines in 2000.

³ County subdivision boundaries correspond approximately with Community Planning Areas before incorporation.

⁴ Census-designated place boundaries correspond approximately with Community Planning Areas.

⁵ Rancho Cordova was not incorporated at the time of the 2000 U.S. Census.

TABLE 5-9. HOUSEHOLD INCOME (2000) ¹

INCOME	% OF TOTAL HOUSEHOLDS IN UNINCORPORATED SACRAMENTO COUNTY	% OF TOTAL HOUSEHOLDS IN SACRAMENTO COUNTY	% OF TOTAL HOUSEHOLDS IN SACRAMENTO CITY
Less than \$10,000	7%	8%	12%
\$10,000-\$14,999	6%	6%	8%
\$15,000-\$24,999	11%	12%	14%
\$25,000-\$39,999	13%	13%	14%
\$35,000-\$49,999	17%	17%	17%
\$50,000-\$74,999	21%	20%	19%
\$75,000-\$99,999	12%	11%	8%
\$100,000-\$149,999	9%	9%	6%
\$150,000-\$199,999	2%	2%	1%
\$200,000 or more	2%	2%	1%
2000 Sacramento County Median Income: \$43,816			

Source: U.S. Census Bureau 2000.

¹ 2000 Census data for unincorporated Sacramento County include Elk Grove and Rancho Cordova, which had not yet incorporated in 2000.

POVERTY

The poverty rate is a federally defined level of income for minimum subsistence. The poverty level is an important indicator of severe financial distress, and the rate of poverty in a community (the proportion of the population with poverty-level incomes or less) provides important information about individuals and families with the greatest financial need. The dollar threshold for poverty is adjusted each year by the federal government for household size and composition. In 2000, 14% of Sacramento County residents lived in households with incomes below poverty level.

In unincorporated Sacramento County the overall poverty rate was approximately 14 percent according to the 2000 U.S. Census, the same poverty rate as for the entire county. Poverty rates among specific communities ranged from two percent or less in the wealthiest communities (such as Rancho Murieta and Gold River) to 19 percent or more in the poorest communities (such as North Highlands and Parkway-South Sacramento). Most of the other communities had poverty rates between nine percent and 14 percent.

Age and family status are other important indicators of poverty. Individuals 65 years or older had the lowest poverty rate of any population group, while single mothers had the highest poverty rate. Most seniors are protected from poverty by Social Security and other retirement incomes, while many single mothers rely on incomes from minimum-wage jobs or public assistance, which typically pay less than poverty-level incomes.

Finally, ethnicity and poverty are linked in Sacramento County. In the unincorporated area, households that identified themselves as “White, Non-Hispanic” had a poverty rate of about 11 percent. Nearly all other ethnic/racial

groups had poverty rates of between 20 percent and 25 percent. (See Chapter 11 for community area profiles and more information on poverty rates by community.)

Table 5-10 lists 2000 poverty rates for various population groups in Sacramento County and the unincorporated area (relative to the 2000 poverty level). More recent data for Sacramento County as a whole indicate that in 2004, 183,173 residents (13.6 percent of the County's population) lived in poverty (U.S. Census Bureau 2007). More detailed data from 2004 are not available.

GROUP	SACRAMENTO COUNTY		UNINCORPORATED SACRAMENTO COUNTY	
	NUMBER BELOW POVERTY LEVEL	PERCENT BELOW POVERTY LEVEL	NUMBER BELOW POVERTY LEVEL	PERCENT BELOW POVERTY LEVEL
All Individuals	169,784	14%	77,398	14%
All Individuals 18 years and over	102,056	12%	45,914	10%
Individuals 65 years and over	8,628	7%	3,663	6%
Families	30,774	10%	6,199	5%
Families with related children under 18 years	26,079	15%	4,873	8%
Families with female householder, no husband present	14,580	23%	7,108	15%
Female householder with related children under 18 years	13,311	30%	6,542	40%

Source: U.S. Census Bureau 2000.

¹ 2000 Census data for unincorporated Sacramento County include Elk Grove and Rancho Cordova, which had not yet incorporated.

POVERTY THRESHOLDS

Table 5-11 lists poverty level incomes by household size and composition for 2006, the most recent available year that has thresholds by age and household size.

HOUSEHOLD TYPE AND SIZE	INCOME	HOUSEHOLD TYPE AND SIZE	INCOME
Single Person 65+	\$9,669	Two Adults, One Child	\$16,227
Single Person Under 65	\$10,488	One Adult, Three Children	\$20,516
Two Persons 65+	\$12,186	Two Adults, Two Children	\$20,444
Two Persons Under 65	\$13,500	One Adult, Four Children	\$23,691
One Adult, Two Children	\$16,242	Two Adults, Three Children	\$24,059

Source: U.S. Census Bureau 2007.

EMPLOYMENT TRENDS

Employment growth is one of the primary drivers of housing demand. Working-age individuals will often choose a place to live based on employment prospects in the local area. The rate of employment growth, and the types of jobs most likely to be created, will determine how much housing will be needed by type and cost. For example, an economy based on seasonal tourism will generate different housing needs for local workers than an economy based on government, education, research, and technology. Among the employment trends evident in Sacramento County over the past 10 years are:

- The Sacramento County economy will continue to diversify, with decreasing reliance on state government employment on the long term.
- Significant job growth will continue among companies that serve markets beyond Sacramento County.
- New jobs will include higher-paying professional jobs and lower-paying service and retail jobs. The majority of new jobs in occupations with the greatest anticipated job growth will pay salaries below the Sacramento County median income.
- Most employment growth will be centered within incorporated areas of the County. However, there will be an increasing potential for job growth through conversion and reuse of older commercial and industrial sites within unincorporated communities.

CURRENT EMPLOYMENT

The Sacramento County labor market is dominated by public agency employment, services, and retail/wholesale trades. According to the California Employment Development Department, Sacramento County had 655,300 people employed in July 2007. For the Sacramento-Arden Arcade-Roseville Metropolitan Statistical Area (MSA), which includes Sacramento, Placer, El Dorado, and Yolo Counties, the most recent available employment sector data are from 2004. In 2004, 24 percent of the total employment was in government, 14 percent in retail and wholesale trades, six percent in manufacturing, seven percent in financial/insurance/real estate services, and one percent in farming. Table 5-12 shows the diversity of jobs among private sector employers in the Sacramento region. Among all employers (public and private), the California Employment Development Department (EDD) found that state and local government agencies, health care and related services firms, educational establishments, utilities, and insurance firms are among the major employers in the Sacramento region.

The following table, Table 5-12, presents the largest private employers in the Sacramento area.

**TABLE 5-12. LARGEST PRIVATE EMPLOYERS IN THE SACRAMENTO AREA¹
(RANKED BY 2006 EMPLOYEES)**

COMPANY	TYPE OF BUSINESS	EMPLOYEES
Kaiser Permanente	Health Care	7,734
Raley's Inc.	Retail Grocery	7,158
UC Davis Health System	Health Care	6,897
Mercy/CHW	Health Care	6,845
Intel Corp.	Information Technology	6,800
Sutter Health Sacramento Sierra Region	Health Care	6,026
AT&T California	Telecommunications	4,697
Hewlett-Packard Co.	Information Technology	4,000
Wal-Mart Stores, Inc.	Retail Merchandise	3,503
Target Corp.	Retail Merchandise	3,435
Wells Fargo & Co.	Financial Services	3,167
Bank of America	Financial Services	2,629
Cache Creek Casino Resort	Casino	2,500
Health Net of California	Health Care	2,300
PRIDE Industries, Inc.	Manufacturing and Logistics	2,190
Pacific Gas and Electric Co.	Utility	1,697
EDS	Information Technology	1,787
United Parcel Service	Shipping	1,735
Blue Shield of California	Health Care	1,671
Aerojet	Aerospace	1,645
Vision Service Plan Inc.	Health Care	1,586
McClatchy Co.	Publishing	1,389
Franklin Templeton Investments	Financial Services	1,200
DST Output	Financial Services/Printing	1,153
Union Pacific Railroad Co. Inc.	Freight Railroad	1,114

Source: Sacramento Business Journal 2006.

¹ The Sacramento area includes Sacramento, Placer, and Yolo Counties.

JOBS/HOUSING BALANCE

An important indicator of the relationship between employment and housing is the ratio of jobs per housing unit. A ratio of less than 1 indicates that an area provides more housing than jobs. A ratio significantly above the number of workers per household (about 1.4 countywide in 2001) indicates that an area does not provide enough housing in relation to employment. SACOG reported that the Sacramento County unincorporated area had a jobs-to-housing ratio of 1.04 in 2000. The ratio is projected to remain at approximately this level through 2025. By comparison, the countywide jobs-to-housing ratio was 1.19 in 2000 and increased to an estimated 1.22 by 2005. According to the measures of jobs, housing units, and workers per household, Sacramento County and the unincorporated area are roughly in balance.

The ratio of jobs to housing varies considerably within the County. The City of Sacramento had the highest jobs ratio—1.68 in 2000; yet, the City has about 1.2

workers per household. By these measures, Sacramento has more jobs than housing. The City of Folsom had the second highest jobs ratio at 1.33 in 2000, but had a ratio of workers per household of nearly 1.5. Other cities in Sacramento County had low job ratios in 2000: Galt, Elk Grove, and Citrus Heights each had ratios of less than 0.5 despite having worker-per-household ratios between 1.3 and 1.6.

EMPLOYMENT TRENDS

Between 1990 and 2000, business services firms added nearly 38,000 jobs to the Sacramento economy. Manufacturing firms added another 21,000 jobs, followed by engineering and management service firms at nearly 5,000 jobs. Between 2000 and 2005, SACOG projects that unincorporated Sacramento County will experience an annual increase of 2,661 jobs, or about 13,000 jobs over five years. Annual job growth is expected to accelerate between 2005 and 2015 to more than 4,000 per year and then decline to about 1,400 per year by 2025. The rate of projected job growth in the unincorporated area, about one percent, is below the projected countywide level of 2.5 percent between 2000 and 2005. Much of the projected job growth will occur in employment centers located within the newly incorporated City of Rancho Cordova.

According to EDD, jobs with the greatest anticipated growth in the Sacramento region include health care services, education, food and retail trades, business and personal services, and clerical/administrative support. Significant job growth is also anticipated in computer and other technical specialties, law enforcement and emergency services, and transportation. Most of these jobs will pay salaries at low-to moderate-income ranges. Among the jobs that are expected to experience the most growth are food service, maintenance, personal care, and retail jobs that pay average wages of \$8-\$14 per hour, or approximately \$17,000-\$29,000 per year.

Table 5-13 lists jobs reported by EDD with the greatest growth potential and the mean, low end, and upper end of the salary ranges for these jobs.

EMPLOYMENT TRENDS FOR THE 21ST CENTURY

Much has been reported in local business journals and the general media about new trends for the Sacramento economy in the 21st century. Among these trends are the growth of biotechnology and other technology industries, arts and culture, and the migration of Bay Area businesses and workers to the region. Although there is evidence that these trends are occurring, their cumulative impact over the short term is not yet the predominant force in affecting housing needs and housing market trends over the next 5 years. Technology employment, while increasing regionwide, is still overshadowed by the government, retail, and services sectors of the economy. A small percentage (probably less than five percent) of the Sacramento County labor force works at jobs in the Bay Area, based on an analysis of 2000 U.S. Census data. Over the long term, these emerging trends could become much more important in shaping employment and housing demand, however.

TABLE 5-13. OCCUPATIONAL EMPLOYMENT (2006) AND WAGE DATA (FIRST QUARTER 2007) ¹

OCCUPATIONAL TITLE	EMPLOYMENT ESTIMATES	MEAN ANNUAL WAGE	25TH PERCENTILE ANNUAL WAGE	75TH PERCENTILE ANNUAL WAGE
Jobs with the Projected Greatest Absolute Job Growth in Sacramento County between 2004 and 2014				
Retail Salespersons	27,420	\$25,269	\$17,430	\$27,040
Cashiers	21,510	\$22,427	\$16,806	\$23,774
Office Clerks, General	31,590	\$29,125	\$21,611	\$36,109
Waiters and Waitresses	13,290	\$17,347	\$15,683	\$18,096
Combined Food Preparation and Serving Workers, including Fast Food	14,740	\$18,184	\$15,766	\$18,699
Registered Nurses	13,490	80,849	\$66,830	\$94,515
Teacher Assistants	Unavailable	\$25,439	2	2
Carpenters	11,090	\$51,170	\$41,413	\$60,258
Laborers and Freight, Stock, and Material Movers, Hand	12,720	\$24,915	\$19,261	\$28,662
Customer Service Representatives	12,990	\$33,565	\$26,270	\$39,499
Elementary School Teachers, Except Special Education	10,000	\$55,296	2	2
General and Operations Managers	12,140	\$106,411	\$67,558	\$134,077
Landscaping and Groundskeeping Workers	8,380	\$23,274	\$18,221	\$25,293
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	10,830	\$24,730	\$18,096	\$30,722
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	5,260	\$18,091	\$15,808	\$18,928

Source: EDD 2007.

¹ Sacramento County Metropolitan Statistical Area—including El Dorado, Placer, and Sacramento Counties. 2006 Employment and first quarter 2007 wage information for the 15 occupations with the largest number of forecast job openings during the period 2004–2014 (EDD 2005).

² For some occupations, workers may not work full-time year-round. For these occupations, it is not feasible to calculate an hourly wage.

HOUSING CHARACTERISTICS

HOUSING COMPOSITION AND COMPONENTS OF CHANGE

Two incorporations have occurred that affect housing unit totals in the unincorporated area of Sacramento County during the present decade. Elk Grove incorporated on July 1, 2000, resulting in an approximately nine percent decline in the number of housing units in the unincorporated county between 2000 and 2001 (the California Department of Finance measures housing units and population as of January 1). In 2003, Rancho Cordova's incorporation resulted in about a 10 percent

decline in housing units between 2003 and 2004 totals. However, percentage growth in years not affected by incorporations ranged from 0.37 percent in 2006 to 2.04 percent in 2003. Since Rancho Cordova’s incorporation in 2003, the rate of housing growth has consistently been less than one percent, consistent with the removal of major growth areas from the unincorporated county. The low rate in 2006 is consistent with the broader decline in the housing market in the region and state.

The composition of the housing stock in the unincorporated county during the present decade has consistently been about 65 percent single-family homes, 32 percent multifamily units, and three percent mobile homes. The proportion of the growth in housing units made up of single-family versus multifamily units has varied from year to year. However, in the long term, the composition of the County’s housing stock seems to be relatively stable. In 1990, 68 percent of the housing stock in the unincorporated area of the County (which included what are now the cities of Citrus Heights, Elk Grove, and Rancho Cordova) was made up of single-family units, compared to 65 percent in 2000 and 2007.

Tables 5-14 and 5-15 show the composition of the housing stock during 2000-2007 for the unincorporated area and the entire County respectively.

TABLE 5-14. HOUSING ESTIMATES FOR UNINCORPORATED AREA OF SACRAMENTO COUNTY (2000-2007)								
YEAR	HOUSING UNITS							
	TOTAL	SINGLE		MULTIPLE		MOBILE HOMES	OCCUPIED	PERSONS PER HOUSEHOLD
		DETACHED	ATTACHED	2-4	5+			
2000	251,397	163,200	16,529	16,385	46,628	8,655	242,030	2.69
2001 ¹	228,686	142,942	15,610	15,860	45,892	8,382	220,329	2.67
2002 ¹	231,342	145,596	15,612	15,860	45,892	8,382	222,890	2.68
2003 ¹	236,068	149,644	15,612	15,861	46,490	8,461	227,302	2.68
2004 ²	212,409	136,702	13,588	13,882	41,165	7,072	204,876	2.70
2005 ²	213,871	137,991	13,588	13,894	41,248	7,150	206,286	2.67
2006 ²	215,964	139,127	13,590	13,902	42,154	7,191	208,305	2.66
2007 ²	216,767	139,862	13,599	13,934	42,149	7,223	209,080	2.65

Source: California Department of Finance 2007.

¹ Excludes the newly incorporated city of Elk Grove.

² Excludes the newly incorporated city of Rancho Cordova and the city of Elk Grove.

TABLE 5-15. HOUSING ESTIMATES FOR SACRAMENTO COUNTY (2000-2007)								
YEAR	HOUSING UNITS							PERSONS PER HOUSEHOLD
	TOTAL	SINGLE		MULTIPLE		MOBILE HOMES	OCCUPIED	
		DETACHED	ATTACHED	2-4	5+			
2000	474,814	297,063	32,245	36,309	93,713	15,484	453,602	2.64
2001	480,497	301,176	32,245	36,315	95,277	15,484	459,579	2.66
2002	490,601	309,405	32,263	36,396	97,050	15,487	469,395	2.68
2003	502,207	318,069	32,263	36,493	99,802	15,580	480,522	2.67
2004	512,864	327,481	32,278	36,407	101,114	15,584	490,806	2.69
2005	524,600	337,040	32,277	36,371	103,244	15,668	502,095	2.67
2006	535,788	345,444	32,297	36,496	105,842	15,709	512,870	2.66
2007	545,287	350,809	34,278	36,785	107,663	15,752	521,594	2.65

Source: California Department of Finance 2007.

Table 5-16 shows the number of building permits issued per year since 2000 by Sacramento County.

TABLE 5-16. BUILDING PERMITS ISSUED BY SACRAMENTO COUNTY			
YEAR	SINGLE-FAMILY	MULTIFAMILY	TOTAL PERMITS ISSUED
2000	2,332	35	2,367
2001	3,210	13	3,223
2002	3,195	686	3,881
2003	1,646	290	1,936
2004	1,354	921	2,275
2005	1,042	252	1,294
2006	692	139	831

Source: Data provided by Kohaya, T. pers comm. 2007.

HOUSING OCCUPANCY AND TENURE

Vacancy

Rental vacancy rates in the Sacramento region have been stable since about 2003, in the range of 6 percent-7 percent (Hendricks and Partners 2007). This represents an increase from the 2000 vacancy rate (reported by Hendricks and Partners) of about two percent. A vacancy rate of five percent is generally considered adequate to allow for consumer choice and free movement in the housing market. A survey of rental properties with 30 or more units during the second quarter of 2007 indicated that the vacancy rate for rental apartments is about the same as in mid-2006.

U.S. Census data from 2000 indicated that housing vacancy levels countywide and in the unincorporated area were both about four percent. There were 21,212 vacant units countywide and 9,367 in the unincorporated area. The homeowner vacancy rate was approximately 1.25 percent, and the rental vacancy rate was 4.1 percent. Based on the 2006 American Community Survey data for Sacramento County, the homeowner vacancy rate was approximately 2.6 percent, and the rental vacancy rate was approximately 6.5 percent. More recent rental vacancy rate data are presented in Table 5-17, below. The homeowner vacancy rate may have risen slightly since 2006 due to an increase in foreclosures.

Table 5-17 shows vacancy rates by county area for the second quarter of 2006 and 2007 for rental properties of 30 or more units.

AREA	SECOND QUARTER 2006 VACANCY RATE	SECOND QUARTER 2007 VACANCY RATE
Antelope	6.7%	2.7%
Carmichael	5.2%	3.5%
Citrus Heights/Fair Oaks	7.2%	6.7%
Elk Grove/Laguna	6.3%	10.9%
Greenhaven/Pocket	6.8%	4.6%
North Highlands	8.9%	7.9%
Orangevale/Folsom	5.0%	6.1%
Rancho Cordova	7.1%	5.9%
Sacramento	6.0%	6.4%
South Sacramento	6.1%	5.4%
Total	5.9%	6.0%

Source: Hendricks and Partners 2007.

Tenure

Most Sacramento County households, 58 percent, are homeowners. Although the County’s homeownership level is slightly more than the level statewide (57 percent), the proportion of homeowners in Sacramento lags behind many other parts of the country. This is largely because of the rising price of homes in relation to incomes. Between 1990 and 2000, homeownership in Sacramento County increased slightly, from 57 percent to 58 percent. Rising incomes during the 1990s and low mortgage interest rates allowed an increasing percentage of residents to purchase homes. The slight increase may have also been affected by the influx of higher-income Bay Area residents purchasing homes in the County. Since the late 1990s, the rate of increase in home prices has greatly exceeded increases in incomes. As a result, the percent of Sacramento households that can afford to purchase the median-priced home declined from 51 percent at the end of 2001 to 14 percent in 2007. If this trend continues, the rate of homeownership could decline even further.

Homeownership in Sacramento County varies considerably by age, income, and ethnicity. As reported previously, non-White and Hispanic households tend to have lower incomes than White, non-Hispanic households, and thus have lower homeownership rates. In 2000, householders who identified themselves as White or

of Asian origin had homeownership rates of 62 percent and 58 percent, while all other ethnic groups had homeownership rates of less than 50 percent. Although fewer than half of non-White, non-Hispanic households own their homes, homeownership rates increased from 1 to 3 percentage points during the 1990s for members of these groups.

The percent of homeowners increases with age and typically peaks at retirement. As individuals age, they typically have rising incomes and accumulated wealth that allow a higher percentage to purchase homes. According to the 2000 U.S. Census, only 30 percent of householders age 34 or less were homeowners. By age 45, two-thirds of householders were homeowners. Homeownership peaked at 78 percent between ages 65 and 74. Among the changes between 1990 and 2000 were that homeownership increased slightly among householders under age 24 and over age 65, but declined slightly among all other householders (ages 25-64).

Household size is also associated with homeownership. Single individuals and large families of six or more have homeownership rates of 50 percent or less, while other households have homeownership rates ranging from 52 percent to 62 percent. Single-person households are most likely to be younger households or seniors over age 75, who cannot afford homes or who have sold their homes and live in rented housing. Large families include a high percentage of low- and moderate-income households who cannot afford homeownership.

Tables 5-18, 5-19, and 5-20 compare tenure by ethnicity, age, and income.

RACE	OWNERS	PERCENT	RENTERS	PERCENT
White	201,475	62%	121,014	38%
Black or African American	16,547	40%	25,129	60%
Native American	1,796	40%	2,704	60%
Asian Origin	22,893	58%	16,692	42%
Pacific Islander	789	46%	938	54%
Other	11,354	46%	13,558	54%
Two or More Races	8,957	48%	9,756	52%
Total	263,811	58%	189,791	42%
Hispanic Origin	25,847	49%	26,772	51%

Source: U.S. Census Bureau 2000.

TABLE 5-19. TENURE BY AGE IN SACRAMENTO COUNTY (2000)

AGE	OWNERS	PERCENT	RENTERS	PERCENT
15-24	3,169	12%	23,233	88%
25-34	29,486	35%	53,878	65%
35-44	62,411	57%	46,720	43%
45-54	61,831	67%	29,787	33%
55-59	22,072	72%	8,684	28%
60-64	19,415	74%	6,837	26%
65-74	34,683	78%	9,746	22%
75-84	24,897	77%	7,623	23%
85 and over	5,847	64%	3,283	36%
Total	263,811	58%	189,791	42%

Source: U.S. Census Bureau 2000.

TABLE 5-20. TENURE BY INCOME IN SACRAMENTO COUNTY (2000)

INCOME	OWNERS	PERCENT	RENTERS	PERCENT
Less than \$10,000	10,002	36%	27,898	64%
\$10,000-\$24,999	28,918	35%	52,867	65%
\$25,000-\$34,999	26,773	46%	31,798	54%
\$35,000-\$49,999	44,156	57%	33,477	43%
\$50,000-\$74,999	64,371	70%	27,783	30%
\$75,000-\$99,999	40,249	81%	9,261	19%
\$100,000 or more	49,342	88%	6,707	12%
Total	263,811	58%	189,791	42%

Source: U.S. Census Bureau 2000.

AGE AND CONDITION OF HOUSING STOCK

The overwhelming majority of housing in the unincorporated area of Sacramento County was constructed after World War II. Before that time, only small numbers of residents lived outside the cities of Sacramento, Galt, Folsom, and Isleton in isolated villages and agricultural areas. Beginning in the 1940s, rapid suburbanization of Sacramento County resulted in the construction of more than 240,000 dwelling units.

After subtracting units in Citrus Heights, which incorporated in 1997, and Elk Grove, which incorporated in 2000, nearly 100,000 dwelling units are more than 40 years old and are the most at risk of becoming substandard. Another 50,000 are more than 30 years old and may show signs of deterioration if not adequately maintained. Although age does not always correlate with substandard housing conditions, neighborhoods with a preponderance of homes more than 40 years old, lower incomes, and a high percentage of rental housing are more likely than newer neighborhoods to have a concentration of housing in need of deferred maintenance, updating of utilities or interior amenities, rehabilitation, or replacement. Unincorporated areas such as North Highlands/Foothill Farms, and

Parkway-South Sacramento have both significantly lower incomes than the Sacramento County median and significantly higher percentages of rental housing more than 30 years old. Arden-Arcade also has a high percentage of older rental housing, although the median income of area residents is higher than in the other three communities. These communities are most likely to have higher concentrations of homes in need of deferred maintenance, rehabilitation, or replacement.

Table 5-21 shows the number and percentage of dwelling units by year constructed.

YEAR	NUMBER OF UNITS ¹	PERCENTAGE
1939 or earlier	4,599	2%
1940-1959	48,162	18%
1960-1969	42,955	16%
1970-1979	61,801	23%
1980-1989	48,613	18%
1990-1999	45,317	17%
2000-2006	15,807	6%
Total	267,254	100%

Source: U.S. Census Bureau 2000. 2000-2006 data provided by Kohaya, T. pers comm. 2007.

¹ Exclusion of dwelling units located in Elk Grove, which became a City in 2000, does not significantly change the percentage of dwelling units constructed by decade between 1990 and 2000. The new City of Rancho Cordova is included in Table 5-22.

Housing in Need of Rehabilitation or Replacement

Sacramento County has a significant stock of older housing, including housing occupied by lower-income households that may need repair or replacement. However, the age of housing, by itself, is not necessarily an accurate predictor of the extent of housing rehabilitation or replacement need. The most accurate method to estimate this need is to conduct a housing condition survey. Because of the County's size, such a survey was impractical for the preparation of this Housing Element.

The County's code enforcement records are also of limited use for estimating countywide rehabilitation needs because these records do not specify the types of enforcement actions in a manner that can easily be analyzed for problems with housing conditions. In addition, the County's code enforcement program is primarily complaint-based, so only those properties generating a complaint are visited by a code enforcement officer.

Another possible source of information for housing conditions is the County's rehabilitation assistance programs, operated through SHRA. As with code enforcement, data on rehabilitated units would provide only partial information on housing conditions.

Due to the lack of survey, code enforcement, or other data to estimate housing conditions in the unincorporated area, the County must rely on statistical means to estimate housing rehabilitation and replacement needs. One way to estimate a

minimum need is by examining the relationship between age of housing, tenure, income, and housing type. For example, older, privately owned, non-subsidized multifamily rental housing occupied by households with the lowest incomes is more likely to need rehabilitation or replacement than newer, single-family housing owned and occupied by moderate- or above moderate-income households.

The most comprehensive source of data on tenure, income, age of housing stock, and housing type is from the 2000 Census.¹ However, even census data is not complete enough to draw an accurate conclusion about housing conditions. Several statistics from the 2000 Census can help provide some insight into potential housing rehabilitation and replacement need.

According to the 2000 Census, about 3,240 owner-occupied housing units and 11,410 rental housing units constructed between 1940 and 1980 were occupied by households with poverty level incomes. These households—14,650 total—are least likely to have sufficient incomes to keep their homes in good repair or afford rental housing in good repair. The dwelling units they occupy (roughly 30 to 70 years old) are most likely to need varying levels of repair or rehabilitation. Therefore, the minimum housing rehabilitation need in the unincorporated County area is estimated to be 14,650 units.

Approximately 210 owner-occupied housing units and 400 rental units built before 1940 were occupied by households with poverty level incomes. These homes are most likely to suffer from conditions that make rehabilitation infeasible. Therefore, the minimum housing replacement need is 610 units.

The combined estimate of rehabilitation and replacement need represents about seven percent of the housing stock in the unincorporated area.

Reliance on these census statistics has the potential to both over-count and under-count the potential housing rehabilitation and replacement need. For example, a significant number of households below the poverty level of income live in government-assisted rental housing or in rental units in which a portion of the rent is paid for through the federal Housing Choice Vouchers. Government subsidized housing units are less likely to need rehabilitation than other housing units occupied by households with poverty level incomes. Conversely, it is highly likely that a significant number of lower-income households with incomes above the poverty level live in older, substandard housing, but there are no readily available census statistics to accurately estimate the number of such households. These uncounted households might balance out the potential over-count of households with poverty level incomes living in substandard housing.

Due to the lack of accurate data on housing conditions, the County will propose a program to conduct a housing condition survey during the period covered by this Housing Element.

¹ The Census Bureau's 2007 American Community Survey has information related to poverty status and tenure, but this information is less detailed than the 2000 Census. Estimates based on 2000 Census data are for the unincorporated area only, excluding the Rancho Cordova and Elk Grove Census Designated Places (which are now part of the incorporated cities of Rancho Cordova and Elk Grove).