

EXECUTIVE SUMMARY

California law (Government Code Section 65583) requires, in part, that each city and county adopt a housing element that contains:

- a) an assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs;
- b) a statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing;
- c) an inventory of developable sites capable of accommodating development of housing for a range of income types to meet the City's share of the regional housing need;
- d) a program which sets forth a five-year schedule of actions to implement the policies and achieve the goals and objectives of the housing element.

The contents of this document reflect a combination of local issues, priorities, and state law requirements. Housing has long been a major priority for the City. The City's housing policies and strategies have been developed within a broader context that includes three recent major initiatives.

1. Mayor Dellums' Task Force on Housing (2006)
2. Blue Ribbon Commission on Housing (2007)
3. Strategies and programs to maintain and expand the supply of housing affordable to very-low, low and moderate income households, as described in the City's Consolidated Plan for Housing and Community Development (2005).

An important part of the Housing Element is the determination of the City's new housing construction need. Under California law (California Government Code Section 65584), new housing construction need is determined, at a minimum, through a regional housing allocation process. Oakland (along with all other jurisdictions in the state) must plan to accommodate its share of the housing need of persons at all income levels.

The City's share of regional housing need is based on a plan prepared by the Association of Bay Area Governments (ABAG), the *Regional Housing Needs Allocation* (RHNA) that was adopted in 2008. Under the RHNA, Oakland must accommodate 14,629 new housing units between 2007 and 2014. In addition, the *Regional Housing Needs Allocation* describes housing needs by income level (as a percentage of area median income, or "AMI"), as indicated in the following table.

Oakland's "Fair Share" Housing Goals for 2007-2014

	Very Low Income (50% of AMI)	Low Income (80% of AMI)	Moderate Income (120% of AMI)	Above Moderate Income	Total
Number of Units	1,900	2,098	3,142	7,489	14,629

Note: Oakland estimates that 50% of the Very Low Income Need (950 units) is for households that are Extremely Low Income (at or below 30% of area median income)

Cities are required to accommodate these housing needs by providing sufficient sites, with adequate zoning and infrastructure, to make possible the development of these units, including providing sites with sufficient density to make possible the development of housing for all income levels.

As demonstrated in Chapter 4, based solely on housing units constructed since 2007, under construction, approved through the Planning Commission or in predevelopment, the City has already provided sufficient sites to meet the target for total units, including substantial progress toward meeting needs for very-low and low income households.

In addition, the City has identified "housing opportunity sites" capable of accommodating approximately 10,190 additional units. Most of these sites are zoned for multi-family development along major corridors, in the downtown, and in transit village areas, and thus could accommodate a range of households with different incomes, depending only on the availability of adequate financial subsidies to make possible the development of units for very low and low income households. These projections are based on conservative estimates of the capacity of these sites. **In sum, the City has identified sites that can accommodate more than twice its housing needs allocation.**

A. EVALUATION OF 1999-2006 PROGRAMS

Chapter 2 of the Housing Element includes an assessment of the City's success in achieving the goals set out in its previous Housing Element, and an evaluation of the effectiveness of the programs that were included at that time.

The City's last Housing Element was completed in 2004, and covered the period from January 1, 1999 to June 30, 2006.

The 1999-2006 Housing Element lists eight housing goals with policies and policy actions to be taken to achieve those goals. The specific policy goals identified in the 1999-2006 Housing Element will continue into the next planning period mostly unchanged though there are some modifications. Some policy goals identified will be discontinued in the 2007-2014 Housing Element because they do not appear to be effective or address current needs (see Chapter 7 Goals, Policies and Actions).

Housing Production

The City came close to meeting the overall housing production goals though fell slightly short of those production requirements. Unfortunately, the City cannot control the housing market conditions to encourage housing development. In addition, subsidies available to develop affordable housing units can only stretch so far given the high land and development costs during this planning period. The City permitted the development of 1,328 very low-, low-, and moderate-income housing units with a grand total of 7,017 housing units permitted (See Chapter 2, Table 2-1).

Comparison of Housing Needs and Housing Production, 1999-2006

State Identified Affordability Categories	1999-2006 RHNA	Building Permits Issued 1/1/1999 – 6/30/06
Very Low (up to 50% AMI)	2,238	547
Low (51-80% AMI)	969	626
Moderate (81-120% AMI)	1,959	155
Above Moderate (> 120% AMI)	2,567	5,689
Total	7,733	7,017

Source: City of Oakland building permit data, 2006; see “City of Oakland Annual Progress Report on Implementation of Housing Element, 2006”

Appropriateness and Effectiveness of 1999-2006 Programs

The 1999-2006 Housing Element established policies and programs to address eight housing goals. The following summarizes those policy goals and gives a short analysis of actions take and for each goal.

- 1) Provide adequate sites suitable for housing for all income groups: The City adopted a variety of policies to encourage housing development. Highlights of these policies include the “10K” Downtown Housing Program, implementing changes to its Planning Code and zoning map, and instituting interim development guidelines to insure conformity with the General Plan and zoning regulations among other changes to Planning Department policies that assist with the identification and assist with the identification of adequate sites suitable for housing development.
- 2) Promote the development of adequate housing for low- and moderate-income households: The City has employed a combination of financial assistance and regulatory measures to stimulate the production of housing and preserve affordable housing opportunities. The City sponsors programs that supports renters and promotes homeownership.
- 3) Remove constraints to the availability and affordability of housing for all income groups: Some examples of how the City removed constraints to development of housing for all income groups include a streamlined permitting process, flexible zoning regulations, and generous density requirements. Other examples of removing constraints to development includes allowing multi-family housing in most medium- to high-density residential and commercial zones, and conditionally permits multi-family housing in lower-density areas.
- 4) Conserve and improve older housing and neighborhoods: The City combined public investment, code enforcement, financial assistance for commercial revitalization, and financial assistance to improve the condition of residential properties.
- 5) Preserve affordable rental housing: The City assisted in the rehabilitation of low-income rental housing owned and operated by affordable housing organizations, while the Oakland Housing Authority focused on the maintenance and improvement of public housing. Most properties with expiring Section 8 contracts have been preserved with extended low-income restrictions.
- 6) Promote equal housing opportunity: In 2005, the City completed its Analysis of Impediments to Fair Housing. This analysis is conducted by the City of Oakland’s Community and Economic Development Agency every five years in accordance with the requirements of the

U.S. Department of Housing and Urban Development (HUD). Key elements of this plan are included as policies in this section of the City's Housing goals.

- 7) Promote sustainable development and smart growth: In May of 2006, the Oakland City Council adopted a resolution to encourage developers of residential and commercial projects to use green building design standards as set forth in the Alameda County Residential Green Building Guidelines for residential construction and the U.S. Green Building Council's LEED rating system for commercial construction. Key elements of this plan are included as policies in this section of the City's Housing goals.
- 8) Increase public access to information through technology: Technical advances have enabled both City staff and the public easy access to planning related information. The new technologies incorporated during this planning period include STELLANT document management system, The City's website with information on current and past planning projects. Meeting notices, agendas, reports and minutes for Planning Commission, subcommittees, and City Council meetings are available online. The City's public interactive GIS system was updated to provide developers and the public access to detailed information about parcels and neighborhood characteristics.

B. EXISTING CONDITIONS/OPPORTUNITIES

Chapter 3 contains a detailed analysis of existing conditions, including a profile of the demographic and economic characteristics of Oakland's population, and an overview of the physical and financial characteristics of the housing stock. The 2000 Census demographic data is the primary data used for this analysis. Since this Housing Element planning period falls between the 2000 and 2010 decennial Census, demographic data has not been changed from the 1999-2006 planning period. Exceptions to this are noted in the text or table references.¹

Changes in Population

Changes in demographics in Oakland from 1990 to 2000 brought significant changes to the City. Reversing the trend in the early post-World War II years, Oakland experienced significant and sustained population growth, increasing from about 339,000 in 1980 to nearly 400,000 in 2000. According to the California Department of Finance (DOF), Oakland is the eighth largest city in California with a population of over 420,000 in 2008. Before 1980, Oakland had experienced three decades of population decline due to changes in the local economy, migration to suburban communities, and other factors.

Race and Ethnicity

Since at least the 1940s, Oakland has had a significantly higher percentage of non-White and Hispanic residents than other cities of similar size. The most significant change in Oakland's population between 1990 and 2000 was the decrease in the number and the proportion of residents who identified themselves as White or as Black/African-American, and an increase in the number and

¹ The current American Community Survey Census product is not used by the City of Oakland. Comparing these data to other sources used by the City (e.g.: 2000 Census, California State Department of Finance, and USPS 90-day Vacancy data), there is clear evidence that there are problems with the ACS sampling. Specifically, the ACS data in question is an under count of the population and over count of the vacancy rate.

proportion of residents who identified themselves as Asian/Pacific Islander or Hispanic/Latino. The White population decreased by 11 percent, and the Black population by 13 percent, while the Asian population increased by 16 percent and the Hispanic population increased by 78 percent.

The decline in the African American population between 1990 and 2000 was the result of the availability of cheaper homes in the suburbs and/or rapidly rising housing costs in Oakland during the late 1990s. Also notable is the continued decline of the White, Non-Hispanic population in Oakland.

Oakland's population mix over the past 50 years has been influenced by economic and suburban development trends. The loss of many relatively well-paying "blue collar" and military jobs, combined with rapid suburbanization in the Bay Area between 1950 and 1980, left Oakland with a higher percentage of lower-income and minority residents. Since the 1980s, increasing numbers of immigrants from Asian, Pacific Island, and Latin American/Hispanic countries have found homes in Oakland. According to the 2000 Census, nearly 12 percent of Oakland residents were foreign born and came to the United States between 1990 and 2000. Nearly 90 percent of these new residents came from either Asia or Latin America.

Age Distribution

A comparison of Census data from 1990 and 2000 shows that there had been a significant increase in the school-age population (age 5-17) and in the number people between age 40 and age 60. The number and percentage of seniors (older than 65) declined, as did the number of children under age 5.

Despite the decline in the number of seniors, because of the growth of the population between 40 and 60, it is widely expected that there will be an increase in demand for senior housing if these households remain in Oakland.

Household Size and Composition

Oakland has a high percentage of single adults and other non-family households (unrelated individuals living together).

- Nearly one-third of all households consist of single persons.
- Approximately 30 percent of households contain two people.
- Average household size increased from 2.52 in 1990 to 2.60 in 2000. This is primarily a result of increases in the size of family households.

The relatively high percentage of small households is explained in part by the lack of larger housing units – nearly 70 percent of Oakland's housing units have two bedrooms or fewer, compared to 54 percent for Alameda County as a whole. Larger households with sufficient income may be moving out of Oakland to secure larger housing units.

- 57 percent of households are family households (two or more persons related by blood, marriage or adoption).
- The number and percentage of families with 5 or more persons increased between 1990 and 2000.
- Average family size increased from 3.28 in 1990 to 3.38 in 2000.

- There are substantial differences in household size by race. Non-Hispanic White households have an average size of just 1.96, while the average size of Black households is 2.47, and for Asians the figure is 3.03. For households of “other race” (primarily Hispanic), average household size is 4.30, while for Pacific Islanders the figure is 4.56 (Census 2000).
- More than one-third of families with children are headed by a single parent.
- The number of female-headed single parent families has declined slightly, while the number of male-headed single parent families has increased.

These figures suggest a significant need for housing for large families, and for the integration of services such as childcare into housing developments.

Income

Data from the 2000 Census reveals the following information about household and family incomes in Oakland:

- Between 1990 and 2000, median household income increased from \$27,095 to \$40,055 (48%).
- Median family income increased by 40 percent, from \$31,755 in 1990 to \$44,384 in 2000.
- Median income for non-family households (single persons and unrelated adults living together) increased by 70 percent from \$20,713 in 1990 to \$34,075 in 2000.
- Incomes of non-family households moved much closer to the median for Alameda County, but median family income moved farther from the county-wide median.
- 52 percent of the City’s households are considered to be very low or low income, substantially higher than the countywide average of approximately 38 percent.
- 36 percent of Oakland households had income from Social Security or public assistance, indicating a high proportion of very low income households.
- Median renter incomes were approximately half that of homeowners – \$30,000 compared to \$62,000 (in 2000).
- 18 percent of renters had annual incomes less than \$10,000 (in 2000).
- Median income for White households was over \$57,000, compared to \$39,000 for Hispanics, \$34,000 for Asians, and \$31,000 for Blacks.
- 19.4 percent of the population was below the poverty line; 28 percent of all children and 37 percent of female-headed families with children were in poverty. The lowest rates of poverty were among seniors, at 13 percent.

Housing Characteristics

- Oakland had a net gain of over 9,300 housing units between 1990 and 2008. The actual number of new housing units was substantially higher, since these figures mask the loss of over 3,000

units in the 1991 Oakland Hills Firestorm. The City estimates the actual construction since 1990 to be approximately 12,000 units.

- Most of the new units constructed between 1990 and 2000 were in single-family homes, reflecting the extensive rebuilding activity in the fire area.
- Most of the multifamily housing that had been constructed between 1990 and 2000 was the publicly assisted rental housing for lower-income households. Since 1999, there was significant development of market-rate multifamily housing – primarily condominiums.
- Nearly half of Oakland’s housing units are in single-family detached or attached structures.
- Nearly one-third of all units are in buildings of 5 or more units.
- The number of households increased at twice the rate of gain in the housing stock during the 1990s, so that by 2000 the estimated vacancy rate was about half that in 1990.
- According to the 2000 Census, the effective vacancy rate² was just two percent for owner-occupied housing and three percent for renter housing.
- Low vacancy rates pose a particular hardship for renters, making it both difficult and costly to move.
- An exception to these low vacancy rates are the Census Tracts with high foreclosure rates. The foreclosure crisis (see Chapter 3, “Housing Cost” section for more details) that began in 2006-2007 has dramatically changed this situation. Many neighborhoods, especially in East Oakland, West Oakland, and the western edge of North Oakland, have large numbers of vacant, foreclosed homes.

Tenure

- 58.6 percent of Oakland households are renters, indicating a slight decline in the homeownership rate.
- The only racial/ethnic group with a majority of homeowners is Non-Hispanic Whites (52 percent). Ownership rates for other groups range from 33 percent to almost 50 percent.
- Homeownership rates are closely related to incomes. In 2000, White households had the highest median income and the highest ownership rates. However, even though Black households had the second highest median income, their homeownership rates lag behind those of Hispanic and Asian/Pacific Islander households.

² The percent of dwelling units available for occupancy excluding homes that are boarded up, used only part of the year, or sold or rented and awaiting occupancy.

Age and Condition of Housing

- Some indicators of substandard housing, such as aging housing stock and the number of dwelling units lacking complete facilities, indicate that the City's housing stock may have deteriorated between 1990 and 2000.
- Other indicators, such as the rehabilitation of earthquake-damaged residential hotels after the 1989 Loma Prieta earthquake and the increase in private investment in many residential neighborhoods, suggest that housing conditions in Oakland may be improving.
- Long-term trends from the 1960s indicate that housing conditions may have improved, as substandard dwelling units were removed during the 1960s and 1970s due to code enforcement and to make way for public works and redevelopment projects.
- As much as 30 percent of dwelling units in Oakland, nearly 47,000 units, may need repairs ranging from deferred maintenance to substantial rehabilitation.
- Less than ten percent of the dwelling units in the sample taken during the Housing Conditions Survey conducted for the last Housing Element needed moderate to substantial rehabilitation.
- The maximum replacement need is estimated at two percent.
- Rehabilitation need in Oakland varies by geography, age of the housing stock, and incomes of residents. Neighborhoods below the MacArthur freeway (Interstate 580), which have higher percentages of older housing and lower-income residents, are estimated to have a higher rehabilitation need. Areas of the City north of Interstate 580, particularly in the Oakland hills, and around Lake Merritt are estimated to have a significantly lower rehabilitation need because incomes are higher and the housing stock is relatively newer.

Housing Cost and Overpayment

- Oakland rents and housing prices rose slowly during much of the 1990s, but price increases have accelerated since the late 1990s.
- Regionally, home sales prices in Oakland are among the lowest compared to other Bay Area cities.
- Home sales data obtained for the period of 1988 through July 2009 shows an increase in median home sales prices to \$242,661 (not adjusted for inflation). This is a 232% increase during that time period.
- When looking at the same period, the sales price data by Oakland zip code still shows median home sales price increases from 97% to 220%.
- Although lower than many other Bay Area Cities, the relative affordability given other Bay Area Cities and its central location—especially its proximity to downtown San Francisco—are likely to create demand pressures that increase housing costs. These housing cost increases have the potential to impact rents and in general decrease housing affordability for lower-income households. Homeownership for low-income households will be all but impossible except under privately sponsored, state, or federal programs targeted to this income group.

- 42 percent of renters and 33 percent of owners pay more than 30 percent of income for housing.
- Among renters with incomes less than \$35,000, approximately 70 percent pay more than 30 percent of income for rent.
- According to data collected for the City's 2004 Rental Survey with updated 2008 data, median rents remained flat or declined beginning in 2002 and continued this trend through 2004 for most studio, one-bedroom, and two-bedroom rental units in Oakland. At the time, those rents were still substantially higher than in the mid- to late 1990's. In 2008 that flat to downward trend appears to have reversed as median rents have increased in all rental categories.
- Median advertised rents in July 2008 were \$800 for a studio rental unit, \$1,150 for a one-bedroom unit, and \$1,500 for a two-bedroom rental unit.
- Similar to what was reported in the last Housing Element, North Oakland, Montclair, areas above MacArthur Boulevard, and Lake Merritt experienced the largest increases in median rents. Areas below MacArthur have the lowest rents with one notable change. Downtown Oakland has experienced a dramatic increase in advertised rent compared to other neighborhoods.
- Waiting lists for assisted housing have increased significantly, as has the average wait time to get into assisted housing. Wait times for public housing and privately-owned assisted developments range between one and four years. Wait times for rental housing vouchers (Section 8) range between three and seven years.
- The median housing price in Oakland increased dramatically during the last Housing Element planning period making homeownership increasingly difficult for moderate-income households and all but impossible for lower-income households. This trend has slowed in some neighborhoods to having a reverse affect in others due to the Foreclosure crisis.
- The trend in subprime lending practices taking place from approximately 2005 to 2007 has dramatically impacted the City of Oakland. The City of Oakland is tracking the number of houses that are in foreclosure by monitoring properties that are in default (NOD), that have a trustee sale scheduled (NTS), or that are bank-owned (REO). As of December 2008 there were a total of 12,386 foreclosures (notices of default, notices of trustee sale or bank-owned properties) in the City.
- City staff has acquired data on properties that have an adjustable rate loan scheduled to reset in the next year and that has 90% to 200% combined loan-to-value ratio. As of November 2008³, this data show that there are close to 7,365 properties that will have loan adjustments in the next two years. Of those properties, 3,655 (50%) loans will adjust before the end of 2008; 6,303 (85%) loans will adjust between December 2008 and November 2009.

Overcrowding

- Overcrowding in 2000 was greater than in 1990. Nearly 12 percent of the City's households lived in overcrowded conditions in 1990, increasing to 16 percent in 2000.

³ Adjustable Rate Loan Rider data for the City of Oakland acquired from First American Core Logic. This data consists of first mortgage loans that will have at least one adjustment between November 2008 and November 2010 and that have a combined loan to value ratio of >90%. These data include loans on the following types of properties: condominiums, duplexes, multi-family, PUDs, four plexes, single family residential, townhomes and triplexes.

- Ten percent of Oakland households lived in severely overcrowded conditions in 2000.
- Renter households typically have a higher rate of overcrowding than homeowners. Nearly 16 percent of renters lived in overcrowded conditions in 1990, while more than nine percent lived in extremely overcrowded conditions. In 2000, 20 percent of renters lived in overcrowded conditions. Large renter families had the highest rate of overcrowding, nearly 73 percent.
- For homeowners, overcrowding increased from six percent to ten percent between 1990 and 2000. Approximately half are severely overcrowded.

Special Housing Needs

Seniors

- Between 1990 and 2000, the number of seniors declined by 7.6 percent, and the number of senior households declined by 14.9 percent.
- Nearly 40 percent of senior-headed households consist of a single elderly person living alone. Approximately 13 percent of seniors have poverty-level incomes. Although the poverty rate among seniors is below that of the general population, over half (53 percent) of seniors have very low-incomes, according to the 1990 Census. Nearly 40 percent of these seniors paid half of their incomes or more for housing in 1990 (figures for 2000 are not yet available).
- Oakland contains a large number of assisted senior housing units. This level of assistance helps about one-quarter of senior households in Oakland (7,124 senior households), and represents over one-third of all housing assistance.
- Waiting lists for assisted rental units reserved for seniors stood at 3,500 in the year 2000. The average wait time is two years and four months.

Persons with Disabilities

- Nearly 21 percent of the population age five and older who live in Oakland reported a disability in 2000.
- Nearly half of the population 65 and older reported having a disability.
- The proportion of the population in Oakland with disabilities is much greater than countywide due to the availability of social services, alternative housing, income support, and relatively lower housing costs than in other central Bay Area locations. These factors create a high demand for housing and services to meet the needs of persons with disabilities.
- Among the most urgent needs reported by organizations serving persons with disabilities are independent living units with supportive services; treatment for persons with chemical dependency, mental illness, and chronic illness; and life and job skills training to increase the ability of these individuals to live independently.

Single Parent Households

- According to the 2000 Census, Oakland has 18,314 single parent households, about the same number as in 1990. Over three-quarters of these households are female-headed. The number of

male single-parent households increased by nearly one-third, while the number of female single-parent households decreased by six percent.

- Single-parent householders face constraints in housing due to their lower incomes and the need to access childcare and other support services. It is important that single parent households live close to schools, local services, child-care, and health care facilities because many lack private vehicles. Although the total number of single parent households has remained steady, the extremely high poverty rate among female-headed, single-parent households, suggests that the City will continue to face a need for additional, affordable family housing with access to support services.

The Homeless

- According to the City's Permanent Access to Housing (PATH) Strategy published May 2007, approximately 6,300 individuals are homeless in Oakland at any point in time. Approximately 17,200 persons are at risk of homelessness.
- Minorities make up a disproportionate share of this total.
- The City estimates that the greatest unmet need among homeless or those at risk of homelessness is short-term financial assistance or other support services to prevent them from becoming homeless. Approximately 31% of homeless households in Oakland need permanent supportive housing.
- While the City of Oakland has a significant inventory of affordable housing, there are very long waiting lists for these units and most of them do not have supportive services. There is tremendous unmet need for housing for 7,380 of the 15,115 households homeless or at risk of being homeless. PATH contends that the homelessness can be prevented or ended for these 7,380 households only by creating affordable and supportive housing units affordable to those with extremely low incomes and by providing short-term subsidies for those who have obtained housing but are at risk of becoming homelessness.

Large Families

- Oakland has 11,365 renter and 8,526 owner households with five or more persons.
- Comparing 1990 and 2000 Census data, there was an increase in the number of large households among both renters and owner-occupants.

Assisted Rental Housing

- As of December 2008, there are 8,266 privately owned, publicly subsidized rental housing units in over 129 developments in Oakland. Of these units, 166 are designated for persons with disabilities and/or HIV/AIDS, 3,135 for families, and 4,196 for seniors. Another 679 privately owned subsidized rental units are in residential hotels and 90 are transitional housing units for homeless individuals and families.
- The Oakland Housing Authority (OHA) owns and operates public housing units and administers the Section 8 Certificate and Voucher Programs According to the 2008 Making Transitions Work Annual Report, OHA owns and operates 3,221 units of public housing. This figure includes three

large developments for families, five sites specifically designated for seniors, five mixed-income (HOPE VI) sites, and 254 small sites scattered throughout the City.

- The Housing Authority provides 11,586 Section 8 Vouchers for low-income residents for use in the private rental market.
- Assisted rental housing is a limited resource in Oakland, and the loss of such housing can adversely affect the ability of low-income renters, particularly those earning less than 30 percent of median income, to find affordable housing. As of 2008, the City of Oakland has lost 209 affordable rental units in five projects: Garden Manor Square (71 units), Park Villa (44 units), Park Village (84 units), S&S Apartments (5 units), and the Smith Apartments (5 units).
- As of 2008, there are 4,280 privately owned, federally-subsidized affordable housing units (in 51 properties) in the City of Oakland. Of these 51 properties, 36 (almost 71 percent) are owned by non-profit organizations, with the remaining 10 owned by for-profit companies and 5 are limited-dividend partnerships.
- There are 4,585 units of at-risk housing in Oakland. Of those units, 468 have Project-based Section 8 contracts set to expire between 2009 and 2014. Two of the three owners of these developments stated that they had already renewed their subsidy contract or intended to renew in the future.
- There are twenty-six developments consisting of 1,979 units, that are technically considered “at-risk” of conversion between 2014 and 2019. City staff confirmed that all of these developments are owned by nonprofit organizations and that most of these developments have regulatory restrictions. There were a few developments for which City staff was unable to determine regulatory agreements beyond the Section 8 contract expiration date. Since all developments in question are owned by a nonprofit entity, City staff are not concerned that these affordable units will be lost.

Population and Employment Trends

- Oakland’s population growth of seven percent between 1990 and 2000 was about half the countywide rate of 14 percent and the statewide 13 percent rates during the same period of time.
- As in many other cities, Oakland has undergone a post-industrial transformation from a manufacturing to a service-oriented economy and now must adjust again to take advantage of the new industrial/technical-based economy (software/multimedia, telecommunications, bioscience and biotechnology, etc). More recently, Oakland’s residents held more jobs in construction, trade and logistics, and food production employment.
- As of 2004 Oakland boasted at least 47,000 industrial jobs (Employment Development Department Data 2004), with about half of those at the Oakland International Airport and the Port of Oakland. These jobs provide a living wage, at an average of \$53,000 per year, but the numbers of jobs has lessened as larger production facilities, often owned by multi-nationals, have moved to other states or been off-shored.
- The decline in Oakland’s industrial employment, mirroring larger trends throughout the country, has been compounded by the changing characteristics of blue-collar jobs and increased distance to the newer work centers of the Bay Area, and by the emerging communities in the Sacramento Valley.

- The large decline in federal jobs in Oakland of more than 37,000 between 1990 and 2000 was due to the military base closures at Mare Island, Hamilton Air Force Base, Bayview Hunters Point and the Oakland Army Base. The loss of these well-paid blue collar jobs has not yet been offset by increases in other employment sectors. On the one hand, job losses among Oakland residents alone is projected at 1,810 direct civilian and 2,820 military jobs held by Oakland residents, as well as around 4,000 indirect and induced resident jobs and up to \$140 million in economic loss, both payroll and procurement. On the other hand, studies have shown that base conversion, properly handled, can be a net job producer.
- According to the 2000 Census, 39 percent of Oakland residents held management, professional, and related jobs. Over half of City residents worked in service-related public and private industries.
- Most of the largest employers are governmental agencies, health care service firms, and other corporate service firms. One measure of the change in Oakland's economy since the 1950s is that few of the top 50 employers are manufacturing firms.
- In May 2008, analysis and planning stages were completed and the implementation plan for an economic development strategy was launched. A *Collaborative Economic Development Strategy for Oakland* is the implementation plan that identifies four industries where the City in collaboration with private sector, labor and academia will work to increase private investment and encourage workforce development programs with a goal of creating 10,000 new jobs between 2008-2013. These four industries are: 1) International Trade & Logistics, 2) Healthcare & Life Sciences, 3) Green Technology, and 4) Creative Arts (Art, Design, & Digital Media).

C. LAND INVENTORY

Chapter 4 contains an inventory of sites suitable for development of housing for all economic groups. The inventory is summarized in the chapter itself, and the detailed inventory may be found in Appendix C.

According to the RHNA, the City should plan to accommodate 14,629 housing units between January 2007 and June 2014, of which 1,900 should be affordable to very low-income households (Oakland estimates that 50% of the Very Low Income Need, or 950 units, is for households that are Extremely Low Income i.e. at or below 30% of area median income), 2,098 to low-income households, 3,142 to moderate-income households, and 7,489 to above-moderate-income households. Sites on which such housing might be constructed should permit adequate densities and contain infrastructure and services to increase the financial feasibility of producing housing affordable to low-income residents.

State law requires that cities complete an inventory of developable sites and identify those sites that are adequately zoned and have appropriate infrastructure to support the development of housing units to meet the regional housing allocation, including providing sufficient housing units for all income levels.

The City's analysis divides sites into three groups. The first group consists of sites on which projects have been constructed since January 2007, or on which units were under construction as of August 2008. For these sites, the number and affordability is clearly identifiable since an actual project exists. This group does not include most scattered site single family developments that have been completed recently, which would add several hundred units each year to the total.

The second group consists of sites that have received entitlements (planning approvals) and therefore have been approved by the City for a specific number of units. Also included in this group are sites on which identified projects are in predevelopment and for which there are specific proposals for units and affordability levels that the City is working to implement.

The third group consists of “opportunity sites” identified by the City as a result of several studies or planning analyses. This is not an exhaustive inventory and focused only on strategic areas in which the City is actively promoting development or assessing development capacity. Many sites are envisioned for downtown, along the City’s major transit corridors and in the BART transit village projects. These studies have focused almost entirely on sites with the capacity for medium and high-density multi-family developments, and therefore again do not include scattered site single-family sites. The calculation of the number of units that could be accommodated on these sites is below the maximum number of units allowed under the General Plan and Zoning Ordinance, and is based on the typical densities that have been developed on similarly zoned sites in recent years, which has generally been below the maximum allowable density.

The results of this analysis show that housing potential on land suitable for residential development in Oakland is large and is more than adequate to meet Oakland’s allocation of regional housing needs (RHNA).

Between January 2007 and August 2008, a total of 1,134 new housing units had been constructed or were under construction (including 489 affordable units). Again between January 2007 and August 2008 a total of 4,999 units had received planning approvals but had not yet started construction (including 467 affordable units). There are also 7,070 units in some stage of predevelopment (including 48 affordable units). **Based on these three stages of housing unit development, the City has already identified enough units, in specific projects that have been built, approved or proposed, to accommodate nearly all the units required to meet is Regional Housing Needs Allocation.**

Because most of the approved and proposed units are in market rate projects, the City has identified “housing opportunity sites” that could accommodate development of housing for very low, low and moderate income households. While there is no guarantee that development will occur on all these sites, taken together they are capable of accommodating approximately 10,380 to 13,069 additional units. Most of these sites are zoned for multi-family development along major corridors, in the downtown, and in transit village areas, and thus could accommodate a range of income types depending only on the availability of adequate financial subsidies to make possible the development of units for very low and low income households. These projections are based on conservative estimates of the capacity of these sites, below the maximum densities permitted by the City’s General Plan and Zoning Ordinance. **In sum, the City has identified sufficient sites that can accommodate its housing needs allocation and specifically meet the needs for affordable housing development.**

The following table provides a summary of the housing potential on land suitable for residential development in Oakland in each of the three categories described above. A detailed inventory listing the potential sites and additional background information on assumptions and sources of data is presented in Appendix C.

Housing Development Potential on Identified Sites

	Total	Units By Affordability Category				
		Extremely Low Income	Very Low	Low	Moderate	Above Moderate
Group 1: Units Built or Under Construction (as of mid-2008)						
Subtotal	1,134	54	248	187	65	580
Group 2: Units in Predevelopment, (as of mid-2008)						
Subtotal	4,999	54	187	226	77	4,455
Group 3: Potential Units on Additional Housing Opportunity Sites						
Subtotal	7,070	-	-	48	-	-
Potential Units on Additional Housing Opportunity Sites						
Subtotal	10,380 – 13,069	-	-	-	-	-

D. SUMMARY OF PROGRAM RESOURCES

Chapter 5 provides a description of the program resources available to address the City’s housing needs. These include local funds, federal grant funds received by the City, and funds available from other sources.

The Oakland Redevelopment Agency’s Low- and Moderate-income Housing Fund is the primary source of housing funds utilized to support the City’s housing programs. The City has nine redevelopment project areas from which tax increment revenues are collected. In 2000 and 2006, approximately \$95 million was raised through tax allocation bonds backed by the Low-and Moderate Income Housing Fund. Most of these funds have already been committed to housing development projects, including projects anticipated to start and complete construction during this Housing Element period.

In FY 2008-09, the gross tax increment for all redevelopment areas is estimated to be approximately \$125 million yielding \$31 million in deposits to the Low- and Moderate-Income Housing Fund. The Redevelopment Agency anticipates modest increases in revenues through 2014.

The City also receives federal HOME, CDBG, and other program funds that are allocated for housing. HOME funds are used primarily for housing development projects. In FY 2008-09, the City received approximately \$4.3 million in HOME funds.

The City currently receives \$8.3 million annually in Community Development Block Grant funds for housing activities including loans for rehabilitation of owner-occupied housing, capital and operating costs of shelter and housing for the homeless, housing counseling and fair housing services. The City receives approximately \$362,000 in federal Emergency Shelter Grant funds for support of shelter and services for the homeless.

In FY 2008-09, the City was awarded \$8.25 million in supplemental CDBG funds under the Neighborhood Stabilization Program (NSP) to assist with the acquisition, rehabilitation and resale or rental of foreclosed homes and apartments. This is a one-time award; grant activities will be carried out over a four year period.

Affordable housing developers in Oakland routinely apply for additional funds provided by the state and federal governments, and private sources, including:

- low-income housing tax credits
- HUD's Section 202 and Section 811 programs for seniors and persons with disabilities
- State of California Housing programs administered by both the Department of Housing and Community Development and the California Housing Finance Agency
- private lending programs
- foundation grants

The City's willingness to make early commitments of local funds for housing development projects makes Oakland-based projects more competitive for outside funding.

In addition, affordable and mixed-income housing projects in Oakland, most of them already receiving assistance from the City or Redevelopment Agency, have been awarded over \$80 million in funds from Proposition 1C under the State's Transit Oriented Development and Infill Infrastructure Grant competitive grant programs.

E. ANALYSIS OF CONSTRAINTS TO HOUSING

Chapter 6 contains a detailed discussion of potential constraints to the City's ability to provide or accommodate the provision of housing to meet its identified housing needs. The discussion of constraints examines those aspects of the City's policies and procedures that might constitute constraints. Appendix E contains a broader and more detailed description of all of the City's land use planning and development review standards and procedures that provides background for the analysis contained in Chapter 6.

Governmental Constraints

The term "governmental constraints" refers to the policies and regulations of the City that impact housing. The City has undertaken an analysis of its General Plan, Zoning Ordinance, development standards and permit processes to determine what constraints may exist.

The City has few constraints to housing relative to those in other jurisdictions, and in recent years it has undertaken a number of initiatives to encourage private development and expand the production of affordable housing.

To encourage housing production and reduce regulatory barriers, the City updated its General Plan in 1998, which increased the areas in the City where higher density residential and mixed use development could be built. These changes to the General Plan encourage more housing in the City, near job centers, with access to transportation and other services. Since 1998, the City of Oakland

has undertaken actions to reduce the impact of local government regulations and fees on the cost and availability of housing. Beginning with the General Plan update in 1998, the City has:

- increased residential densities,
- created new mixed-use housing opportunities along major transportation corridors and in the downtown,
- reduced open space requirements in high density residential zones in the Downtown, and in the Transit Oriented Development Zone (S-15),
- streamlined the environmental review process for downtown projects,
- adopted a Density Bonus Ordinance,
- adopted a secondary unit ordinance and streamlined the process for approval,
- created new fast-track and streamlined permit processes, and
- adopted Standard Conditions of Approval to, in part, streamline the CEQA review process.

A Citywide zoning update is underway in 2009 to adopt new zoning districts which implement the policies of the General Plan.

Among provisions in the City's current development regulations that encourage and facilitate housing are allowances for relatively high residential densities and land coverage in most areas of the City, low parking requirements, allowances for residential and residential/commercial mixed-use projects in commercial zones, and allowances for a wide range of alternative housing types, group homes, and shelter facilities to meet the needs of special population groups.

The City of Oakland and other public agencies charge a number of planning, building, and engineering fees to cover the cost of processing development requests, and providing public facilities and services to new development. Payment of these fees can have an impact on the cost of housing, particularly affordable housing. Fees are limited by state law, which requires that "a public agency may not charge applicants a fee that exceeds the amount reasonably necessary" to provide basic permit processing services (California GC Sec. 65943 (e)). *Unlike most surrounding jurisdictions, Oakland does not charge impact fees for residential development.* Fees for water and sewer services are charged by the East Bay Municipal Utility District, while school impacts fees are charged by the Oakland Unified School District.

Total building fees typically range from \$25,000 and \$40,000 per dwelling unit. When compared to the market cost of producing housing in Oakland (land and site preparation, construction, financing, etc.), permit and impact fees, while a cost factor, are not as significant as other cost factors in the production of affordable housing (such as the market cost of land and State requirements to pay prevailing wages on construction labor for housing development assisted with public funds).

Non-Governmental Constraints

Non-governmental constraints are those factors that limit and impact the production, availability, and cost of affordable housing. These non-governmental constraints include land costs, environmental hazards, land availability, construction costs, financing, and neighborhood sentiment.

Market prices for land are high in the desirable, high-cost San Francisco Bay area and increased dramatically until 2007. As of late summer and early fall of 2008, though, real estate has had price reductions due to the mortgage lending crisis and resulting instability in the banking industry. As evidenced in Chapter 3, declines in home sales prices as of July 2008 has brought prices down to levels seen in approximately 2001 to 2003. Long term, however, the desirability and acceptability of locations in Oakland and other inner cities has increased within the region. Demand is increasing for housing close to employment centers such as Oakland and San Francisco is likely to continue to be relatively strong given the demand for locations near urban centers.

Recent sampling of land acquisition costs for City of Oakland-funded affordable housing ranged from almost \$19,000 to almost \$55,000 per unit and is largely a function of project density.

The cost of land and land preparation is further increased in Oakland by the fact that most sites with housing development potential are relatively small parcels that can be difficult to develop (including those that might be irregularly shaped). Many sites have existing structures and infrastructure that must be removed, replaced, and/or reconfigured. The redevelopment of underutilized sites also adds to the cost of development when contaminated soils or hazardous materials in existing buildings/structures must be mitigated.

Another significant contributing factor to housing costs in Oakland is the cost of construction (materials and labor), which typically represents 50 to 60 percent of the total development costs. These tend to be higher in the San Francisco Bay area than in the interior of the California—between \$90 to \$140 per square foot for custom construction and luxury finishes (RS Means 2001). While hard costs for an average-quality wood-frame construction for multi-unit apartment buildings ranged from \$100 and \$150 per square foot.

F. HOUSING ELEMENT GOALS AND POLICIES

Chapter 7 lays out the City's goals, policies and planned actions to address its housing needs.

The City has adopted eight goals to address adequate sites, the development of affordable housing, the removal of constraints to housing, the conservation of existing housing and neighborhoods, the preservation of affordable rental housing, equal housing opportunity, sustainable development and smart growth, and public access to information through technology. This Executive Summary lists the City's goals and policies. Chapter 7 contains these goals and policies with implementing actions.

Goal 1: Provide Adequate Sites Suitable for Housing for All Income Groups

Policy 1.1 DOWNTOWN AND MAJOR CORRIDOR HOUSING PROGRAM

The City will target development and marketing resources in the downtown and along the City's major corridors that are easily accessible to transit, jobs, shopping and services.

Policy 1.2 AVAILABILITY OF LAND

Maintain an adequate supply of land to meet the regional housing share under the ABAG Regional Housing Needs Allocation.

Policy 1.3 **APPROPRIATE LOCATIONS AND DENSITIES FOR HOUSING**
Consistent with the *General Plan Land Use and Transportation Element* adopted in 1998, review and revise the residential development regulations with the intent of encouraging and sustaining a diverse mix of housing types and densities throughout the City for all income levels.

Policy 1.4 **SECONDARY UNITS**
Support the construction of secondary units in single-family zones and recognize these units as a source of affordable housing.

Policy 1.5 **MANUFACTURED HOUSING**
Provide for the inclusion of mobile homes and manufactured housing in appropriate locations.

Policy 1.6 **ADAPTIVE REUSE**
Encourage the re-use of industrial and commercial buildings for joint living quarters and working spaces.

Policy 1.7 **REGIONAL HOUSING NEEDS**
The City of Oakland will strive to meet its fair share of housing needed in the region.

Goal 2: Promote the Development of Adequate Housing for Low- and Moderate-Income Households

Policy 2.1 **AFFORDABLE HOUSING DEVELOPMENT PROGRAMS**
Provide financing for the development of affordable housing for low- and moderate-income households. The City's financing programs will promote a mix of housing types, including homeownership, multifamily rental housing, and housing for seniors and persons with special needs.

Policy 2.2 **AFFORDABLE HOMEOWNERSHIP OPPORTUNITIES**
Develop and promote programs and mechanisms to expand opportunities for lower-income households to become homeowners.

Policy 2.3 **DENSITY BONUS PROGRAM**
Continue to refine and implement programs to permit projects to exceed the maximum allowable density set by zoning, if they include units set aside for occupancy by very low-, low-, and moderate-income households and/or seniors.

-
- Policy 2.4 SUPPORT MAYOR AND CITY COUNCIL’S DISCUSSION OF ADOPTING A COMPREHENSIVE HOUSING POLICY**
The City will continue to consider a comprehensive housing policy that addresses concerns from all constituents. Policy elements will include those discussed in the February 2008 Housing Policy Proposals submitted by the Mayor and members of the City Council.
-
- Policy 2.5 PERMANENTLY AFFORDABLE HOMEOWNERSHIP**
Develop mechanisms for ensuring that assisted homeownership developments remain permanently affordable to lower-income households to promote a mix of incomes.
-
- Policy 2.6 SENIORS AND OTHER PERSONS WITH SPECIAL NEEDS**
Assist and promote the development of housing with appropriate supportive services for seniors and other persons with special needs.
-
- Policy 2.7 LARGE FAMILIES**
Encourage the development of affordable rental and ownership housing units that can accommodate large families.
-
- Policy 2.8 EXPAND LOCAL FUNDING SOURCES**
Increase local funding to support affordable housing development and develop new sources of funding.
-
- Policy 2.9 RENTAL ASSISTANCE**
Increase the availability of rental assistance for very low-income households.
-
- Policy 2.10 PATH STRATEGY FOR THE HOMELESS**
Implement the City’s Permanent Access to Housing (PATH) Strategy to end and prevent homelessness and to increase housing opportunities to the homeless through acquisition, rehabilitation and construction of over 7,000 housing, master leasing and short-term financial assistance.
-
- Policy 2.11 PROMOTE AN EQUITABLE DISTRIBUTION OF AFFORDABLE HOUSING THROUGHOUT THE COMMUNITY**
The City will undertake a number of efforts to distribute assisted housing widely throughout the community and avoid the over-concentration of assisted housing in any particular neighborhood, in order to provide a more equitable distribution of households by income and by race and ethnicity.
-
- Policy 2.12 AFFORDABLE HOUSING PREFERENCE FOR OAKLAND RESIDENTS AND WORKERS**
Implement the policy enacted by the City Council in 2008 granting a preference to Oakland residents and Oakland workers to buy or rent affordable housing units assisted by City of Oakland and/or Oakland
-

Redevelopment Agency funds provided through its annual Notice of Funding Availability process.

Goal 3: Remove Constraints to the Availability and Affordability of Housing for All Income Groups

Governmental Constraints

Policy 3.1 EXPEDITE AND SIMPLIFY PERMIT PROCESSES
Continue to implement permit processes that facilitate the provision of housing and annually review and revise permit approval processes.

Policy 3.2 FLEXIBLE ZONING STANDARDS
Allow flexibility in the application of zoning, building, and other regulations.

Policy 3.3 DEVELOPMENT FEES AND SITE IMPROVEMENT REQUIREMENTS
Reduce the cost of development through reasonable fees and improvement standards.

Policy 3.4 INTERGOVERNMENTAL COORDINATION
Promote intergovernmental coordination in review and approval of residential development proposals when more than one governmental agency has jurisdiction.

Non-Governmental Constraints

Policy 3.5 FINANCING COSTS
Reduce financing costs for affordable housing development.

Policy 3.6 ENVIRONMENTAL CONSTRAINTS
Explore programs and funding sources to assist with the remediation of soil contamination on sites that maybe redeveloped for housing.

Policy 3.7 COMMUNITY OUTREACH AND EDUCATION
Increase public acceptance and understanding of affordable development and issues through community outreach.

Goal 4: Conserve and Improve Older Housing and Neighborhoods

Policy 4.1 HOUSING REHABILITATION LOAN PROGRAMS
Provide a variety of loan programs to assist with the rehabilitation of owner-occupied and rental housing for very low and low-income households.

Policy 4.2 **BLIGHT ABATEMENT**
To improve housing and neighborhood conditions, the City should abate blighting conditions through a combination of code enforcement, financial assistance, and public investment.

Policy 4.3 **HOUSING PRESERVATION AND REHABILITATION**
Support the preservation and rehabilitation of existing housing stock with an emphasis on housing occupied by senior citizen, disabled, and low-income populations. Encourage the relocation of structurally sound housing units scheduled for demolition to compatible neighborhoods when appropriate land can be found. Assist senior citizen and disabled population with housing rehabilitation so that they may remain in their homes. Continue to implement the two-year Mills Act program.

Goal 5: Preserve Affordable Rental Housing

Policy 5.1 **PRESERVATION OF AT-RISK HOUSING**
Seek to preserve the affordability of subsidized rental housing for lower-income households that may be at-risk of converting to market rate housing.

Policy 5.2 **SUPPORT FOR ASSISTED PROJECTS WITH CAPITAL NEEDS**
Work with owners of assisted projects that have substantial needs for capital improvements to maintain the use of the properties as decent affordable housing.

Policy 5.3 **RENT ADJUSTMENT PROGRAM**
Continue to administer programs to protect existing tenants from unreasonable rent increases.

Policy 5.4 **PRESERVATION OF SINGLE ROOM OCCUPANCY HOTELS**
Seek mechanisms for protecting and improving the existing stock of residential hotels, which provide housing of last resort for extremely low-income households.

Policy 5.5 **LIMITATIONS ON CONVERSION OF RESIDENTIAL PROPERTY TO NON-RESIDENTIAL USE**
Continue to use regulatory controls to limit the loss of housing units due to their conversion to non-residential use.

Policy 5.6 **LIMITATIONS ON CONVERSION OF RENTAL HOUSING TO CONDOMINIUMS**
Continue to use regulatory controls to limit the loss of rental housing units due to their conversion to condominiums.

Policy 5.7 PRESERVE AND IMPROVE EXISTING OAKLAND HOUSING AUTHORITY-OWNED HOUSING

Goal 6: Promote Equal Housing Opportunity

Policy 6.1 FAIR HOUSING ACTIONS

Actively support efforts to provide education and counseling regarding housing discrimination, to investigate discrimination complaints, and to pursue enforcement when necessary.

Policy 6.2 REASONABLE ACCOMMODATIONS

Provide reasonable accommodations to persons with disabilities in access to public facilities, programs, and services

Policy 6.3 PROMOTE REGIONAL EFFORTS TO EXPAND HOUSING CHOICE

Encourage future regional housing allocations by ABAG to avoid over-concentration of low-income housing in communities with high percentages of such housing

Policy 6.4 FAIR LENDING

Work to promote fair lending practices throughout the City to ensure that low-income and minority residents have fair access to capital resources needed to acquire and maintain housing.

Goal 7: Promote Sustainable Development and Sustainable Communities

Policy 7.1 SUSTAINABLE RESIDENTIAL DEVELOPMENT PROGRAMS

Develop and promote programs to foster the incorporation of sustainable design principles, energy efficiency and smart growth principles into residential developments. Offer education and technical assistance regarding sustainable development to project applicants.

Policy 7.2 MINIMIZE ENERGY CONSUMPTION

Encourage the incorporation of energy conservation design features in existing and future residential development beyond minimum standards required by State building code.

Policy 7.3 ENCOURAGE DEVELOPMENT THAT REDUCES CARBON EMISSIONS

Continue to direct development toward existing communities and encourage infill development at densities that are higher than—but compatible with-- the surrounding communities. Encourage development in close proximity to transit, and with a mix of land uses

in the same zoning district, or on the same site, so as to reduce the number and frequency of trips made by automobile.

Policy 7.4 MINIMIZE ENVIRONMENTAL IMPACTS FROM NEW HOUSING
Work with developers to encourage construction of new housing that, where feasible, reduces the footprint of the building and landscaping, preserves green spaces, and supports ecological systems.

Policy 7.5 Promote Household Health and Wellness by Conducting Health Impact Assessments
Encourage linkage of land use planning with public health planning as a way to improve the health of Oakland’s residents, reduce personal and government health costs and liabilities, and create more disposable income for housing.

Goal 8: Increase Public Access to Information through Technology

Policy 8.1 ELECTRONIC DOCUMENT MANAGEMENT SYSTEM
As part of a comprehensive update to the City’s Permit Tracking System, the City should increase public access to information on City policies, programs, regulations, permit processes, and the status of specific parcels through electronic means.

Policy 8.2 ON-LINE ACCESS TO INFORMATION
Expand the availability of information regarding meetings, hearings, programs, policies and housing-related issues through development and improvement of its web site.

Policy 8.3 GEOGRAPHIC INFORMATION SYSTEM
Update the City’s Geographic Information System (GIS) to provide more accurate and user-friendly access to information about parcels and neighborhoods.

G. QUANTIFIED OBJECTIVES

State law (California Government Code Section 65583[b]) requires that the City’s Housing Element contain quantified objectives, relative to the maintenance, preservation, improvement, and development of housing. The California Department of Housing and Community Development’s website publication, *Building Blocks for Effective Housing Elements*, recommends that housing elements contain three broad categories of quantified objectives: new construction, rehabilitation, and conservation. A subset of the conservation objective is the preservation of at-risk subsidized rental housing.

While the City has identified sites sufficient to meet its entire Regional Housing Needs Allocation, the City does not anticipate having sufficient financial resources to ensure that the entire need for very low, low and moderate income units will be met. A substantial portion of the City’s resources

are anticipated to be devoted to assisting households with the greatest needs – very-low and low income households.

Table 8-1 on the following page provides a summary of the City’s quantified objectives for these broad categories by income level. **These objectives are a reasonable estimate of what the City may be able to achieve based on projects that are currently underway but not yet completed, historical rates of funding and completion, and estimates of likely funding resources over the next five years.**

City of Oakland Quantified Objectives (2009 – 2014)

Activity Type	Estimated Number of Units				
	by Affordability Level				
	Extremely Low	Very Low	Low	Moderate	Total
New Housing Construction¹					
Units Built	250	1,350	300	100	2,000
Housing Rehabilitation²					
Substantial Rehab	70	530	200	--	800
Moderate and Minor Home Rehab ³	300	600	300	--	1,200
Housing Conservation/Preservation					
At-Risk Units (See Ch. 3, Table 3-51)	200	168	100	--	468
Reconstruction of Large Public Housing Developments	104	30	--	--	134
Oakland Housing Authority (Scattered Sites)	840	240	120	--	1,200
Homebuyer Assistance					
Mortgage & Down payment Assistance	25	25	150	150	350

¹Includes units for multi-family rental, homeownership, senior, special needs, and permanent supportive housing. Estimate is based on units currently planned or approved, and funded, as well as an estimate of the number of additional units that can be completed by 2014 with present levels of local financial resources.

²Includes substantial rehabilitation of rental or public housing units.

³Includes existing City of Oakland programs such as: Emergency Home Repair, Home Maintenance and Improvement, Lead-Safe Housing, and Minor Home Repair.