City of Oakland
Housing Element

2015-2023

Presentation to the Planning Commission, May 7, 2014

What is the Housing Element?

- One of seven mandated elements of the General Plan

- State determines projected housing needs by regions and allocates goals to area Council of Governments (regional planning entities—in our area it is Association of Bay Area Governments—ABAG)

- ABAG allocates portion of regional goals to jurisdictions in area counties "Regional Housing Needs Allocation" (RHNA)

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Oakland's Regional Housing Needs Allocation

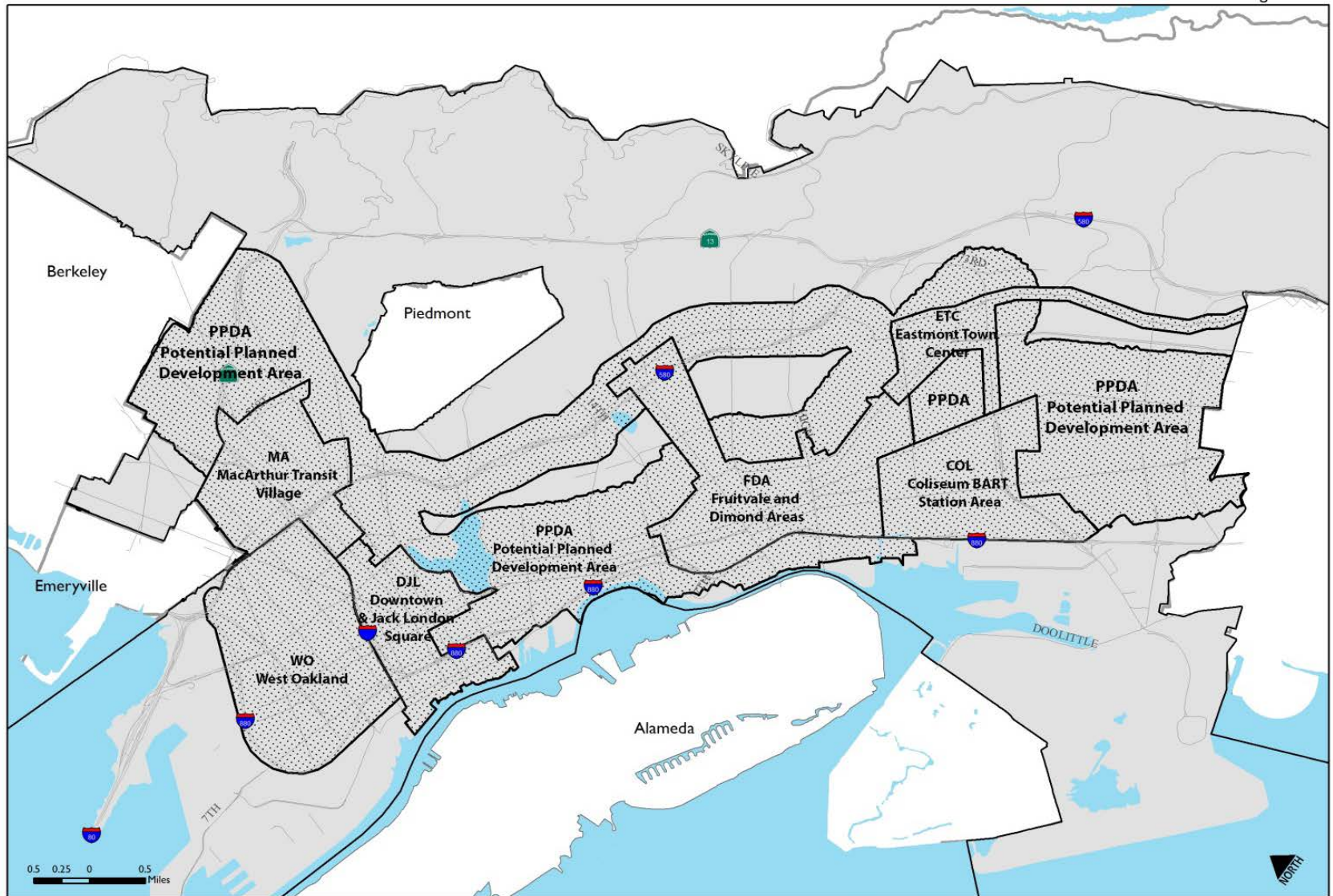| Oakland 2014-2022 RHNA by Area Median Income Categories	
Very Low (Up to 50 Percent of Area Median Income)	2,059
Low (Between 51 and 80 Percent of Area Median Income)	2,075
Moderate (Between 81 and 120 Percent of Area Median Income)	2,815
Above Moderate (Above 120 Percent of Area Median Income)	7,816
Total Units	**14,765**

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How many housing starts did Oakland have in the last RHNA period (2007-2014)?

State Identified Affordability Categories	2007-2014 RHNA	Building Permits Issued 2007-December, 2013
Very Low (up to 50% AMI)	1,900	1,257
Low (51-80% AMI)	2,098	385
Moderate (81-120% AMI)	3,142	22
Above Moderate (> 120% AMI)	7,489	2,033
Total	**14,629**	**3,697**

One Bay Area Grant (OBAG) Fund and Metropolitan Transportation Commission (MTC)

- Jurisdictions seeking funding are required to have a Housing Element certified with annual reports submitted on-time
- Transportation investments targeted to the State's PDAs
  - New threshold (not mandatory) that 70% of transportation funding through OBAG is supposed to go to PDAs
  - In 2013 that meant $20 million to five Oakland urban transportation projects
- MTC funding for Transit Oriented Development and Planning around PDAs

Berkeley

Piedmont

PPDA
Potential Planned
Development Area

ETC
Eastmont Town
Center

PPDA

PPDA
Potential Planned
Development Area

MA
MacArthur Transit
Village

FDA
Fruitvale and
Dimond Areas

COL
Coliseum BART
Station Area

Emeryville

PPDA
Potential Planned
Development Area

DJL
Downtown
& Jack London
Square

DOOLITTLE

WO
West Oakland

Alameda

0.5   0.25   0   0.5
Miles

NORTH

Figure C-1 Priority Development Areas
Planning Area Boundary Map

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April 25, 2014

Characteristics of Oakland Households

- African American population declined by 22 percent; White population increased by 44 percent, Asian/Pacific Islander population by 9 percent, and the Hispanic/Latino population by 13 percent

- Decline in the average household and family size to 2.49 persons per household

- 59% of Oakland residents are renters, and 41% are homeowners (no change from last Census)

Characteristics of Oakland Households (continued)

- 52% of the City's households are extremely low-, very low- and low-income (County-wide average is 40%)

- Housing affordability—standard measure is 30% gross income toward housing expenses (including utilities). In Oakland, in 2010:

    - 79% of extremely low-income households paying >30%

    - 76% of very low-income households paying >30%

    - 52% of low-income households paying >30%

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Characteristics of Oakland Households (continued)

- 43,559 senior citizens (and increase in 4.2% over 2000)

  - 45% live alone

  - 68% senior renters have incomes <50% AMI

  - 33% senior owners have incomes <50% AMI

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Characteristics of Oakland Households (continued)

- The 2013 Alameda County Homeless Count and Survey Oakland has assumed 52% of the County's total homeless population (approximately 2,217 individuals; 1,412 households)

  - Unsheltered population: 13% women, 84% men

  - Top three Homeless subpopulations:

    - Those with chronic substance abuse

    - Those who are severely mentally ill

    - Those who are victims of domestic violence

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Housing Characteristics in Oakland

- Number of housing units increased by 7.7% (12,202 units, from 2000 to 2010 Census)

- Nearly half of Oakland's housing stock consists of single-family detached units
  - \>75% of housing units built prior to 1979
  - Most new construction is multi-family (townhomes, condos, apartments, and lofts)

- Estimated median advertised rent in 2012: one bedroom = $1,095, two bedroom = $1,350
  - 2013 data not available but other evidence indicates double digit increases over 2012

- Median home sales price increased 84% from 2000 to 2013 to $390,000

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# Foreclosures and the wake of the housing crisis…

Year	Notices of Default	Percent of NODs with Other Outcomes	Percent of NODs with final outcome as Foreclosure	Total Units Lost to Foreclosure
2006	1,446	26%	74%	1,074
2007	2,247	18%	82%	1,842
2008	3,706	23%	77%	2,844
2009	3,142	25%	75%	2,360
2010	2,810	49%	51%	1,445
2011	2,263	57%	43%	984
2012	1,440	78%	22%	314
2013	751	Data Not Available	Data Not Available	Data Not Available
Total Units with a Default Recorded between 2006-2013:	17,805		Total Units Lost to Foreclosure 2006-12:	10,863

Actual Housing Production, January 2014 to March 2014 and Balance of Units to be Provided

	Total Units	Units by Affordability Category				
		Extremely Low	Very Low	Low	Moderate	Above Moderate
Oakland's Regional Housing Needs Allocation	14,765	1,030	1,030	2,075	2,815	7,816
Group 1: Units Constructed 1/1/14 to 3/27/14						
(Permits Issued after 1/1/14)	-					
C-1: Private Sector Market Rate						
(includes private sector affordable units)-complete	61					61
Group 1 Subtotal	**61**					**61**
Group 2: Units Receiving Planning Approvals	-					
C-2: Private Sector Market Rate units-approved	4,191					4,191
C-3: Publicly Subsidized Affordable-funded and in pre-development	229-231	33	133	33-35	14	4
Group 2 Subtotal	**4,420-4,422**	**33**	**133**	**33-35**	**14**	**4,195**
Group 3: Units Planned	-					
C-4: Publicly Subsidized Affordable-site acquisition	218		0	187	2	32
C-5: Private Sector Market Rate--in planning pre-development[1]	3,289					3,289
Group 3 Subtotal	**3,507**		**0**	**187**	**2**	**3,321**
Total Units C-1 to C-5 (completed, under construction, approved, pre-development):	**7,990**	**33**	**133**	**222**	**16**	**7,577**
Total Sites Needed Given RHNA Requirement -- Surplus/(Deficit):	(6,975)	(997)	(897)	(1,853)	(2,799)	(239)
Sites Needed to comply with Affordable Requirements -- Surplus/(Deficit):	(6,785)					
C-6: Opportunity Sites[2] (Units with > 30 dua)	**16,103**					
C-6: Opportunity Sites (Units with < 30 dua)	**59**					

What are housing opportunity sites?

An opportunity site is a parcel or parcels where housing could potentially be built, with the following conditions:

- Previously identified as an opportunity site from the 2007-2014 *Housing Element*

- Currently zoned for 30 units/ per acre or more density

- County Tax Assessor data showed vacant land and/or underutilized parcels (land value > the value of improvements on the property)

- Has a minimum parcel size of 10,000 square feet or greater

- General Plan designations permit housing

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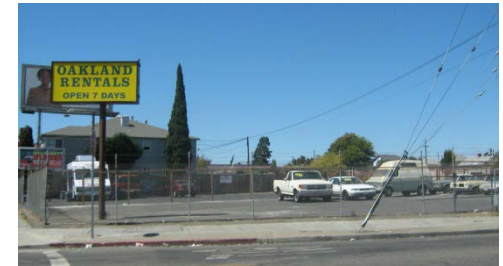
What constrains housing from being built in Oakland?

To reduce governmental constraints, since 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 TOD Zone (S-15)

- Streamlined the environmental review process for downtown projects

- Adopted a Density Bonus Ordinance

- Adopted a Secondary Unit Ordinance (with streamlined approval)

- Created new fast-track and streamlined permit processes

- Adopted Standard Conditions of Approval to streamline CEQA review process

Other constraints

Non-governmental (or "market" constraints):

- High land costs and high costs of construction

- High costs for urban, under-utilized and in-fill properties

- Environmental hazards of in-fill properties because of previous uses

- Land availability constrained by need to assemble small parcels into larger development sites

- Neighborhood concerns and opposition to higher-density development and affordable housing

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Policy Issues

- High risk of displacement and gentrification given current regional demand pressures.

- Low and very-low income needs can't be met without significant increases in State and Federal subsidies.

- Continue to work on passing a comprehensive Housing Policy to address these issues:

  - Housing Incentive Zoning

  - Affordable Housing Development Impact Fee

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2015-2023 HOUSING ELEMENT

Website:

http://www2.oaklandnet.com/Government/o/PBN/OurOrganization/PlanningZoning/OAK045364

Email contact:

strategicplanning@oaklandnet.com

Leave a voicemail message:

(510) 238-7299

"Engage Oakland" www.engageoakland.com

Planning Commission, May 7, 2014

Previous slide is the End of the Presentation

Information from following slides used for speaking points only (during "discussion questions" slide)

How much housing can a local income afford?

2012 Wages & Median Rents	Oakland Living Wage as of 7/1/12		CA State Minimum Wage		Federal Minimum Wage	
	$11.70		$8.00		$7.25	
Unit Size	1 BR apt	2 BR apt	1 BR apt	2 BR apt	1 BR apt	2 BR apt
HUD Fair Market Rents	$1,093	$1,295	$1,093	$1,295	$1,093	$1,295
Median Advertised Rents	$1,095	$1,395	$1,095	$1,395	$1,095	$1,395
hours required, 1 wage-earner	72	92	105	134	116	148
hours required by each wage earner in 2 person household	36	46	53	67	58	74

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Recent Changes in CA State Law

- In 2008 SB 375 was adopted and strengthened coordination between regional housing and transportation planning:
  - Required Metropolitan Transportation Commission (MTC) to incorporate a Sustainable Communities Strategy (SCS) into the Regional Transportation Plan
    - To achieve greenhouse gas (GHG) emission reductions
    - Accommodate the RHNA planning as a means to achieve GHG emission reduction goals
  - Amended the RHNA schedule and strengthened rezoning requirements

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What are the State of California Income Limit Definitions?

For a four-person household in 2013:

- Very Low Income (up to 50% of the Area Median Income) = $44,600

- Low Income (80% of the Area Median Income) = $64,400

- Area Median Income = $89,200

- Moderate Income (120% of the Area Median Income) = $107,050

The entire chart is available online (or call 238-3502 to have a copy sent to you):
http://www2.oaklandnet.com/Government/o/hcd/s/Data/DOWD008693

Oakland's RHNA compared to Bay Area & Alameda County

Berkeley: 2,959 units

Oakland: 14,765 units

ALAMEDA COUNTY

San Leandro: 2,287 units

SF Bay Area: 187,990 units

Alameda County: 44,036 units

Alameda: 1,723 units

Livermore: 2,729 units

Hayward: 3,920 units

Pleasanton: 2,067 units

Union City: 1,106 units

Fremont: 5,455 units

2015-2023 HOUSING ELEMENT
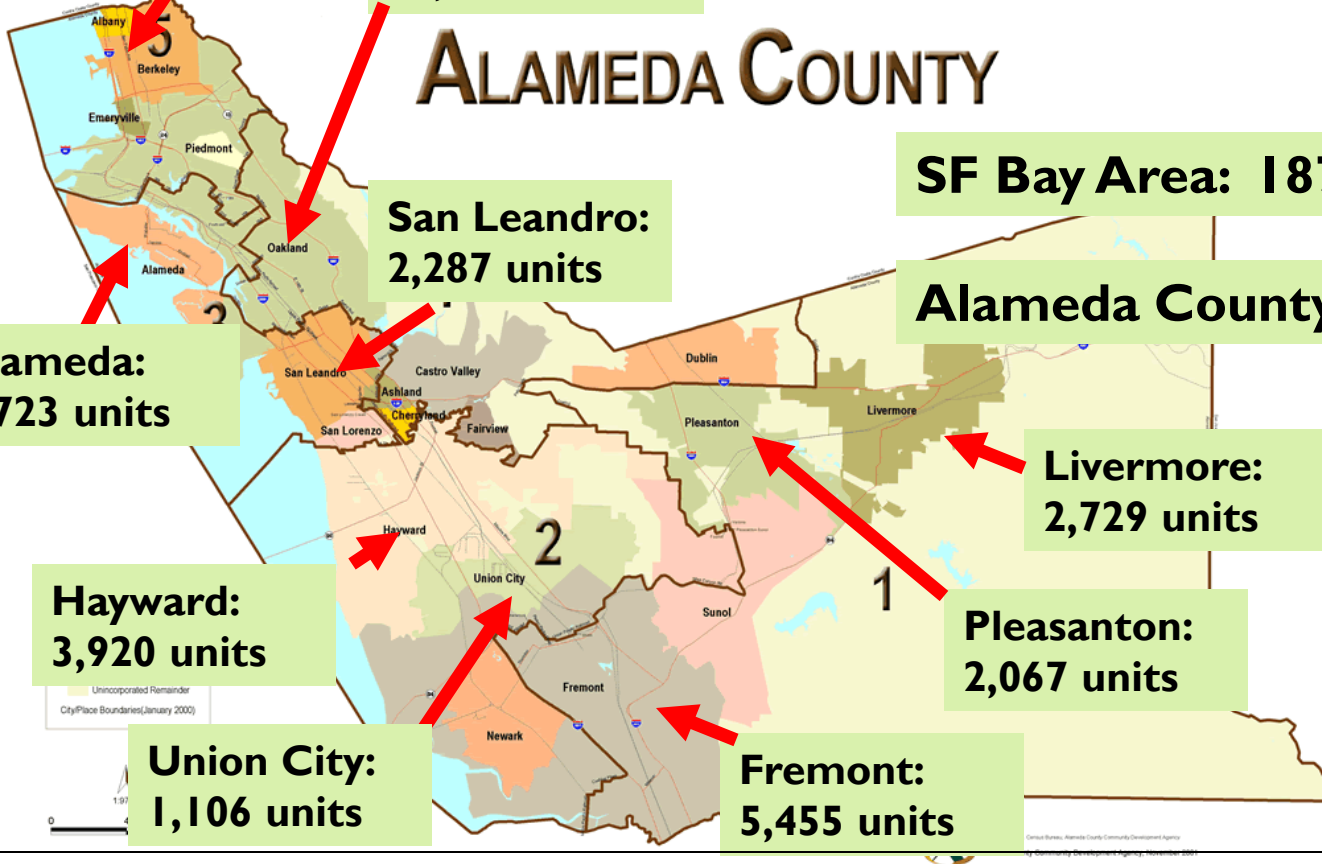
Housing Element Contents

- CA Government Code details Housing Element contents:
  - Housing Needs Assessment
    - Demographics, Housing Trends, Special Needs Groups
    - Analysis of At-risk Affordable Housing
  - Constraints
    - Governmental, Market, Environmental
  - Resources
    - Financial and Administrative
    - Sites Inventory and Analysis
  - Housing Plan
    - Previous Accomplishments
    - Policies and Programs
- Review and certification by State
- Consequences for non-compliance

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Public Outreach

Social Media:
"Engage Oakland"

Public Outreach (continued)

- Housing Element project webpage where useful links, announcements and reports can be viewed

http://www2.oaklandnet.com/Government/o/PBN/OurOrganization/PlanningZoning/OAK045364

- Dedicated email account for receiving feedback

strategicplanning@oaklandnet.com

- Email communication via "GovDelivery" distribution system (see the "subscribe for updates" link on project webpage)

- Survey aimed at determining the greatest housing needs

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