

APPENDIX K
CITY OF OAKLAND
Responses to State HCD Findings Letter

The City of Oakland submitted the initial draft Housing Element for review to the California Department of Housing and Community Development (State HCD) on June 30, 2022. Staff received findings letter from State HCD on September 28, 2022. The following provides a brief summary of the changes and where they were made in the revised draft.

The following changes are necessary to bring the City's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on HCD's website at <https://www.hcd.ca.gov/hcd-memos>. Among other resources, the housing element section contains HCD's latest technical assistance tool, *Building Blocks for Effective Housing Elements (Building Blocks)*, available at <https://www.hcd.ca.gov/building-blocks> and includes the Government Code addressing State Housing Element Law and other resources.

A. Housing Needs, Resources, and Constraints

1. *Affirmatively further[ing] fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2...shall include an assessment of fair housing in the jurisdiction. (Gov. Code, § 65583, subd. (c)(10)(A).)*

Local Data and Knowledge: While the element incorporates some analysis based on local data and knowledge, the element should review and incorporate public comments into the assessment of fair housing.

- The revised draft incorporates public comments from Deeply Rooted and East Bay Housing Organizations (EBHO) to include additional information on historic context of discriminatory housing actions, the legacy of exclusionary zoning as a significant housing constraints and barrier to affirmatively furthering fair housing, and the negative impacts of California's Costa Hawkins Law, 1990's tech boom and Mayor Brown's 10k market rate housing plan to make Oakland attractive for SF tech workers. This context is incorporated in the Introduction (1-1 through 1-4); Appendix D (section D.2, pp. D-14 and 15, and new section D.6 [Housing Sites Inventory Analysis]); Appendix F (F-10 through F-11).
- The Housing Element also includes a new Appendix L, which details how substantive comments from each comment letter was specifically addressed.

Racially Concentrated Areas of Affluence (RCAAs): The element should analyze RCAA. The analysis should evaluate pattern and trends at a local level (comparing areas within the City) and regional level (comparing the City to the region). Based on the analysis, the City should consider additional actions (not limited to the regional housing need allocation (RHNA)) to promote housing mobility and improve new housing opportunities throughout the City.

- The revised draft of Appendix D: Assessment of Fair Housing include a local and regional analysis of RCAAs in section D.3 pages D-34 and D-35. An analysis of how the Sites Inventory improves integration of lower and moderate income households is available in Table D-11 on page D-72. Table D-9 on page D-74 identifies additional actions to address issues of segregation and, disproportionate housing needs, and access to opportunity.

Regional Analysis: The element generally describes local patterns and trends with regards to disproportionate housing needs but must also analyze Oakland relative to the rest of the region regarding disproportionate housing needs, including displacement risks.

- Section D.5 of Appendix D, Disproportionate Housing Needs and Displacement Risks, now includes additional regional assessment on the following pages:
- Cost burden: p. D-54
- Overcrowding: p. D-58
- Displacement Risk: p. D-61

Affirmatively Furthering Fair Housing (AFFH) and Identified Sites: While the element provides some analysis of the sites in its inventory with regards to AFFH, it should analyze the lack of units in several higher opportunity areas (p. C-84), including but not limited to Rockridge (labeled North Oakland / Adams Point) and the area surrounding the Rockridge Bay Area Rapid Transit (BART) station. A complete analysis should fully assess how the site inventory is expected to improve and/or exacerbate fair housing conditions. This analysis should address the location, number of units by income group, magnitude of the impact and any isolation of the RHNA and could consider topics such as existing or proposed anti-displacement policies and place-based investments, and how such strategies will improve fair housing conditions when paired with the identified sites. Based on the outcomes of this analysis, the element should add or modify programs.

- Appendix D, tables D-10 through D-11, address how the sites inventory furthers lower and moderate income housing in higher resource communities.
- Additional sites in Rockridge have been added to the Sites Inventory, adding an additional 973 units of housing in this area.
- Chapter 3 section 3.3 includes analysis of affirmative efforts to locate affordable housing in high-resource areas like Rockridge. In the revised draft, additional sites have been added to the Rockridge area, summarized in Appendix C. In response to this comment, an additional action, 5.2.9 (in tandem with 5.2.8) has been added to the Housing Action Plan to prioritize improvements that target geographies and needs of low- resourced and disproportionately burdened communities, including through actions related to parks and facilities, access to

transit, and other place-based strategies. Action 3.4.1 has also been revised to further enhance strategies to improve fair housing conditions in high-resource neighborhoods.

- Other actions that support fair housing and integration include Action 3.3.5, which creates an Affordable Housing Overlay; Action 3.3.7, which would study targeted implementation of an inclusionary requirement in higher-resource neighborhoods; Action 3.4.1, which revises development standards and increases height/densities in resource-rich areas such as Rockridge; among others.

Goals and Actions: While the element provides additional analysis and identifies contributing factors to fair housing issues, it does not include sufficient action to overcome patterns of segregation and foster inclusive communities. As a result, programs must be added as appropriate to sufficiently respond to contributing factors to fair housing issues. In addition, all actions related to AFFH must contain specific commitment, timing, geographic targeting and metrics or numerical targets

The element may, for example, as discussed on the August 11, 2022 call, revise Program 3.5.3 to make a firm commitment for removing design review requirements and establishing development standards for missing middle housing types. The element may also, for example, revise Action 3.5.3 to establish a social housing pilot program. Additionally, the element should commit to assessing and revising programs through a mid-cycle review. Please see HCD's AFFH memo for more information:

https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf#page=23.

- The revised draft includes numerous additional and revised programs in Chapter 4: Housing Action Plan, such as actions 5.2.9 through 5.2.11 under Goal 5 (Promote Neighborhood Stability and Health). Actions have been revised to ensure that they contain specific commitment, timing, geographic targeting and metrics or numerical targets. The revised draft considers the suggestion to revise Action 3.5.3 to establish a social housing pilot program, but the City does not currently have the capacity to implement such a program.
- *The revised draft includes a firm commitment to amend the Planning Code design review procedure to allow for streamlined ministerial approval. See Actions 3.4.3 and Action 3.4.8.*

Include an analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected needs for all income levels, including extremely low-income households. (Gov. Code, § 65583, subd. (a)(1).)

Include an analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition. (Gov. Code, § 65583, subd. (a)(2).)

Analyze any special housing needs such as elderly; persons with disabilities, including a developmental disability; large families; farmworkers; families with female heads of households; and families and persons in need of emergency shelter. (Gov. Code, § 65583, subd. (a)(7).)

Extremely Low-Income Households (ELI): While the element includes some information on ELI households relative to race, it should also evaluate tenure, overpayment, resources and strategies available and the gap and magnitude of housing needs to better formulate policies and programs.

- Appendix B Section B.6 includes a detailed evaluation of housing tenure through analysis of a number of factors, including race, income level, housing type, overpayment for ELI households. Overpayment, or cost-burden, is also examined in section B.6 with analysis detailing overpayment by income and tenure (p.B-41). The revised appendix includes an additional discussion of resources and programs coordinated by the City to support ELI households in Section B.5 (p.B-15). The added text clarifies specific policies and actions provided in the Housing Action Plan intended to provide permanent affordable housing to ELI households.

Housing Conditions: The element provides some information on age of the housing stock. However, it must estimate the number of units in need of rehabilitation and replacement. For example, the analysis could include estimates from a recent windshield survey or sampling, estimates from the code enforcement agency, or information from knowledgeable organizations. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/housing-stock-characteristics.shtml>.

- The revised draft includes additional information from Oakland's Code Enforcement estimating the number of units in need of rehabilitation and replacement in Appendix B section B.6 (p.B-44).

Persons Experiencing Homelessness: The element provides analysis of persons experiencing homelessness. However, given the magnitude of the need, the City should evaluate resources and strategies, gaps in addressing needs and formulate appropriate strategies to address the unmet need. For example, the element could identify and evaluate capacity for emergency shelters, permanent supportive housing and other housing or shelter types relative to needs and address unmet needs through program actions

- In addition to the discussion of Oakland's five-year plan to address homelessness in section B.5 of Appendix B (p.B-29), text was added to section clarify additional programs the City is participating in to support persons experiencing homelessness (p.B-16). For example, the City participates in countywide efforts under the EveryOne Home Plan. The additional text also describes specific policies and actions intended to help provide permanent housing for extremely low-income households through state and federal funding.

2. *An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites. (Gov. Code, § 65583, subd. (a)(3).)*

Parcel Listing: The element must include a parcel listing or sites inventory intended to accommodate the regional housing need allocation (RHNA). The sites inventory should list parcels by assessor parcel number, size, general plan designation, zoning, existing use, realistic residential capacity and anticipated affordability. The description of existing uses should be sufficiently detailed to facilitate an analysis of the potential for additional development and may utilize indicators of potential such as age of structure, existing versus allowable floor area and improvement to land value. If a site is owned by a city or county, the description must include whether there are any plans to dispose of the property.

- Table C-26 of Appendix C has been updated to reflect the requested information and is organized according to the specifications identified in this comment (p.C-112).

Pipeline and Potential Development Projects: While the element may utilize pipeline and potential development projects toward the RHNA, it must also demonstrate their affordability and availability in the planning period. Affordability must be demonstrated based on actual sales price, rent level or other mechanisms ensuring affordability (e.g., deed restrictions). Availability should account for the likelihood of project completion in the planning period and should address the status, necessary steps to issue permits, any barriers to development and other relevant factors. Given the element's reliance on pipeline projects, the element must include programs with actions that commit to facilitating development and monitoring approvals of the projects (e.g., coordination with applicants to approve remaining entitlements, supporting funding applications, expediting approvals and monitoring of project progress, including rezoning or identification of additional sites, if necessary).

- Section C.2 of Appendix C includes a discussion of pipeline project affordability. The revised draft includes additional information clarifying the future availability of pipeline projects, defines affordability mechanisms for projects with lower and moderate-income units, and expands upon the City's permitting and approval process as it relates to the determination of availability. Additional text is incorporated in this section of the revised draft describing specific actions in the Housing Action plan relating to development and monitoring approvals of pipeline projects (p. C-10). Table C-5a and C-5b has also been updated to reflect the affordability mechanism for each pipeline project. Over a period of 8 years, 98.6 percent of projects with approved planning permits were completed. For potential projects, a capacity modifier of 0.9 is applied to the total overall. Additional language has also been added regarding the streamlining and permitting process for Potential Development projects, including a number of additional actions to support the development of potential projects.

Realistic Capacity: While the element lists realistic residential capacity assumptions by various zoning districts (Table C-11), it should provide supporting information for these assumptions based on recent development history, including affordability. In addition, this calculation should also account for the likelihood of 100 percent non-residential development. The element lists recent trends for residential development in non-residential zones but should also consider the development activity of 100 percent non-residential uses. For example, the element could analyze all development activity in these nonresidential zones, how often residential development occurs and adjust residential capacity calculations, policies, and programs accordingly. This analysis may incorporate any proposed policies such as residential performance standards, prohibition of commercial uses and should clarify that all zones allow residential uses, particularly 100 percent residential uses.

- Sites inventory tables C-3, 4a and 4b, and 5 provide more information about realistic development capacity, including in commercial areas. In addition to these pipeline projects, many of which include actual densities over 100 percent the permitted densities, an exhibit of completed projects, maximum capacity, and realistic capacity information has also been added to support density assumptions. (p.C-32). This section clarifies that all future development on parcels within the Housing Sites Overlay Zone will be required to include a majority residential use, and will not allow a 100% non-residential use in this overlay. Additionally, Table C-12b, Projects Converting Existing Non-Residential Uses to Residential Uses, 2018-2021, shows examples of where completed and approved projects have changed from nonresidential to residential zones.

Nonvacant Sites: The element must include an analysis demonstrating the potential for additional development on nonvacant sites. While the element mentions underutilized sites were identified based on assessed value (AV) and floor area (FAR) ratios, it must support the validity of these assumption in demonstrating the potential for redevelopment. For example, the element could utilize recent development activity. In addition, the element should consider additional factors such as building age, structural conditions, expressed interest in residential development and reflect those values in the sites inventory. Finally, the element should account for the extent existing uses impede additional residential development including market demand for the existing use and existing leases or contracts that would perpetuate the existing use or prevent additional residential development. For example, based on comments received, the City should also address the crediting of a site at 288 9th Avenue, where public comments reported a recently completed nonresidential project being credited for 254 units.

In addition, HCD notes the element currently does not rely on nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households. If future versions of the housing element rely upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households, the housing element must demonstrate existing uses are not an impediment to additional residential development and will likely discontinue in the planning period. (Gov. Code, § 65583.2, subd. (g)(2).) Absent findings (e.g., adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the RHNA.

- The sites inventory provides a parcel-by-parcel assessment and justification for nonvacant opportunity sites in Table C-16. A majority of these parcels have property owner interest or are City-owned surplus sites. The supplemented pipeline tables (C-4 and C-6) also provide evidence that projects have developed on nonvacant uses. Additionally, Table C-12b, Projects Converting Existing Non-Residential Uses to Residential Uses, 2018-2021, shows examples of where completed and approved projects have changed from nonresidential to residential zones and includes their AV ratio and FAR when provided. In many cases, actual densities are greater than permitted densities, even when AV ratios and FAR is higher than capacity modifiers as described in Table C-13.

City-Owned Sites: The element briefly describes its strategy to use City-Owned sites to accommodate a portion of the RHNA for lower income households (p. C-77). However, the element should identify which sites specifically are owned by the City and include a program with numerical objectives that ensures compliance with the Surplus Land Act, provides incentives and actions along with a schedule to facilitate development of City-owned sites. Actions should include outreach with developers, issuing requests for proposals, incentives, fee waivers, priority processing and financial assistance. The element should also update its Actions (3.3.1 and 3.3.4, for example) to describe a schedule of actions and, as described on the August 11, 2022 call, the timeline for completion of an Environmental Impact Report for these sites.

- The revised draft includes an updated Table C16-b to identify the specific sites owned by the city in Appendix C, section C.3. In response to the comment, Actions 3.3.1 and 3.3.4 in the Housing Action plan have been updated to clarify the schedule of actions and timeline for the completion of zoning and environmental review for these sites (p.32 and p.35).

Alternative Adequate Sites: The sites inventory uses the adequate sites alternative to credit 82 units across two assisted housing sites that were acquired by the City to preserve affordability (p. C-27). However, the analysis must confirm compliance with all relevant requirements pursuant to Government Code 65583.1. This analysis may utilize HCD Alternate Adequate Sites checklist available at <https://www.hcd.ca.gov/adequate-sites-alternative>.

- The revised draft of Appendix C includes updated language related to alternative adequate site compliance on p.C-26. The revised draft also includes an additional table, Table C-9b on p.C-31 summarizing Adequate Alternative Requirements to ensure compliance to relevant requirements.

Zoning for a Variety of Housing Types:

Emergency Shelters: The element mentions emergency shelters are permitted in various areas throughout the City. However, the element should also clarify shelters are permitted without discretionary action and discuss available acreage, including typical parcel sizes and the presence of reuse opportunities. In addition, the analysis should address proximity to transportation and services and any conditions inappropriate for human habitability.

- In response to the comment, Action 4.3.6 has been added to the Housing Action Plan to expand opportunities for the permitting of Emergency Shelters. This action clarifies that the City plans to revise the Oakland Planning Code to permit by right, without discretionary review, emergency shelters citywide. Appendix F has been revised to include a detailed analysis of currently designated areas for by right approval of emergency shelters, including information regarding available acreage, typical parcel sizes, presence of reuse opportunities, proximity to transportation and services and potential conditions inappropriate for human habitability (p.F-53-F-55).

Permanent Supportive Housing: Supportive housing shall be a use by-right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses pursuant to Government Code section 65651. The element must demonstrate compliance with this requirement and include programs if necessary.

- Appendix F reflects other constraints related to supportive housing, including residential care facilities and emergency shelters (F-52-F-55). The Housing Action Plan has been updated to include revised language in Action 4.3.3. The changes made indicate that the City will amend the Planning Code to remove regulatory restraints to the development of transitional and supportive housing. The revised action clarifies that the City will codify the by right requirements of Government Code section 65651 into the Oakland Planning code and modify the basic application to identify streamlining opportunities (p.75).

Employee Housing: The element must demonstrate zoning is consistent with the Employee Housing Act (Health and Safety Code, § 17000 et seq.) or add or modify programs. Specifically, section 17021.5 requires employee housing for six or fewer employees to be treated as a single-family structure and permitted in the same manner as other dwellings of the same type in the same zone.

- The revised draft of the Housing Action Plan has been updated to include the addition of Action 3.7.7 (Amend Planning Code to comply with the Employee Housing Act) (p.63). Additional language has also been added to Appendix F further clarifying the element's compliance with the Employee Housing act (p. F-59).

Small Units: Pursuant to public comments received, the City should consider a variety of naturally affordable housing types as part of its strategy, including efficiency units, cohousing units, and any units tied to a social housing programs and pilots. The element may also, for example, consider limited equity condominiums, pursuant to public comments.

- The Housing Action Plan highlights recent efforts the City has made to encourage a variety of naturally affordable housing types, such as Oakland's 2018 residential Hotels Ordinance, the "Nook" microunit project in 2016, and the completion of the co-housing project Phoenix Commons in 2016 (p.24). Additional language was added to Policy 3.5 (Explore Innovative and Alternative

Housing Models) elaborating on the City's participation in Acquisition to Affordable Housing Programs (ACAH) intended to allocate funding for community land trusts and limited equity housing cooperatives. Action 3.5.2 includes updated language clarifying the City's participation in Acquisition and Conversion to Affordable Housing programs to support community land trusts and cooperatives (p.55). Language was also updated in Action 3.7.6 (Expand areas where rooming and efficiency units are permitted by right) to further support the development of a variety of naturally affordable housing types(p.62)

Single Room Occupancies (SRO): The element describes the zones in which SROs are currently permitted. However, given the success of SROs in providing housing for Extremely Low Income (ELI) households, the element should also describe how it will encourage SRO development.

- The revised Housing Action Plan includes several actions intended to strengthen and support SRO developments. Action 3.3.5 (Implement affordable housing overlay) will allow SRO's and Rooming houses by right in areas subject to the prospective affordable housing overlay (p.36). Action 2.2.3 limits demolition, conversion, and rehabilitation to charge higher rents of existing residential hotel units and strengthens protections for residential hotels (p.19). The City plans to further encourage SRO development through Action 2.2.7: provide additional subsidy for residential hotels (p.21).

3. *An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures... (Gov. Code, § 65583, subd. (a)(5).)*

Land Use Controls: The element identifies many land use controls as potential constraints on a variety of housing types. However, the analysis should analyze land use controls independently and cumulatively with other land use controls. The analysis should specifically address requirements related to Floor Area Ratios, open space requirements, setbacks, and limits on allowable densities. The analysis should address any impacts on cost, supply, housing choice, affordability, timing, approval certainty and ability to achieve maximum densities and include programs to address identified constraints.

- The revised draft of Appendix F includes analysis of independent and cumulative impacts of land use controls on F-31. Additionally, the Housing Action Plan includes revisions of Action 3.4.8. (Implement objective design standards) in order to address constraints identified in Appendix F.

Processing and Permit Procedures: The element lists design review criteria (p. F-57), however, it should also evaluate those criteria for impacts on cost, timing and especially approval certainty. For example, one finding is the project will “enhance desirable neighborhood characteristics”. The element should explain how that finding is applied

and met, whether there are any impacts on cost, timing and approval certainty and add or modify programs to address any identified constraints.

- Effects of design review on cost and timing are included on p. F-64.
- To address this comment regarding identified constraints resulting from the design review process, the revised draft includes the addition of Action 3.4.3 (Revise Conditional Use (CUP) requirements) as well as Action 3.4.8 (Implement objective design standards). Combined, these two actions will allow a streamlined design review process, intended to reduce costs, shorten timelines, and increase approval certainty.

Housing for Persons with Disabilities: The element describes its approval procedures for group homes for seven or more persons (p. 592), including limitations or approval criteria. However, the element should analyze these approval criteria as constraints on approval certainty and objectivity for housing for persons with disabilities and include programs as appropriate.

- Appendix F expands discussion of residential care facilities constraints (p. F-51), including in commercial areas. To address potential constraints, the revised draft includes updated language in the Housing Action plan for Action 3.7.3 (Incentivize the development of senior housing and provide financial assistance to developers of housing for seniors and persons with special needs).

B. Housing Programs

1. *Include a program which sets forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions. (Gov. Code, § 65583, subd. (c).)*

A large share of the programs lists implementation timelines as “ongoing.” While this may be appropriate for some programs, programs with specific implementation actions must include completion dates resulting in beneficial impacts within the planning period. Programs that should be modified to add discrete timing include (but are not limited to) 1.1.3 (Strengthen Ellis Act Ordinance), 1.1.5 (Provide eviction defense and implement a right to counseling), 1.1.6 (Expand rent control in a limited manner to maintain affordability), 1.1.9 (Continue and expand the Tenant Protection Ordinance), 1.1.10 (Enforce the tenant right to return), 2.1.1 (Support home rehabilitation programs), 2.1.6 (Explore funding to improve indoor air quality), 2.2.5 (Extend local replacement unit provisions), 3.2.5 (Reduce constraints to the development of ADUs), 3.3.2 (Expansion of Section 8 vouchers), 3.3.3 (City of Oakland Rental Assistance Program), 3.3.4 (Develop permanent housing affordable to extremely-low income households on public land), 3.3.9 (Adjusting or waiving City fees and payment timing for affordable housing developments), 3.3.12 (Continue the

Acquisition and Conversion to Affordable Housing Program), 3.3.13 (Expand availability of predevelopment funding and low-cost debt products for affordable housing development), 3.3.14 (Evaluate the creation of a leveraged acquisition fund or debt equity fund for small sites to support housing acquisition), 3.3.17 (Support low-income grassroots and BIPOC affordable housing developers), 3.7.1 (Incentivize development of senior housing and provide financial assistance to developers of housing for seniors and persons with special needs), 3.7.4 (Implement the sponsor-based Housing Assistance Program), 3.7.5 (Encourage a range of unit sizes including housing that matches a local household needs and family sizes), 3.8.1 (Continue to implement the Vacant Property Tax), 4.1.4 (Provide needed support and income to people who have been homeless), 4.2.4 (Increase oversight of homelessness strategies, investments and encampment operations with Homelessness Advisory Commission), 4.3.1 (Finance Construction and Maintenance of permanent supportive housing and deeply affordable housing), 5.1.1 (Provide First time home ownership incentives), 5.2.4 (Secure funding from AHSC Program), and 5.2.7 (Encourage new affordable housing in higher resource neighborhoods).

Additionally, several programs and actions have timelines that should be moved earlier in the planning period to ensure a beneficial impact. Examples include Programs 3.3.10 (Enhanced Infrastructure Financing District) and 3.5.2 (Support Housing Cooperatives).

Additionally, programs must have specific commitment to clear outcomes or deliverables. Several programs include actions with no description of how those actions will be implemented (e.g., “support”, “study”, “explore”, “evaluate”, etc.). For example, Program 3.5.2 states that the City will "support housing cooperatives, co-living, and cohousing models". However, it does not state when and how their housing types will be available. Programs should be amended, as appropriate to include specific commitment. Examples include Programs 1.1.5 (Eviction Defense), 1.1.10 (Tenant Right to Return), 1.1.13 (Preventing Displacement / Homelessness), 3.3.15 (Citywide Density Bonus Expansion), 3.3.16 (Consider revising Real Estate Transfer Tax), 3.4.3 (Revising Parking Standards), 3.4.4 (Revising Open Space Requirements) and 5.2.9 (Accountability Measures for Housing Programs).

Based on public comments received, the City should also consider revising Action 2.2.5 to develop procedures that find and support displaced tenants after demolitions, as well as ensuring that projects pursuing SB-330 protections have sufficient replacement units for tenants at risk of displacement.

- The revised draft includes modifications clarifying discrete timing for actions in the Housing Action Plan for the following actions identified in the comment: 1.1.3 (Strengthen Ellis Act Ordinance), 1.1.5 (Provide eviction defense and implement a right to counseling), 1.1.6 (Expand rent control in a limited manner to maintain affordability), 1.1.9 (Continue and expand the Tenant Protection Ordinance), 1.1.10 (Enforce the tenant right to return), 2.1.1 (Support home rehabilitation programs), 2.1.6 (Explore funding to improve indoor air quality), 2.2.5 (Extend local replacement unit provisions), 3.2.5 (Reduce constraints to the development of ADUs), 3.3.2 (Expansion of Section 8 vouchers), 3.3.3 (City of Oakland Rental Assistance Program), 3.3.4 (Develop permanent housing affordable to extremely-low income households on public land), 3.3.9 (Adjusting or waiving City fees and

payment timing for affordable housing developments), 3.3.12 (Continue the Acquisition and Conversion to Affordable Housing Program), 3.3.13 (Expand availability of predevelopment funding and low-cost debt products for affordable housing development), 3.3.14 (Evaluate the creation of a leveraged acquisition fund or debt equity fund for small sites to support housing acquisition), 3.3.17 (Support low-income grassroots and BIPOC affordable housing developers), 3.7.1 (Incentivize development of senior housing and provide financial assistance to developers of housing for seniors and persons with special needs), 3.7.4 (Implement the sponsor-based Housing Assistance Program), 3.7.5 (Encourage a range of unit sizes including housing that matches a local household needs and family sizes), 3.8.1 (Continue to implement the Vacant Property Tax), 4.1.4 (Provide needed support and income to people who have been homeless), 4.2.4 (Increase oversight of homelessness strategies, investments and encampment operations with Homelessness Advisory Commission), 4.3.1 (Finance Construction and Maintenance of permanent supportive housing and deeply affordable housing), 5.1.1 (Provide First time home ownership incentives), 5.2.4 (Secure funding from AHSC Program), and 5.2.7 (Encourage new affordable housing in higher resource neighborhoods).

The timelines of programs 3.3.10 (Enhanced Infrastructure Financing District) and 3.5.2 (Support Housing Cooperatives) have been moved to earlier dates, as per the comment's suggestion. For programs lacking clear outcomes and deliverables in the Housing Action Plan, language and program structure has been revised to demonstrate clear outcomes and objectives. Action 2.2.5 (Extend local replacement unit provisions) has also been revised according to the comment's suggestions, with the addition of plans for the maintenance of a displaced tenant database to identify and support displaced tenants.

2. *Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory completed pursuant to paragraph (3) of subdivision (a) without rezoning, and to comply with the requirements of Government Code section 65584.09. Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. (Gov. Code, § 65583, subd. (c)(1).)*

As noted in Finding A3, the element does not include a complete site analysis; therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types.

- In the revised draft, see Goal 3 of the Housing Action Plan for a number of additional actions added to encourage a variety of housing types. Some of these programs

include but are not limited to: Action 3.2.1 (Develop zoning standards to encourage missing middle and multi-unit housing types in currently single-family-dominated neighborhoods, including flats, duplexes, triplexes, fourplexes, townhomes/rowhouses, and ADUs), Action 3.4.1 (Revise development standards, including allowable building heights, densities, open space and setback requirements), Action 3.5.1 (Support community land trusts and other shared equity models), Action 3.6.2. (Provide increased flexibility in development standards), Action 3.2.1 (Develop zoning standards to encourage missing middle and multi-unit housing types in currently single-family-dominated neighborhoods, including flats, duplexes, triplexes, fourplexes, townhomes/rowhouses, and ADUs) in addition to many other programs in the Housing Action plan intended to address a shortfall of sites or zoning available to encourage a variety of housing types.

3. *Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities. (Gov. Code, § 65583, subd. (c)(3).)*

As noted in Finding A4, the element requires a complete analysis of potential governmental and nongovernmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints.

- The revised draft of the Housing Action Plan includes a number of programs intended to alleviate governmental and nongovernmental constraints to maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. Numerous programs under Goal 3 (Close the Gap Between Affordable and Market-Rate Housing Production by Expanding Affordable Housing Opportunities) include revised language intended to eliminate constraints, such as action 3.2.5 (Reduce constraints to the development of ADUs) or Action 3.4.1 (Revise development standards, including allowable building heights, densities, open space and setback requirements). New programs have also been added to the revised draft to reduce constraints, such as Action 4.3.3 (Remove regulatory constraints to the development of transitional housing and supportive housing) and Action 3.4.10 (Implement a Housing Sites Overlay Zone to permit sites included in the Housing Sites Inventory to develop with affordable housing by right).

4. *Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics. (Gov. Code, § 65583, subd. (c)(5).)*

As noted in Finding A1, the element must include a complete assessment of fair housing. Based on the outcomes of that analysis, the element must add or modify programs. Programs to AFFH should go beyond status quo actions, include specific

commitment, timing, geographic targeting and metrics or numerical targets and should generally address housing mobility, encourage new housing choices in higher resource areas, improve place-based strategies toward community revitalization and protect existing residents from displacement.

- In the revised draft, many of the programs in the housing action plan have been significantly modified to include specific commitment, timing, geographic targeting and metrics.

5. *The housing program shall preserve for low-income household the assisted housing developments identified pursuant to paragraph (9) of subdivision (a)... (Gov. Code, § 65583, subd. (c)(6).)*

Program 2.2.2 (Preserve Affordable Housing) should be revised with specific commitment to comply with noticing requirements, coordinate with qualified entities, assist with funding or support funding applicants and provide education and support to tenants.

- Program 2.2.2 (Preserve Affordable Housing) has been revised with specific commitment to comply with noticing requirements, coordinate with qualified entities, assist with funding applicants and provide education and support to tenants.

6. *Develop a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rent... (Gov. Code, § 65583, subd. (c)(7).)*

Program 3.2.4 (Incentives for Accessory Dwelling Units (ADU)) should commit to should monitor permitted ADUs and affordability every other year and take appropriate action such as adjusting assumptions or rezoning within a specified time (e.g., 6 months) if assumptions are not realized.

- In response to the comment, an additional program in the Housing Action Plan has been added to the revised draft, Action 3.2.6. (Monitor Affordability of Permitted ADUs), to monitor permitted ADUs and affordability and also includes provisions for rezoning within a specified timeframe if assumptions are not realized.

C. Quantified Objectives

Establish the number of housing units, by income level, that can be constructed, rehabilitated, and conserved over a five-year time frame. (Gov. Code, § 65583, subd. (b)(1 & 2).)

While the element includes quantified objectives for new construction, rehabilitation and conservation by income group, it could consider quantified objectives for conservation (beyond at-risk preservation). For your information, the quantified objectives do not represent a ceiling, but rather set a target goal for the City to achieve, based on needs, resources, and constraints.

- Quantified objectives for rehabilitation and conservation are included in Table 4-1 (p.91) of the Housing Action Plan, with minor adjustments and additional language incorporated into the table in the revised draft.

D. Public Participation

Local governments shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the Housing Element, and the element shall describe this effort. (Gov. Code, § 65583, subd.(c)(9).)

The City made extensive efforts to reach the public, including hosting events and requesting input on suitable sites. Nonetheless, several comments questioned the lack of units in North Oakland, specifically around the Rockridge BART station, as concerns around why several eligible parcels were excluded from the inventory, and these issues must be addressed.

- The revised draft includes additional sites from the North Oakland Area in the site inventory in response to these comments and public input. Additionally, revisions have been made to Action 3.4.1 (Revise development standards, including allowable building heights, densities, open space and setback requirements) to increase allowable heights and densities in areas near Rockridge BART. See Appendix J for the City’s proposed rezoning changes to increase housing production capacity and unlock additional opportunities for affordable and “missing middle” housing in high-resource neighborhoods and affirmatively further fair housing and open up exclusionary neighborhoods such as Rockridge.

The City should also commit to revising Action 3.7.5 to studying second egress requirements. It can also discuss prioritizing cohousing opportunities, reducing lot size minimums in some zones to 3,000 square feet, finding suitable parcels for housing in the Dimond District, developing preapproved missing middle housing types in high opportunity areas, developing programs to address indoor air quality, analyze the cost reductions expected from removing parking minimums, analyze how the placement of historic districts relate AFFH and establish firmer commitments around the development of live/work units.

- In response to this comment, Action 3.5.5 (Study Feasibility of Single-Stair Residential Buildings) has been added to study second egress requirements.
- See Appendix J for missing middle proposal the includes reduction of lot size minimums and reduction of parking minimums.