

May 20, 2026

Location:	Citywide
Proposal:	Present an informational report to the Planning Commission to review and monitor the progress made in 2025 to implement Oakland's 2023-2031 Housing Element, update the General Plan, and meet the City's share of the Regional Housing Needs Allocation (RHNA). Staff will also present supplemental reports on the results of the 2025 ADU survey and a review of deed-restricted moderate-income rents in Oakland.
Applicant:	City of Oakland, Bureau of Planning
Contact Person/ Phone Number:	Bebe LeGardeur: (510) 238-6321
Owner:	N/A
Case File Number:	N/A
Planning Permits Required:	N/A
General Plan:	Citywide
Zoning:	Citywide
Proposed Environmental Determination:	Not a project under the California Environmental Quality Act (CEQA).
Historic Status:	N/A
City Council District:	All council districts.
Finality of Decision:	No decision will be made. Staff recommend that the Planning Commission receive an informational report and receive public comment on the City of Oakland's Housing Element Annual Progress Report and General Plan Annual Progress Report for calendar year 2025.
For Further Information:	Contact Case Planner Bebe LeGardeur at (510) 238-6321 or by email at blegardeur@oaklandca.gov

SUMMARY

Pursuant to Section 65400 and 65700 of the California Government Code, the City of Oakland (City) has prepared Annual Progress Reports (APRs) for calendar year 2025 on implementation of its overall General Plan and on the housing-related programs and policies contained in the City's 2023-2031 Housing Element. This is the third year of reporting on the 2023-2031 Housing Element, which was adopted by the City Council on January 31, 2023 via [Resolution No. 89565 C.M.S.](#) On February 17, 2023, the Oakland Housing Element was found to be in full compliance with the State Housing Element Law (Article 10.6 of the Gov. Code) by the California Department of Housing and Community Development (State HCD).

This informational report highlights accomplishments reached during reporting year 2025 related to: implementing and updating the Oakland General Plan; implementing City programs and policies adopted in the 2023-2031 Housing Element; and meeting the City's housing production and preservation goals. The number of housing units that were Proposed, Entitled, Permitted, or Completed in 2025 decreased from 2024, reflecting the more constrained housing market stemming from high construction costs, high interest rates, stable lower Market-Rate rents, and other factors. Over half of the total number of housing units that were Permitted (received building permits) in 2025 were deed-restricted affordable housing units - a trend that is supported by investments from Oakland's Measure U affordable housing bond. Multifamily construction continues to represent the overwhelming majority of new housing units. Accessory Dwelling Units (ADUs) also continue to make up a significant proportion of new housing units, although building permits issued for ADUs fell below 200 units for the first time in this Housing Element cycle.

The complete 2025 General Plan and Housing Element APRs can be found on the City's webpage: <https://www.oaklandca.gov/documents/housing-element-annual-progress-reports>.

(Note: The 2025 Housing Element APR contains very large tables that are best viewed electronically. The pertinent content of these tables is stated in this report.)

BACKGROUND

California Government Code Sections 65400 and 65700 require that the City prepare and submit annual progress reports (APRs)—known as the General Plan APR and the Housing Element APR—to the California Office of Land Use and Climate Innovation (State LCI)¹ and the California Department of Housing and Community Development (State HCD) by April 1 of each year, using forms and definitions adopted by State HCD. The General Plan APR must describe progress toward implementing and updating the City's General Plan each year. The Housing Element APR must describe progress made by the City to implement policies adopted in its Housing Element and to meet the City's share of the Regional Housing Needs Allocation (RHNA).

Oakland's 2025 General Plan APR, submitted to the State LCI on March 30, 2026, reflects progress toward implementing Oakland's current General Plan. During the 2025 reporting year, the Planning and Building Department continued to advance Phase 2 of the 2045 Oakland General Plan Update, which includes: (1) updating the Land Use and Transportation Element; Noise Element; and Open Space, Conservation, and Recreation Element; and (2) creating a new Infrastructure and Capital Facilities Element.

¹ Formerly the Office of Planning and Research

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Oakland’s 2025 Housing Element APR, submitted to State LCI and State HCD on March 30, 2026, reflects the third year of reporting on progress to meet the productions targets and policies contained within the 2023-2031 Housing Element. Notably, the Housing Element APR quantifies the number of net new housing units Proposed, Entitled, Permitted, or Completed—by household affordability level—during the reporting year (January 1, 2025 to December 31, 2025).

In accordance with Action 5.2.11 of the adopted 2023-2031 Housing Element, staff is bringing this informational report for discussion before the City Council.

PROJECT DESCRIPTION

The analysis in this report addresses first the 2025 General Plan APR and second, the 2025 Housing Element APR.

I. 2025 GENERAL PLAN ANNUAL PROGRESS REPORT

The 2025 General Plan APR addresses the following topics:

- (1) Date of the Last Update to the General Plan;
- (2) Measures Associated with Implementation of the General Plan;
- (3) Compliance with State LCI’s General Plan Guidelines;
- (4) Updating Goals, Policies, Objectives, Standards, or Other Plan Proposals; and
- (5) Implementation of the General Plan.

1. Date of the Last Update to the General Plan

California Government Code section 65302 mandates that all General Plans address specific topics. **Table 1** summarizes the eight (8) required General Plan Elements and two (2) optional topics with the date that they were last updated.

Table 1: General Plan Elements

General Plan Element	Required Content	Last Updated
<i>Phase I of the General Plan Update included updates of the Housing and Safety Elements of the General Plan and creation of the City’s first Environmental Justice Element</i>		
Housing (Required)	The Housing Element implements the declaration of State law that the availability of housing is a matter of vital statewide importance. It is more specific and directive than other elements, with detailed guidance and reviews. The State HCD must review and certify the Housing Element, while jurisdictions submit annual progress reports. In Oakland (and most major cities), the Housing Element must be revised and submitted to State HCD for review on an eight-year cycle.	January 31, 2023
Safety (Required)	The Safety Element is intended to reduce potential short and long-term risks of death, injuries, property damage, and economic dislocation resulting from fires, floods, droughts, earthquakes, landslides, climate change; as well as local hazards.	September 26, 2023
Environmental Justice (Required)	Senate Bill 1000, passed in 2016, requires that cities and towns with disadvantaged communities	September 26, 2023

	<p>adopt environmental justice policies or an Environmental Justice Element. These must include objectives and policies to reduce health risks in disadvantaged communities, promote civic engagement in the public decision-making process, and prioritize programs that address the needs of disadvantaged communities.</p> <p>Under SB 1000, Oakland is required to adopt an Environmental Justice Element, either standalone or interwoven with other Elements, concurrent with updates to the Housing and Safety Elements.</p>	
<p><i>Phase II of the General Plan Update is currently underway and includes updates to the City's Land Use and Transportation Element (LUTE); Open Space, Conservation, and Recreation Element (OSCAR); Noise Element; and development of a new Infrastructure and Facilities Element.</i></p>		
<p>Land Use (Required)</p>	<p>The Land Use Element establishes the community's vision for growth via equitable and accessible distribution of different land uses, including residential, commercial, industrial, agricultural, and open space.</p> <p>In Oakland, the Land Use Element for areas outside of the Oakland waterfront is currently contained in the Land Use and Transportation Element (LUTE), adopted in 1998.</p> <p>The Estuary Policy Plan (EPP) establishes the Land Use Element for lands between Interstate 880 and the Oakland waterfront. The EPP was adopted as part of the General Plan in 1999.</p>	<p>LUTE – 1998</p> <p>EPP – 1999</p> <p>LUTE and EPP will be updated during Phase 2 of the General Plan Update.</p>
<p>Circulation (Required)</p>	<p>The Circulation Element addresses the community's infrastructure needs for the circulation of people, goods, energy, water, sewage, storm drainage, and communications. By statute, the Circulation Element must correlate directly with the Land Use Element.</p> <p>In Oakland, the Circulation Element for areas outside of the Oakland waterfront is currently contained in the Land Use and Transportation Element (LUTE), adopted in 1998 (Oakland refers to "Circulation" as "Transportation").</p> <p>The 1999 EPP establishes the current Circulation Element for areas between Interstate 880 and the Oakland waterfront.</p> <p>The 2017 Pedestrian Plan is an adopted part of the City's Circulation Elements, and sets goals, outlines related policies and programs, and establishes a prioritization strategy to implement</p>	<p>LUTE 1998</p> <p>EPP – 1999</p> <p>LUTE and EPP will be updated during Phase 2 of the General Plan Update.</p> <p>The Pedestrian Plan was updated in 2017.</p> <p>The Bike Plan was comprehensively updated in 2019.</p>

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	<p>recommendations that will improve the pedestrian environment.</p> <p>The 2019 Bike Plan is also an adopted part of the City's Circulation Elements, and outlines major improvements to Oakland's bicycle network and introduces brand new cycling programming.</p>	
Open Space (Required)	<p>The Open Space Element identifies the community's valuable undeveloped areas and creates a long-term plan to preserve them.</p> <p>In Oakland, the Open Space Element is currently contained in the City's Open Space, Conservation and Recreation (OSCAR) Element, adopted in 1996.</p>	<p>1996</p> <p>The OSCAR Element will be updated during Phase 2 of the General Plan Update.</p>
Conservation (Required)	<p>The Conservation Element establishes the community's goals and policies for the retention, enhancement, and development of natural resources. It is to be coordinated with the Land Use and Open Space Elements.</p> <p>In Oakland, the current Conservation Element is contained in the City's OSCAR Element, adopted in 1996.</p>	<p>1996</p> <p>The OSCAR Element will be updated during Phase 2 of the General Plan Update.</p>
Noise (Required)	<p>The Noise Element describes the community's local noise environment and analyzes current and projected noise levels. It outlines policies and implementation measures to address existing and foreseeable noise problems.</p> <p>In Oakland, the current Noise Element was adopted as part of the General Plan in 2005.</p>	<p>2005</p> <p>Noise Element will be updated during Phase 2 of the General Plan Update.</p>
<i>In 2025, the following optional Elements of Oakland's General Plan did not have a timeline for updates:</i>		
Historic Preservation (Optional)	<p>The Historic Preservation Element provides policies and actions to encourage the preservation of older buildings, districts, and other physical features of historic value.</p>	<p>1994</p>
Scenic Highways (Optional)	<p>The Scenic Highways Element establishes policies to preserve and enhance designated roadways traversing the City. It was previously a required element under State law, but that requirement was rescinded in 1984.</p>	<p>1974</p>

2. Measures Associated with Implementation of the General Plan

In 2025, the City continued working on major long-range planning initiatives to implement the Oakland General Plan. While not exhaustive, the list below offers a highlight of major implementation milestones, organized by General Plan Element.

- Land Use and Transportation Element (LUTE):
 - [Downtown Oakland Specific Plan](#) (adopted July 2024)
 - [Equitable Climate Action Plan](#) (adopted July 2020)
 - [Coliseum Area Specific Plan](#) (adopted April 2015)
 - [Broadway Valdez District Specific Plan](#) (adopted June 2014)
 - [West Oakland Specific Plan](#) (adopted June 2014)
 - [Lake Merritt Station Area Plan](#) (adopted December 2014)
 - [Central Estuary Area Plan](#) (adopted April 2013)
- Safety Element:
 - [Vegetation Management Plan](#) (adopted May 2024)
 - [Local Hazard Mitigation Plan](#) (adopted June 2021)
- Open Space, Conservation, and Recreation (OSCAR) Element:
 - [Urban Forest Master Plan](#) (adopted December 2024)

3. General Plan Compliance with LCI's General Plan Guidelines

As stated previously, a comprehensive update of the City's General Plan is currently underway. Phase 1 of the General Plan Update (GPU) was completed in fall 2023; and included updates to the Housing Element and Safety Element, the creation of the City's first Environmental Justice Element, and an Industrial Lands Study, an Environmental Impact Report (EIR), and updates to the zoning code and map. In conjunction with GPU Phase 1, the City created a [Map Atlas](#) to facilitate community input on planning issues, priorities and vision for the future and developed the [Environmental Justice and Racial Equity Baseline](#) to identify and delineate disparities by race and geography. With this GPU, the City is advancing its commitment to creating a "fair and just" city and undo past harms and inequities through the creation of more robust and equitable General Plan goals, policies, and actions. This means working to identify and understand the barriers to achieving greater equity and strengths of communities and working with communities to develop solutions for long-term and systemic changes that eliminate the root causes of inequity.

In October 2024, the City launched Phase 2 of the GPU. This phase of work will involve updates to the Land Use and Transportation Element (LUTE); the Open Space, Conservation, and Recreation (OSCAR) Element (OSCAR); the Noise Element; and development of a new Infrastructure and Capital Facilities Element. Based on insights gathered through a community survey fielded in 2024 and public input gathered in 2023 and as part of GPU Phase 1, the City published [Oakland for All: Options for How We Stabilize and Grow](#) (Options Report) in July 2025. The Options Report presented various the GPU Phase 2 growth strategy alternatives. Feedback on the Options Report, summarized in the [Options for How We Stabilize and Grow Survey Report](#), have informed the Draft Land Use Framework, which will be presented to the Community and Economic Development (CED) Committee on May 12, 2026.

The City's General Plan Update process includes a robust and multi-pronged strategy for community engagement, including workshops, discussion groups, pop-up outreach, cultural events, youth engagement, online engagement methods, study sessions with decision-makers, and more. The GPU process places particular emphasis on engaging communities historically underrepresented and excluded from traditional planning processes and often most negatively impacted by City policies. In 2025, the City led a community engagement strategy to educate community members on the growth strategy options and

gather feedback on what worked and what did not work in each Option. Through an online survey, pop-up events, focus groups, tribal consultation, and a series of walking tours led by community groups, the City reached an estimated 1,300 people. A full schedule of community engagement activities can be found [here](#). The [Engagement Summary Report](#) summarizes all community engagement activities and insights gathered from the Oakland community through 2025. The [Options Survey Report](#) summarizes the results of the online Options Survey.

4. Goals, Policies, Objectives, Standards, or Other Plan Proposals

In addition to the City’s work on GPU Phase 2, in 2025 the City also continued to coordinate with regional partners to develop Subregional Shoreline Adaptation Plans as required under SB 272 and to update the Local Hazard Mitigation Plan. The City was also working to adopt the 2025-2029 Economic Development Action Plan (this was subsequently adopted in February 20 26), which lays out five strategic goals for economic development in Oakland.

5. Implementation of the General Plan

The following plans and projects were approved or ongoing in 2024, and amended or proposed amending the General Plan and/or General Plan land use maps:

The following plans and projects were approved or ongoing in 2025, and amended or proposed amending the General Plan and/or General Plan land use maps:

1. [Brooklyn Basin \(288 9th Avenue\)](#) – Ongoing Construction in 2025
2. [Brooklyn Basin Parcel N \(80 Fallon Street\)](#) – Application Under Review in 2025
3. [West Oakland BART Transit-Oriented Development \(TOD\) \(1451 7th Street\)](#) – Application Under Review in 2025
4. [Lake Merritt BART Transit-Oriented Development \(TOD\) \(51 9th Street\)](#) – Ongoing Construction in 2025
5. [Oak Knoll Mixed Use Community \(8750 Mountain Blvd.\)](#) – Ongoing Construction in 2025

II. 2025 HOUSING ELEMENT ANNUAL PROGRESS REPORT

The 2025 Housing Element APR addresses topics including:

- (1) Progress Towards Meeting Regional Housing Needs Allocations (RHNA);
- (2) Overall Housing Production;
- (3) Affordability of New Housing Units;
- (4) Preservation of Residential Units; (5) Application for Lot Splits & Units Constructed;
- (6) Housing-Related Activities and Policy; and
- (7) Key Issues and Expectations for 2026.

The 2025 Housing Element APR provides a comprehensive account of new housing units produced in 2025, by affordability level and type of unit, based on key milestones in the development process. In other words, the 2025 Housing Element APR provides an accounting of new housing units **Proposed** (applications for a planning permit), **Entitled** (received all the required planning permit approvals), **Permitted** (issued a building permit), and **Completed** (passed its final building inspection/received certificate of occupancy) during the 2025 calendar year.

Table 2 provides the number of new housing units by phase of development and unit type. Analysis of each phase of development is in the subsequent sections. The specific unit type refers to the density and physical form of each development project. State HCD stipulates the following “Unit Type” definitions:

- **Single Family-Detached Unit (SFD)** – A one-unit structure with open space on all four sides. The unit often possesses an attached garage.
- **Single Family-Attached Unit (SFA)** – A one-unit structure attached to another unit by a common wall, commonly referred to as a townhouse, half-plex, or row house. The shared wall or walls extend from the foundation to the roof with adjoining units to form a property line. Each unit has individual heating and plumbing systems.
- **2-, 3-, and 4-Plex Units per Structure (2-4)** – A structure containing two, three, or four units and not classified as single-unit attached structure.
- **5 or More Units per Structure (5+)** – A structure containing five or more housing units, also known as “Multifamily Housing Projects.”
- **Accessory Dwelling Unit (ADU)** – A unit that is attached, detached, or located within the living area of an existing dwelling or residential dwelling unit which provides complete independent living facilities for one or more persons. This category also includes *Junior ADUs*.²
- **Mobilehome Unit/Manufactured Home (MH)**³ – A one-unit structure that was originally constructed to be towed on its own chassis.

Table 2: Number of New Housing Units by Phase of Development and Unit Type, 2025

Unit Category	Proposed	Entitled	Permitted	Completed
SFA	-	3	11	6
SFD	16	32	14	35
2 to 4	17	25	22	27
5+	709	1,627	473	1,140
ADU	252	244	192	183
MH	13	13	-	-
Totals	1,007	1,944	712	1,391

Table 3 provides the number of new housing units by phase of development and affordability level. This Housing Element APR provides a summary of housing production by household affordability level. The income levels used in the Housing Element APR are defined by State HCD based on Area Median Income (AMI).⁴ The AMI is the midpoint of an area's income distribution. This means half of households in an area earn more than the median and half earn less than the median. Each income level is defined below:

- An **Acutely Low-Income (ALI)** household earns up to 15% of AMI.
- An **Extremely Low-Income (ELI)** household earns between 15% and 30% of AMI.
- A **Very Low-Income (VLI)** household earns between zero and 50% of AMI.
- A **Low-Income (LI)** household earns between 51% and 80% of AMI.
- A **Moderate-Income (MI)** household earns between 81% and 120% of AMI.
- An **Above-Moderate** or **Market-Rate** household earns more than 120% of AMI.

Table 3: Number of New Housing Units by Phase of Development and Affordability, 2025

² ADUs include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel on which the single- or multi-family dwelling is situated pursuant to Government Code section 65852.2. For purposes of the APR, an ADU also includes the following: an Efficiency Unit, as defined in Section 17958.1 of the Health and Safety Code or a manufactured home, as defined in Section 18007 of the Health and Safety Code.

³ This category includes Vehicular Residential Facilities as defined in the Oakland Planning Code Chapter 17.10.700.

⁴ For more information about Area Median Income: <https://www.oaklandca.gov/resources/rent-and-income-limits-for-affordable-housing>.

Unit Category	Proposed	Entitled	Permitted	Completed
ALI	-	-	-	-
ELI	145	150	127	139
VLI	300	445	249	123
LI	299	559	169	437*
MI	126	129	57	92
Market-Rate	137	661	110	600*
Totals	1,007	1,944	712	1,391

*An error was made in reporting the affordability levels of units at the Prescott Station development, which was Completed in 2025. The graph above reflects the corrected affordability mix for Completed units. City staff will submit a revision to State HCD to address this and any other reconciliations.

1. Progress Towards Meeting Regional Housing Needs Allocations (RHNA)

Every jurisdiction in California is required to zone for enough land for private development to meet that city's RHNA. The RHNA is determined through a state-mandated process carried out by regional planning entities – in the case of Oakland's RHNA, the corresponding entity is the Association of Bay Area Governments (ABAG). The City's progress toward meeting the RHNA is presented in Table B of the Housing Element APR⁵ and **Table 4**.

Table 4: Regional Housing Needs Allocation Progress, 2023-2030

Income Level	RHNA 2022*	2023	2024	2025	2026	2027	2028	2029	2030	Total Units	RHNA Due
Very Low	6,511	288	174	370	376					1,208	5,303
Low	3,750	348**	113	326	169					956**	2,794**
Moderate	4,457	78	141	109	57					385	4,072
Market	11,533	377**	355	223	110					1,065**	10,468**
Total	26,251	1,091	783	1,028	712					3,614	22,637

* The unit counts under 2022 reflect units permitted between June 30, 2022 and January 30, 2023, which were credited towards the 6th Cycle RHNA.

**An update will be made to report the affordability levels of units at the Prescott Station development, which was Permitted in October 2022. The project created 211 Low-Income units subject to a funding agreement finalized after the project was Permitted. The table above reflects the updated affordability mix for Permitted units. City staff will submit a revision to State HCD to address this and any other reconciliations.

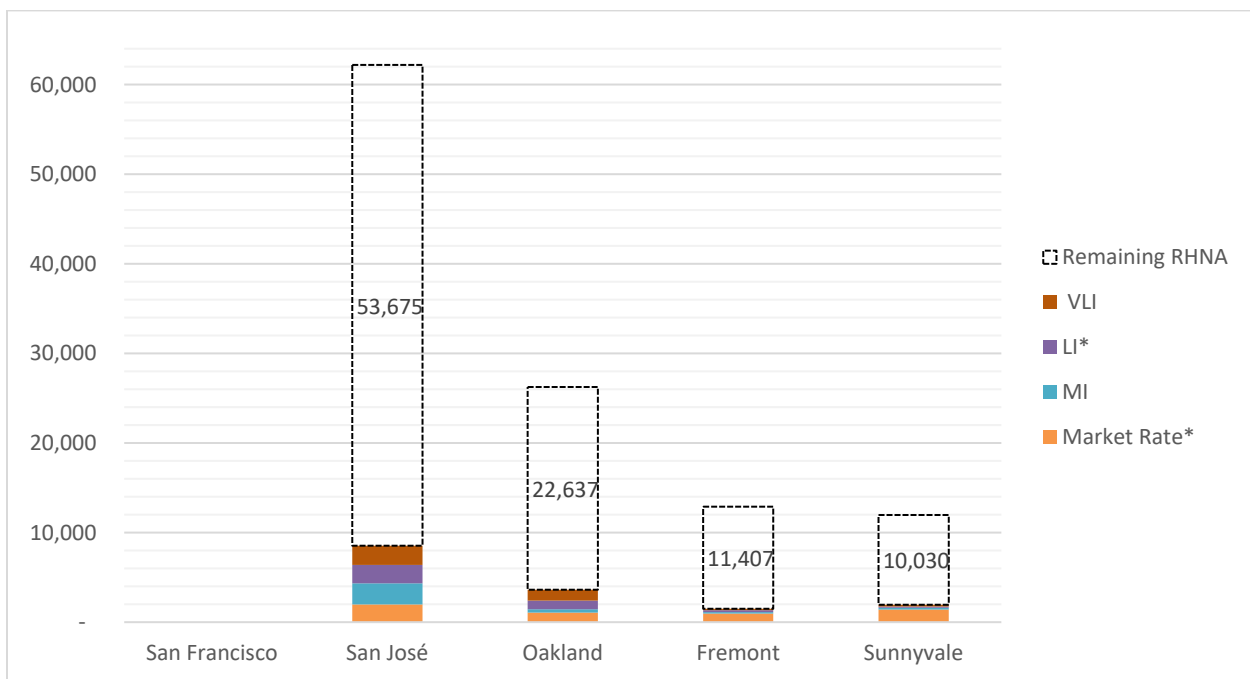
Through 2025, Oakland has Permitted almost **14%** of the required units for the 6th Cycle. To accomplish its RHNA goals, Oakland would need to annually have an average of **4,528** Permitted units over the next five years. Oakland has Permitted more Very Low-Income (VLI) and Low-Income (LI) units than Moderate-Income (MI) or Market-Rate units. The City has achieved **19%** of its VLI requirement, **25%** of its LI requirement, and **9%** of both its MI and Market-Rate requirements. The limited production of Moderate-Income and Market-Rate units is largely driven by negative market conditions, including high interest rates, high construction costs, and stable lower Market-Rate rents. Despite the City's significant efforts to facilitate housing production, these market forces continue to dampen development activity. The City's efforts include major amendments made to the Planning Code in October 2023, as well as the passage of Measure U in November 2022, which allocates new funding towards affordable housing developments.

⁵ The 2025 Housing Element APR can be found at: <https://www.oaklandca.gov/documents/housing-element-annual-progress-reports>

Oakland is among the five Bay Area cities with the largest 6th Cycle¹² RHNA. As shown in **Figure 1** below, the allocations for Oakland and its peer cities are: San Francisco (**82,069**), San José (**62,200**), Oakland (**26,251**), Fremont (**12,897**), and Sunnyvale (**11,966**). Through 2025, Oakland has Permitted **3,614** of its required units, or **14%**. While this rate of housing unit production is significantly lagging the 12.5% annual average needed to meet the city’s RHNA, Oakland is roughly average compared to its peer cities; San José has Permitted **8,525** units (**14%**); Fremont has Permitted **1,490** units (**12%**); and Sunnyvale has Permitted **1,936** units (**16%**). Information on San Francisco’s 2025 APR is not publicly available at the time of this report was finalized.

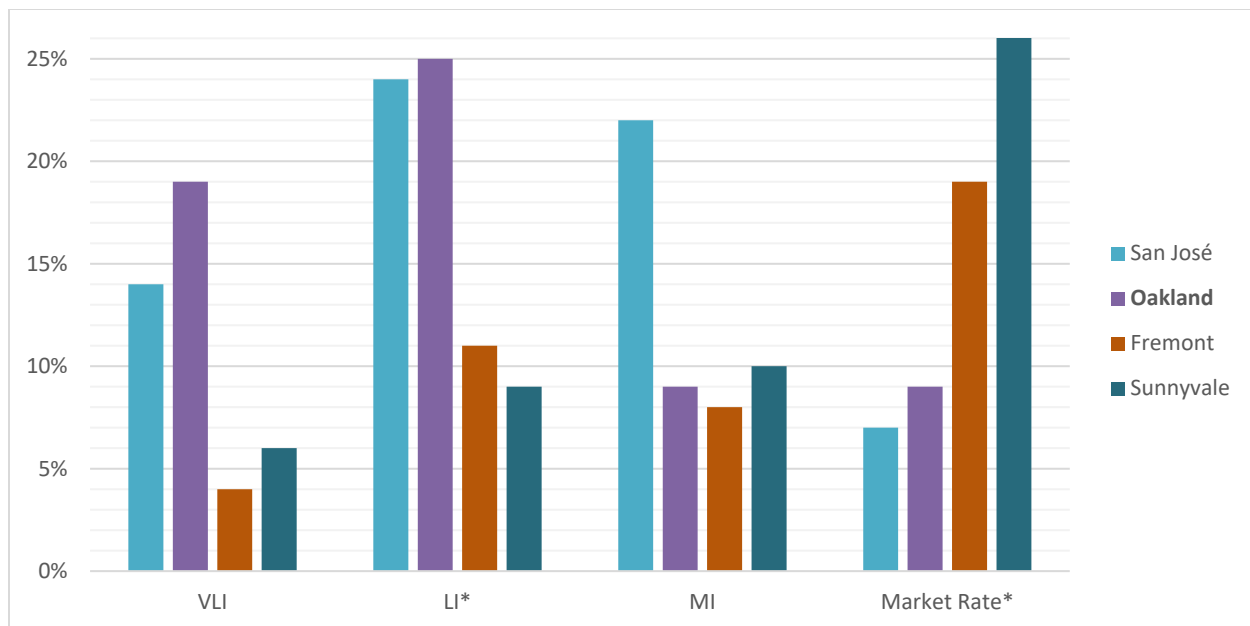
Notably, as shown in **Figure 2**, Oakland has Permitted a larger share of its Very Low-Income (VLI) RHNA than any of its peer cities (**19%**). Additionally, Oakland has Permitted an above-average proportion of Low-Income (LI) units (**25%**), exceeding all the peer cities reviewed. Meanwhile, Oakland has Permitted a below-average proportion of Moderate-Income (MI) units (**9%**) and Market-Rate units (**9%**).

Figure 1: 6th Cycle Regional Housing Needs Allocation Progress in Major Bay Area Cities



*An update will be made to report the affordability levels of units at the Prescott Station development, which was Permitted in October 2022. The project created 211 Low-Income units subject to a funding agreement finalized after the project was Permitted. The table above reflects the updated affordability mix for Permitted units. City staff will submit a revision to State HCD to address this and any other reconciliations.

Figure 2: 6th Cycle Regional Housing Needs Allocation Progress by Affordability in Major Bay Area Cities*



*An update will be made to report the affordability levels of units at the Prescott Station development, which was Permitted in October 2022. The project created 211 Low-Income units subject to a funding agreement finalized after the project was Permitted. The table above reflects the updated affordability mix for Permitted units. City staff will submit a revision to State HCD to address this and any other reconciliations.

2. Overall Housing Production

As mentioned previously, the 2025 Housing Element APR provides a comprehensive account of new housing units produced in 2025, by affordability level and type of unit, based on key milestones in the development process.

a. New Housing Units Proposed in Application Submittals

Table A of the 2025 Housing Element APR⁶ provides a list of application submittals for new housing development that were submitted in 2025.

A total of 282 applications for new housing development were submitted in 2025. As shown in **Table 2** and **Table 3** above, these applications propose a total of **1,007** new units distributed across housing types accordingly: **709** multifamily units (5+); **252** ADUs; **16** single-family detached units; **17** units in duplexes, triplexes, or fourplexes (2 to 4); **13** mobile or manufactured homes; and **0** single-family attached units.

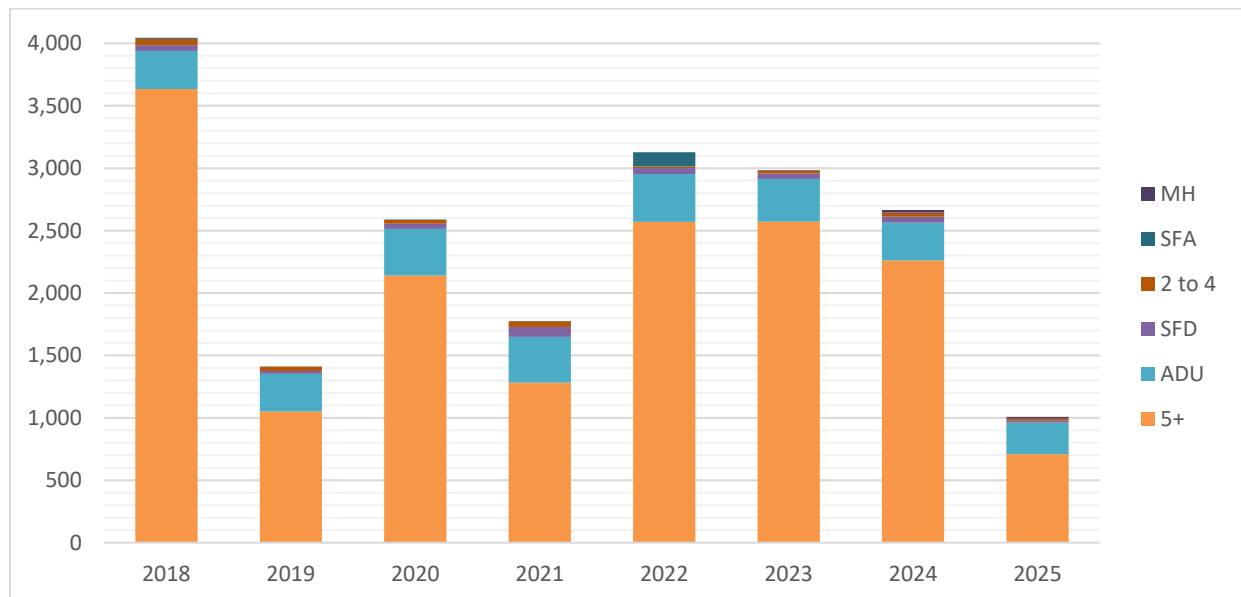
As shown in **Figure 3** below, the **1,007** units Proposed through planning applications in 2025 reflect a decrease in units Proposed compared to recent years. Proposed units across all housing types were down compared to recent years.

While 2022 demonstrated a rebound from the impacts of the COVID-19 pandemic, the downward trend in Proposed units since 2022 reflects the realities of an increasingly constrained real estate financial environment. Housing developers are contending with high construction costs; high interest rates; and stable lower Market-Rate rents primarily due to the over 12,000 units of new Market-Rate housing that have been completed in Oakland over the past five years. Over **60%** of all Proposed new units in 2025 are for deed-restricted affordable housing, reflecting Oakland's ability to contribute local funding to these

⁶ <https://www.oaklandca.gov/documents/housing-element-annual-progress-reports>

developments, largely through Measure U. In 100% affordable projects, the ability of these projects to enter construction is highly dependent on the ability to further secure competitive funding at the State level. Most of the remaining Proposed units are in multifamily projects, which will likely take several years to complete and remain dependent on market conditions for when they can begin construction, or ADUs, which are typically constructed more quickly.

Figure 3: Total Number of Units Proposed (Planning Applications) for New Housing Development, 2018-2025



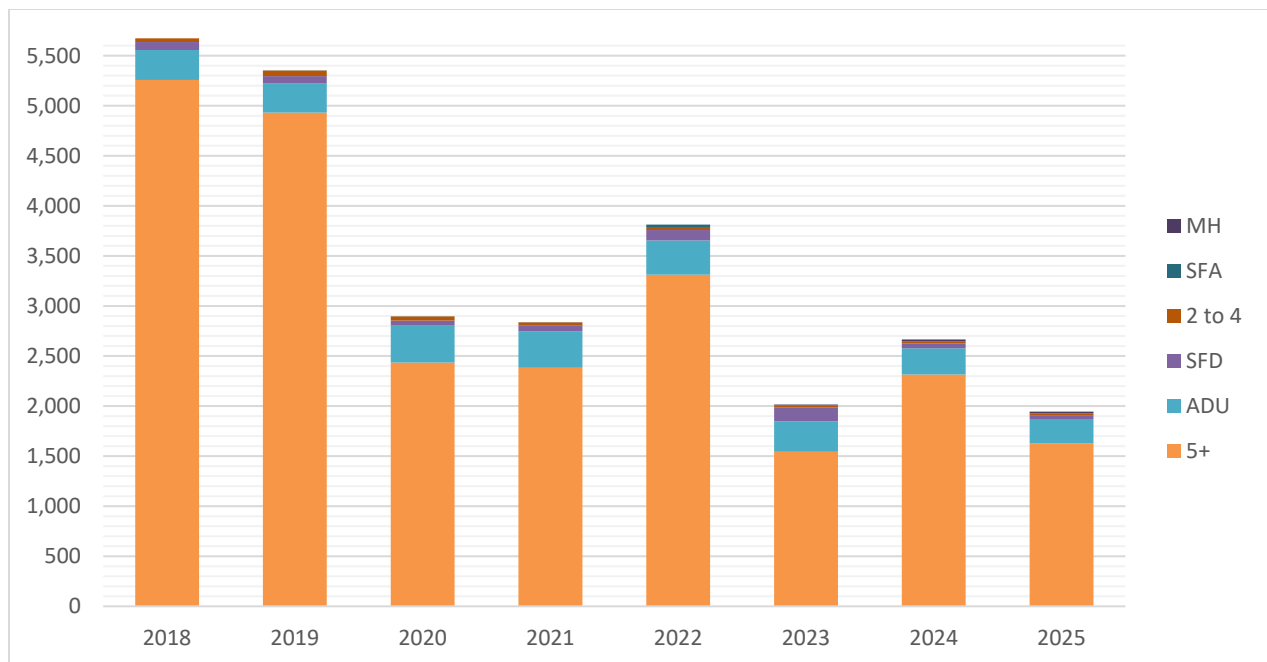
b. New Housing Units Entitled (or Approved by Planning)

Entitled units are those that have received all necessary planning approvals for development. A project that has been Entitled has met the planning review criteria and is ready to move to the next step of applying for a building permit. The process to become Entitled typically involves a formal planning review process, which focuses on whether the new residential facility will meet specific criteria, including:

- Development standards established by Zoning;
- Conformity to the Oakland General Plan and any applicable Specific Plans; and
- Design review criteria adopted by the Planning Commission or City Council.

As shown in **Table 2** and **Table 3**, the City Entitled a total of **1,944** housing units in 2025. As shown in **Figure 4**, fewer total housing units were Entitled in 2025 than in any year since 2018. This represents a **27%** decline from 2024 and about a **4%** decline from the previous low year of 2023.

Figure 4: Total Number of New Housing Units Entitled (Approved by Planning), 2018-2025

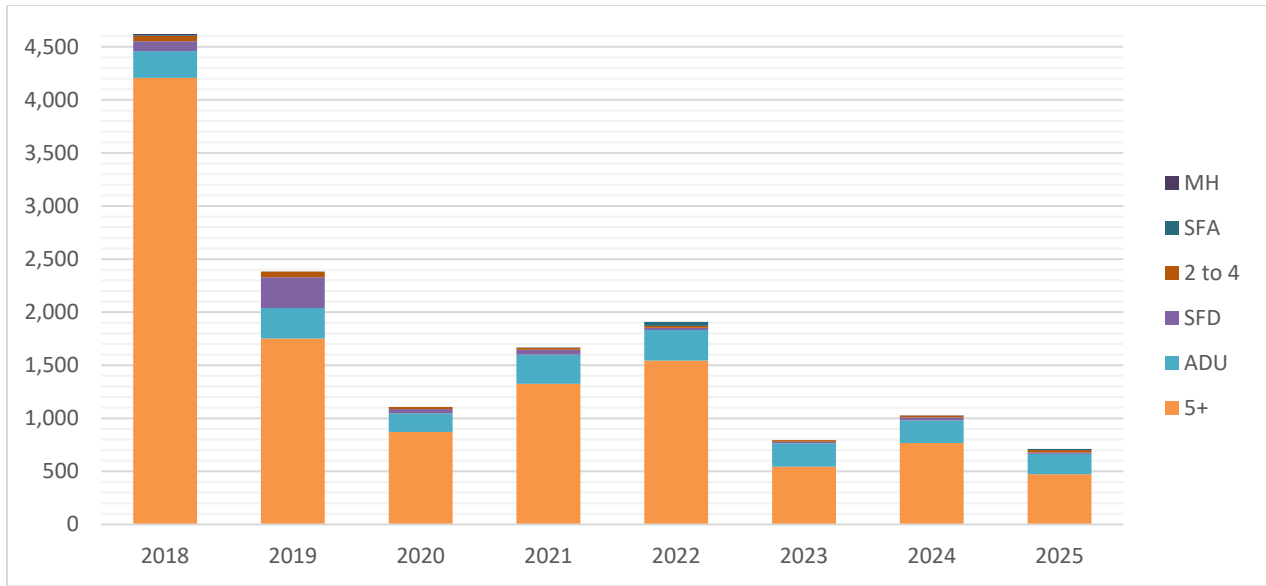


c. *New Housing Units Permitted (Issued a Building Permit)*

Building permits ensure that any new construction complies with all health, safety, and building code standards. The issuance of a building permit signals that construction on a project may begin – at this point, the unit is considered “Permitted”. While projects that have been Entitled have all the necessary land use approvals to apply for a building permit, external factors – such as financing, the real estate market, and complying with applicable pre-construction conditions of approval – will impact the timing for when an application for a building permit is submitted. Only projects that have been Permitted (issued a building permit) for the construction of new housing units may be counted towards meeting the RHNA.

As shown in **Table 2** and **Table 3**, the City Permitted a total of **712** new housing units in 2025. As shown in **Figure 5**, fewer units were Permitted in 2025 than in any year since 2018. This represents a **31%** decline from 2024 and a **10%** decline from the previous low in 2023. More than any other metric, the low number of units Permitted in 2025 demonstrates the constrained financial environment under which housing developers are currently operating. In contrast to planning Entitled projects, housing developers typically only apply for building permits once they are ready to break ground on a project. This means that Permitted units (building permit issuance) is the best indicator for the current state of housing development. In that regard, this is the stage at which housing developers are most sensitive to high construction costs, high interest rates, and stable lower Market-Rate rents. Notably, the share of affordable units continued to increase in 2025, as described in the section starting on page 16. The low number of permits is also partially a quirk of timing – many affordable housing projects in Oakland received their final funding in 2025 and staff anticipate over 1,000 affordable housing units will be permitted in the first half of 2026.

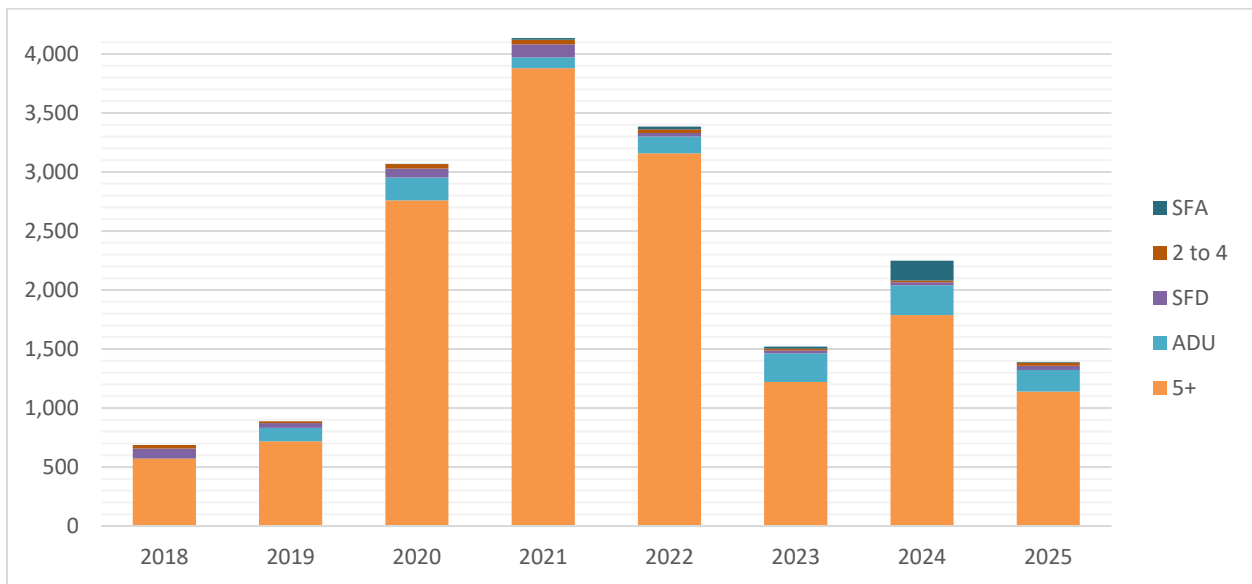
Figure 5: Total Number of New Housing Units Permitted (Building Permit Issued), 2018-2025



d. New Housing Units Completed

A Completed unit is one where the project has passed its final building inspection/received certificate of occupancy and is now ready for occupancy. Inspections are required to ensure that the construction is proceeding according to all current code standards, the approved plans, as well as any conditions of approval. As shown in **Table 2** and **Table 3**, the City completed final inspection of **1,391** new housing units in 2025. As shown in **Figure 6**, fewer units were completed in 2025 than in any year from 2020-2024. This represents a **38%** decrease from 2024 and a **66%** decrease from the peak year of 2021.

Figure 6: Total Number of New Housing Units Completed, 2018-2025



3. Affordability of New Housing Units

This Housing Element APR provides a summary of housing production by household affordability level.

Informational Report

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As described in the introduction to Section II: 2025 Housing Element Annual Progress Report, above, the income levels used in the Housing Element APR are defined by State HCD based on Area Median Income (AMI).⁷ The AMI is the midpoint of an area's income distribution. This means half of households in an area earn more than the median and half earn less than the median. Each income level is defined below:

- An **Acutely Low-Income (ALI)** household earns up to 15% of AMI
- An **Extremely Low-Income (ELI)** household earns between 15% and 30% of AMI.
- A **Very Low-Income (VLI)** household earns between 0% and 50% of AMI.
- A **Low-Income (LI)** household earns between 51% and 80% of AMI.
- A **Moderate-Income (MI)** household earns between 81% and 120% of AMI.
- An **Above-Moderate** household earns more than 120% of AMI. Housing units affordable to this income level are known as “**Market-Rate**” units.

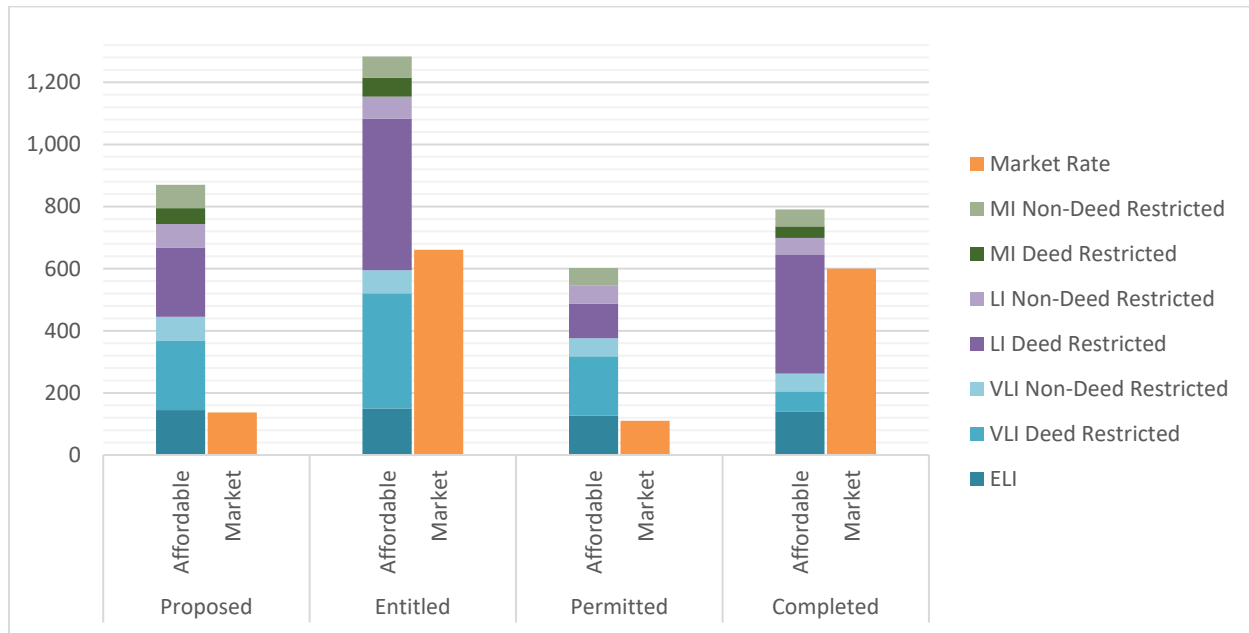
In previous years, the Housing Element APR has counted ALI and ELI units as a subset of new housing units affordable to Very Low-Income (VLI) households. This is because the APR has previously defined VLI as households earning between zero (0) and 50% of AMI. Due to the passage of AB 3093 in 2024, jurisdictions who received RHNA determinations after September 19, 2024, will have RHNA allocations for acutely low-income and extremely low-income housing units. New units at these affordability levels have therefore been separated from VLI units starting in the 2025 reporting year. Oakland received its RHNA determination prior to September 19, 2024, and therefore does not have allocations for ALI and ELI units. All ALI and ELI units reported on Oakland’s 2025 APR will be counted as progress towards achieving the VLI RHNA requirement.

For new housing units reported as affordable, the Housing Element APR also provides information on the financial assistance program or deed-restriction mechanism used to subsidize the unit.

As shown in **Figure 7** and **Figure 8**, the City continued to make progress in 2025 toward expanding the supply of affordable housing in Oakland. Notably, significantly more affordable units were Proposed, Entitled, Permitted, and Completed compared to Market-Rate units. Of the **712** new units Permitted in 2025, **60%** were deed restricted affordable units, **24%** were non-deed restricted affordable ADUs, and **15%** were Market-Rate units. This demonstrates how subsidized affordable housing is critical to addressing the housing crisis in a financially challenging environment. The robust production of affordable housing seems poised to continue as **55%** of the **1,944** new units Entitled in 2025 are deed-restricted affordable.

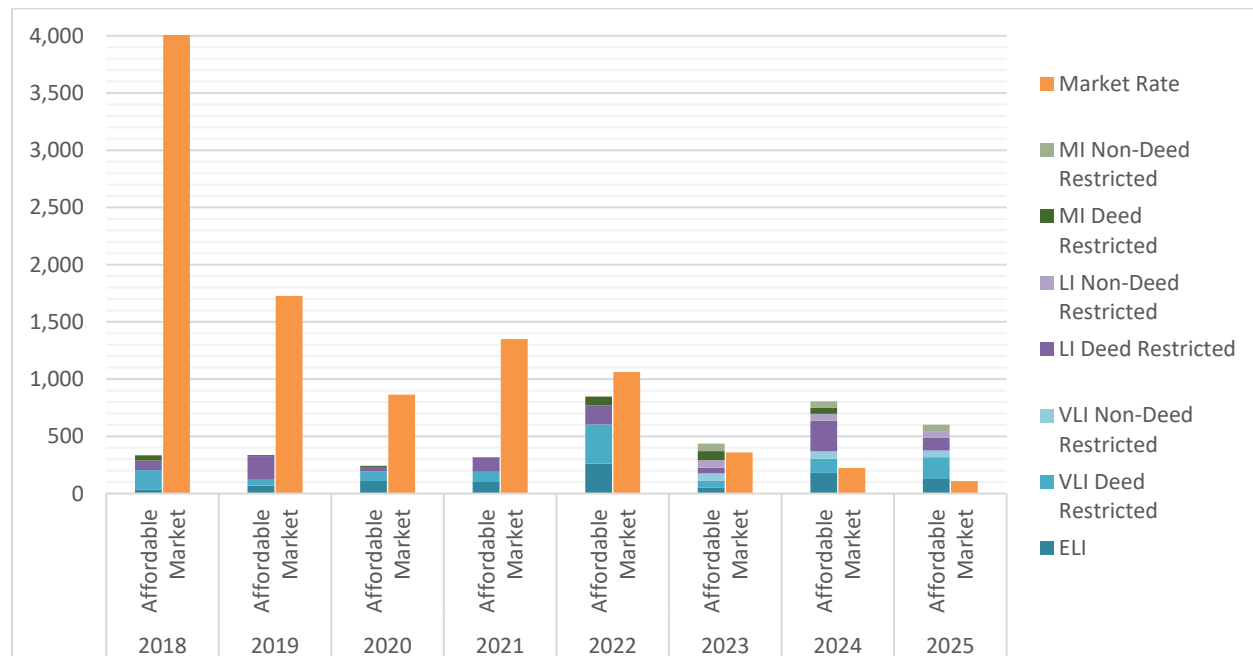
⁷ For more information about Area Median Income: <https://www.oaklandca.gov/resources/rent-and-income-limits-for-affordable-housing>.

Figure 7: Number of New Housing Units by Phase of Development and Affordability, 2025*



* An error was made in reporting the affordability levels of units at the Prescott Station development, which was Completed in 2025. The graph above reflects the corrected affordability mix for Completed. City staff will submit a revision to State HCD to address this and any other reconciliations.

The Prescott Station project, located at 2121 Wood Street, was Permitted in 2022 and Completed in 2025. The project was originally permitted in 2022 with 211 Market-Rate units and 24 deed-restricted Moderate-Income units pursuant to a regulatory agreement with the City of Oakland. After being Permitted, the project entered into a funding agreement with the California Municipal Finance Authority (CMFA) that restricted the units previously planned as Market-Rate to Low-Income. This change in affordability levels was accidentally omitted from the 2025 APR and all 211 units originally planned as Market-Rate units were recorded as such. City staff will submit a revision to State HCD correcting the affordability levels of the Completed units recorded in 2025 and updating the affordability levels of the units Permitted in 2022.

Figure 8: New Housing Units Permitted by Affordability, 2018-2024

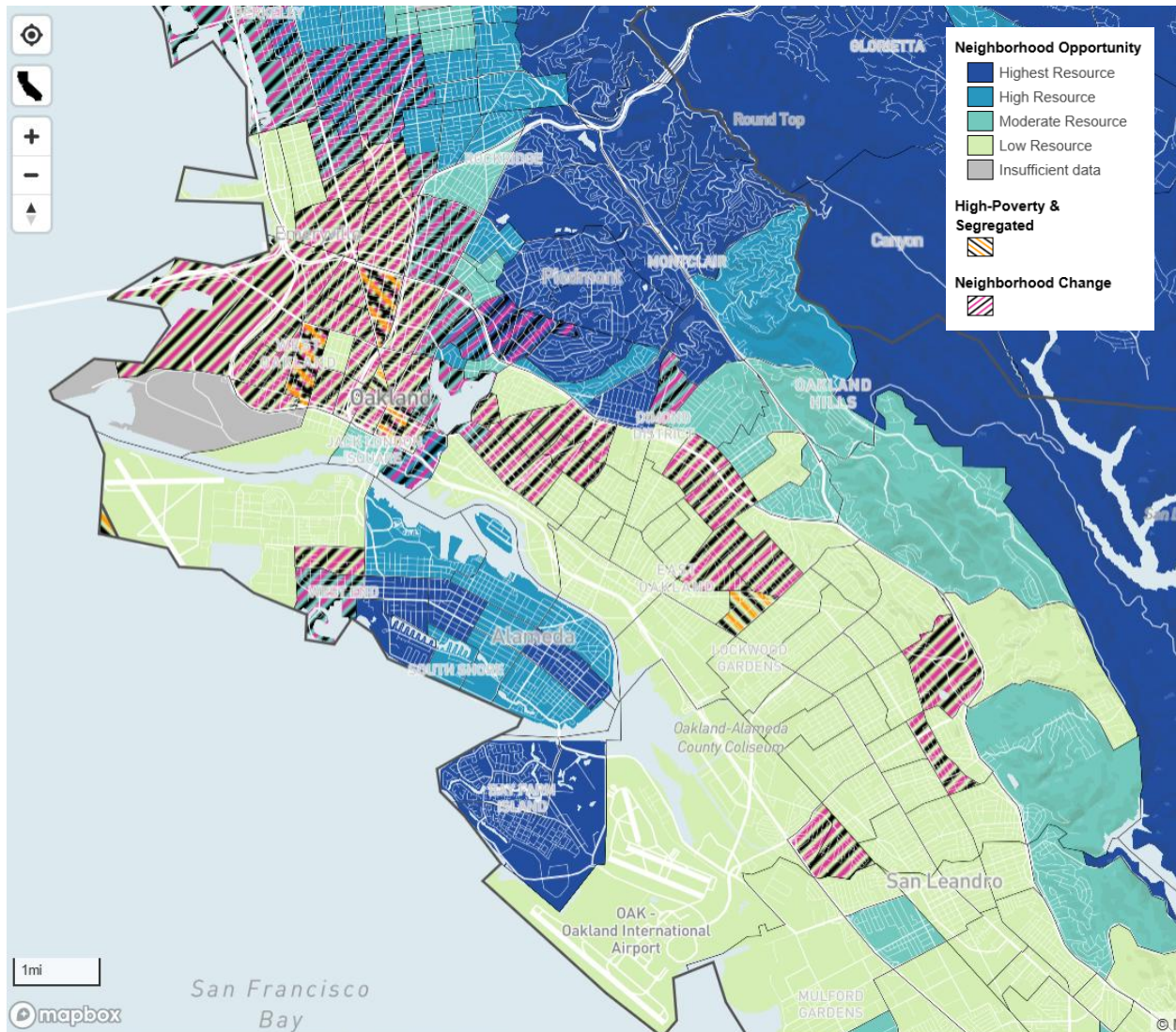
* An update will be made to report the affordability levels of units at the Prescott Station development, which was Permitted in October 2022. The project created 211 Low-Income units subject to a funding agreement finalized after the project was Permitted. The table above reflects the updated affordability mix for Permitted units. City staff will submit a revision to State HCD to address this and any other reconciliations.

The high proportion of affordable housing is due in part to the [City's Measure U affordable housing bond investments](#). Significant construction cost inflation over the past few years, stable lower rents, and high interest rates may all be contributing factors to the low number of market-rate projects entering construction. As such, the proportion of deed-restricted affordable housing units Permitted increased from **78%** of all Permitted units in 2024 to **84%** of all Permitted units in 2025. Due to an overall decrease in Permitted units, the number of deed-restricted affordable housing units Permitted in 2025 decreased by **25%** relative to 2024, while market rate units decreased by **50%** relative to 2024.

The State and the California Fair Housing Task Force use a series of opportunity maps developed by the Tax Credit Allocation Committee (TCAC) and the California Department of Housing and Community Development (HCD) to define areas of low to high opportunity using a set methodology.⁸ As shown in **Figure 9**, most of Oakland's zoned residential capacity at all income levels is in the low resource areas, largely because over **60%** of land—including much of Downtown—is considered lower resource per TCAC's Opportunity Scores. The high and highest resource neighborhoods carry a relatively small portion of zoned residential capacity—influenced by environmental constraints present in the Oakland Hills. Notably, about **70%** of Oakland's highest resource areas are within the City's designated Fire Hazard Severity Zone, as are about **26%** of the city's high resource areas.

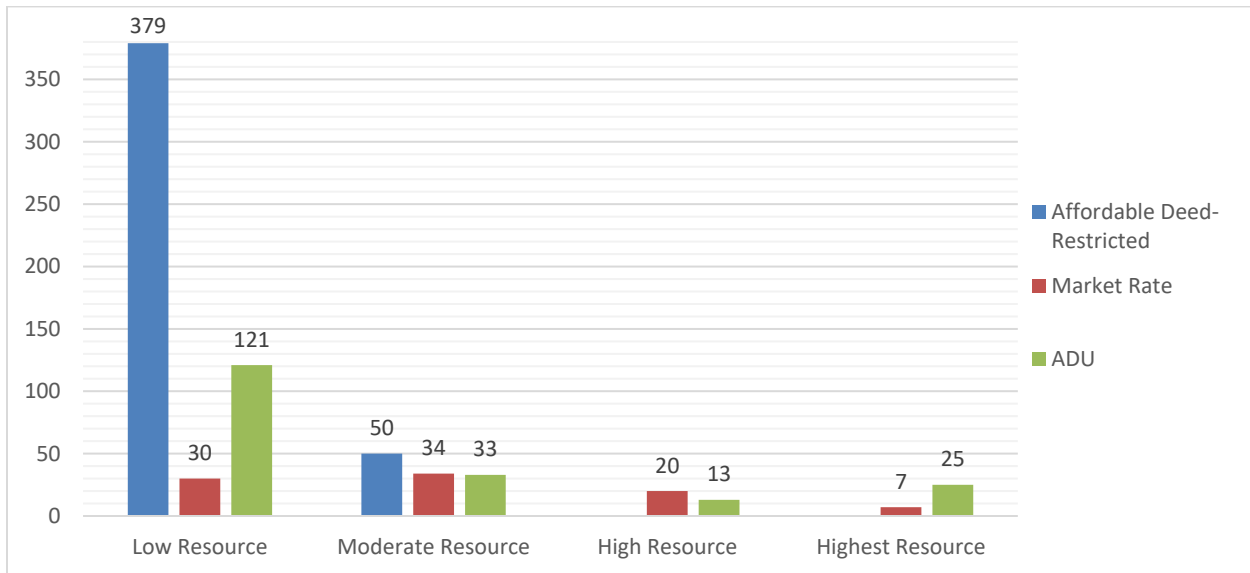
⁸ <https://www.treasurer.ca.gov/ctcac/opportunity.asp>

Figure 9: Oakland TCAC Opportunity Areas, 2025



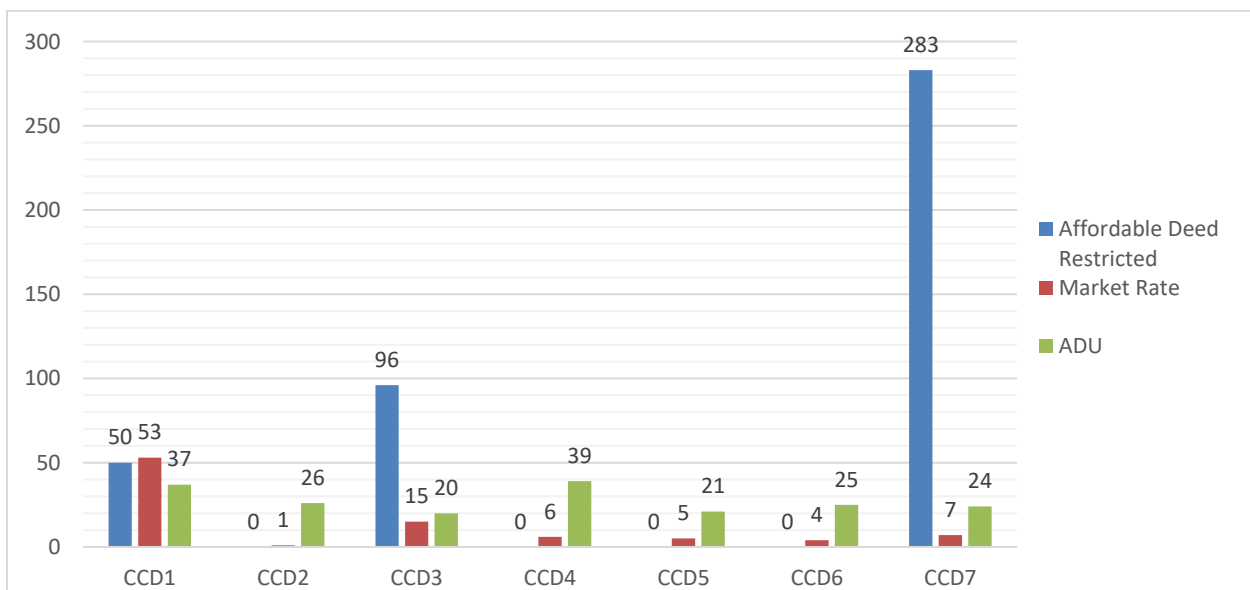
As shown in **Figure 8**, **74%** of units permitted in 2025 are in Low Resource areas, including **88%** of all Affordable Deed Restricted units (379 units), **35%** of all Market Rate units (39 units), and **63%** of all Accessory Dwelling Units (ADU) (121 units). Of the remaining units permitted in 2025, **16%** (117 units) are in Moderate Resource Areas, almost **5%** (33 units) are in High Resource areas, and nearly **5%** (32 units) are in Highest Resource areas.

Figure 1: Units Permitted by TCAC Opportunity Area, 2025



As shown in **Figure 9**, nearly **55%** of all market rate units permitted in 2025 (60 units) were located in CCD1 (North Oakland). Sixty-six percent of all deed restricted affordable units permitted in 2025 (283 units) were located in CCD7 and **22%** (96 units) were located in CCD3 (West Oakland, Jack London Square, Downtown Oakland, and Adams Point). The remaining deed restricted affordable units were in CCD1 (20 units, almost **12%**). No deed restricted affordable units were permitted in CCD2 (San Antonio, Lake Merritt, Chinatown, and Jack London Square), CCD4 (Laurel, Dimond, Allendale, Glenview, Montclair, Redwood Heights, and North Hills), CCD5 (Fruitvale), and CCD6 (East Oakland). ADUs were dispersed fairly evenly across council districts, ranging from 10% of all permits for ADUs in CCD3 to 20% in CCD4.

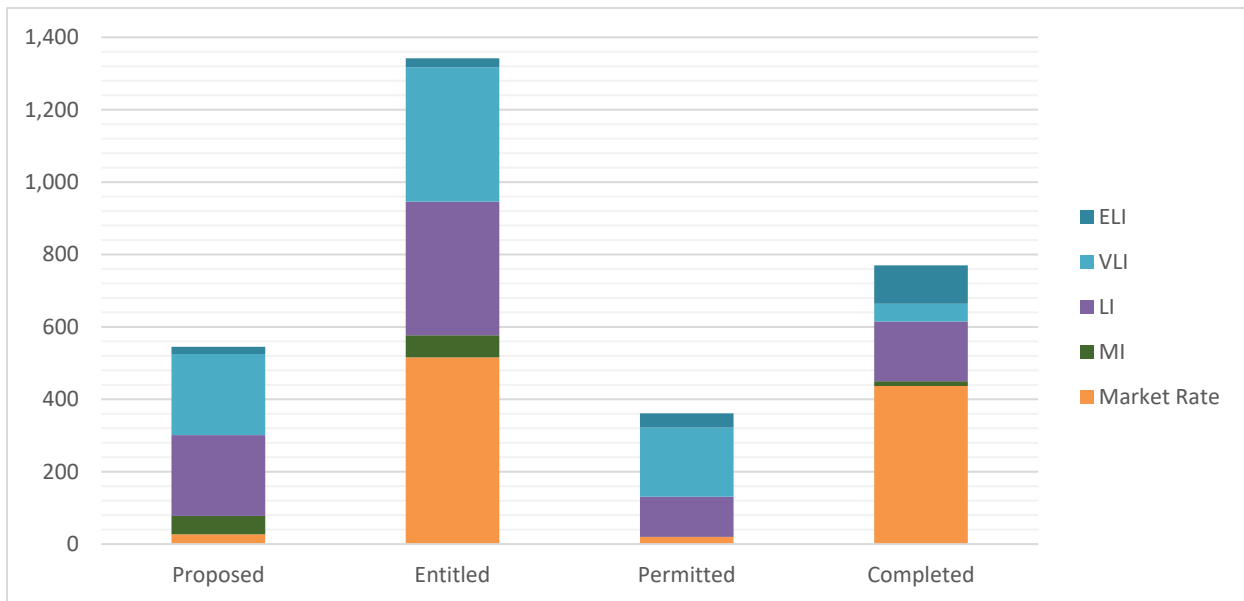
Figure 2: Units Permitted by City Council District, 2025



As shown in **Figure 10**, a significant number of units in all development stages are in Density Bonus projects. Furthermore, these projects are important contributors to the development of affordable housing,

especially of units affordable to low- and very low-income households. Of all affordable units, Density Bonus projects accounted for **60%** of Proposed units, **64%** of Entitled units, **57%** of Permitted units, and **57%** of Completed units. This demonstrates how incentivizing inclusionary housing through allowance of higher densities and relaxation of development standards can spur affordable housing production. The Density Bonus program can both unlock larger projects for 100% affordable housing proposals and encourage market-rate housing projects to include affordable units on-site in exchange for incentives and waivers.

Figure 10: Number of New Housing Units in Density Bonus Projects by Phase of Development and Affordability, 2025



4. Senate Bill 423 Streamlining

California Senate Bill (SB) 423⁹ was signed into State law to streamline the construction of affordable housing. SB 423 applies to any city or county that has not made sufficient progress toward meeting their RHNA goals for above-moderate income units or units affordable to LI and VLI households (i.e., households earning below 80% of the AMI).

One affordable housing project submitted under SB 423 was Entitled in 2025 (see **Table 4**). This project included a total of **90** new housing units deed-restricted to VLI households and **one** market-rate unit set aside for property managers.

Table 4: Entitled SB 423 Projects by Affordability Level, 2025

Address	Record ID	Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income	Total Units
2500 76 th Avenue, Oakland, CA 94605	PLN25058	90	-	-	1	91
	Total Units	90	-	-	1	91

⁹ SB 423 (2023) amended Government Code Section 65913.4, which was first added by SB 35 (2017)

5. Moderate-Income Deed Restricted Housing

The City's Housing Element and RHNA requires Oakland to permit 4,457 Moderate-Income units in the current 2023-2031 cycle. **In the 5th cycle, only 78 moderate-income units were permitted, which constituted 2.7% of the RHNA allocation (2,815 units).** This was highlighted not only by the State but also by the community and advocates, who stressed the need for policies that encourage and allow for Moderate-Income housing, especially for the essential workforce. Of additional note, Moderate-Income housing is not subsidized by the City but is permanently deed restricted.

In current market conditions, Moderate-Income rents are at par with Market-Rate rents. However, due to high construction costs, slowing rates of development, and cost pressures from nearby cities, Oakland is likely to experience a more competitive housing market in the near future. Having deed restricted Moderate-Income units in place ensures that there is affordable housing available over many decades for those that fall within this income category. A more detailed analysis of rental price trends in Oakland and the implications for attaining the RHNA requirements for Moderate-Income units is included in **Attachment B**.

In the first three years of the 6th Cycle, 385 moderate-income units were Permitted (206 deed restricted units and 179 non-deed restricted ADUs). This accounts for only 9% of the RHNA allocation, which is significantly behind Oakland's overall RHNA production (14%). As shown in **Table 5**, in 2025, four projects containing moderate-income deed restricted units were entitled, no projects were permitted, and two projects were completed.

Table 5: Deed-Restricted Moderate-Income Projects, 2025

Address	Record ID	Very Low-Income	Low-Income	Moderate-Income	Market Rate	Total Units
<i>Entitled</i>						
3403 PIEDMONT AVE, Oakland, CA 94611	PLN21042-R02	3		26	76	105
585 17TH ST, Oakland, CA 94606	PLN24104			10	84	94
0 CARROLL ST, Oakland, CA 94608	PLN24027	7		10	67	84
990 34TH ST, Oakland, CA 94608	PLN22066	62		15	1	78
Total Entitled		72	-	61	228	361
<i>Permitted</i>						
<i>No deed-restricted Moderate-Income units were Permitted in 2025.</i>						
Total Permitted		-	-	-	-	-
<i>Completed</i>						
233 BROADWAY, Oakland, CA 94607	B2200316			13	117	130
2121 WOOD ST, Oakland, CA 94607	B2104948	211*		24	-	235
Total Completed		211*	-	37	117	365

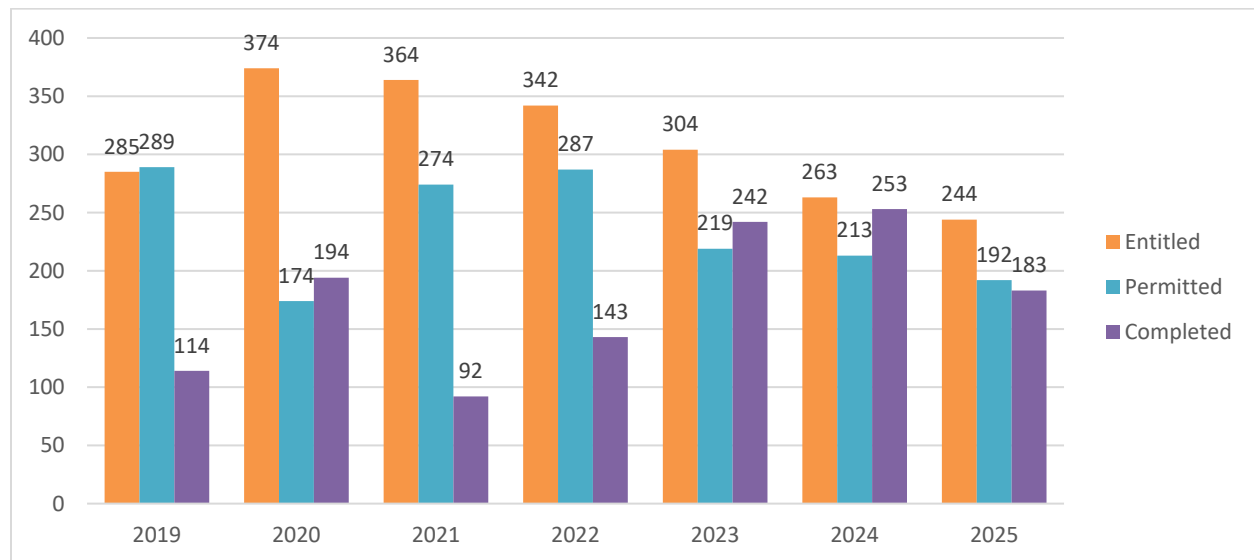
*An error was made in reporting the affordability levels of units at the Prescott Station development, which was Completed in 2025. The graph above reflects the corrected affordability mix for Completed. City staff will submit a revision to State HCD to address this and any other reconciliations.

6. Accessory Dwelling Units (ADUs)

ADUs can be used to help address a range of local housing issues. According to the ADU Existing Conditions and Barriers Report,¹⁰ ADUs provide cost-effective, “affordable-by-design” housing in predominately single-family neighborhoods, many of which have immediate access to transit and amenities. They can also stabilize existing single-family neighborhoods by creating rental income for homeowners to help subsidize the cost of home ownership. In addition, they can allow families to support each other across generations while maintaining independent households and opportunities to age in place.

As shown in **Figure 10** and **Table 6**, the City Entitled **244** ADUs, Permitted **192** ADUs, and Completed **183** ADUs in 2025. The number of units Entitled and Permitted in 2025 were below average relative to the last five years. ADUs that were Entitled in 2025 represent a **7%** decline from 2024 and a **34%** decline from the peak year of 2020. Permitted ADUs in 2025 represent a **9%** decline from 2024 and a **34%** decline from the peak year of 2019. Completed ADUs in 2025 represent a **28%** decline from 2024, which was the peak year of ADU completions since 2019. While ADU production fell across all phases of development tracked on the APR, this decrease was less significant relative to the decrease seen in multifamily development in 2025. The relative stability of ADU production shows that even amid a financially constrained environment, ADUs continue to be “affordable-by-design,”¹¹ not just for renters, but also for the homeowners developing them. Although significant cost and financing barriers continue to exist for homeowners seeking to build ADUs, compared to multifamily projects they are relatively simple to finance, not needing complex financing schemes. Additionally, ADUs are often built for family or for other reasons that are less affected by economic cycles than multifamily housing. This ensures stable demand for ADU production.

Figure 10: Production of Accessory Dwelling Units, 2019-2025



Over the course of the 5th RHNA Cycle (2015-2023), the City reported ADUs as Market-Rate units to the State through the Housing Element APR. This was done because ADUs are not subject to deed-

¹⁰ “Oakland ADU Initiative Existing Conditions And Barriers Report” <https://cao-94612.s3.amazonaws.com/documents/Oakland-ADU-Research-Report-Jan-2020-Rev-June-2020.pdf>

¹¹ Affordable-by-Design means that housing units have below-average rents without requiring the subsidies of conventional, deed-restricted affordable housing. Instead, rents are influenced by smaller than average unit size and reduced land costs.

restrictions. However, recent studies on the affordability of ADUs support the idea that ADUs are an important source of housing that is “affordable-by-design.” State HCD determined that ABAG region jurisdictions may use regional surveys of ADU affordability as the basis for reporting the naturally occurring (non-deed restricted) affordability levels of ADUs. The ABAG affordability study,¹² first published in 2022 and updated in 2026, estimated that of all ADUs, **30%** each qualified as VLI, LI, and MI units. The remaining **10%** of units qualify as above-moderate income units. For Oakland’s 2025 APR, this distribution was applied across all reported ADUs. As income categories must be reported for each individual project, each unit was assigned a non-deed restricted affordability level. These assignments were made such that the overall distribution of Proposed, Entitled, Permitted, and Completed units each approximately represent the 30-30-30-10 distribution determined by the ABAG study, as shown in **Table 6**.

Given this methodology, the reported income category of ADUs should only be considered in the aggregate. The reported affordability of an individual ADU does not necessarily reflect the actual rent charged for that unit. Oakland fielded the second of two surveys committed to in Housing Element Action 3.2.6 in 2025. While inconclusive due to a low response rate, the findings from the survey suggest that ADUs serve as an affordable housing option in Oakland. The results and insights from this survey are discussed in more detail in **Attachment A**.

Table 6: ADU Affordability by Phase of Development, 2025

	Proposed	Entitled	Permitted	Completed
Very Low-Income	76	74	58	57
Low-Income	76	71	58	53
Moderate Income	75	68	57	55
Above Median Income	25	31	19	18
Totals	252	244	192	183

7. Preservation and Production of Affordable Residential Units

The City typically issues funding for the construction, acquisition, and preservation of affordable housing via competitive “Notice of Funding Availability” (NOFA) processes. 2025 saw major continued City investments towards these affordable housing priorities, as shown in **Figure 11**.

The City's Acquisition and Conversion to Affordable Housing (ACAH) Program is an anti-displacement program that preserves existing housing that is affordable to low-income Oaklanders. The City provides financing to affordable housing partners to acquire unsubsidized affordable housing, perform necessary upgrades and improvements to the physical condition of the property. In return, the homes are deed restricted as affordable to low- and moderate- income households for at least 55 years.

The ACAH program closed on loans for 48 units in 2025. Additionally, on December 19, 2025, the City of Oakland’s Housing and Community Development Department (HCD) released a Notice of Funding Availability (NOFA) for the Acquisition and Conversion to Affordable Housing (ACAH) Program, with up to \$22 million in Measure U (Tranche 2) bond funds available.

In 2025, Oakland continued to implement the Rapid Response Homeless Housing (R2H2) NOFA, which was first issued in 2024. The R2H2 NOFA serves as an ongoing funding opportunity for capital and operating needs for homeless housing. The program is in operation, has funded one project and is working

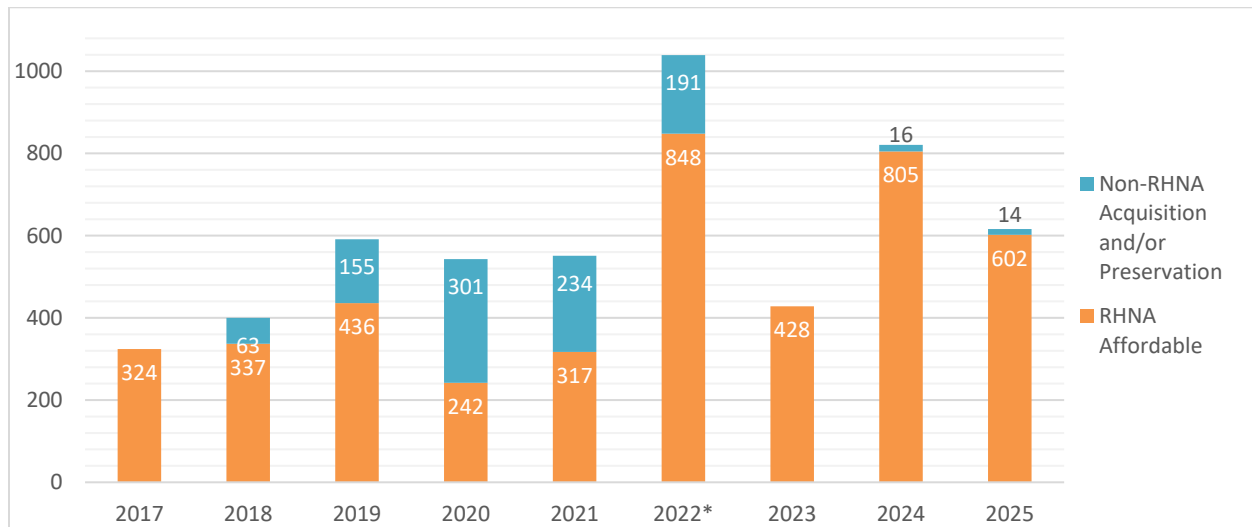
¹² "Using ADUs to Satisfy RHNA" ABAG Technical Memo: <https://abag.ca.gov/tools-resources/digital-library/adus-projections-memo-finalpdf>.

with several candidates for the State's Homekey+ program. Funding is available on an over-the-counter basis¹³ under the terms of a Notice of Funding Availability.

Including Measure U, Oakland committed \$143.5 million to affordable housing in 2025. Additionally, in December 2025, Oakland successfully issued \$334 million in new bonds to fund Measure U projects. Among other affordable housing investments, \$30 million raised through this new bond issuance will fund the ACAH Program, \$33 million will support the Mandela Transit Oriented Development, and \$28 million will support the Liberation Park Development. More details on this bond issuance are available at the following webpage: <https://www.oaklandca.gov/News-Releases/Oakland-Successfully-Issues-334M-in-Bonds-to-Fund-Capital-Projects>.

In addition to the local investment of over \$140 million in affordable housing in 2025, the City vigorously pursued State and Federal funding opportunities to support more affordable units. In 2025, the City won \$7 million from the federal Pathways to Reducing Obstacles to Housing (PRO Housing) grant, which included \$5.2 million to establish a new revolving predevelopment loan program. The program is forecast to launch in 2026. The City also took recent action to streamline the entitlement process for affordable housing. With the adoption of the S-13 Affordable Housing Overlay in 2023, affordable housing in Oakland is eligible for by-right approval, two extra stories, unlimited density within the building envelope, and exemption from parking requirements. This overlay applies to all zones in which housing can be built, with limited exemptions for historic landmarks and the S-9 Fire Safety Protection Combining Zone. In addition, any 100% affordable housing development is approved through a ministerial review, even if it does not utilize the S-13 Overlay Zone.

Figure 11: Permitted Affordable Housing Production and Preservation Progress, 2017-2025



*An update will be made to report the affordability levels of units at the Prescott Station development, which was Permitted in October 2022. The project created 211 Low-Income units subject to a funding agreement finalized after the project was Permitted. The table above reflects the updated affordability mix for Permitted units. City staff will submit a revision to State HCD to address this and any other reconciliations.

¹³ An over-the-counter Notice of Funding Availability funds qualifying applications on a rolling basis, as funds are available. This is more flexible than the traditional model of accepting applications for a limited submission window only.

8. Applications for Lot Splits & Units Constructed

In 2019, Governor Gavin Newsom signed into law Senate Bill (SB) 9. The new law requires jurisdictions to ministerially approve either or both of the following, as specified:

- A housing development of no more than two units (duplex) in a single-family zone. (Gov. Code Section 65852.21)
- The subdivision of a parcel zoned for residential use, into two approximately equal parcels (lot split), as specified. (Gov. Code Section 66511.7)

Government Code section 65852.21(i) requires units constructed pursuant to Government Code section 65852.21 to be included in the Housing Element APR. Government Code section 66411.7(l) requires lot splits approved pursuant to Government Code section 66411.7 to be included in the Housing Element APR.

SB 9 only applies to single-family zones outside of environmental hazard and historic areas. Action 3.2.1 in the 2023-2031 Housing Element committed the City to significantly reducing single-family zoning. Through updates to the zoning code as part of the Missing Middle Housing Type Planning Code amendments adopted on October 3, 2023 — in particular to the City’s Detached Residential (RD) and the Mixed Housing Type Residential (RM) Zones where four-plexes are now permitted on lots that are 4,000 square feet or larger and two units on lots of any size — the City has largely eliminated single-family zoning, thus making progress towards its goal of furthering equitable opportunities for all people and communities. Through this measure, the City has significantly reduced the extent of exclusionary zoning, and thus the applicability of SB 9 in the City.

Four units (**One** project) submitted under SB 9 were Permitted in 2025.

9. Housing-Related Activities & Policy

Oakland’s 2023-2031 Housing Element includes a Housing Action Plan (HAP) that identifies 123 action items that address the following goals:

1. Protect Oakland residents from displacement and prevent homelessness.
2. Preserve and improve existing housing stock.
3. Close the gap between affordable and Market-Rate housing production by expanding affordable housing opportunities.
4. Address homelessness and expand resources for the unhoused.
5. Promote neighborhood stability and health.

Progress toward implementing all policies and programs included in the HAP can be found in Table D of the 2025 Housing Element APR. Highlights include:

2.1.2 Promote healthy homes and lead-safe housing

In 2025, the Oakland Housing & Community Development Department (Oakland HCD) successfully applied for \$4.4 million from the federal Lead Hazard Reduction (LHR) grant program. These funds will pay for lead-based paint remediation for over 40 homes. \$400,000 of the grant funds will support other healthy home interventions to address indoor health hazards, like radon and mold.

2.2.8 Investigate a Tenant/Community Opportunity to Purchase Act

In 2025, Oakland HCD submitted a report to the City Council that described the history and implications of a “Tenant Opportunity to Purchase Act” (TOPA) or “Community Opportunity to Purchase Act”

(COPA). If enacted, this legislation would create new rules regarding the sale of residential property and seek to expand opportunities to convert existing homes to deed-restricted affordable housing. As part of the HAP, staff were required to bring a report to Council describing the City's options. The report submitted satisfied the requirements of this housing element action.

3.3.8 Right-sized development fees on Market-Rate developments

On July 15, 2025, City Council adopted [Ordinance No. 13853 C.M.S](#) to increase the amount of affordable units a developer must provide on-site in order to not pay Affordable Housing Impact Fees. Affordable Housing Impact Fees are still the first requirement for a developer, but they have the option to build a certain percentage of on-site affordable units in order to not pay the Affordable Housing Impact Fees. The on-site percentage was increased for units affordable to very low-income households from 5% to 10%, for units affordable to low-income households from 10% to 12%, and for units affordable to moderate-income households from 10% to 15%. For Zone 3 in East Oakland the percentage remained the same at 5% for very-low income households and 10% low-income households, but increased to 15% for moderate income households. In addition, this ordinance also changed the timing for when all Impact Fees are charged, shifting fee collection to the Certificate of Occupancy stage.

Affordable Housing Impact Fees are no longer charged on 2 - 4 unit projects to encourage Missing Middle Housing. Affordable Housing Impact Fees are temporarily not charged on developments in Zone 3 (East Oakland) to try to incentivize development in that area of the City. In addition, the City completed its Annual Impact Fee Report in 2025 and it plans to complete the 5 year Impact Fee Report that is due in 2026 along with the Annual Reporting process.

3.3.9 Adjusting or waiving City fees and payment timing for affordable housing developments

On July 15, 2025, City Council adopted [Ordinance No. 13853 C.M.S](#), changing the timing for when Transportation Impact Fees are charged. Transportation Impact Fees are now charged at the Certificate of Occupancy stage. Collecting Transportation Impact Fees at the same time as Certificate of Occupancy issuance will reduce carrying costs for Affordable Housing Developers.

3.3.12 Continue the Acquisition and Conversion to Affordable Housing (ACAH) Program

In 2025, Oakland HCD closed loans on 48 housing units to acquire, rehabilitate and convert those homes to affordable housing. On December 19, 2025, the City of Oakland's Housing and Community Development Department (HCD) released a Notice of Funding Availability (NOFA) for the Acquisition and Conversion to Affordable Housing (ACAH) Program, with up to \$22 million in Measure U (Tranche 2) bond funds available.

3.4.8 Implement objective design standards

As of June 2025, three sets of Objective Design Standards (ODS) have been adopted by the Planning Commission, covering the majority of residential and mixed-use development in Oakland. The ODS for 4- to 8-story residential and mixed-use development were adopted in October 2024. The ODS for 1- to 3-story and 1- to 4-family residential and mixed-use development were adopted in June 2025. In addition to the standards themselves, the City also established associated simplified design review pathways, including a ministerial design review track, aligned with the ODS ([Ordinance No. 13855 C.M.S](#)). Together, the adopted standards and the new streamlined review tracks are now in place and function to simplify and expedite housing development citywide. The standards are being tested in reviews of projects and refined on as needed basis.

10. Key Issues and Expectations for 2026

Affordable Housing

Oakland HCD marks a period of transition in 2026, as many pipeline affordable housing projects enter construction and a new wave of affordable housing opportunities emerge. All of this takes place during a time of flux on the statewide level, as major changes impact California's affordable housing system.

Due to changes in tax law, a bottleneck in the availability of federal tax credits for affordable housing has (at least temporarily) abated. This change has allowed hundreds of affordable homes with prior City funding commitments to clear their final financing barrier and move towards construction. As a result of tax credits awarded in 2025, as well as the City's three successful Homekey+ awards in 2025, staff anticipate that the City will have over 1,000 Permitted (issued building permits) new affordable homes in the first half of 2026. Staff anticipates that several Round 3 Homekey projects will also finish construction and be Completed in 2026, providing almost 200 new homes for homeless Oaklanders.

The continued investment of Measure U funding in affordable housing will be an ongoing focus for the City in 2026. Building off the successful investment of tranche 2 Measure U funds in new construction in 2025, the City will invest up to \$22 million in Measure U towards the Acquisition and Conversion to Affordable Housing (ACAH) program. Funding commitments occur on a rolling basis, including to the Oakland's [first City-funded teacher/educator housing project](#). Staff anticipate releasing additional funds for new construction following the next tranche of bond sales, which may take place in early 2027.

Another ongoing focus for the City is effectively leveraging partnerships and funding opportunities with other levels of government. The primary limitation on affordable housing construction in Oakland remains the availability of funding. In 2026, the State will reorganize its affordable housing funding system to centralize most state affordable housing programs. The City is closely engaged in this process and anticipates this could significantly reduce predevelopment timelines and per unit costs for future affordable projects. The state legislature is currently considering a housing bond that, if approved by the voters, could replenish several key state funding programs and help leverage future City funding commitments. Closer to home, the City will continue to work with Alameda County to deploy Measure W funds to support affordable housing and homelessness solutions. The City also anticipates working more closely with the Bay Area Housing Finance Authority (BAHFA). BAHFA is already a valued partner due to their [Doorway affordable housing application portal](#), but more opportunities for collaboration exist around a series of new BAHFA financing products that can further expand affordable housing opportunities. These new products may be particularly helpful in expanding so-called "middle income" housing opportunities (80-120% of Area Median Income). This could be a strong complement to the City's existing investment in deeply affordable housing units.

Oakland HCD also anticipates pursuing new and/or expanded homeownership opportunities in 2026. The City currently receives an annual grant from the State called the "Permanent Local Housing Allocation" (PLHA). While these funds have historically been used to fund capitalized operating reserves essential for the successful operation of Permanent Supportive Housing, a new State requirement in 2026 is expected to mandate that 20% of these PLHA funds be used for homeownership. Although the amount of these homeownership funds may be modest (most likely \$400,000-\$1 million annually), this would represent the first ever annual funding stream available to Oakland HCD dedicated to supporting homeownership. Oakland HCD will work with a variety of stakeholders in 2026 to identify the most efficient and equitable options to use these funds to support homeownership. In 2026, Oakland HCD and PBD will also jointly continue their collaboration with the Alameda County Tax Collector's office to transfer tax-defaulted

properties to potential affordable housing developers, with a special focus on affordable homeownership builders. The City will also collaborate with Alameda County’s forthcoming “SHIFT” program, which is seeking to create pre-approved, repeatable plan sets for small-scale infill development (2-14 units). Some of these future projects may become condos.

A continuing challenge for affordable housing in 2026 is the high cost of construction. The cost of materials and especially labor are major contributors to these elevated costs. Although State-level efforts to foster more efficient building methods and reduce funding fragmentation could eventually lead to lower construction costs, the short-term outlook remains difficult. Oakland specific labor requirements for City-funded affordable housing—such as minimum contract participation requirements for local businesses, apprenticeship requirements, and local hire provisions—may cause City-funded projects to be more expensive than similar projects in nearby cities. This poses an additional set of challenges when it comes to competing for State-level affordable housing resources.

Outside of developing and preserving affordable housing, Oakland HCD remains focused on implementing its new [Anti-Displacement Strategic Action Plan](#). This plan underlines the importance of ongoing investment in homelessness prevention and other anti-displacement programs. Oakland HCD also looks forward to supporting the implementation of the City’s new Homelessness Strategic Plan. The strategies contained in this plan serve as an important complement to the work Oakland HCD does to serve residents before and after they experience homelessness.

Market-Rate Housing

Because the pipeline for Market-Rate housing units to be Completed in 2026 is based somewhat on the number of Permitted units in 2025, 2026 will likely see fewer new Market-Rate housing units Completed than in 2025. This continues a multi-year trend as Oakland’s housing market absorbs the early-2020’s housing surge. High construction costs and high interest rates continue to pose a significant headwind to market-rate development.

Market rents in Oakland declined in the immediate aftermath of the pandemic and have remained largely stable since, but the decline in new Market-Rate housing completions may cause rents to once again rise over the next few years. Although Market-Rate rents in San Francisco have recently surged, the impacts have not yet materially spilled over to Oakland. Historically the higher rents tend to make their way to Oakland with residents who cannot afford to live in San Francisco moving to Oakland.

In 2026, the General Plan Update Phase 2 will serve as an opportunity for the City to pursue additional options to stabilize Oakland’s neighborhoods through strategic density increases, improved transit connectivity for residents and businesses, and increased access to parks, cultural amenities, and everyday services, among other strategies. Staff are considering strategies that support development of both Market-Rate and affordable units. These strategies include increased residential density allowances and increased height limits in key areas identified as “Neighborhood Centers,” along transit corridors, and at BART stations. More information about policies under consideration as part of GPU Phase 2 can be found at the following webpage: <https://www.oaklandca.gov/gpu>.

RACE AND EQUITY ANALYSIS

Based on several recently-published reports, housing justice – the process and outcome of establishing housing as a human right – is now the number one priority for Oaklanders of all races, particularly for

those who are at the lower ends of the income brackets and/or are experiencing homelessness.^{14,15,16} While housing affordability is both a regional, if not statewide issue, it severely impacts Oakland given the relatively high proportions of people needing below-market housing and the high cost of housing in the Bay Area.¹⁷ According to the American Community Survey estimates for 2024¹⁸, a staggering 49% of Oakland renters are housing burdened¹⁹ and 27% are severely housing burdened²⁰. As shown in **Figure 13**, rent burden also follows familiar patterns of racial inequity. Black households have the lowest median household income, and approximately 58% of Black renter households are rent burdened with about 33% severely rent burdened — the highest rate of any racial/ethnic group in Oakland. Only White households had a rent burden below 40%. Therefore, there are significant racial equity opportunities associated with the City's continued implementation of the policies contained in the 2023-2031 Housing Element, and from the City's production of housing for residents at all income levels.

As part of the 2023-2031 Housing Element, the City prepared a Racial Equity Impact Analysis (REIA). This document identifies “whether Black/African American, Indigenous, and other Oaklanders of color are (1) disproportionately affected by the negative effects of programs and policies or (2) have less access to benefits provided through policies and programs.” The REIA evaluated each action in the Housing Action Plan “for its potential to help reverse longstanding housing disparities and provides additional recommendations for maximizing racial equity impacts”, identified those “actions with the most potential to positively impact racial equity in housing outcomes,” and provided “high priority recommendations to strengthen actions or ensure equitable implementation to improve outcomes for [Black, Indigenous, and People of Color] Oaklanders.” The REIA found the Housing Action Plan would have a moderate to high impact on improving racial equity and included recommendations on how to implement the actions with the highest impact. In 2025, implementation of the Housing Action Plan incorporated those recommendations. Of the six actions highlighted in section **II.6 Housing-Related Activities & Policy**, 83% were found to have a high impact on racial equity, while another 17% have a moderate impact.

Implementing and updating Oakland's current General Plan promotes meaningful civic engagement in the public decision-making process and identify objectives, policies, improvements, and programs that address the most pressing needs in the community, particularly where social and racial inequities are most prevalent.

¹⁴ "Centering Racial Equity in Homeless System Design." (2021) Oakland-Berkeley-Alameda County Continuum of Care. <https://everyonehome.org/wp-content/uploads/2021/02/2021-Centering-Racial-Equity-in-Homeless-System-Design-Full-Report-FINAL.pdf>.

¹⁵ "Housing Vulnerability in Oakland, CA." (2020) The Housing Initiative at Penn.

https://www.housinginitiative.org/uploads/1/3/2/9/132946414/hip_oakland_market_study_9-29-20_small.pdf.

¹⁶ "A Primer on Power, Housing Justice, and Health Equity: How Building Community Power Can Help Address Housing Inequities and Improve Health." (2020) Human Impact Partners.

https://static1.squarespace.com/static/5ee2c6c3c085f746bd33f80e/t/5f6a265e4f5ea8325042f1cd/1600792164297/HI_P.RTTC_Final_Housing_Justice_HE_Primer+%281%29.pdf.

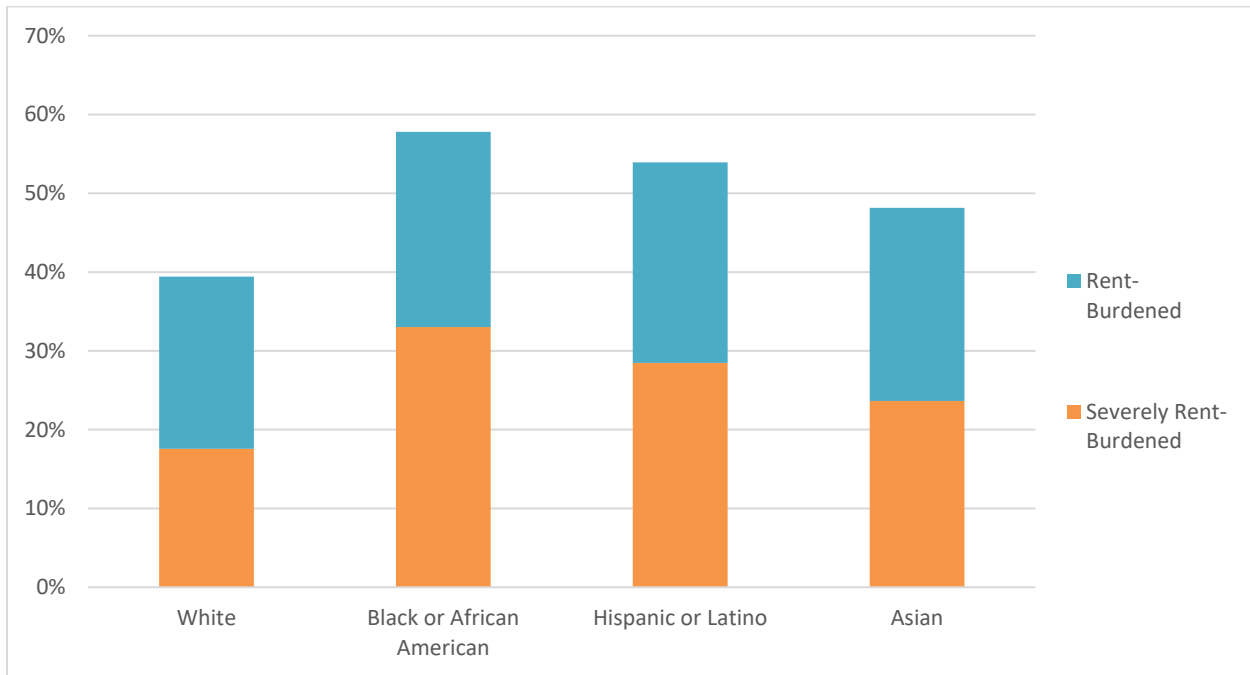
¹⁷ "Oakland 2045: Environmental Justice and Racial Equity Baseline." City of Oakland Planning and Building Department. https://cao-94612.s3.amazonaws.com/documents/Equity-Baseline_revised4.15.22.pdf.

¹⁸ U.S. Census Bureau. "Gross Rent as a Percentage of Household Income in the Past 12 Months." *American Community Survey, ACS 1-Year Estimates Detailed Tables, Table B25070, 2024*, <https://data.census.gov/table/ACS1Y2024.B25070?g=160XX00US0653000>

¹⁹ Pay more than 30% of income on housing costs.

²⁰ Pay more than 50% of income on housing costs.

Figure 13: Rent-Burden by Race/Ethnicity in Oakland, 2021²¹



²¹ U.S. Census Bureau. "Gross Rent as a Percentage of Household Income in the Past 12 Months." *American Community Survey, ACS 5-Year Estimates Detailed Tables, Table B25070*, 2021
<https://data.census.gov/table/ACSDT5YSPT2021.B25070>

PROPERTY DESCRIPTION

The 2025 Housing Element and General Plan Annual Progress Reports apply citywide.

ENVIRONMENTAL DETERMINATION

Consideration of the 2025 General Plan and Housing Element APRs do not constitute a project under the California Environmental Quality Act (CEQA).

RECOMMENDATION:

No decision will be made. Staff recommend that the Planning Commission receive an informational report and receive public comment on the City of Oakland's Housing Element Annual Progress Report and General Plan Annual Progress Report for calendar year 2025.

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Ed Manasse, Deputy Director of Planning

ATTACHMENT:

- A. 2025 Accessory Dwelling Unit Affordability Survey
- B. Moderate-Income Rent Analysis