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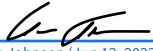
MEMORANDUM

TO: HONORABLE MAYOR &
CITY COUNCIL

FROM: Emily Weinstein
Housing and Community
Development Interim Director

SUBJECT: HCD 2023-2027 Strategic Action Plan **DATE:** June 8, 2023

City Administrator
Approval


Justin Johnson (Jun 12, 2023 11:29 PDT)

Date: Jun 12, 2023

EXECUTIVE SUMMARY

The Housing and Community Development's (HCD) 2023-2027 Strategic Action Plan (SAP) (**Attachment A**) seeks to provide a clear action plan for the first half of the 2023-2031 Regional Housing Needs Allocation (RHNA) cycle. The development of HCD's 2023-2027 SAP comes at a critical time of transition for the City of Oakland (City). As immediate pressures from the COVID-19 pandemic begin to wane and Oakland's eviction moratorium phases out, thousands of Oaklanders need a clear approach to housing stability and homelessness prevention. The 2023-2027 SAP seizes an opportunity to outline how the City's HCD department will administer local dollars in addition to \$350 million, a portion of Measure U's total \$850 million, over the years following its approval by voters in November 2022. It also incorporates strategies to address the City's homelessness and housing affordability crises, named as one of the priorities by Mayor Sheng Thao in the City of Oakland's Fiscal Year (FY) 2023-25 Budget¹.

The SAP is grounded in relevant housing data, disaggregated by race and ethnicity whenever possible, and is informed by a comprehensive stakeholder engagement process that included Oakland community members, regional partners, and City leadership. Drawing from the stakeholder engagement process, the SAP offers guiding principles that reflect Oakland's values and aim to maximize the impact of both Measure U and other local dollars. The SAP then discusses programmatic spending priorities based on data and feedback organized into an equity-centered capital investment framework which translates into a projected number of units built for each category. It also describes HCD's programmatic strategies to protect residents from displacement and identifies opportunities for further development and funding. Lastly, the SAP raises opportunities for advocacy amongst partners and stakeholders to ensure that the City's affordable housing needs are met, create new partnership opportunities, and increase operational efficiency.

¹ <https://stories.opengov.com/oaklandca/published/IT3WgHKFA>

HCD's 2023-2027 Strategic Action Plan refreshes its [2021-2023 predecessor](#) which offered actions aligned with the Committee to House the Bay Area (CASA)'s Three "P" Framework. This framework identifies new housing production, the preservation of existing affordable housing, and tenant protections as a three-pronged approach to address the region's housing crisis. Building on this, the 2023-2027 SAP centers race and equity in how the City will administer its funds and programs. Lastly, as announced in Mayor Thao's FY23-25 budget, homelessness services will potentially be merged into the Housing & Community Development Department to form a new Department of Homelessness and Housing Development starting in mid-2024. The SAP discusses initial alignment and implementation considerations for the years to come.

Respectfully submitted,

Emily Weinstein

[Emily Weinstein \(Jun 8, 2023 10:24 PDT\)](#)

Emily Weinstein
Interim Director
Housing & Community Development Department

Attachment (1):
Attachment A – Strategic Action Plan



Housing and Community Development

ATTACHMENT A

2023-2027 Strategic Action Plan

City of Oakland

Housing and Community Development Department



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Executive Summary

The Department of Housing and Community Development (Oakland HCD) is the City of Oakland's housing agency charged with allocating federal, state, and local housing and community development dollars, managing compliance with local housing laws, and supporting the creation and preservation of affordable housing. Oakland HCD's mission is dedicated to improving Oakland's neighborhoods and to making sure all Oaklanders have safe and affordable housing.

The 2023-2027 Strategic Action Plan (SAP) outlines how Oakland HCD will administer \$350 million in affordable housing dollars, a portion of Measure U's total \$850 million, over the years following its approval by voters in November 2022. It also incorporates strategies to address the City's homelessness and housing affordability crises, named as priorities by Mayor Sheng Thao in the City of Oakland's FY24-26 Budget.

The SAP is grounded in relevant housing data, disaggregated by race and ethnicity whenever possible, and is informed by a comprehensive stakeholder engagement process that included HCD staff, Oakland community members, regional partners, and City leadership. Drawing from the stakeholder engagement process, the SAP offers an equity goal and guiding principles that reflect Oakland's values and aim to maximize the impact of both Measure U and other local dollars. The SAP then presents HCD's spending priorities grounded in an equity-centered capital investment framework that translates into projected numbers of housing units by housing type. It also describes Oakland HCD's programmatic strategies to protect residents from displacement and identifies opportunities for further development and funding. Lastly, the SAP raises opportunities for advocacy amongst partners and stakeholders to ensure that Oakland's affordable housing needs are met, create new partnership opportunities, and increase operational efficiency.

Oakland HCD's 2023-2027 Strategic Action Plan refreshes its 2021-2023 predecessor which offered actions aligned with the Committee to House the Bay Area (CASA)'s **Three "P"** Framework. This framework identifies new housing **production**, the **preservation** of existing affordable housing, and tenant **protections** as a three-pronged approach to address the region's housing crisis. Building on this, the 2023-2027 SAP centers race and equity in how the City of Oakland addresses the three Ps and administers its funds and programs for years to come.



Introduction and Context

The development of HCD's 2023-2027 SAP comes at a critical time of transition for Oakland. As immediate pressures from the COVID-19 pandemic begin to wane, Oakland's eviction moratorium phases out and homelessness is at crisis levels, thousands of Oaklanders need a clear, strong approach to housing stability and homelessness prevention. The 2023-2027 SAP seizes an opportunity to better define the City's strategies to address displacement pressures and concerns in service of retaining Oakland's diversity, increasing quality of life, and deepening housing affordability.

Over the last eight years, Oakland produced sufficient housing units to meet its share of the overall state-mandated housing production goals; however, Oakland's housing production skewed significantly toward market-rate development and fell short of producing sufficient affordable housing. In the current 2023-2031 Regional Housing Needs Allocation cycle, (RHNA) Oakland is required by the Association of Bay Area Governments (ABAG) to create 26,251 housing units by 2031, of which more than 10,261 should be affordable to households at or below 80% of the Area Median Income (AMI).¹

Figure 1: 2023-2031 Oakland Regional Housing Needs Allocation

Income Level	Units Needed	Percent of Total
Very-Low-Income (0-50% AMI)	6,511	24.8
Extremely-Low-Income (<30% AMI, included in Very-Low-Income)	2,256	8.6
Low-Income (51-80% AMI)	3,750	14.3
Moderate-Income (81-120% AMI)	4,457	17
Above-Moderate-Income (>120% AMI)	11,533	44
Total	26,251	100

Oakland's annual target for producing new affordable housing units has increased to 1,283 units annually in the current RHNA cycle, up from 595 units per year in the 2015-2022 period.² By 2031, 3,750 of Oakland's newly developed units must be affordable to low-income households making between 50 and 80 percent of AMI and 6,511 units must be affordable to very low-income households earning between 0 and 50 percent of AMI. While RHNA does not break down targets below 50% AMI, the City of Oakland specifically tracks Extremely Low-Income (ELI) unit development for the range between 0 and 30% AMI. Of the 6,511 units affordable to very low-

¹ 2022 Area Median Income for the Oakland-Fremont CA HUD metro area is \$142,000 for a family of four.

² City of Oakland [2023-2031 Housing Element](#)



income households earning between 0 and 50 percent of AMI, 2,256 should be affordable to ELI households. Further, while ELI units are desperately needed, there is a tension between increased affordability and successful property operations; long-term operating support must be identified.

Oakland HCD's previous strategic plan identified a gap of over \$457 million to fund the affordable housing required by the previous RHNA cycle's target and forecasted a need for even more funds to meet the current RHNA cycle's targets. The Oakland City Council therefore authorized Bond Measure U, which was placed on the November 2022 ballot for voter consideration. Oakland voters passed Measure U, the Affordable Housing Infrastructure Bond, with 75.33% in support – surpassing the required 66.67%.

Measure U Ballot Language

Shall the measure to improve public safety and invest in Oakland by creating affordable housing for Oaklanders, increasing housing for homeless Oaklanders, repaving streets to remove potholes, improving traffic/pedestrian safety, and updating fire stations and other public facilities, by issuing \$850,000,000 in general obligation bonds, raising approximately \$85,000,000 annually while bonds are outstanding at the rate of \$0.071 per \$100 (\$71 per \$100,000) of assessed value, with independent oversight and annual audits be adopted?

Funding from Measure U expands City affordable housing development programs that previously received funding from Measure KK, the 2016 predecessor to Measure U. Measure KK funds provided \$100 million to help fund the construction of 721 new construction units, the preservation of 420 existing affordable housing units, and the acquisition and conversion of 420 units to affordable housing. In total, Oakland was able to produce 1,561 units of affordable housing by leveraging Measure KK funds in combination with other local and County funding sources. Like Measure KK, Oakland HCD anticipates leveraging Measure U affordable housing funds with non-City sources at approximately \$4 for every \$1 of City subsidy, to maximize the impact of these dollars. Although funding for new construction of affordable housing was extremely limited under Measure KK at \$7 million, City projects were also able to substantially leverage additional bond funds from Alameda County's Measure A1, which allowed new construction projects to leverage other funding to a degree we are not able to continue with Measure U. Measure A1 funding is largely drawn down, and Oakland will not be able to rely on leveraging to this degree in the near future.

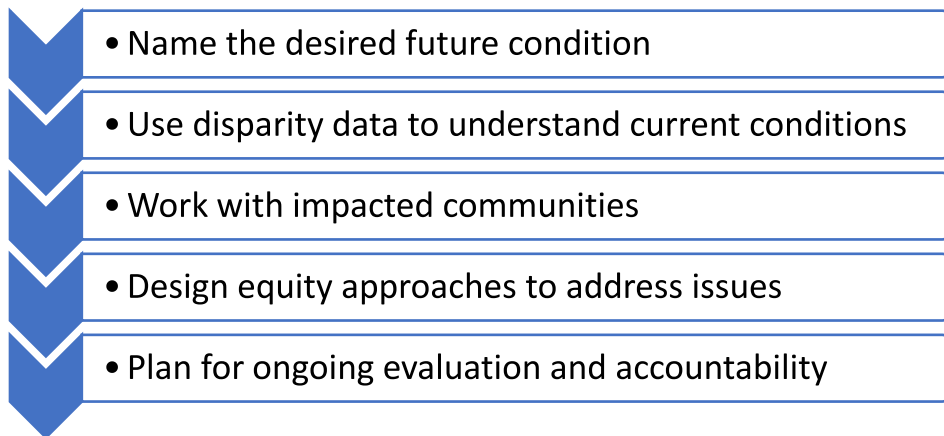
To determine how to best allocate the \$350 million for affordable housing, Oakland HCD embarked on a comprehensive stakeholder engagement process beginning in December 2022. The feedback received from this process, in addition to guidance from City leadership, coalesces



into this 2023-2027 SAP which guides how Oakland HCD administers housing development and service funds for the first half of the current RHNA cycle.

Rooting in Data & Racial Equity

Oakland HCD acknowledges that racial disparities in housing access, affordability and stability persist in Oakland, driven by histories of racialized exclusion and segregation. Thus, the development of this SAP followed the Department of Race and Equity (Oakland DRE)'s [Racial Equity Impact Analysis](#) (REIA) process to:



The use of this process disrupts racial bias in decision-making, fosters focused community engagement, and explicitly addresses issues of social, economic, and racial justice.³

Racial Equity Goal & Mission

As guided by Oakland DRE, the SAP centers the following racial equity goal:

- a. Through its 2023-2027 Strategic Action Plan, Oakland HCD aims to equitably promote housing access for and stem the displacement of Oaklanders most impacted by racial disparities.*

The above desired future condition and racial equity mission are informed by john a. powell's [targeted universalism](#) framework which sets universal goals for all residents but focuses resources to address disparities as needed.⁴ For example, affordable, accessible, and stable housing is a goal for all Oaklanders, but different racial/ethnic groups require unique support to make the goal a reality. By focusing on improving outcomes for the City's most marginalized residents, housing experiences will be enhanced for all.

³ City of Oakland [Racial Equity Impact Analysis](#) tool

⁴ john a. powell, Othering and Belonging Institute at UC Berkeley. Targeted Universalism.



Grounding Data

Oakland HCD's 2023-2027 SAP is grounded in several data sources that reflect the reality and lived experiences many Oaklanders face daily. Per the REIA process, focusing on key data points creates an understanding of current conditions and disparities in housing.

Figure 2: Grounding Data Sources

#	Source	Grounding Data
1	2018 Equity Indicators Report	Key housing issues in Oakland
2	2023-2031 Regional Housing Needs Allocation (RHNA)	Eight-year goal to produce very- and extremely-low-income units
3	2022 Oakland Point-In-Time Count	5,055 unhoused residents in 2022
4	2026 Home Together Plan	Plan to eliminate homelessness by 2026
5	2021 Centering Racial Equity in Homeless System Design	Identifies nine root causes of homelessness in Oakland
6	Tax Credit Allocation Committee Oakland Opportunity Map	High/low-resource neighborhood map & state funding competitiveness
7	2021-2022 Oakland Residential Displacement Map	Displacement rates of very- and extremely-low-income Oakland households

For framing purposes, data points 1, 3, and 4 are discussed below. Data point 2 is discussed throughout the SAP, and the rest are discussed in Appendix A.

Figure 3: 2018 Oakland Equity Indicators Report, Housing

Topics	Scores	Indicators	Scores
Affordability	49.0	Homeownership	53
		Loan Denial	40
		Rent Burden	54
Displacement	29.0	Homelessness	1
		Homeownership with Mortgage	78
		Eviction Notices	8
Essential Services	36.0	Complete Plumbing Facilities	35
		Energy Cost Burden	38
		High Speed Internet Access	35
Housing Quality	33.0	Housing Habitability Complaints	40
		Complete Kitchen Facilities	37
		Overcrowding	22

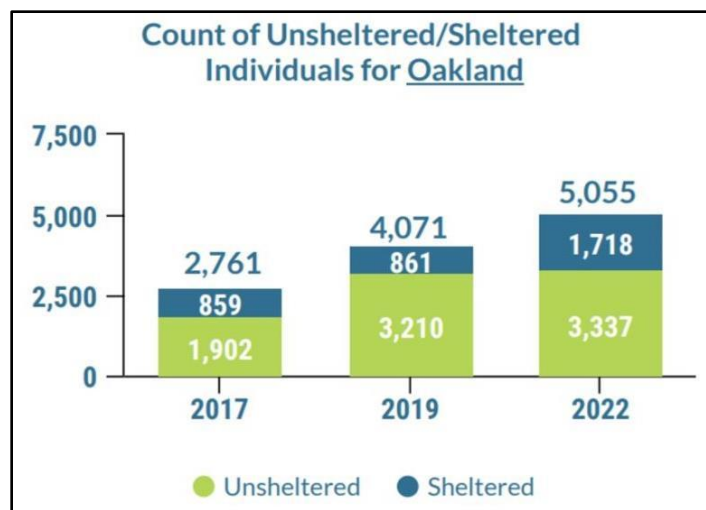
The first piece of grounding data to highlight is the [2018 City of Oakland Equity Indicators Report](#). The report examines many areas of life, including housing, to gauge how the city performs in

each topic. Every indicator receives a score which is created by calculating the ratio between the outcomes for the least and most advantaged racial/ethnic groups. The report breaks housing down into four larger topics: affordability, displacement, essential services, and housing quality. The report highlights 12 indicators that received the lowest possible score of a 1, indicating the most extreme levels of inequity; homelessness is included in this category. Other low-scoring housing indicators are eviction notices and overcrowding with scores of 8 and 22. Even “higher” scores – like rent burden – are still low, at 54 out of a possible 100. This report is a snapshot, but it illuminates the housing conditions that require targeted efforts to address.

Figure 4: 2022 Point-In-Time Count

Homelessness in Oakland

Every two years, Alameda County conducts a [Point-in-Time count](#) to gauge the number of people and households experiencing homelessness. Per their introduction, “this data is foundational to investing in housing and programs to the scale necessary to reduce homelessness and evaluating the impact of efforts to date.”⁵ According to the 2022 count, there was an estimated 5,055 unhoused individuals in Oakland.



This represents a 24% increase from 2019, and an 83% increase since 2017.

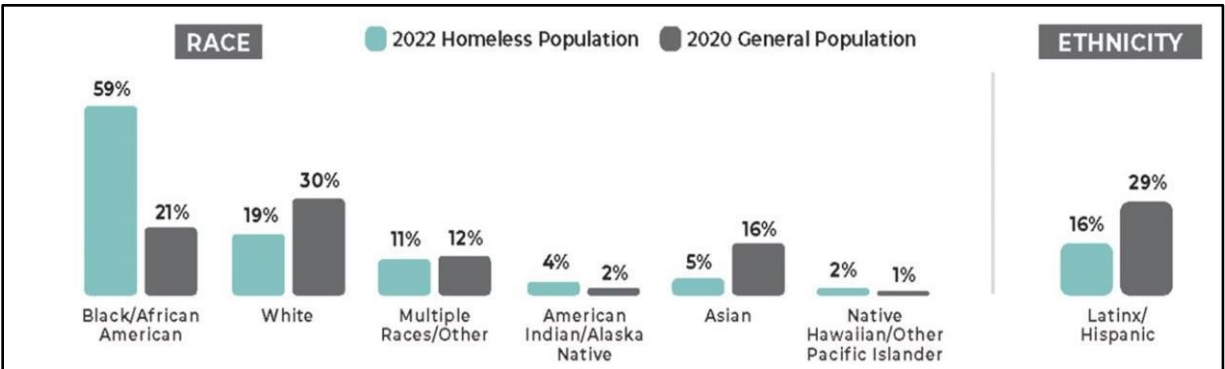
When applying a racial equity lens to this data, additional disparities become apparent. Whereas Black or African American residents represent 21% of Oakland’s population, they make up 59% of the City’s unhoused population – a clear disproportionate rate. This disparity highlights an opportunity for the city to focus its efforts and address Housing market failures, homeless system challenges, and long-standing discrimination.⁶

⁵ 2022 Point-In-Time Count Executive Summary

<https://public.tableau.com/app/profile/asr1451/viz/TableauAlamedaCounty-HDXandSurveyData/SurveyTOC>

⁶ Centering Racial Equity in Homeless System Design. 2021. <https://everyonehome.org/wp-content/uploads/2021/02/2021-Centering-Racial-Equity-in-Homeless-System-Design-Full-Report-FINAL.pdf>

Figure 5: Race and Ethnicity of Oakland's Unhoused Population, 2022 Point-In-Time Count



Another key grounding data source is the Home Together 2026 Community Plan for ending homelessness in Alameda County. The Plan centers system modeling that anticipates the number of deeply affordable housing units and linked supportive services needed to fully address the homelessness crisis by 2026. The Plan indicates that **“the single most important step to reduce homelessness dramatically and permanently is to create permanent housing opportunities for people experiencing homelessness,”** and that “costs should drop substantially in years six and beyond, or whenever the unmet need is eliminated, as only those newly becoming homeless or returning to homelessness after housing need to be served.”⁷

Figure 6: Alameda County's Home Together 2026 Community Plan Permanent Housing Targets

Housing Category	FY 23/24	FY 24/25	FY 25/26	FY 26/27	Total
Extremely-Low-Income (<30% AMI)*	1,774	1,774	1,774	1,774	7,097
Transitional Housing	61	70	99	88	318

* Annual ELI targets shown here are adjusted for Oakland and pro-rated for a four-year period

According to Home Together 2026, an estimated 7,097 combined Permanent Supportive Housing (PSH) and Extremely Low-Income (ELI) units must be developed by 2026 to adequately house the County’s homeless population, approximately 50% of which is based in Oakland. These targets reflect the necessary “investment into the homelessness response system” that would, by 2026, “be able to serve all of the need among homeless households” when combined with adequate homelessness prevention activities.⁸ While the City of Oakland alone may not be able to invest at the levels required to meet these targets, it can still make significant progress through its PSH and ELI housing development and begin to “turn the curve” towards reducing homelessness.⁹

⁷ Theory of change as named by the [2026 Home Together Plan](#)

⁸ As highlighted in the 2026 Home Together Plan’s modeling.

⁹ In the [Results-Based Accountability \(RBA\) framework](#), turning the curve is the process of improving outcomes.



Bond Measure U: Capital Dollars for Housing Production and Preservation

To determine how to best allocate the \$350 million in Measure U dollars for affordable housing, Oakland HCD embarked on a comprehensive stakeholder engagement process beginning in December 2022. The feedback received from this process, in addition to guidance from City leadership, coalesces into this 2023-2027 SAP which guides how Oakland HCD administers housing development and service funds for the first half of the current RHNA cycle.

Oakland HCD's bond spending portion of the 2023-2027 SAP is informed by its stakeholder engagement process through which seven guiding principles and an equity-centered capital investment framework were developed. The following sections describe this process in greater detail and are followed by the four-year spending proposal, unit projections, and timeline.

Stakeholder Engagement

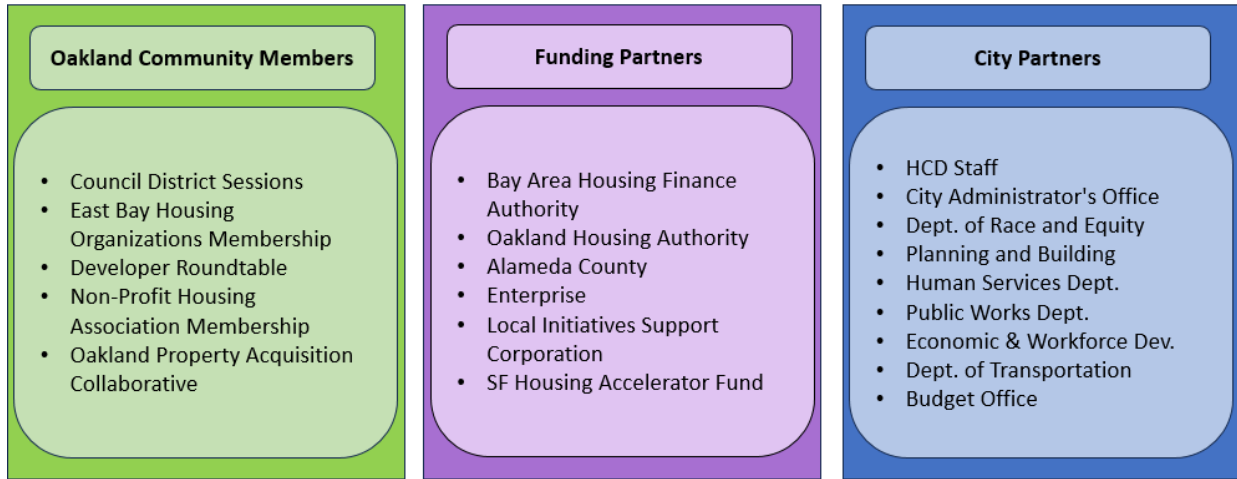
Department Staff Engagement Initiative

Oakland HCD began robust community and stakeholder engagement to determine how to allocate Measure U bond funds in December 2022. To start, department leadership conducted listening sessions with each HCD staff member to better understand their passions, barriers to operations, needs, and opportunities to grow. This engagement was foundational in helping leadership understand how the organization's structure would need to shift in order to meet increased demand in coming years. Oakland HCD staff highlighted their commitment to serving Oaklanders, alignment with the department's mission, and belief in housing as a tool to support neighborhood health and safety. Staff also named high workloads due to vacancies, a need for technological modernization, greater communication between silos, and opportunities to promote within the department as key challenges they face. From these discussions, HCD leadership identified operational shifts to pursue over the coming years to better meet staff needs and ensure the department is well-positioned to administer increased funding from Measure U and other sources. Feedback from the Staff Engagement Initiative is featured in Appendix B.

Community and Funder Partner Sessions

Throughout January and May 2023, Oakland HCD conducted multiple stakeholder engagement sessions with affordable housing developers, housing preservation practitioners, affordable housing resident leaders, regional funding agencies, community development financial institutions, and more. A summary follows; a full list is featured in Appendix C. In each session, Oakland HCD provided an overview of its draft racial equity goal, key data sources, advocacy agenda, and spending priorities for feedback and discussion. Partners provided recommendations for funding and implementation strategies, efficiency considerations, and opportunities for innovation.

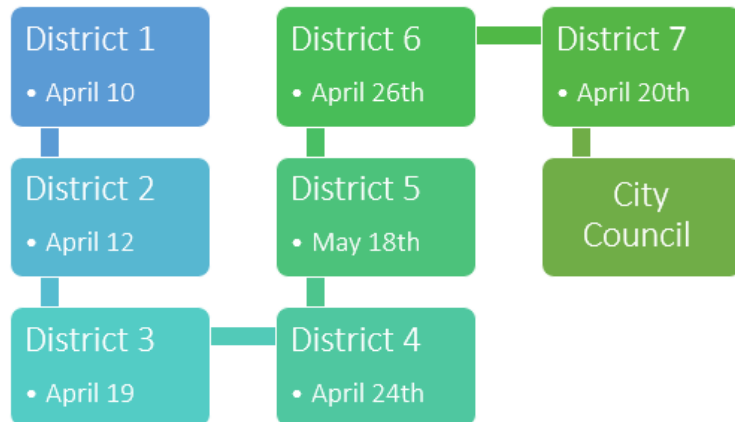
Figure 7: Stakeholder Engagement List



City Council District Community Conversations

Throughout April and May 2023, Oakland HCD staff worked in coordination with each Oakland City Councilmember to conduct community conversations directly with residents. Each session lasted 90 minutes via Zoom and allowed opportunity for Oakland residents to provide their thoughts, questions, and feedback on the Measure U spending strategy's contents. Over 300 residents registered for all sessions combined with 15-45 participants present for each conversation. While Oakland HCD staff offered translated slides and live interpretation for different language access during each of the sessions, the service was not widely utilized and only requested for two council districts. Thus, future outreach for housing-focused plans should consider how to better reach non-English speaking community members.

Figure 8: Council District Conversation Schedule





Guiding Principles

Funding amounts, sources, and contexts will shift each year as markets, political and administrative leadership, and community demographics change. To inform how Oakland HCD administers Measure U affordable housing funds for years to come regardless of the changing context, stakeholders also co-developed and reacted to the following set of guiding principles.

1. Base all decisions & processes in **equity** goals and priorities
2. Root our funding allocations and decision-making in **data**
3. Pursue all opportunities to **leverage funding** sources
4. Innovate to **reduce** development **costs and time**
5. Explore opportunities to expand **partnerships** & resources
6. Simultaneous investment and **advocacy for systems change**
7. Iterate & evaluate over time – **stay nimble!**

These seven principles reflect commitments to data and equity, innovation, partnership, systems change and advocacy, evaluation, and the ability to shift strategies over time. The first guiding principle includes centering the needs of Oakland’s most impacted residents while continuing to serve all residents, per the targeted universalism framework. Principle two, rooting strategies in data-driven approaches, promotes responsible stewardship of municipal resources and aims to maximize impact of the City’s investments. The principles also work in tandem with one another; for example, principles three and six are mutually reinforcing: while Oakland HCD will adhere to current structures to take advantage of all funding opportunities possible, leadership will continue to advocate for systems change to better meet the needs of Oakland and its residents. Principles four and five also support one another; Oakland HCD recognizes that it must work with new land and new partners to unlock resources for housing development. This innovation creates opportunities and approaches to reduce cost & time that would otherwise be unavailable.

The 2023-2027 SAP will pilot equity-centered investments that center Oakland’s most impacted residents to improve how the city addresses the homelessness crisis. Learnings from this approach and its evaluation will inform the City’s future pursuits and how it distributes resources. The guiding principles listed above serve to strengthen those outcomes and overall impact.

Equity-Centered Capital Investment Framework

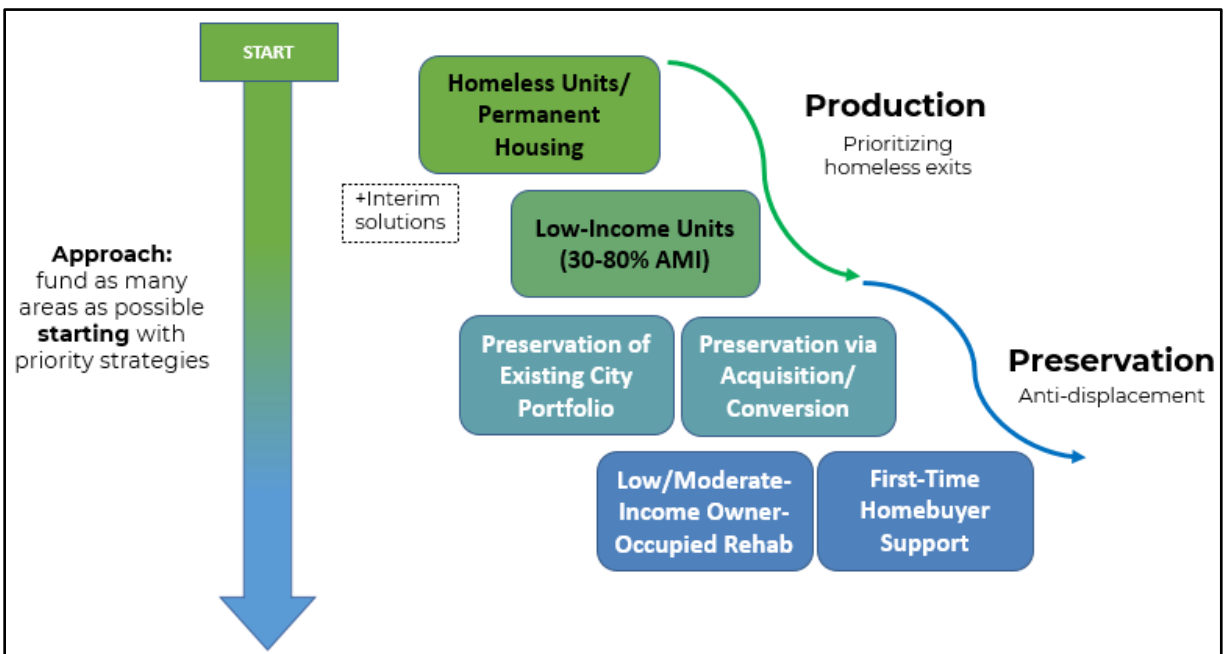
As of May 2023, Oakland HCD offers four Notices of Funding Availability (NOFA) programs to administer its affordable housing funds.

1. New construction of affordable housing;
2. Acquisition and Conversion to Affordable Housing (ACAH);
3. Homekey for the conversion of hotels and motels into homeless-serving housing; and
4. Preservation/rehabilitation of buildings within the City's existing portfolio

Oakland HCD staff also administer additional efforts, such as the low- and moderate-income owner-occupied rehabilitation and mortgage assistance programs, based on funding availability.

To ensure its programs achieve sufficient impact toward housing Oaklanders and reducing racial disparities in housing, Oakland HCD offers the following equity-centered capital investment framework to administer future Measure U and local dollars.

Figure 9: Equity-Centered Capital Investment Framework



Informed by Oakland's homelessness crisis and stark racial disparities, this plan begins with the development of PSH and ELI units as the priority for Measure U dollars. **The number of developable PSH and ELI units, however, is limited by the amount of operating subsidy available** to support ongoing affordability and maintenance of affordable housing properties.¹⁰ Once the maximum number of deeply affordable units is reached with these constraints, the next

¹⁰ As of April 2023, the average operating subsidy needed to support PSH and ELI housing is \$200,000 per unit.



funding priority is the development of low-income units affordable to residents at 30-80% of AMI. This prioritization is critical as it ensures Oakland remains on track to reach its 2031 RHNA target and supports the development of housing accessible to working class residents throughout the city. As frequently referenced in the stakeholder engagement sessions, affordable housing developers tend to mix PSH/ELI units with other levels of affordability to ensure project feasibility, so these priorities are mutually reinforcing.

As Oakland's housing stock ages and rental prices continue to increase, ensuring long-term building health and affordability is a key anti-displacement strategy. Thus, Oakland HCD next aims to ensure funding for preservation projects through both the ACAH program and rehabilitation of buildings in the City's existing portfolio. These strategies ensure that the City does not lose its residents, as well as its affordable housing stock, in the face of intense displacement pressure throughout Oakland.¹¹ Oakland HCD aims to continue support for these programs as initiated by 2016's voter-approved [Measure KK](#), as well as partnerships with community land trusts and limited equity cooperatives.

Lastly, Oakland HCD recognizes the need for first-time homebuyer/mortgage assistance support to bolster the City's [existing program](#) and increase wealth-building opportunities for Oaklanders. There is also a need to support low- and moderate-income homeowners with property rehabilitation needs including accessibility improvements, lead abatement, and more. While these are not immediate priorities for the use of Measure U funds, Oakland HCD will pursue funding opportunities through State and Federal sources to continue these programs while simultaneously seeking new options to meet demand, reflecting guiding principles three and five.

It is essential that the equity-centered capital spending priorities be tied to the Measure U spending plans' guiding principles, as together they represent Oakland HCD's comprehensive strategy to increase housing access and reduce displacement rates throughout the city. Guiding principle seven will be especially important in the years to come as funding and political contexts change; Oakland HCD and the city-at-large will need to reevaluate these strategies and frameworks to meet shifting realities. Regardless of future contexts, Oakland HCD remains committed to guiding principles one and two as a foundation, centering data and equity in its decision-making and processes.

¹¹ The ACAH program has historically included points supporting projects in "extreme" or "high displacement" categories in the Urban Displacement Project's California Estimated Displacement Risk Model.



2023 - 2027 Spending Plan and Unit Projections

Using the Equity-Centered Capital Investment Framework above, HCD's 2023-2027 SAP projects the potential number of affordable units to be developed over the next four years. The table below bases projections on Measure U bond dollars, recurring local/City capital funds, and the availability of operating subsidies from multiple combined sources.

Funding Sources and Unit Projections, 2023 through 2027

Program Type	Measure U Funding	Local Capital Dollars	Local Operating Subsidy	Total Funding	%of Total	Number of Units
Permanent Homeless Units (0-30% AMI)	\$110,957,282	\$10,000,000	\$67,073,747	\$188,900,325	39%	806
Low-Income Units (30-80% AMI)	\$149,650,000	\$28,760,093	\$0	\$178,410,093	37%	1,189
Preservation via Acquisition/Conversion	\$46,550,000	\$22,390,000	\$0	\$68,940,000	14%	230
Preservation of Existing City Portfolio	\$25,342,718	\$10,000,000	\$0	\$35,342,718	7%	527
Other Housing Programs**	\$0	\$9,000,000	\$0	\$9,000,000	2%	0
Totals	\$332,500,000	\$80,150,093	\$67,943,043	\$480,593,136	100%	2,752

***Including site maintenance, emergency repairs, tax-defaulted property acquisition, etc.*

† 5% of Measure U dollars are reserved for administrative costs, for an available total of \$332.5 million

The above projections assume similar operating subsidy availability as in recent years; the exact figure available is likely to change annually. Thus, the ratio of permanent homeless units and other low-income units developable is to be determined. Oakland HCD will work with its partners to right-size these figures each year and will update its projections accordingly.

With these projections and current funding sources, **Oakland HCD estimates meeting 19% of its low and very low-income RHNA targets between 2023 and 2027** using \$481,333,840 in Measure U and local funds combined (1,951 of 10,261 housing units). Preservation and rehabilitation activities do not count towards the City's low- or very-low income RHNA targets at the present time.

It is important to note that the funding breakdown above is consistent with the Bay Area Housing Finance Authority (BAHFA)'s funding guidelines in which a minimum of 52% of funds should go to production and 15% towards preservation.¹²

¹² As noted in the State of California's AB 1487 [3Ps Funding Guidelines](#)



Timeline

While Oakland HCD anticipates spending down the housing portion of Measure U funds over the 2023-2027 period, it is important to contextualize these estimations within the larger eight-year RHNA cycle.

Funding	FY23/24	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	Totals
Permanent Homeless Units (0-30% AMI)									
Measure U	\$27,739,321	\$27,739,321	\$27,739,321	\$27,739,321					\$110,957,282
Local Operating Subsidy	\$16,985,761	\$16,985,761	\$16,985,761	\$16,985,761	\$8,000,000	\$8,000,000	\$8,000,000	\$8,000,000	\$99,943,043
Local Capital Funding	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$28,000,000
Low-Income Units (30-80% AMI)									
Measure U	\$37,412,500	\$37,412,500	\$37,412,500	\$37,412,500					\$149,650,000
Local Funding	\$7,190,023	\$7,190,023	\$7,190,023	\$7,190,023	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000	\$39,960,093
Preservation via Acquisition/Conversion									
Measure U	\$11,637,500	\$11,637,500	\$11,637,500	\$11,637,500					\$46,550,000
Local Funding	\$5,597,000	\$5,597,000	\$5,597,000	\$5,597,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$27,390,000
Preservation of Existing City Portfolio									
Measure U	\$6,335,679	\$6,335,679	\$6,335,679	\$6,335,679					\$25,342,718
Local Funding	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$14,000,000
Other Housing Programs									
Local Funding	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$750,000	\$750,000	\$750,000	\$750,000	\$12,000,000

Whereas a combined total of \$481,333,840 in Measure U and local funds will produce an estimated 19% of the low/very low-income RHNA target, **the City of Oakland will need an additional \$2,052,002,160 to fill the remaining 81% gap.** This does not account for the City's moderate- and above-moderate-income targets.

The 2021-2023 HCD Strategic Action Plan identified a need of \$307,032,000 over three years to meet the previous RHNA target; the calculations above, in contrast, not only reflect a full eight-year RHNA cycle, but also a total increase of 6,127 low- and very low-income units from the previous period. While the gap is large, experts in the housing field recognize that RHNA targets are an unfunded mandate and that the calculations need deep reform.¹³ Thus, the city must balance state requirements with realistic development projections based on true local need.

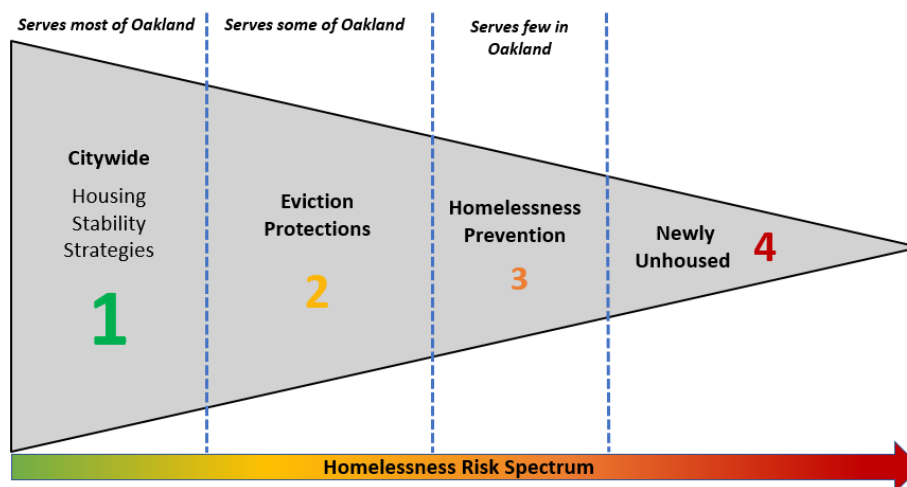
¹³ Expanded upon in UCLA Lewis Center's report, [A Flawed Law: Reforming California's Housing Element](#)

Protection Services

Discussions of housing production and preservation must include protection approaches as well, for all three are required to address the housing supply, affordability, and stability crises. As a renter-majority city, Oakland must identify how to effectively protect both residents and neighborhoods at-large.¹⁴ Protecting tenants from displacement is also a racial equity imperative: the majority of Black and Latinx Oakland households are renters at 69% and 71%, respectively, compared to 47% of white households.¹⁵ Further, 62% of Black and 54% of Latinx Oakland renters are rent burdened, compared to 38% of white renters.¹⁶

The City of Oakland provides protection support along a risk spectrum to prevent the flow of more residents into homelessness and keep Oaklanders securely housed. Once residents enter homelessness, a different set of interventions is required for rapid stabilization and re-housing. Though a base level of services exists, the city and its partners must bolster its approaches in the coming years to effectively reduce and eventually eliminate homelessness. Per the Alameda County Home Together 2026 Plan, “if new homelessness increases... the gap between what the system is able to offer and what is needed to serve all homeless households will be greater, and more costly to fill.”¹⁷ Thus, strategic investments and activities to prevent homelessness are crucial for the City of Oakland and Alameda County to pursue. The strategies outlined below continue the conversation and offer opportunities for further funding support, strategy alignment, and programmatic development.¹⁸

Figure 10: City of Oakland Homelessness Risk Spectrum



¹⁴ Over 57% of Oakland households are renter-occupied According to the [2021 American Community Survey](#)

¹⁵ As reported in the [Bay Area Equity Atlas](#)

¹⁶ Bay Area Equity Atlas [Housing Burden by Tenure and Race](#)

¹⁷ Home Together 2026 Plan

¹⁸ Adapted for Oakland from housing stability models at Alameda County and Community Solutions Consulting

Risk Zone	Description
<p>Zone 1</p> <p>Citywide Housing Stability Strategies</p>	<p>Citywide strategies aim to support the broadest swath of Oakland’s population in achieving and maintaining housing stability. Current approaches primarily focus on the administration of the City’s housing stability-related ordinances. Such examples include the City of Oakland’s:</p> <ul style="list-style-type: none"> • Rent Adjustment Program Ordinance • Just Cause for Eviction Ordinance • Tenant Protection Ordinance • Uniform Relocation Ordinance <p>While each ordinance may not apply to all residents (e.g. tenants that do not live in rent-controlled units do not benefit from the related law), a combination of the protections works to provide broad coverage to around 94,000 Oakland units as of 2023.</p> <p>Additionally, the Rent Adjustment Program’s rent registry launched in May 2023 and tracks all units that pay the annual RAP fee (ie Covered by rent control and/or Just Cause). Other relevant data the registry tracks includes initial and current rents, security deposit information, and utilities included with rent. This information helps create deeper understanding of rental experiences in Oakland that may inform future policy considerations.</p>
<p>Zone 2</p> <p>Eviction Protections</p>	<p>This zone represents a portion of the population, and services are intended to increase their housing stability. Per Alameda County’s Housing Stability Slide, residents who are unstable or at-risk of losing housing may be struggling with affordability, behind on rent or mortgages, or living in overcrowded or low-quality units.¹⁹ As of May 2023, the City’s primary support for its unstably housed residents is through Oakland Housing Secure in the one-time amount of \$1 million. The contract focuses on eviction protection services and is intended to bolster a more substantial investment from Alameda County’s Housing and Community Development Department for Alameda County Housing Secure.</p> <p>Additional time-limited supports during the Covid-19 pandemic included the Emergency Rental Assistance Program (ERAP) and the Eviction Moratorium passed by Oakland City Council in March 2020. Further supports to consider include increased eviction protection or foreclosure prevention assistance, employment assistance/income support, and other health or family services.</p>

¹⁹ Alameda County Housing Stability Slide and Primary Responses

<p>Zone 3</p> <p>Homelessness Prevention</p>	<p>Oaklanders at imminent risk of homelessness may be the smallest group, but they require some of the most immediate interventions in order to prevent entry into homelessness. These residents often hold a combination of the following identities and experiences:</p> <ul style="list-style-type: none"> • <i>Black males between the ages of 35 and 55</i> • <i>doubled up in housing units</i> • <i>without formal lease agreements</i> • <i>previously unhoused</i> • <i>veterans</i> • <i>prior involvement with the criminal justice system</i> • <i>mental health and/or substance use challenges</i> <p>Projections from All Home estimate approximately 12,000-13,000 Oakland households are in need of homelessness prevention services. This is informed by research from the UC Berkeley Terner Center for Housing Innovation which estimates that half of the city's ELI households receive no housing assistance.²⁰ Based on data from the Keep Oakland Housed prevention program and All Home's estimates, per-household prevention costs are at roughly \$8,000. This translates to a need of between \$96 million and \$104 million. The Home Together 2026 Plan estimates a prevention need of \$38.8 million per year in Oakland which includes rapid rehousing and shallow subsidy support as well.</p> <p>In partnership with Bay Area Community Services (BACS) as the lead administrative agency in a collaborative of non-profit partners, as well as both Stanford's Changing Cities Research Lab and the Housing Initiative at Penn as evaluation partners, Oakland HCD is funding a homelessness prevention pilot program in the amount of \$2.3 million until mid-2024. The program is designed as a three-pronged approach: flexible financial payments, wrap around services and legal support. Evaluation and learnings from this program will inform future funding needs from the City and philanthropic partners to scale and sustain services.</p> <p>Additionally, Oakland City Council passed the Fair Chance Access to Housing Ordinance effective February 4th, 2020. The ordinance "prohibits rental housing providers from screening criminal history of applicants during the advertisement, application, selection, or eviction process."²¹ The elimination of this barrier creates greater housing access that is critical for the population most at-risk of imminent homelessness mentioned above.</p>
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²⁰ [On the Edge of Homelessness](#), a report on ELI households in the Bay Area

²¹ As noted on the City of Oakland's Fair Chance Access to Housing Ordinance [webpage](#).



Zone 4 Newly Unhoused Interventions	<p>Residents who have recently become homeless require immediate diversion and rapid resolution interventions to regain access to housing. The City of Oakland primarily contracts out its range of services offered to people experiencing homelessness, including its crisis response programs.²² Such programs include community cabins, emergency shelters, transitional housing, and RV safe parking. In addition, during COVID, the City implemented shelters specifically for people vulnerable to the virus. The goal of such programs is to stabilize residents and support them in achieving housing stability, either through rapid rehousing, transitional housing, or permanent supportive housing opportunities.</p> <p>As upcoming department mergers within the City of Oakland approach, greater attention to how this section aligns with the above prevention activities will be discussed.</p>
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As the City of Oakland phases out its pandemic-era eviction moratorium and Emergency Rental Assistance Program (ERAP), leadership will need to implement a comprehensive strategy and identify necessary resources to serve residents in all four zones.

Implementation Considerations

Though Measure U provides a significant amount of funding to increase affordable housing throughout the City, Oakland HCD and City leadership also need to identify new funding sources, advocate for policy changes, and re-structure internally to allow HCD to produce more units, faster and more efficiently. Following the adoption of HCD's 2023-2027 Strategic Action Plan, the department will expand on the section below to create an implementation plan that will include financing tools, partnerships to reduce time and costs, opportunities to leverage public lands, and additional approaches to increase efficiency in housing production and preservation.

Oakland HCD Staffing and Structure

Starting in the FY23-25 biennial budget, Oakland HCD added four new housing development positions for increased capacity to implement Measure U dollars. These positions are critical in ensuring staff have the support needed to administer NOFAs, underwrite projects, and monitor the ongoing health of the City's affordable housing portfolio. Oakland HCD staff positions are primarily financed outside of the City's general fund, so budget capacity should remain stable in the years to come.

²² As noted by the [Performance Audit of the City of Oakland's Homelessness Services](#)



Additionally, Oakland HCD's internal structure will continue to evolve to meet the department's operational needs and ensure effective service for the community. The start of the 2023-2027 strategic period begins with two structural shifts and an additional area for further development:

1. As announced in Mayor Thao's FY23-25 budget, homelessness services will be merged into the Housing & Community Development Department to form a new Department of Homelessness and Housing Development. The former Human Services Department's Community Homelessness Services (CHS) division will integrate into Oakland HCD beginning in FY25. This merge will bring an estimated 19.0 FTE into Oakland HCD to focus on service interventions for the unhoused population. Through the departmental shift, Oakland HCD will intentionally align its approach along the homelessness spectrum from housing stability and prevention to intervention, and permanent placement through supportive housing exits. Planning around the merge will occur in FY24.
2. Oakland HCD's Housing Development Services (HDS) team has historically overseen most capital programs in the department. To strengthen and focus the department's preservation activities, a portion of the HDS team will combine with staff that focus on homeowner & owner-occupied residential rehabilitation to form a new Housing Preservation Services (HPS) unit. This shift will allow the HDS team to focus on producing net new housing units while the new HPS unit will grow the department's strategy around anti-displacement through housing rehabilitation activities. The new focus on housing preservation will allow staff to deepen relationships with practitioners in the community and develop more effective place-based strategies. Of note, however, is that additional staff and funding will be required to realize the potential of the HPS unit as preservation projects require more staff time and serve fewer units. As anti-displacement efforts are essential for Oakland, City administration and elected officials must continue to create opportunities to fund preservation work while maintaining the necessary production activities to meet the need.
3. With the growing need for resources and investment from other levels of government, Oakland HCD and City leadership will need to develop a stronger approach for policy analysis and advocacy. Thus, the department will seek to better meet Oakland's housing needs by building its capacity to pursue its legislative and funding agendas at the regional, state, and federal levels.



Advocacy Opportunities

The funding need across every strategy area is substantial. The City of Oakland alone cannot meet its capital and service needs; it must coordinate investments with county, regional, state, and federal partners to bolster impact and meet its long-term goals. Oakland HCD has identified the following advocacy opportunities to pursue over the course of the 2023-2027 SAP:

1	Identify additional sources to fund operating subsidies for deeply affordable units
2	Advocate for TCAC/CDLAC scoring criteria changes to better meet Oakland's needs
3	Pursue opportunities to strengthen Oakland preferences for housing developments
4	Identify and dedicate increased funding for housing stability services
5	Align with the Bay Area Housing Finance Authority's funding programs and metrics
6	Explore opportunities to streamline bureaucratic processes to reduce time and cost

1. Oakland HCD will work with its partners to better align funding approaches and identify new sources for operating subsidies. The availability of such funds is the limiting factor in the City's ability to develop and sustain deeply affordable housing over time. Partners have historically included the Oakland Housing Authority, Alameda County and the State HCD department; those critical relationships will continue, but the City will need to find additional sources.
2. Oakland HCD, along with City of Oakland and regional leadership, has met with State representatives to raise concerns and advocate for different scoring approaches for tax credits. While there is opportunity to shift these criteria in the future to better meet Oakland's needs, the opportunity map will remain in use for the time being. City representatives will continue to coordinate around recommendations and suggestions that encourage affordable housing development not just in high-resource areas, but in all neighborhoods where it is most needed and feasible.
3. Residents not only need new housing, but they need realistic access to those units. Oakland City Council previously passed a preference policy for affordable housing in 2016 to apply a local preference up to 30% of units. This preference has been partially superseded by restrictions from Alameda County Measure A1 dollars in recent years, but as those funds are spent, Oakland will be allowed to revisit its use. Additionally, Oakland must use Alameda County's Coordinated Entry System (CES) to move unhoused residents into permanent supportive housing. Although Oakland is home to over half of the larger Alameda County's unhoused population, it does not currently receive preference in



housing placements. Oakland HCD and its partners will continue to advocate for shifts to these systems.

4. As described in the 2023-2027 SAP's protection section, the City of Oakland will need additional funds to continue and deepen its housing stability and homelessness prevention efforts. With one-time funding of \$1 million and \$2.3 million for eviction protection and homelessness prevention respectively in FY23, Oakland HCD and its partners must determine which programs to support and allocate funding to continue services ongoing.
5. In 2019, the California Legislature established the Bay Area Housing Finance Authority, or "BAHFA," via Assembly Bill 1487 (Chiu) to help meet the Bay Area's need to produce more housing, preserve more affordable housing and protect vulnerable tenants. BAHFA has developed a draft Business Plan that includes an equity framework and a spending program based on the 3Ps. The draft Business Plan considers, for example, a potential general obligation bond measure that may be placed on the 2024 ballot for consideration by voters in the nine Bay Area counties. If passed, the region's biggest cities — San Jose, San Francisco and Oakland — would receive a direct allocation of funds. Thus, the City of Oakland must continue its partnership and alignment with BAHFA and its goals to ensure Oakland's needs are represented. Additional regional support and funding would bolster Oakland HCD's ability to produce and preserve much-needed housing at greater scale and deeper affordability than now.
6. While pursuing external partnerships and funding sources is necessary to increase available resources, Oakland HCD will also work with its city partners to examine opportunities for streamlining and efficiency. Cost and time savings through bureaucratic process innovation is necessary not only to develop affordable housing more quickly, but also in honoring positive stewardship of public funds. Oakland HCD will work in partnership with City leadership to identify policy and administrative solutions for innovation. This will include an ongoing partnership with Oakland's Planning and Building Department to prioritize affordable housing projects and streamline the permitting process and explore how land use changes can better support affordable housing development. HCD is also working with the Economic and Workforce Development Department to determine how public lands can be utilized for affordable housing projects and ensure market rate and large-scale developments are leveraged for the production of affordable housing.



New Financing & Resource Innovation

Drawing on feedback from community partners, Oakland HCD will explore ways to forge new partnerships and strategies to bring additional resources on board. Recognizing that government loan and contracting timelines can be long, leadership will explore potential partnerships to support quicker housing and land acquisition processes. These efficiency innovations can be informed by those such as the [San Francisco Housing Accelerator Fund](#) and the [Philadelphia Accelerator Fund](#) which provide access to predevelopment and acquisition funds for affordable housing developers, and work with municipalities to unlock their pipeline projects by using non-City resources.

Additionally, through its [Breakthrough Grant](#) award via the [Partnership for the Bay's Future](#), Oakland HCD is exploring how to reduce barriers to development by increasing predevelopment funding levels and accessibility for its partners. These administrative and policy shifts will support more developer partners, especially emerging and BIPOC developers, to be competitive for City funds and address some of the challenges they face early in the development process.

As the Covid-19 pandemic changed the way employers, staff, and residents access urban job centers, attention to the utility of office spaces is being evaluated. California's Department of Housing and Community Development invested \$400 million into its [Infill Infrastructure Grant Catalytic Qualifying Infill Area Program](#) to support the conversion of office space into residential uses in late 2022; Oakland HCD submitted an application for non-office conversions. Further, Assemblymember Matt Haney (D-San Francisco) is exploring statewide legislation that would allow more streamlined office-to-residential conversion through the "Office to Housing Conversion Act".²³ The proposed Affordable Housing Overlay, which Oakland HCD is developing in partnership with the Planning and Building Department, would allow ministerial approval of multifamily affordable housing in any commercial zone in the City which would create even more opportunity than the statewide proposal.

Coordination with Partner City Agencies

Critical to Oakland HCD's ability to successfully scale up and provide much-needed housing for Oakland is its coordination with partner City agencies. Oakland HCD – the future Department of Homelessness and Housing Development – will continue to partner with the Economic and Workforce Development and Planning and Building Departments (which will combine into the [future](#) Department of Planning, Building & Economic Development) to align strategic efforts. Oakland HCD will rely on these partnerships to produce additional affordable housing projects on existing available surplus land sites throughout the City. It will also continue partnering with planning and building staff to streamline and prioritize affordable housing project permit

²³ As noted in the [San Francisco Chronicle](#) in February 2023.



approvals and entitlements, such as through SB35. As many applications for State funding may require streetscape improvements, the Department of Transportation and Department of Public Works will also play key roles in ongoing efforts. This inter-agency alignment, with the support of the Mayor and City Administrator's Offices, will position Oakland HCD for success in the coming years.

Impact and Evaluation

Oakland HCD continuously develops the set of key performance metrics (KPMs) it centers to measure impact on the Oakland community. The KPMs are developed using a Results-Based Accountability (RBA) framework that differentiates department-level performance metrics from community-level indicators.²⁴ For example, the items highlighted in the City of Oakland's 2018 Equity Indicators Report raise affordability, displacement, housing quality, and essential services as key topics. Indicators like rent burden, eviction notices, and homelessness are tracked at the city or population level to gauge their status in the community. No one department or organization is fully responsible for a given community-wide indicator, but individual agencies can make an impact and improve disparities in coordination with partners addressing like-issues.

Oakland HCD will continue to track a list of KPMs and share progress with its stakeholders and the community at-large, at minimum, through annual impact reports/data dashboards. The list includes, but is not limited to, the following key metrics:

- Number, affordability levels, and locations of housing units produced and in pipeline
- Number of housing units preserved and/or rehabilitated
- Key housing issues identified during housing counseling & number of contacts
- Number of eviction notices filed
- Number of rent adjustment petitions

Additional regular reporting occurs through the following:

1. the [Housing Element Annual Progress Report \(APR\)](#), developed in partnership with the Planning and Building Department;
2. the Rent Adjustment Program (RAP)'s [Annual Report](#); and
3. [Consolidated Annual Performance and Evaluation Report \(CAPER\)](#) for Community Development Block Grant (CDBG) funds from the Community Development and Engagement (CDE) team.

The department tracks many additional metrics, but all are ultimately in service of increasing housing access, availability, and affordability in Oakland.

²⁴ [Clear Impact's RBA framework](#) differentiates population accountability with performance accountability.



Next Steps: Advancing the City of Oakland's Housing Impact

Oakland HCD – the future Department of Homelessness and Housing Development – will play a critical role in the City's response to the housing crisis by addressing housing needs across the 3Ps and prioritizing investments through its Equity Centered Capital Investment Framework. The Department will pursue all new sources and programs available to stretch its investments further, including strategies discussed in the previous section. As resource, political, and demographic contexts shift through the years of this strategic plan and beyond, Oakland HCD will remain rooted in its stakeholder-vetted guiding principles to inform investments. Key components of the set of guiding principles include rooting all decision-making and processes in equity and data, as well as pursuing all opportunities to increase funding resource and leverage partnerships. With this focused intent, the Department will more effectively shift its outputs and performance that, combined with other partner efforts, lead to the population-scale change Oakland residents deserve.

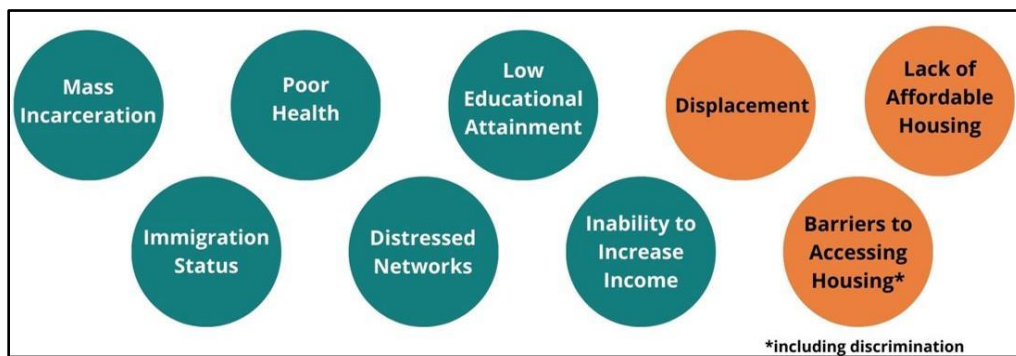
While the City of Oakland will continue to address the housing and homelessness crises, these issues are larger than any single municipality. The city and its partners must continue to examine drivers of the region's – and the state's – economic inequities that impact housing availability and cost. Bolstering the City's presence in regional, state, and federal housing conversations will be key in ensuring Oakland's needs are well-represented in future investment strategies. Current federal conversations around viewing housing as a critical infrastructure component, for example, creates opportunities for greater resources and strategic alignment that will ultimately benefit all residents. Additionally, conversations at the state and federal levels to define housing as a human right advance expectations of governments to sufficiently invest in housing at a level that supports states and municipal governments in reaching their production goals, and thus community needs. These transformative change efforts will take time to realize, but Oakland HCD and the City of Oakland at-large are committed to developing solutions that address historic harms and meet resident needs both today and in the future.

Appendix A – Discussion of Additional Data Sources

Root Causes of Homelessness in Oakland

A key grounding data source is the [2021 Centering Racial Equity in Homeless System Design](#) report. The report aims to “identify and address factors leading to the over-representation of people of color in the population of people experiencing homelessness”²⁵ and to suggest methods for equitably allocating resources. The project leads hosted nine focus groups for qualitative analysis, and to understand how racism affects folks with lived experience.

Figure 11: Root Causes of Homelessness in Oakland



Nine root causes of homelessness emerged from the focus groups, including mass incarceration, immigration status, and more. Though there are many, Oakland HCD identified three as within its sphere of influence that can be addressed through housing-focused dollars:

1. Displacement;
2. Lack of affordable housing; and
3. Barriers to accessing housing, including discrimination

To affect comprehensive change, community, City, County, and regional partners must make a concerted effort to coordinate resources and approaches with the goal of reducing disparities and the overall prevalence of these issues. The three root causes within Oakland HCD’s sphere of influence, however, can be central metrics in ongoing evaluation efforts to gauge impact.

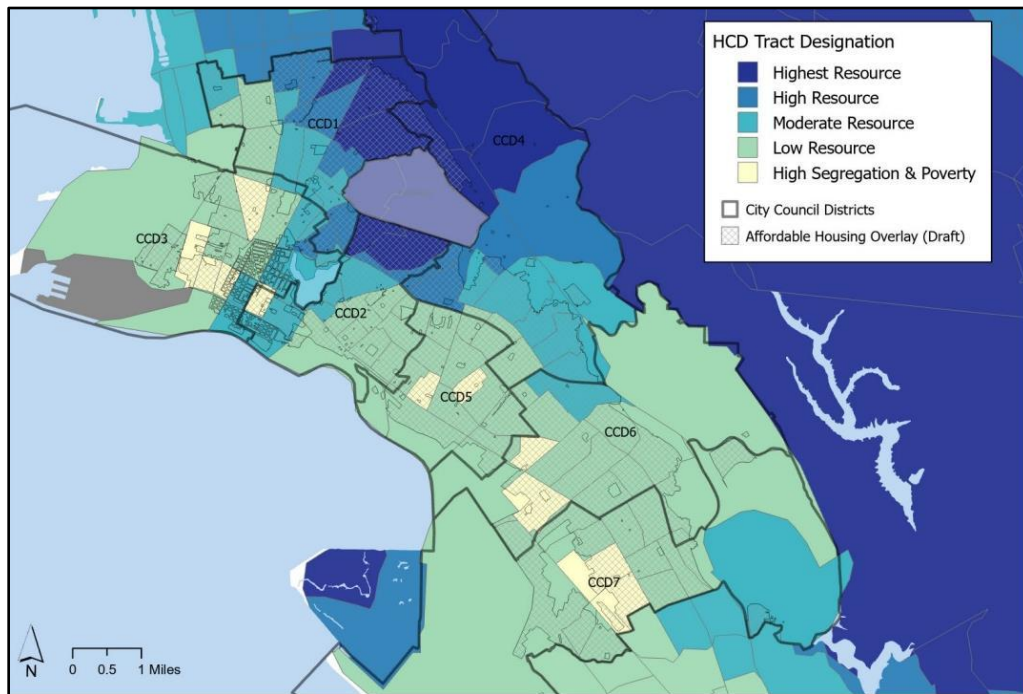
State Scoring Mechanisms for Tax Credit Funding

Because total development costs are so expensive – currently at an average of \$800,000 per unit - developers need multiple sources to fund housing projects. Many Oakland developers seek funding from the State of California in the form of [Low Income Housing Tax Credits](#) (LIHTC). The Tax Credit Allocation Committee (TCAC) “facilitates investment of private capital into the development of affordable rental housing for low-income Californians,” but the pool is limited

²⁵ Ibid.

and projects from all over the state compete for funds every round.²⁶ Because the process is so competitive and many projects score similarly in most criteria, the State uses “tiebreaker” points to determine which projects will receive funding. One such set of points is determined by opportunity maps, shown below.

Figure 12: Oakland Council Districts and the TCAC Opportunity Map



To diversify where affordable housing is built, and to [affirmatively further fair housing](#), the State prioritizes projects in “high opportunity areas” – [defined](#) as those areas with low-poverty rates, high employment rates, low environmental pollution, and more.²⁷ While the intention of using these maps is to promote more affordable housing development in areas with resources to improve the life outcomes of low income families, the maps as implemented largely reflect existing wealth and racial disparities. The majority of Oakland has been designated as “Low Resource” or “High Segregation and Poverty”, and therefore is not competitive for those points needed to receive funding to develop affordable housing. As many members of the public during Oakland HCD’s outreach sessions noted, the opportunity map mirrors Oakland’s historic redlining maps from the 1930s.²⁸

²⁶ California Tax Credit Allocation Committee [Low-Income Housing Tax Credit Programs](#)

²⁷ TCAC Opportunity Map Methodology. <https://www.treasurer.ca.gov/ctcac/opportunity/2023/methodology.pdf>

²⁸ Segregation by Design: Oakland Redlining and Demographics. <https://www.segregationbydesign.com/oakland/redlining>

Figure 13: Oakland Redlining Map, 1937



Oakland HCD, along with City of Oakland and regional leadership, has met with State representatives to raise these concerns and advocate for different scoring thresholds. While there is opportunity to shift these criteria in the future to better meet Oakland's needs, the map will remain in use for the time being. City representatives will continue to coordinate around recommendations and suggestions that encourage affordable housing development not just in high-resource areas, but in all neighborhoods where it is most needed and feasible.

Stanford's Changing Cities Research Lab: Residential Instability in Oakland

HCD's partners at Stanford's Changing Cities Research Laboratory (CCRL) supported qualitative data collection through their research on the state of housing insecurity in Oakland.²⁹ Over the course of the project, the CCRL team interviewed 80 extremely and very low-income renters in Oakland to gauge the drivers of housing insecurity and the specific constraints they face.

²⁹ Changing Cities Research Lab at Stanford University. February 2023.

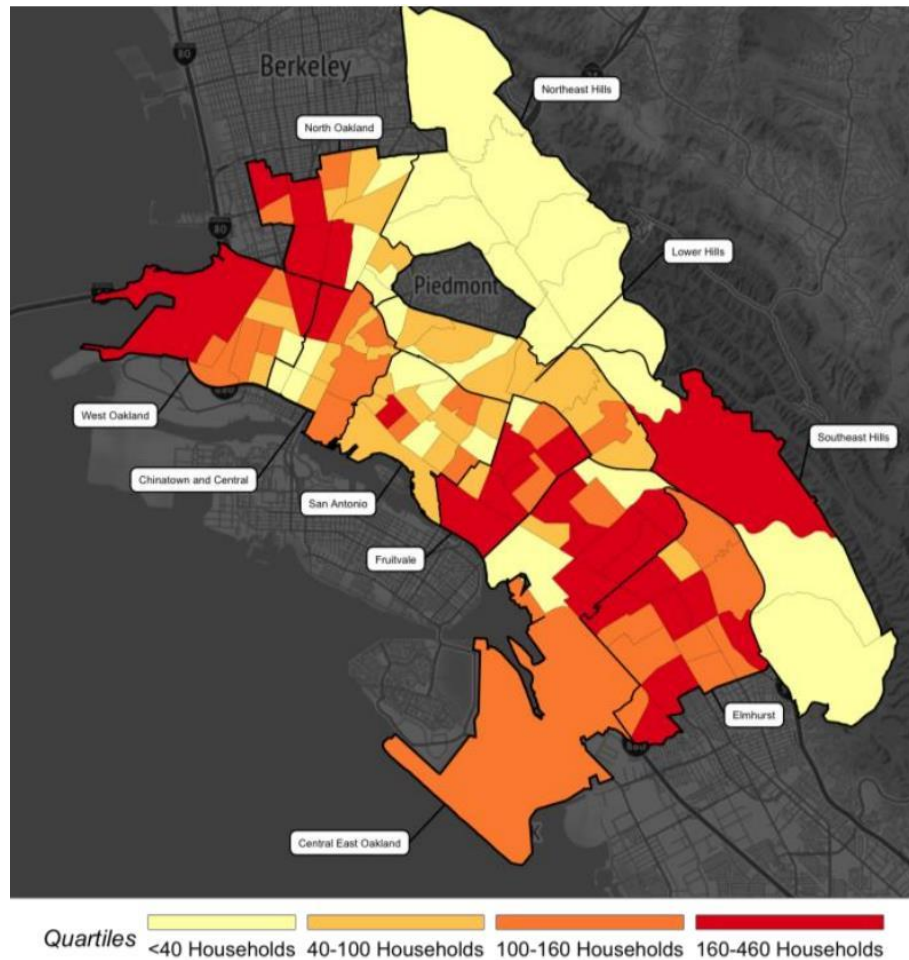
Figure 14: Characteristics of CCRL's Interview Sample

	White / Caucasian	Black / African- American	Latino / Hispanic	Asian / Asian- American & PI	ALL
Number of Participants	16	21	21	22	80
Income					
Extremely Low	69%	81%	76%	59%	71%
Very Low	31%	19%	24%	41%	29%
Living Conditions					
Crowded Home	19%	24%	52%	45%	36%
Informal set-up	13%	14%	43%	36%	28%
Emergency Rental Assistance					
Did not apply	81%	81%	86%	82%	82%
Applied, did not receive	0%	10%	0%	18%	8%
Received	19%	10%	14%	0%	10%
Other government assistance (i.e, received CalFresh, SSI, Medi-cal)	56%	52%	33%	41%	44%

The report findings from the interviews particularly name the differences residents of color and low-income residents face when compared to their white, more affluent counterparts. Some highlights include:

1. Black respondents faced a higher degree of harassment from both current and prospective landlords
2. Latinx and Asian renters, particularly those who were recent immigrants, lived in extremely poorly maintained and uninhabitable rental units
3. There are clear racial inequalities at play: higher instability was prevalent in East Oakland and parts of West Oakland, and in Predominantly Black, Mixed-Black, and Multiethnic neighborhoods.
4. Extremely Low Income and Very Low-Income residents experienced high levels of moving out and crowded housing conditions in recent years.
5. Fear of eviction pushed respondents to sacrifice other needs for the sake of rent
6. High costs of moving, in the form of credit check fees and security deposits, deterred respondents from seeking alternative housing options

Figure 15: Number of ELI and VLI households who moved out of their neighborhoods between September 2021 and September 2022



In addition to the qualitative interviews, the CCRL team also reviewed consumer credit data from the Federal Reserve Bank to gauge movement of ELI and VLI households. Per the report, “Census tracts in East Oakland and parts of West Oakland are home to substantially higher numbers of ELI and VLI residents who moved out of their neighborhoods in the most recent year for which we have data. Some of these areas coincide with areas identified as high priority by the City’s Department of Transportation (OakDOT) Geographic Equity Toolbox based on populations of people of color, low-income households, and other demographic factors, suggesting that Oakland’s most vulnerable residents and communities of color are moving out at disproportionately higher rates.”³⁰

³⁰ Changing Cities Research Lab at Stanford – [The State of Housing Insecurity in Oakland](#)

Appendix B – HCD Staff Engagement Initiative Learnings

Oakland HCD leadership conducted listening sessions with each staff member to better understand their passions, barriers to operation, needs, and opportunities to grow. This engagement was foundational in helping leadership understand how the organization’s structure would need to shift in order to meet increased demand in coming years. For each learning, or theme, raised by staff, leadership offered a responding operational shift to address the feedback.

#	Learning		Operational Shift
1	Helping people is core to who staff are	So What? →	Need to measure, demonstrate, and communicate impact
2	Staff want a sense of purpose and belonging		Management needs to better articulate mission, vision, and goals
3	Staff are wearing too many hats		Determine what should fall into HCD and what can be provided through partnerships. Continue to fill vacancies and provide clarity around responsibilities
4	Workload is too high and unevenly distributed		Maximize staff’s time and skills; right-size staff to workload and organize dept. around strengths
5	Staff enjoy being part of and supporting a team		More opportunities for staff to come together socially and to grow skills and knowledge across silos
6	Need better technology and data tools		Incorporate technology solutions where possible and build data analysis capacity
7	Staff want improved communication and engagement both internally and externally		Integrate and expand community engagement and public outreach as part of all departmental units Develop cross-silo working groups
8	More opportunities for growth and skill-building		Build a practice of learning with internal and external field experts, best practices, and share-outs Create pathways for professional growth within the department



Appendix C – Stakeholder List

To determine how to best allocate the \$350 million in Measure U dollars for affordable housing, and to inform how Oakland HCD would structure its protection services for the years to come, staff embarked on a comprehensive stakeholder engagement process.

January – May 2023: Community and Funder Partner Sessions

Throughout January and May 2023, Oakland HCD conducted multiple stakeholder engagement sessions with affordable housing developers, housing preservation practitioners, affordable housing resident leaders, regional funding agencies, community development financial institutions, and more.

Oakland community organizations & developers included:

- Oakland Community Land Trust
- East Bay Asian Local Development Corporation (EBALDC)
- East Bay Permanent Real Estate Cooperative (EBPREC)
- Richmond Neighborhood Housing Services (RHNS)
- East Bay Housing Organizations (EBHO)
- The Unity Council
- Urban Habitat
- Northern California Community Land Trust (NCLT)
- Build Affordable Faster
- Eden Housing
- Divine Gong
- Resources for Community Development (RCD)
- Habitat for Humanity East Bay/Silicon Valley
- Bridge Housing
- Midpen Housing
- Satellite Affordable Housing Associates (SAHA)
- Mercy Housing
- Abode Services
- Affirmed Housing
- Related California
- Non-Profit Housing Association of Northern California
- Urban Focus
- All Home
- The Crankstart Foundation
- San Francisco Planning and Urban Research (SPUR).

Funder partners included: Bay Area Housing Finance Authority (BAHFA), Oakland Housing Authority (OHA), Alameda County, Enterprise, LISC Bay Area, and the Housing Accelerator Fund.

Academic partners included: the Turner Center for Housing Innovation at the University of California at Berkeley, Stanford's Changing Cities Research Laboratory, the Housing Initiative at the University of Pennsylvania, and New York University's Furman Center's Housing Solutions Laboratory.

Appendix D – Stakeholder Feedback Summary

Production Strategies

Strategy	Guiding Principles
NOFA scoring that prioritizes feasibility, readiness, city subsidy/unit	Leverage funding; cost & time reduction
Encourage use of "new land and new players" <ul style="list-style-type: none"> Faith-based partnerships, emerging developer supports 	Centering equity; partnerships
Prioritize permanent homeless exits, but take advantage of interim homeless housing opportunities	Centering equity; leverage funding
Leverage partnerships to maximize operating subsidy	Leverage funding; partnerships
Pursue financing tools that stretch \$ further	Leverage funding; partnerships
Expand funding for predevelopment	Cost & time reduction
Strengthen Oakland preference policies	Centering equity; systems advocacy

Preservation Strategies

Strategy	Guiding Principles
Identify additional funding sources	Cost & time reduction; partnerships
Prioritize projects in neighborhoods with high displacement rates & risks	Centering equity; systems advocacy
Continue supporting resident ownership models	Partnerships, centering equity

Additional Strategies

Strategy	Guiding Principles
Encourage alternatives to tax credit structure and innovation to accelerate timelines and reduce costs	Cost & time reduction; partnerships
Maximize the utility of public resources (e.g. public lands, commercial site revenue, etc.)	Leverage funding; partnerships
Coordinate advocacy with regional partners	Partnerships; systems advocacy
Continue to root in data (e.g. Plan Bay Area, TCAC Opportunity Maps, Urban Displacement Project)	Centering equity; partnerships; systems advocacy



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