



# Downtown Oakland Housing Implementation Strategy

DOSP Community Advisory Group Meeting – October 1, 2020, 5-7pm



CITY OF OAKLAND

## INTRODUCTIONS

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In the chat window, tell us your:

- **Name** (if it's not already showing)
- **Neighborhood**, and/or
- **Affiliation** (business, organization, neighborhood association, etc.)



## PURPOSE OF MEETING

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### Goals:

1. CAG understands the revised DOSP housing implementation strategy & relationship of DOSP to citywide housing strategy
2. City understands CAG members' thoughts on the proposed updates to the implementation strategy
3. Collectively identify any additional implementation strategies that may have been missed



## AGENDA

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1. Welcome
2. Process and timeline update
3. Housing strategy overview & updates:
  1. Citywide housing strategy
  2. DOSP housing implementation strategy
4. Questions & discussion: implementation strategy
5. Next steps



## VIRTUAL MEETING GUIDELINES

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If possible, turn your video on



Keep yourself muted if you aren't speaking, but remember to unmute yourself to speak



Use the chat box to ask questions, get help or share thoughts with others in the meeting (send to "everyone")



"Raise your hand" under "Participants" if you want to speak. Please hold questions until after presentations; there will be time for questions after each segment.



# DOSP PROCESS & TIMELINE UPDATE

## Fall/Winter 2020-21

### Plan

- Revisions
- Response to comments
- COVID-19 effects and recovery

### Implementation

- Develop draft zoning amendments
- Begin housing funding analysis
- Begin other pre-adoption implementation activities
- CAG & public reviews draft zoning

### Environmental Review

- EIR Response to Comments

## Spring/Summer 2021

### Plan

- Complete revisions
- CAG reviews Final Draft Plan

### Implementation

- Revise draft zoning
- CAG and ZUC reviews draft zoning
- Complete housing funding analysis

### Environmental Review

- Complete EIR Response to Comments

## Summer-Winter 2021

### Adoption Hearings

- Final Draft Plan
- EIR Response to Comments
- Zoning amendments
- Housing funding analysis

### Hearing Bodies

- Landmarks Preservation Advisory Board
- Planning Commission
- Community & Economic Development (CED) Committee
- City Council



# DOSP PROCESS & TIMELINE UPDATE

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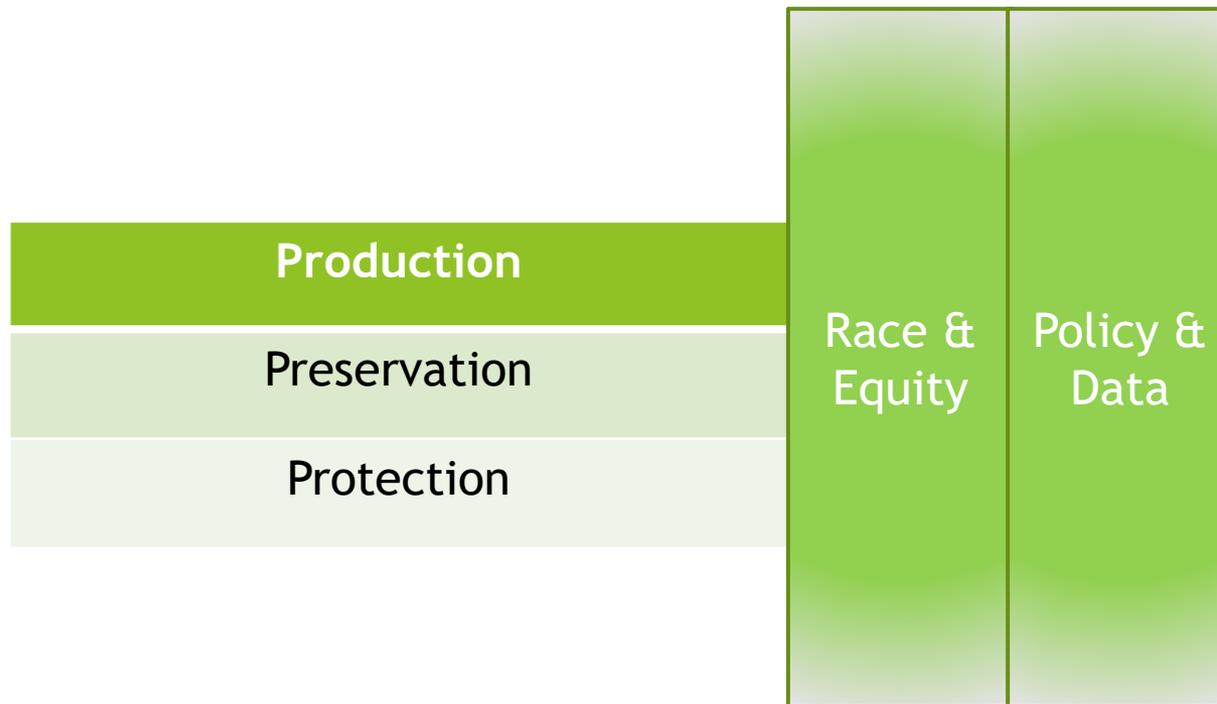


### Key Policy & Implementation Revisions

- ▶ Pre-adoption housing funding analysis study
- ▶ Focus on “Housing & Homelessness” & revising affordability level targets to focus on 30% of Area Median Income (AMI)



# HCD Strategy - 3P Approach



## CITYWIDE HOUSING GOALS

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### Citywide Needs:

- ▶ Reduce Displacement and High Rent Burdens with 3P Approach
- ▶ Reduce Housing Insecurity
  - ▶ Eviction Moratorium Tenant & Landlord Education
  - ▶ UPENN Micro Pulse Tenant & Landlord Survey
- ▶ Address Racialized Impacts of Housing Crisis
  - ▶ 63% of African American Oaklanders Rent Burdened
  - ▶ 70% of Homeless Population African American



## CITYWIDE HOUSING NEEDS

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### Citywide Need:

- ▶ 2015-2023 RHNA: **2,059** Units for Very Low Income (VLI) Households

source: <https://www.hcd.ca.gov/community-development/housing-element/index.shtml>

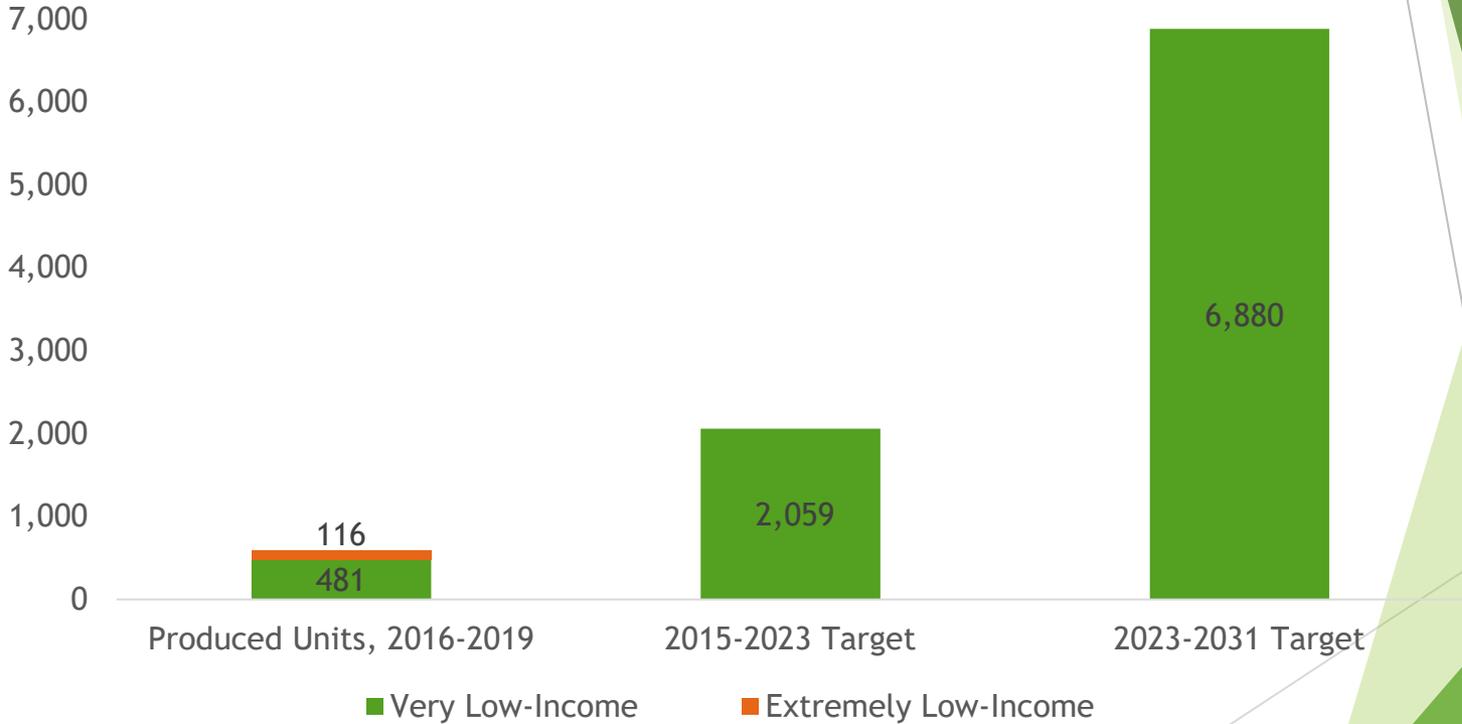
- ▶ 2023-2031 Draft RHNA: **6,880** Units for Very Low Income Households

- ▶ **4,071** Homeless Residents as of 2019 (Source: [2019 Point In Time Count](#))



# CITYWIDE HOUSING NEEDS

## Citywide RHNA Targets vs. Production Very Low-Income Units



## CITYWIDE HOUSING CHALLENGES

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### Affordable Housing Challenges:

- ▶ Insufficient State & Federal Funds
  - ▶ There is only funding available to meet 10% of California's RHNA targets for Affordable Housing
- ▶ Insufficient Local Funds
  - ▶ Measure KK funds & Impact Fees almost exhausted
  - ▶ Shortage of housing vouchers, operating subsidies
- ▶ Escalating construction costs

Source: <https://www.lewis.ucla.edu/research/flawed-law-reforming-california-housing-element/>

Source: [http://turnercenter.berkeley.edu/uploads/Hard\\_Construction\\_Costs\\_March\\_2020.pdf](http://turnercenter.berkeley.edu/uploads/Hard_Construction_Costs_March_2020.pdf)



## CITYWIDE HOUSING CHALLENGES

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### Affordable Housing Challenges:

- ▶ PATH Framework identifies need for **\$123M** annually to address homelessness, including **\$77M+** annually on housing subsidies
  - ▶ Current Budget dedicates **\$14.4 Million** annually to address homelessness and **\$38.7 Million** annually for affordable housing
- ▶ Projects typically require \$100,000+ *per unit* in local subsidy to reach completion
  - ▶ This would require **\$86M+ annually** to reach 2023-2031 RHNA affordable housing targets



## CITYWIDE HOUSING RESOURCES

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### Local Resources:

- ▶ Bond Funds
- ▶ Federal HOME Funds
- ▶ Boomerang Funds – funding amount will increase
- ▶ Affordable Housing Impact Fees
- ▶ Jobs/Housing Impact Fees
- ▶ Loan Repayments



## CITYWIDE HOUSING CHALLENGES AND OPPORTUNITIES

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### Covid-19 Recovery and Response

- ▶ Keep Oakland Housed - \$5M
- ▶ Project Homekey Awards - \$20M
  - ▶ 2 Projects
  - ▶ ~163 Units
  - ▶ Units targeted to homeless
- ▶ Affordable Housing Operator and CBO Grant Program  
\$1.5M



## CITYWIDE HOUSING CHALLENGES AND OPPORTUNITIES

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### Clifton Hall, Operation Homekey Recipient



- ▶ 42 Units - Permanent Supportive Housing
- ▶ 20 Units - Shelter
- ▶ Robust Services



## CITYWIDE HOUSING GOALS AND STRATEGIES

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- ▶ Affordable Housing Production and Preservation
  - ▶ ~\$63M awarded in five funding rounds in FY 2019-2020
  - ▶ 11 projects (including 3 rehabs) currently under construction
  - ▶ Focus Areas:
    - ▶ New Construction
    - ▶ Preservation and Rehab of Existing Affordable Housing
    - ▶ Acquisition & Conversion of Market Rate Units to Affordable Housing
  - ▶ Managing Existing Portfolio of 115 City-assisted properties



## CITYWIDE HOUSING GOALS AND STRATEGIES

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- ▶ Affordable Housing Production and Preservation:
  - ▶ New Construction Priorities:
    - ▶ Levels of Affordability, Development Team Experience, Financial Feasibility and Project Readiness
    - ▶ Access to Amenities, Transit, Geographic Equity and Contribution to Community Plans
    - ▶ Sustainable Building, Space for Artists and Non-profits
  - ▶ Rehabilitation Priorities: Urgency of need, extension of affordability agreements, depth of affordability restrictions



## CITYWIDE HOUSING GOALS AND STRATEGIES

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- ▶ Affordable Housing Production and Preservation:
  - ▶ Acquisition/Conversion Priorities:
    - ▶ Depth of Affordability
    - ▶ Responding to Code Compliance Issue/Increased Quality of Housing for Tenants
    - ▶ Anti-displacement
    - ▶ No Existing Tenants Evicted
    - ▶ \$12 Million Set-aside for Coops and Community Land Trusts



## CITYWIDE HOUSING GOALS AND STRATEGIES

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### **New Restricted Affordable Units in Construction:**

- ▶ 612 units City-wide with City Funding/Affordability Restrictions (150 Permanent Supportive Housing (PSH) for homeless)
- ▶ Additional >300 senior affordable units in E. Oakland without City funds (unusual)
- ▶ Density Bonus/Affordable Housing Impact fee waiver units

**Rehabilitation Units in Construction:** 3 projects, two downtown (289 units, with 78 PSH units)

**Acquisition Deals Closed:** five projects throughout the City (+ Downtown SRO acquisition scheduled this month)



## CITYWIDE HOUSING GOALS AND STRATEGIES

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### **Additional Preservation and Protection Activities:**

- ▶ Residential Lending: 1-4 unit owner-occupied rehabs, and a new Accessory Dwelling Unit initiative
- ▶ Rent Adjustment and Tenant Protection Ordinances
- ▶ CDBG
- ▶ Housing Resource Center



## CITYWIDE HOUSING OPPORTUNITIES

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### **New Opportunities:**

- ▶ Adjustments to development impact fees
- ▶ Increased County, State, and private funding sources
- ▶ Alternative construction and financing models for affordable units



## CITYWIDE HOUSING STRATEGY

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▶ Questions?



## DOSP HOUSING STRATEGY

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**Housing Goal:** Ensure sufficient housing is built and retained to meet the varied needs of current and future residents.

- ▶ Housing Diversity & Affordability
- ▶ Homelessness & Displacement
- ▶ Eliminating racial disparities in housing outcomes

### **Draft Plan Unit Targets:**

- ▶ Total projected housing units: 29,100
- ▶ Affordable housing units: Goal of 4,365 to 7,275 (15-20% of total projected units)



### Key Policy & Implementation Revisions

- ▶ Focus on “Housing & Homelessness” & revising affordability level targets to focus on 30% of Area Median Income (AMI)
- ▶ Pre-adoption housing funding analysis study



## DOSP HOUSING IMPLEMENTATION STRATEGY: KEY UPDATES

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### Focus on “Housing & Homelessness” & revising affordability level targets to focus on 30% of AMI

- ▶ Targets previously based on RHNA
- ▶ Homeless population: below 20-30% AMI
- ▶ Focus funds below 30%, then re-assess over the span of the Downtown Plan
- ▶ Addresses disparities in housing cost burden, homelessness & displacement



## DOSP HOUSING IMPLEMENTATION STRATEGY: KEY UPDATES

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### Pre-adoption housing funding analysis, to study:

- ▶ Five-year impact fee review
- ▶ Economic feasibility study to assess increases to impact fees and/or supplemental downtown impact fee
- ▶ Increase to jobs/housing impact fee
- ▶ Downtown inclusionary requirement
- ▶ Options for an Enhanced Infrastructure Financing District (EIFD)
- ▶ Equity assessment of impacts of directing impact fee funds to downtown vs. applying them citywide



## NEXT STEPS

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### **Plan & EIR:**

- ▶ Revise to respond to public comments and address changes due to COVID-19

### **Implementation Actions**

- ▶ Develop draft of zoning (including incentive & transfer of development rights programs)
- ▶ Initiate housing funding study

### **CAG**

- ▶ Review draft zoning amendments in early 2021



## DISCUSSION: HOUSING IMPLEMENTATION STRATEGY

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### Questions

- ▶ Do you have any questions about the DOSP implementation strategy?
- ▶ Have we missed any near-term implementation strategies that should be completed or underway concurrently with adoption?



# THANK YOU!

Send additional questions or input to  
[plandowntownoakland@oaklandca.gov](mailto:plandowntownoakland@oaklandca.gov)

View the Draft Downtown Oakland Specific Plan and related info at:  
<https://oaklandca.gov/topics/downtown-oakland-specific-plan>

