



# MEMORANDUM

**TO:** Planning Commission

**FROM:** Planning and Building  
Department - Strategic  
Planning Division

**SUBJECT:** Summary of ADU Affordability  
Survey

**DATE:** June 13, 2025

## SUMMARY

The City of Oakland Strategic Planning Division conducted a survey from February 5, 2024 to March 5, 2024 to gather information from property owners who built an Accessory Dwelling Unit (ADU) and/or Junior Accessory Dwelling Unit (JADU) between 2018 and 2023. The goal of the survey was to better understand the affordability of rents for ADUs/JADUs in Oakland and conduct the first of two surveys required by Action 3.2.6: Monitor Affordability of Permitted ADUs, in the [6th Cycle Housing Element \(HE\)](#).

The initial survey received 128 responses – an 11% survey response rate - and represents a total of 142 ADUs/JADUs, as some survey respondents reported building more than one unit between 2018 and 2023. In light of the low response rate, all conclusions drawn from this survey are considered preliminary. The City plans to augment the data gathered through this survey via a supplemental survey, which will run by the end of 2025. Because staff did not have the capacity to run a second survey before the Annual Progress Report was due, the Association of Bay Area Governments (ABAG) estimates of ADU affordability<sup>1</sup> were used for the 2024 Housing Element Annual Progress Report (APR). ABAG estimates affordability as follows: 30% Very Low Income, 30% Low Income, 30% Moderate Income, 10% Above Moderate Income.

The City will conduct a second survey in late 2025 to assess whether ADU production and affordability is in alignment with 6th Cycle Housing Element projections, as required by HE Action 3.2.6.

## BACKGROUND

Action 3.2.6 of the 2023-2031 Housing Element<sup>2</sup> states the following:

*Based on a recent online survey conducted by the City as well as data provided by the Association of Bay Area Governments, the Appendix C Sites Inventory estimates that ADUs produced from 2023 to 2031 will have the following projected affordability levels: 35 percent affordable to very low-income households, 35*

<sup>1</sup> "Using ADUs to Satisfy RHNA" ABAG Technical Memo: <https://abag.ca.gov/tools-resources/digital-library/adus-projections-memo-finalpdf>.

<sup>2</sup> [https://cao-94612.s3.us-west-2.amazonaws.com/documents/Oakland-Adopted-Housing-Element-Ch-1-4-21023\\_2023-02-17-213804\\_ddow.pdf](https://cao-94612.s3.us-west-2.amazonaws.com/documents/Oakland-Adopted-Housing-Element-Ch-1-4-21023_2023-02-17-213804_ddow.pdf)

*percent affordable to low-income households, and 30 percent affordable to moderate-income households. Based on a total projected ADU production of 1,978 units through 2031, the City has estimated that ADU construction will result in the creation of 692 very-low-income units, 692 low-income units, and 593 moderate-income units.*

*To ensure that Oakland's ADU production aligns with these projections, the City will send a survey to the property owners of ADUs that received a certificate of occupancy within the prior two-year period requesting information on household size and rents charged for these recently constructed ADUs. If the survey identifies a shortfall in the numerical affordability production projections, within six months of the survey report being published the City will provide to the Planning Commission a report summarizing the survey report and identifying additional actions that can be taken to either increase the production of affordable ADUs, and/or proposing other rezoning programs that will enable additional affordable housing production to fill any identified affordable housing production shortfall.*

Action 3.2.6 sets an objective for the City to “produce on average 86.5 very-low-income ADUs, 86.5 low-income ADUs, and 74 moderate-income ADUs per year.”

Pursuant to the action, the City conducted a survey in the first quarter of 2024 (from February 6, 2024 to March 5, 2024) and is presenting the results to Planning Commission.

### **INFORMATION**

The ADU affordability survey provides initial insights into the affordability levels of Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) built across the City in the past five years. The City of Oakland Strategic Planning Division conducted a survey from February 5, 2024 to March 5, 2024 to gather information from property owners who built an Accessory Dwelling Unit (ADU) and/or Junior Accessory Dwelling Unit (JADU) between 2018 and 2023. The survey was sent to 1,187 property owners who built ADUs and we received 128 responses – a 10.8% survey response rate - and represents a total of 142 ADUs/JADUs, as some survey respondents reported building more than one unit between 2018 and 2023. Only about 60% of survey respondents included rent information in their survey response.

The survey was distributed directly via email to applicants who received a building permit for an ADU or JADU between 2018 and 2023. A postcard mailer with survey information was sent directly to the property owner's mailing address on file. As an incentive to answering the survey, the ADU owner was told in the email and postcard that a raffle drawing would be held where six survey respondents selected at random would win a \$50 gift card to a local Oakland restaurant. After we received the survey responses the raffle was conducted and the six gift cards were emailed to the winners.

The City will continue to track Oakland's ADU production, usage, and affordability levels to ensure it aligns with 6th Cycle Housing Element projections.

A note on affordability levels - Respondents to this survey were asked to share the monthly rent they are charging for their ADU/JADU, how many bedrooms the unit has, and what utilities are

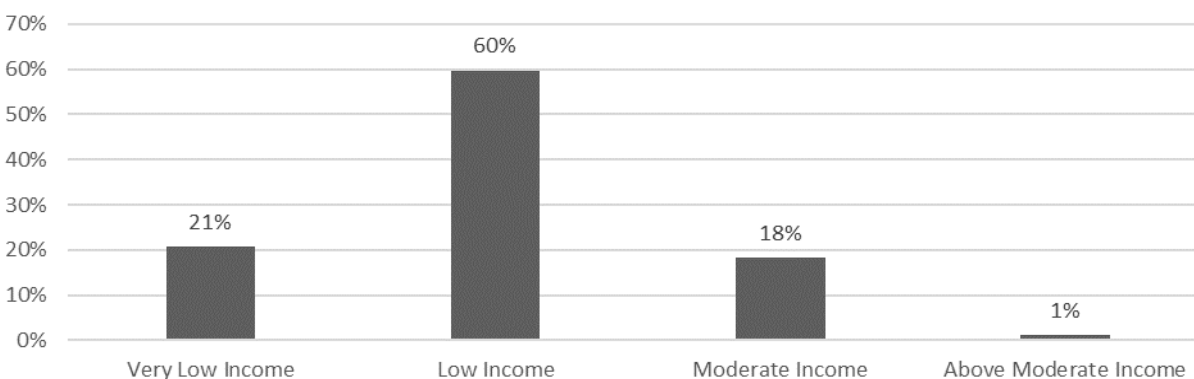
included in the overall rent. Using this information, affordability levels were then determined through the following process:

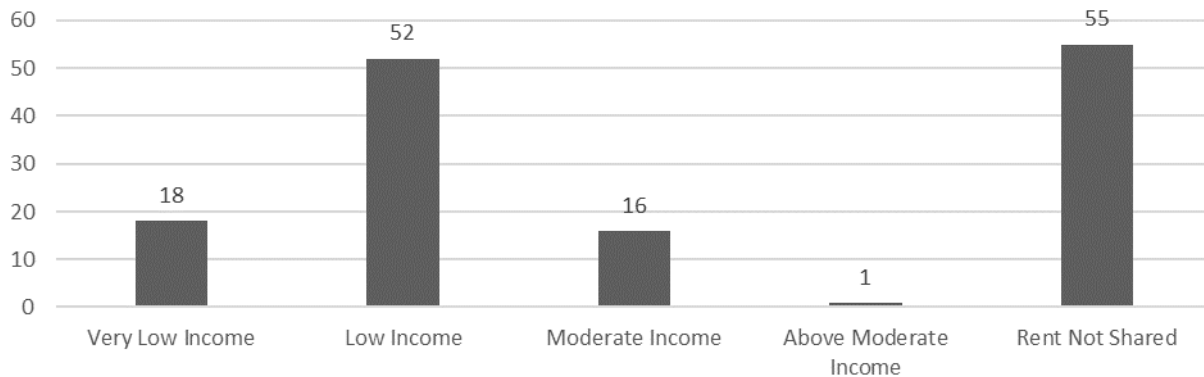
- Using [Oakland Housing Authority's \(OHA's\) Apartment Standard Monthly Utility Allowance Schedule](#), allowances were assigned to each utility. Allowances were assigned as follows:
  - Gas utilities include costs associated with heating, cooking and hot water.
  - Electricity utilities include costs associated with lighting.
  - Only utilities included on OHA's Standard Monthly Utility Allowance Schedule were subtracted from the rent.
- Next, for qualifying utilities included in the total rent cost, the allowance was subtracted from the total rent cost resulting in the monthly cost of rent before utilities.
- The monthly cost of rent before utilities, the number of bedrooms, and the county (Alameda County) were put into the [Housing Affordability Calculator](#) from California's Department of Housing and Community Development to determine final affordability levels - extremely low income, very low income, low income, moderate income, and above moderate income. All affordability levels were calculated based on 2024 standards.
- Extremely low income and very low-income affordability levels were then combined to align with Housing Element Table 3-2: Summary of Residential Capacity to Accommodate the 2023-2031 Oakland RHNA. All units within one of these two affordability categories are referred to as "very low-income" throughout this document.

## Preliminary Findings

Respondents did not share the monthly rent for about 40% of the units that were reported on through the survey, which made it difficult to understand how ADUs/JADUs are impacting Oakland's affordable housing stock. However, the information gathered through the survey suggests that ADUs/JADUs built in the past 5 years add to the supply of below market rate housing in Oakland. Based on the units with reported rents, as shown in **Table 1** almost 21% (18 units) qualify as very low-income, almost 60% (52 units) qualify as low-income, 18% (16 units) qualify as moderate-income, and 1% (1 unit) qualifies as above moderate-income. Respondents to the survey identified 142 rental units, but did not share monthly rents for 55 of these units as shown in **Table 2**.

**Table 1: Affordability Levels of ADUs (percentage of units with reported rents)**



**Table 2: Affordability Levels of ADUs (number of all units)**

For the 87 units for which rents were provided, rents (after accounting for utilities<sup>3</sup>) ranged from \$467 for a studio to a pair of vacant three-bedroom units listed for \$4,404 each. The median rent was \$1,854.

While the affordability mix documented through the survey does not align with the target affordability mix established by the Housing Element (35% affordable to very low-income households, 35% affordable to low-income households, and 30% affordable to moderate-income households), it is notable that the reported rent for only 1 unit out of 87 units with reported rents qualified as Above Moderate-Income. The remaining 86 units with reported rents were affordable to very low-, low-, and moderate-income households, suggesting that ADUs are predominantly rented at rates affordable to lower income households. Additional research is needed to confirm these insights through a larger sample size of reported rents.

Based on the responses that were gathered, the following preliminary insights emerge:

1. Single-Family Category 1 and 2 ADUs were the most common type of ADU constructed between 2018 and 2023.
2. One-Bedroom units provide the most units affordable to very low-income and low-income households. Two-bedroom ADUs provided the most units affordable to moderate-income households.
3. Units affordable to lower income households are rented both through the open market and through the personal networks of ADU owners.
4. ADUs affordable to very low- and low-income households are concentrated in the 94602 zip code (Dimond). This zip code also had the highest concentration of ADUs reported through the survey.

<sup>3</sup> Utilities were accounted for using the process described on page 3 of this memo. If a respondent indicated gas as a utility included in the rent price, the unit size-based allowance included on the [Oakland Housing Authority's Apartment Standard Monthly Utility Allowance Schedule](#) for gas-powered heating, cooking, and hot water were subtracted from total rent price. If a respondent indicated electricity as a utility included in the rent price, the unit size-based allowance for electric lighting was subtracted for the total rent price. Unit size-based allowances for garbage and water were also subtracted as appropriate.

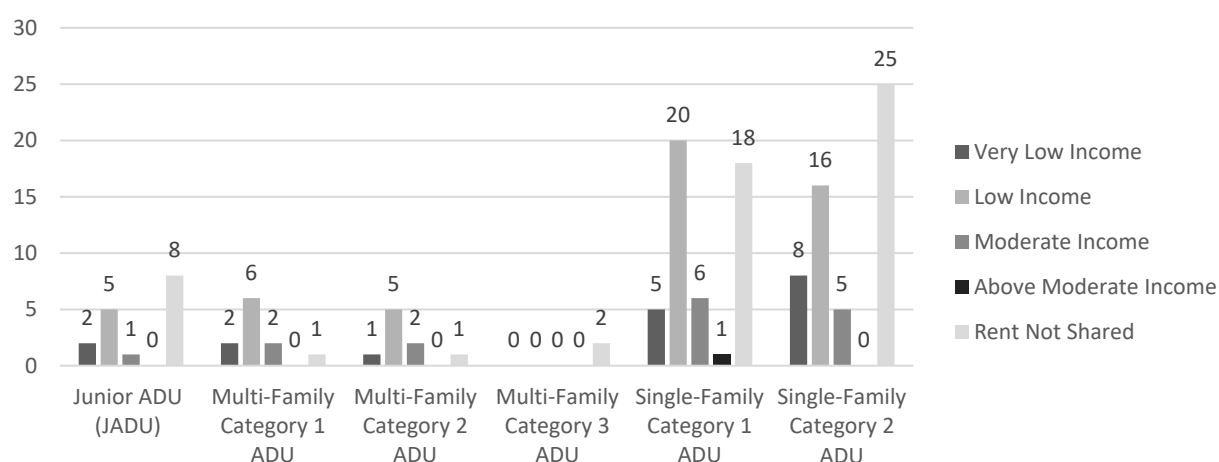
## Discussion of Preliminary Findings

### 1. Single-Family Category 1 and 2 ADUs were the most common type of ADU constructed between 2018 and 2023.

73% of survey respondents built a Single-Family Category 1 or 2 ADU, nearly 16% of respondents built Multi-Family Category 1, 2, and 3 ADUs, and 11% built a JADU. Definitions of ADU categories can be found on Oakland's [ADU webpage](#).

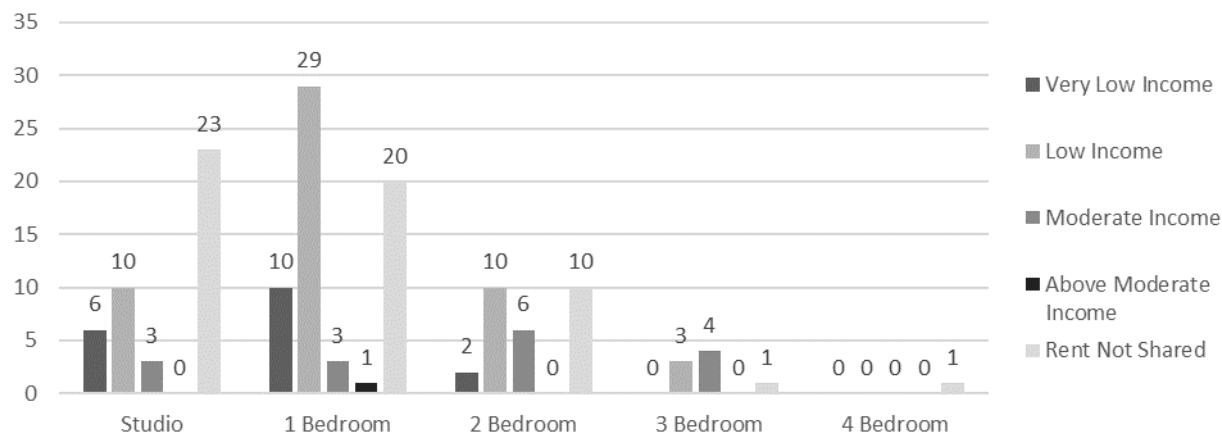
As shown in **Table 3** Single-Family Category 1 and 2 ADUs have the most units affordable to Very Low-Income (13 units), Low-Income (35 units), and Moderate-Income (12 units) households in absolute terms.

**Table 3: Affordability of Units based on ADU Category**



### 2. One-Bedroom units provide the most units affordable to very low-income and low-income households. Two-bedroom ADUs provided the most units affordable to moderate-income households.

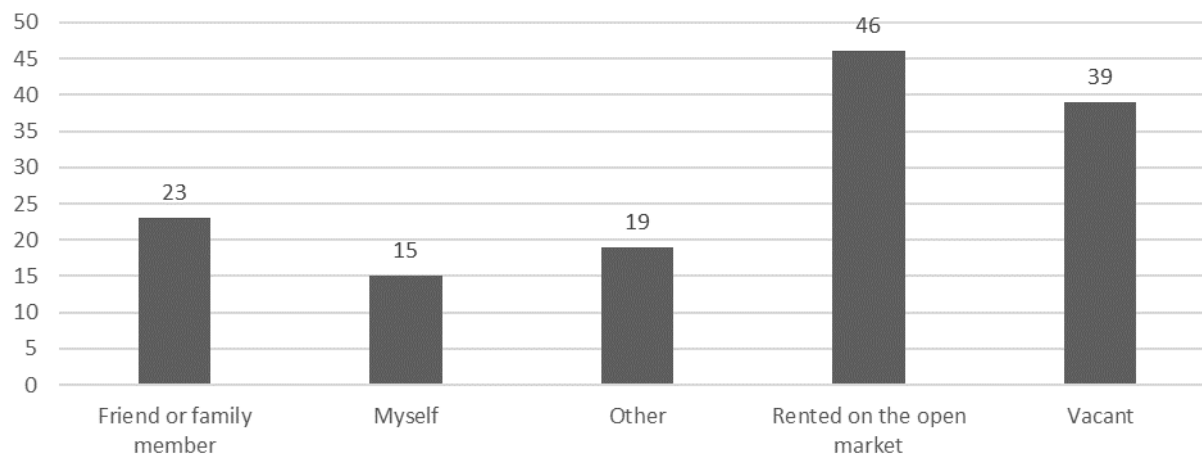
44% of reported units (63 units) are one-bedrooms, 30% (42 units) are studios, 20% (28 units) are two-bedrooms, and 6% (9 units) are three or four-bedrooms. Analysis of survey responses reveals that rents affordable to moderate- and lower-income households were offered at recently constructed studio, one-bedroom, two-bedroom, and three-bedroom ADUs. Only one four-bedroom ADU was reported on the survey and the rent was not provided for that unit, so further analysis is needed to understand the trends in affordability of units of this size. As shown in **Table 4** one-bedroom ADUs provided the most units affordable to very low- and low-income households. Two-bedroom ADUs provided the most units affordable to moderate-income households.

**Table 4: Affordability of Units Based on Size of ADU**

While these findings are limited by the sample size of survey responses and the high number of units within each size category that rents were not shared for, the low number of units with two or more bedrooms suggests that ADUs are not providing housing solutions for larger households.

### 3. Units affordable to lower income households are rented both through the open market and through the personal networks of ADU owners.

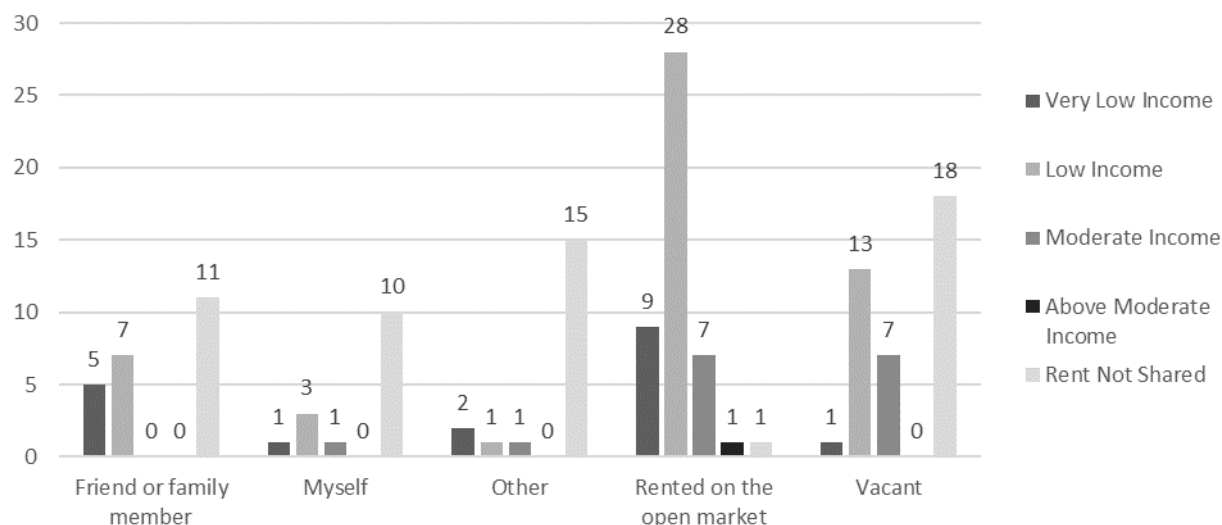
The survey asked respondents to provide information on who currently lives in their ADU(s). Response options to this question were: Friend or family member, Myself, Other (with write-in option), Rented on the open market, or Vacant. As shown in **Table 5**, just over 32% of units (46 units) reported through the survey are rented on the open market, about 27% (39 units) are vacant, about 16% (23 units) are rented to friends or family of the ADU owner, about 13% (19 units) are used for other purposes, and nearly 11% (15 units) are inhabited by the ADU owner themselves.

**Table 5: Total Units Based on Use**

As shown in **Table 6**, units rented on the open market provide the most units available to moderate-, low-, and very low-income households. Units rented to friends or family members

and units that are currently vacant but that are intended to be rented also provide units affordable to moderate- and lower-income households. Notably, units rented on the open market provided the most robust rent data. Rent was not provided for only 2% of all units rented on the open market (1 unit) compared to an average of 60% (13.5 units) across all other categories.

**Table 6: Affordability of Units Based on Use**



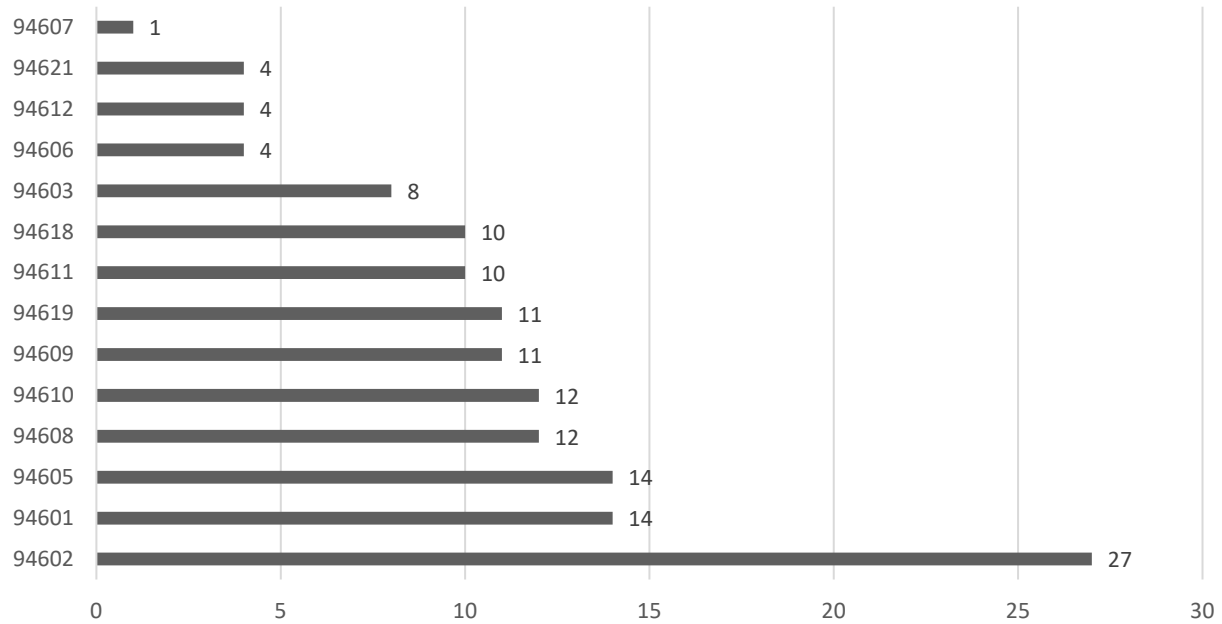
The design of the survey masks why rents were not shared, making it challenging to understand whether rents are charged to tenants but were not shared via the survey, or whether the ADU owner does not intend to charge rents for their ADU. Similarly, for ADUs used by the ADU owner and those used for other uses, it is not clear whether the rent, when listed, is for housing or for some other purpose. Supplemental questions could be added to future surveys to address this lack of clarity.

**4. ADUs affordable to very low- and low-income households are concentrated in the 94602 zip code. This zip code also had the highest concentration of ADUs reported through the survey.**

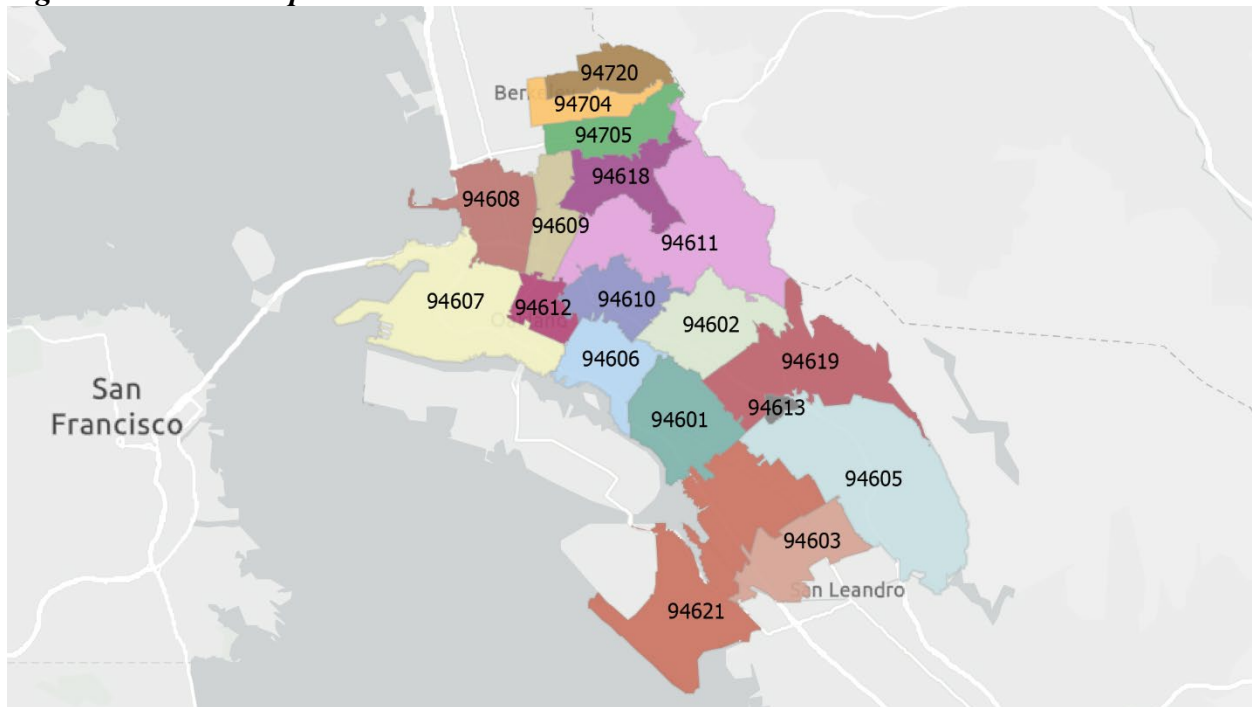
ADUs reported through the survey were located throughout Oakland. However, ADUs were not distributed evenly. As shown in **Table 7**, the highest number of ADUs reported (19% of all reported ADUs, or 27 units) was in the 94602 zip code (Dimond, Upper Dimond). The lowest number of ADUs reported (less than 1%, or 1 unit) was in the 94607 zip code (Prescott, Jack London Square, Chinatown).

More than 10 units were reported in the 94601 zip code (Fruitvale), the 94605 zip code (Eastmont), the 94608 zip code (Longfellow, Golden Gate), the 94610 zip code (Adams Point, Grand Lake), the 94609 zip code (Temescal), and the 94619 zip code (Maxwell Park, Laurel).

**Table 7: Total Number of Units per Zip Code**



**Figure 1: Oakland Zip Codes**



The 94602 zip code had the most units affordable to very low-income and low-income households of all zip codes with ADUs reported through the survey, hosting 33% (6 units) of all very low-income ADUs and nearly 16% (8 units) of all low-income ADUs. Zip codes 94608, 94610, and 94618 tied for the most moderate-income ADUs, with each hosting almost 18% (3



units) of all units affordable to moderate-income households. The 94602 zip code also has the most units for which the rent was not shared (21%, 12 units).

### **Conclusion**

The responses gathered through this initial survey show that when ADU/JADU owners do charge rent, that rent tends to be affordable to moderate- and lower-income households, suggesting that ADUs/JADUs are well suited to serve lower income households.

Single family-ADUs were the most common type of ADU that we received survey responses from. Given the low number of responses from multi-unit ADUs, staff can try to get more survey results from multi-unit ADU owners to get a better understanding of rents for that ADU category. Given that 39 units of the 142 units surveyed were vacant, a future question as to why it is vacant may be informative. Is the vacancy because the homeowner is choosing not to rent it and if so, what is deterring them from renting it? Or is it vacant because they are having a hard time finding a tenant? Should the city explore incentives or ways to help ADU/JADU owners to rent their units as a strategy to increase the supply of affordable units?

The reliability of these findings is limited by the high number of ADUs/JADUs reported on through the survey for which rent prices were not included. Thus, these insights will be validated through a supplemental survey, which will run before the end of 2025.

Based on the survey responses gathered through the initial ADU Affordability survey, recently constructed ADUs in Oakland exceed the affordability goals established by Action 3.2.6 of the Housing Element. Based on units for which rent was reported, production of lower-income ADUs exceeds the 70% target, with 59% low-income ADUs plus 20% very low-income ADUs. This means only 20% of ADUs reported moderate-income rents and 1% above-moderate income rents, which is below the 30% target for higher-income units. Therefore, the intent of increasing the supply of affordable housing through construction of ADUs/JADUs is supported by the findings of this initial survey.

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