



AGENDA REPORT

TO: Honorable City Council

FROM: Mayor Libby Schaaf;
Councilmember Dan Kalb;
and President Pro Tempore
Sheng Thao

SUBJECT: Termination of RV Pilot Program

DATE: October 15, 2021

RECOMMENDATION

We respectfully request that the City Council adopt of the following:

Ordinance Amending Section 5.72.190 of the Oakland Municipal Code (OMC) To Terminate The Recreational Vehicle (RV) On Undeveloped Property Pilot Program On December 31, 2021; And Making California Environmental Quality Act Findings

EXECUTIVE SUMMARY

Last year the City Council created the Recreational Vehicle (RV) On Undeveloped Property Pilot Program to allow the residential occupancy of one RV on vacant private lots. The program was intended to be a temporary, short-term program. We are proposing to modify the Pilot Program to end it at the end of this year. The Pilot Program is no longer necessary if the City Council adopts the proposed Construction Innovation and Expanded Housing Options Ordinance (proposed separately and concurrently), which would create a permanent and more comprehensive program to allow residential occupancy of RVs, including one or more RVs on vacant or developed private lots, subject to specific standards in the Planning Code.

BACKGROUND / LEGISLATIVE HISTORY

On July 28, 2020, the City Council adopted Ordinance No. 13611 C.M.S. to create the RV On Undeveloped Property Pilot Program, codified as Chapter 5.72 of the Oakland Municipal Code. The Pilot Program allows residential occupancy of no more than one RV on a vacant private lot subject to an annual permit. The Pilot Program was created to provide a safe, sanitary, and legal way for people to live in RVs and to provide benefits to property owners since hosting an RV on vacant land would exempt them from the City's vacant property tax.

Applicants under the Pilot Program are required to demonstrate that there is adequate water supply, wastewater disposal, and power supply to serve the RV; there are no specific utility standards except that fuel-powered generators are prohibited.

Permits issued under the Pilot Program are not considered a land use entitlement; permit holders are required to renew their permit every year. The program is administered by the Special Activities Unit, previously in the City Administrator's Office and now in the Economic and Workforce Development Department. The program is currently set to expire in July 2023, three years after adoption.

CED Committee
October 26, 2021

PROPOSAL

We are proposing a separate ordinance – the Construction Innovation and Expanded Housing Options Ordinance – to promote construction innovation in Oakland and expand the types of housing options available to residents with the goal of reducing the cost of housing in the city. Among other things, the Construction Innovation and Expanded Housing Options Ordinance would amend the Planning Code to allow residential occupancy of RVs on private property. The ordinance is more comprehensive than the Pilot Program because it would authorize residential occupancy of one or more RVs on a lot (subject to the density limitations in the zoning regulations), allow RVs on vacant or developed lots, and provide a land use entitlement to the property owner to establish a permanent property use without the need to renew a permit every year.

The development of the Construction Innovation and Expanded Housing Options Ordinance was informed by the results of the Pilot Program. To date, the City has received three permit applications and issued three permits under the Pilot Program. The Pilot Program's popularity is limited due to a variety of factors. Property owners may be reluctant to absorb the cost and liability to initiate hosting an RV if the program is limited in duration and only one RV is allowed. Also, vacant lots often do not have existing utilities on site and contracts for off-site services (water supply, wastewater disposal, etc.) can be expensive over time. The proposed Construction Innovation and Expanded Housing Options Ordinance addresses these issues by allowing one or more RVs on vacant or developed lots on a long-term/permanent basis.

The Pilot Program is no longer necessary if and when the City Council adopts the Construction Innovation and Expanded Housing Options Ordinance. Maintaining the Pilot Program after the adoption of the new program could cause unnecessary confusion for the public and unnecessary City bureaucracy in administering two programs. Therefore, we are proposing to amend the Pilot Program so that it expires at the end of this year. The last day to be issued a permit under the Pilot Program would be December 31, 2021.

For more information on the Construction Innovation and Expanded Housing Options Ordinance, please see the proposed ordinance and accompanying agenda report (published separately).

KEY ISSUES / ANALYSIS

Existing Pilot Program Applicants/Permits

As stated above, to date, the City has received three permit applications and issued three permits under the Pilot Program. If the Pilot Program is amended to expire after December 31, 2021, permits issued prior to the expiration will remain valid for one year from the date of issuance, but they could no longer be renewed. This would give current permit holders time to apply for approval under the new program if interested.

Current Pilot Program permit holders seeking approval under the new program would need to meet all applicable standards and apply for approval. The proposed utility connection requirements in the Construction Innovation and Expanded Housing Options Ordinance are more rigorous than the Pilot Program because the Construction Innovation and Expanded Housing Options Ordinance authorizes long-term/permanent residential occupancy of an RV while the Pilot Program only authorizes RVs for residential use on an annual basis.

All three permits issued under the Pilot Program to date are for sites that were previously developed but are currently vacant. Existing utilities are located on-site making service connections to the RVs more convenient. The RVs will be connected to the municipal water and power grid. While one of the RVs will also be connected to the municipal sewer system, two RVs will be serviced by on-site portable toilets (porta potties). When the one-year permits under the Pilot Program expire, if the property owners wish to apply under the new program, they will need to comply with the proposed requirements of the Construction Innovation and Expanded Housing Options Ordinance. The sites with porta potties would need to connect to the municipal sewer system. Initially, porta potties are less expensive than connecting to the municipal sewer system but over time the cost of contracts for companies to service the porta potty will exceed the cost of connecting to the sewer system.

The initial upfront City permit cost under the Pilot Program is \$650, which includes an initial one-time \$150 application fee and \$500 annual renewal fee. The estimated City fees under the Construction Innovation and Expanded Housing Options Ordinance could vary substantially based on the number of RVs and other factors. For comparison purposes, the estimated initial upfront City permit cost under the new program for one RV would be approximately \$998, which includes an initial one-time \$294 application fee, \$324 installation inspection fee, \$324 operation and maintenance inspection fee, and \$56 address fee. These costs under both programs do not include City permit fees for utility connections or fees of other public agencies, which would be in addition to the fees above and expected to be the same under each program. The initial application cost under the new program (\$998) would exceed that of the Pilot Program (\$650) but the Pilot Program includes a \$500 annual renewal fee while the new program would not include a renewal fee. Therefore, after the first year, the new program would be less expensive for the applicant than the Pilot Program.

PUBLIC OUTREACH

A broad range of community stakeholders was engaged during the development of the proposed Construction Innovation and Expanded Housing Options Ordinance. We received community feedback that included a recommendation to end the Pilot Program to minimize confusion for the public. In researching the Pilot Program, we talked to the three permit holders under the Pilot Program. All permit holders expressed interest in applying for approval under the new program if adopted, after their current temporary permit expires in one year.

COORDINATION

The proposed Construction Innovation and Expanded Housing Options Ordinance was developed by the offices of Mayor Schaaf and Councilmembers Kalb and Thao in consultation with the City Administrator's Office, the Office of the City Attorney, the Planning and Building Department, the Fire Department, the Housing and Community Development Department, the Human Services Department, and Oakland Public Works. The proposal to end the Pilot Program was discussed with the staff from the Special Activities Unit that administers the program.

ACTION REQUESTED OF THE CITY COUNCIL

We respectfully request that the City Council adopt the proposed ordinance to modify the RV Pilot Program to end it at the end of this year if the City Council adopts the proposed Construction Innovation and Expanded Housing Options Ordinance.

For questions regarding this report, please contact Darin Ranelletti, Policy Director for Housing Security, Office of the Mayor, at (510) 238-3460 or dranelletti@oaklandca.gov.

Respectfully submitted,



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Mayor



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