



AGENDA REPORT

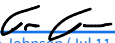
TO: Jestin D. Johnson
City Administrator

FROM: Emily Weinstein
Director, Housing and
Community Development

SUBJECT: Prohousing Designation Renewal
Application

DATE: July 9, 2025

City Administrator Approval


Jestin Johnson (Jul 11, 2025 09:22 PDT)

Date: Jul 11, 2025

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To Apply For And Enter Into, Execute, And Deliver All Documents Required Or Deemed Necessary For Participation In The State Of California's Prohousing Designation Program

EXECUTIVE SUMMARY

This proposed resolution will authorize the City Administrator to submit an application to renew the "Prohousing Designation" for the City of Oakland (City) from the State of California's Department of Housing and Community Development (State HCD). The City previously received the Prohousing Designation in December 2022 and was the first community in the Bay Area to be so honored. Prohousing Designations require periodic renewal applications, and this renewal will cover a 3-year period. Continued participation in the Prohousing Designation will provide a scoring advantage for Oakland applications for several housing and housing-related statewide funding programs. Continued participation in the Prohousing Designation Program will also make the City eligible to apply for funding from the Prohousing Incentive Program.

BACKGROUND / LEGISLATIVE HISTORY

The Prohousing Designation Program was created as part of the 2019-20 California State Budget. It serves as a voluntary incentive for cities to adopt housing-friendly policies that go beyond the requirements of state law. Cities that are certified by the State of California as "Prohousing" benefit from extra points in several competitively scored funding opportunities. The list of such funding opportunities includes the [Affordable Housing & Sustainable Communities \(AHSC\) program](#), the [Infill Infrastructure Grant \(IIG\) program](#), the [Transformative Climate Communities \(TCC\) program](#), the [Transit and Intercity Rail Capital Program \(TIRCP\)](#), the [Solutions for Congested Corridors Program](#), the [Local Partnership Program](#), the [CalHome Program](#), and the [Sustainable Transportation Planning Grant Program \(STPG\)](#). The Affordable Housing & Sustainable Communities program directly funds affordable housing development, while the Infill Infrastructure Grant and Transformative Climate Communities programs both fund public infrastructure. The Transit and Intercity Rail Capital Program funds are available to

support transit, such as BART or the Bay Ferry system. The Solutions for Congested Corridors Program, Local Partnership Program, and the Sustainable Transportation Planning Grant Program are all transportation funding programs. The CalHome program funds homeownership and home rehabilitation efforts. While it is difficult to predict the precise benefit, this designation will make Oakland more competitive for hundreds of millions of dollars in state funding.

In addition to the funding program where the Prohousing Designation provides an advantage, the State operates a dedicated funding program reserved for Prohousing communities known as the [Prohousing Incentive Program](#).

To qualify for the Prohousing Designation, cities and counties must be in current compliance with all state housing laws and adopt additional policies or procedures that support the production and preservation of housing. The application offers a menu of potential policies that a local government can claim credit for adopting or pledging to adopt within the next two years. These includes zoning related policies (such as reducing parking requirements), procedural practices (such as providing a standardized development application), and funding activities (such as directing former redevelopment funds towards affordable housing). Based on the number and type of policies adopted, applicants must meet a minimum threshold of points to qualify for the designation.

The City Council authorized the City's initial application for the Prohousing Designation via Resolution [No. 89197 C.M.S.](#) on May 17, 2022. The City's Prohousing Designation was publicly announced by State HCD in December 2022. The City Council subsequently authorized staff to apply for \$2.39 million from the Prohousing Incentive Program via Resolution [No. 89637 C.M.S.](#) on March 21, 2023. The City subsequently received a \$2.39 million award from the Prohousing Incentive Program, which was dedicated to capitalized service reserves for deeply affordable housing. Staff subsequently applied for Round 2 and Round 3 competitions for the Prohousing Incentive Program (as authorized by Resolution [No. 90129 C.M.S.](#) and Resolution [No. 90560 C.M.S.](#), respectively). As State HCD sought to ensure that each jurisdiction with the Prohousing Designation was awarded funds in each round, the City's Round 2 application was unsuccessful. The results of the Round 3 competition have not yet been announced as of this report's submittal.

ANALYSIS AND POLICY ALTERNATIVES

Due to the visionary leadership of its elected officials, the City has already adopted many Prohousing policies that together would easily qualify the City for continued participation in the Prohousing Designation Program. The City has made substantial financial investments in affordable housing, has streamlined development process, and embraced innovative land use policies across the City. Key policy accomplishments since the original Prohousing application was submitted include:

- Implementation of the Measure U affordable housing bond measure, which led to more affordable housing building permits in 2024 than any other year in the past decade
- Adoption of the S-13 Affordable Housing Overlay, which provides by-right approval, unlimited density, and other benefits to projects affordable up to 120% of Area Median Income

- Enactment of Planning Code amendments to significantly increase height and density limits on major corridors across Oakland
- Adoption of code amendments to enable “missing middle” housing by allowing duplexes on all properties and triplex/fourplexes on all but the smallest lots
- Adoption of the Downtown Oakland Specific Plan, which significantly increased maximum feasible heights and densities for several areas
- Adopted objective design standards for 4-6 story projects

Upon approval of this resolution, staff will transmit the City’s application to State HCD. State HCD will respond within 60 days to either approve the designation or request additional information. The application is over-the-counter, and if any modifications in the application need to be made, Oakland can do so without penalty. By making Oakland more competitive for housing- and transportation-related state funding opportunities, this Prohousing Designation renewal application advances the city-wide priority of housing and economic security and the city-wide priority of vibrant, sustainable infrastructure.

FISCAL IMPACT

There is no direct fiscal impact from this item. As mentioned above, participation in the Prohousing Designation Program will have a positive impact on the competitiveness of future applications by the City, other agencies, or affordable housing developers for the Affordable Housing & Sustainable Communities (AHSC) program, the Infill Infrastructure Grant (IIG) program, the Transformative Climate Communities (TCC) program, the Transit and Intercity Rail Capital Program (TIRCP), the Solutions for Congested Corridors Program, the Local Partnership Program, the CalHome Program, and the Sustainable Transportation Planning Grant Program (STPG). According to State HCD staff, Round 4 of the Prohousing Incentive Program is expected to be released in late 2025. By submitting its renewal application in fall 2025, the City should be eligible to compete for this additional funding opportunity.

PUBLIC OUTREACH / INTEREST

As part of the application process, staff plan to share information about the draft application with the Housing Element interest email list maintained by the Planning & Building Department. The City will also post its draft application on its website at least 30 days prior to submission. This posting will take place no later than July 21, 2025 on the webpage:

<https://www.oaklandca.gov/Community/Community-Development/Affordable-Housing-Development/Housing-Policies-Plans-and-Data>. Any members of the public who wish to submit a comment on this draft Prohousing Designation are invited to submit those comments via email to Caleb Smith, Senior Policy Analyst, at csmith4@oaklandca.gov or to physically mail comments to:

City of Oakland Housing & Community Department
Attn: Caleb Smith
250 Frank H. Ogawa Plaza
Suite 5313
Oakland, CA 94612

Comments must be received by Friday, August 22, 2025.

COORDINATION

The Department of Housing and Community Development consulted with the Planning and Building Department on this item, with review by the Budget Bureau and Office of the City Attorney.

SUSTAINABLE OPPORTUNITIES

Economic: The Prohousing Designation would make projects in the City more competitive for hundreds of millions of dollars in state funding. This could lead to increased investment in affordable housing, transit, and other essential infrastructure.

Environmental: Many of the policies identified in Oakland's Prohousing application contain environmental benefits. Policies such as reduced parking requirements, openness to new construction methods, and upzoning near transit have profound benefits in the fight against climate change.


Race and Equity: By making Oakland more competitive for state grant programs, the Prohousing Designation could increase investment in historically disinvested communities and make the City's affordable housing projects more competitive for State funds. All actions taken in connection with the Prohousing Designation must adhere to the City's duty to Affirmatively Further Fair Housing.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To Apply For And Enter Into, Execute, And Deliver All Documents Required Or Deemed Necessary For Participation In The State Of California's Prohousing Designation Program.

For questions regarding this report, please contact Caleb Smith, Senior Policy Analyst at (510) 590-6275.

Respectfully submitted,


Emily Weinstein (Jul 9, 2025 17:40 PDT)

Emily Weinstein
Director, Housing and Community Development

Community & Economic Development Committee
July 22, 2025

Reviewed by:

Sasha Hauswald, Chief Housing Policy Officer

Prepared by:

Caleb Smith, Senior Policy Analyst