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APPROVED AS TO FORM AND LEGALITY


CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION NO. 89341 C.M.S.

INTRODUCED BY VICE MAYOR KAPLAN

A Resolution Directing The City Administrator Or Their Designee To Process And Return To Council With A Planning Code Amendment To Eliminate Parking Requirements For Affordable Housing Projects Of Ten (10) Units Or Less; And Making Appropriate California Environmental Quality Act (CEQA) Findings

WHEREAS, Oakland is facing multiple extraordinary challenges when it comes to meeting its housing needs: the COVID-19 pandemic, gentrification and displacement, high rates of unemployment, and homelessness; and

WHEREAS, though housing affordability is both a regional and statewide issue, it severely impacts Oakland given the relatively high proportions of people needing below-market housing and the high cost of housing in the Bay Area. According to American Community Survey estimates for 2019, a staggering 51 percent of Oakland renters are housing burdened, and 27 percent are severely housing burdened¹; and

WHEREAS, according to the Oakland Housing and Community Development Department's 2021-2023 Strategic Action Plan, over 80 percent of extremely low-income households pay more than 30 percent of their income towards rent, with 46 percent paying over 50 percent of their income towards rent. This statistic points towards a severe lack of deeply affordable housing²; and

WHEREAS, the Regional Housing Need Allocation (RHNA) is the process by which each community in California is assigned its share of the housing need for an eight-year period. As it stands, the City of Oakland has met only 52% of its RHNA goals for very low-income housing, 32% for low-income housing, and 3% for moderate income housing. Overall, this calculates to meeting only 26% of the City's need for affordable housing units - requiring 5,126 more units to be built in order to meet our affordable housing needs³; and

¹ "*Oakland 2045: Environmental Justice and Racial Equity Baseline.*" City of Oakland Planning and Building Department.

² "*City of Oakland Housing & Community Development Department 2021-2023 Strategic Action Plan.*"

³ "*Housing Element Annual Progress Report for Calendar Year 2021.*" City of Oakland Department of Planning and Building, and Department of Housing and Community Development.

WHEREAS, City policy must fervently promote the development of affordable housing, and reduce cost barriers to develop affordable housing projects, particularly for smaller projects with less technical expertise and capital; and

WHEREAS, one strategy the City can pursue, which has proven to significantly reduce the cost per unit of housing, is eliminating parking requirements for these smaller projects; and

WHEREAS, according to a study conducted by the Turner Center for Housing Innovation at Berkeley, the presence of structured parking added nearly \$36,000 per unit after an examination of 678 new-construction 9% Low-Income Housing Tax Credit-funded developments built in California between 2008 and 2019⁴; and

WHEREAS, another study conducted by the Victoria Transport Policy Institute showed that each parking space added per unit of housing in urban areas increased the development cost per unit by 12.5 percent⁵; and

WHEREAS, affordable housing projects, with their lower rent revenue streams, are already challenging to finance; therefore, parking requirements can make or break the financial viability of these projects; and

WHEREAS, reducing or removing parking requirements does not automatically eliminate parking. Rather, it allows developers to decide how many spaces to build based on market and locational demand; and

WHEREAS, the Research Institute for Housing America used satellite imagery and tax records to tally parking space totals in five different-sized U.S. cities, and determined that outside of New York City, the parking densities per acre far exceeded population densities. This illustrates that parking minimums do not adequately respond to the demand for parking in communities⁶; and

WHEREAS, TransForm, which promotes walkable communities in California, conducted middle-of-the-night surveys of parking usage at apartment projects on the West Coast - they consistently found one-quarter to one-third of parking spaces sat empty⁷; and

WHEREAS, given that parking requirements both significantly increase the cost of building affordable housing and do not necessarily meet the needs of individuals who live there; now, therefore, be it

RESOLVED: That the Oakland City Council hereby directs the City Administrator or their designee to pursue and return to Council with a Planning Code amendment to eliminate parking requirements for affordable housing developments of ten (10) units or less; and be it

⁴ *"The Costs of Affordable Housing Production: Insights from California's 9% Low-Income Housing Tax Credit Program."* Turner Center for Housing Innovation at UC Berkeley. March 2020.

⁵ Litman, Todd. *"Parking Requirement Impacts on Housing Affordability."* Victoria Transport Policy Institute. 9 May 2022.

⁶ Scharnhorst, Erin. *"Quantified Parking: Comprehensive Parking Inventories for Five U.S. Cities."* Research Institute for Housing America. July 2018.

⁷ Spivak, Jeffrey. *"People Over Parking: Planners are reevaluating parking requirements for affordable housing."* American Planning Association. October 2018.

RESOLVED: That the City Council finds that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15061(b)(3) (common sense exemption) given that this regulatory direction initiates the process of presenting legislation to this City Council for a discretionary decision that will later be considered under CEQA.

IN COUNCIL, OAKLAND, CALIFORNIA, **JUL 19 2022**

PASSED BY THE FOLLOWING VOTE:

AYES - ~~MM~~, GALLO, KALB, ~~MM~~, REID, TAYLOR, THAO AND
PRESIDENT FORTUNATO BAS - 6

NOES - 0

ABSENT - 0

ABSTENTION - 0

2 Excused - Fite & Keple

ATTEST:



ASHA REED

City Clerk and Clerk of the Council of the
City of Oakland, California