CITY OF OAKLAND

AGENDA REPORT

TO:	Elizabeth Lake Interim City Administrator	**FROM:**	Sofia Navarro Deputy City Administrator
SUBJECT:	$1M Grant for Workforce Development and Interim Housing Pilot Project from Kaiser Permanente National Community Benefit Fund at EBCF	**DATE:**	August 26, 2026

City Administrator Approval Elizabeth Lake (Sep 2, 2026 16:28:42 PDT) Date: Sep 2, 2026

RECOMMENDATION

Staff recommends that the City Council Adopt a Resolution (1) Accepting And Appropriating A Grant From The Kaiser Permanente National Community Benefit Fund at The East Bay Community Foundation In The Amount Not To Exceed One Million Dollars ($1,000,000.00) For The Period Of October 1, 2026, To September 30, 2028 To Stand Up A Workforce Development And Interim Housing Pilot Project; And (2) Authorizing The City Administrator To Accept And Appropriate Up To An Additional Two Million Dollars ($2,000,000.00) In Philanthropic And Private Sector Funding For The Project.

EXECUTIVE SUMMARY

Homelessness remains a significant challenge in Oakland, even as the City has recently made measurable progress reducing both overall and unsheltered homelessness. While the resources Oakland needs to *permanently end* homelessness are estimated to be $3.2 billion over 10 years -- for increased permanent housing, interim housing, and homelessness prevention services – and, therefore, are out of reach, as stated in the draft Homelessness Strategic Action Plan, there are evidence-based solutions available to the City that would *reduce* unsheltered homelessness by providing dignified housing options and supportive services and which are straightforward and cost-effective. This resolution recommends that City Council approve and appropriate a philanthropic grant to fund a pilot project (the Workforce Development and Interim Housing Pilot Project) that would help make progress toward the City's goal outlined in the draft Homelessness Strategic Action Plan: to reduce unsheltered homelessness by 50% over the next five years, by 2031.

REASON FOR URGENCY

The funder requested that the City execute the grant agreement in July 2026. The City was subsequently granted an extension through September 30, 2026, to finalize the grant agreement and accept the funds. To ensure the City meets this extended deadline and avoids further delay in accepting the $1 million grant, staff is requesting that this item be placed directly on the September 15, 2026, City Council agenda for consideration.

BACKGROUND / LEGISLATIVE HISTORY

The scale of homelessness in Oakland remains one of the most urgent challenges that the City faces, despite the recent, measurable progress that has been made in both overall and unsheltered homelessness. Each year, approximately 2,500 people become newly unhoused in Oakland, each year, while only 1,500 are recorded as exiting to permanent housing -- indicative of a structural imbalance that requires critical new resources and sustained investment across a full continuum of care.

According to the 2026 Point-in-Time Count released by the Alameda County Housing and Health Department in May 2026, homelessness in Oakland declined by 20% from 2024 to 2026 from 5,488 to 4,416 people. At the same time, homelessness is dynamic. The impacts remain disproportionately concentrated among Black Oakland residents; Oakland accounts for 74 percent of Black homelessness in Alameda County.

Oakland has set a goal of reducing unsheltered homelessness by 50% over the next five years. In August 2025, Mayor Lee announced a new Office of Homelessness Solutions, and subsequently a draft Homelessness Strategic Action Plan which outlined five pillars: prevention to stem new homelessness, strengthened outreach and service coordination, encampment engagement and neighborhood health, expanded interim housing, and the creation of deeply affordable permanent housing.

It is within this draft HSAP framework that the City is working to secure new philanthropic and private sector funding to address system gaps, including bottlenecks, limited provider capacity, and inconsistent support for unsheltered individuals. On July 7, 2026, Kaiser Permanente National Community Benefit Fund at East Bay Community Foundation (EBCF) made a recommendation to fund the City of Oakland's proposal for the Workforce Development & Interim Housing Pilot Project. Grant funds will support a wraparound approach to housing security, health, and re-entry into formal workforce for 20 low-acuity individuals using a trauma-informed approach. The grant requires no matching funds.

The pilot proposes:

- 20 participants for approximately an 18-month program
- Part-time paid work with pathway to full-time job for approximately 20 hrs/wk
- Interim housing placement during the program with housing subsidies, equivalent to one year of housing support
- Case management, job training, and supportive services throughout
- Housing navigation and connection to permanent housing

This resolution allows the City of Oakland to accept the funds raised to date for this project. The additional authorization to accept and appropriate up to $2 million in future philanthropic and private sector funding will allow the City to continue raising external resources for the project without requiring separate Council authorization for each subsequent funding award, up to the amount authorized by the resolution.

ANALYSIS AND POLICY ALTERNATIVES

Recent federal policy changes are creating significant risk for homelessness systems in California by reducing access to both housing assistance and the health and safety-net services on which people experiencing homelessness disproportionately rely. While some of these policy changes are moving forward, federal courts have temporarily blocked others.

Among those that have been enacted, H.R. 1 stands out, as it makes major changes to Medi-Cal and CalFresh, including new Medicaid work/community-engagement requirements, more frequent eligibility determinations, restrictions on federally funded coverage for some immigrants at specific stages of immigration status, and a reduction in the federal share of CalFresh administrative costs from 50% to 25%.

Oakland's leadership, including Mayor Lee, have strongly advocated for continued public funding for programs wherever possible (for example HHAP at the state level or Measure W at the local level), but given the landscape of shifting federal policy, public resources remain insufficient to drive forward the goal of reducing homelessness by 50% in five years. New philanthropic and private-sector investment are necessary to design and execute strategies that respond both to Oakland's specific needs and to the changing parameters, eligibility requirements, and priorities that increasingly shape the availability and use of public resources.

The Workforce Development and Interim Housing Pilot Project (WDIHPP) provides Oakland with an opportunity to test and strengthen the systems needed to more effectively integrate workforce development into the City's broader homelessness response. By starting at a manageable scale, the City can identify and address operational challenges, strengthen coordination among housing, workforce, and supportive service providers, and establish effective practices before pursuing broader implementation. In this way, the pilot can serve as a model for how Oakland can more systematically pair pathways to employment and economic self-sufficiency with interim housing and supportive services as part of its long-term homelessness strategy.

Additional information related to policy alternatives and analysis will be forthcoming when the City returns to Council to authorize and approve the program design for this pilot project.

RELATED PLANNING EFFORTS

In August 2025, Mayor Barbara Lee announced a new Office of Homelessness Solutions, and a five-point plan to address Oakland's homelessness crisis. The Office of Homelessness Solutions, located in the City Administrator's Office, serves as the lead entity coordinating services across departments, community partners, and all levels of government, to execute a

comprehensive approach to address homelessness in the City of Oakland. On February 25, 2026, the public was invited to engage with a draft Homelessness Strategic Action Plan (HSAP) when the Office of Homelessness Solutions presented the draft plan at the City of Oakland's Commission on Homelessness. Following that meeting, in March 2026, the City of Oakland announced a new Chief of Homelessness Solutions Officer who has been working alongside City leadership to advocate for and leverage available resources for funding for homelessness solutions, prevention, and housing.

The Workforce Development and Interim Housing Pilot Project (WDIHPP) is a new pilot project for which philanthropic funds have been raised under the goals of the draft Homelessness Strategic Action Plan.

Additional information related to planning efforts will be forthcoming when the City returns to Council to authorize and approve the program design for this pilot project.

FISCAL IMPACT

No City matching funds are required as a condition of the grant. The submitted project budget estimates total project costs of $2,501,774.40 over two years. The Kaiser Permanente grant provides $1 million toward those costs. The submitted budget identifies approximately $1.502 million in other revenue sources necessary to implement the project at the proposed scale, of which an additional $150,000 has already been raised.

The proposed pilot is limited in scale, with an initial target of serving approximately 20 participants over two years, and implementation can be adjusted to align with available resources. Accordingly, the City is not obligated to provide additional funding should the full amount of anticipated outside revenue not be secured.

Grant funding will be appropriated to Fund 2994-Social Services Grants, Org 02141– Homelessness, Project (TBD), and account 46411 - Other Grant: Private Party (Corporations, Foundations, Individuals.

PUBLIC OUTREACH / INTEREST

No outreach was deemed necessary for the proposed action beyond the standard City Council agenda noticing procedures, because this resolution only allows the City of Oakland to accept the funds raised to date for this project, but does not yet propose a detailed, final program design or program implementation plan.

The City Administrator’s Office will return to City Council to recommend the process by which grant funds will be awarded to community-based implementation partners. The pilot will provide the City an opportunity to develop and test an integrated model combining housing stability with workforce development. Implementation will allow Oakland to establish operational best practices, measure participant outcomes, and develop an evidence base that can inform future funding and potential expansion of the model.

The City of Oakland will recommend a public outreach and engagement plan when the City returns to Council to authorize and approve the program design for this pilot project.

COORDINATION

City leadership in the Mayor's Office, City Administrator's Office and Office of Homelessness Solutions led the development of the proposal. Additionally, city leadership in the Housing and Community Development, Human Services Department, and Economic and Workforce Development Department have been engaged on program design, to-date.

This report and legislation have been reviewed by the Office of the City Attorney and the Budget Bureau.

Additional information related to impact on aforementioned City departments will be presented when City returns to Council to authorize and approve the program design for this pilot project.

RACE AND EQUITY

In the Winter of 2026, the City of Oakland's Department of Race and Equity completed a Racial Equity Impact Analysis submitted to Council alongside the draft Homelessness Strategic Action Plan.

This report states: "In 2024, 52.5% of Oakland's unhoused population identified as Black/African American as compared to 21.8% of its general population. American Indian/Native Alaskan (2.7%), Middle Eastern/North African (.4%), Native Hawaiian/Pacific Islander (1.5%) identities were also overrepresented as compared to representation in the general Oakland population.5 The largest sheer numbers of unhoused people in Oakland at a Point in Time in 2024 identified as Black/African American (2,857), White (1,130), Hispanic/Latina/e/o (693), Asian or Asian American (293), or Multiracial (298). Three quarters of people experiencing homelessness in Oakland represent the majority (58%) of the Countywide unhoused population. Three quarters (74%) of Alameda County's Black unhoused population experiences homelessness in Oakland. Overrepresentation of homelessness is also evident in Oakland's unsheltered population where the vast majority (47.9%) of unsheltered Oaklanders are Black/African American."

And, Oakland's homelessness crisis has had a disproportionate impact on Council Districts across the City.

Additional information concerning the ways in which the pilot project will address the above disparities will be brought before Council when the CAO returns to the City Council to recommend the pilot project's design, outcomes and community partners.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council Adopt a Resolution (1) Accepting And Appropriating A Grant From The Kaiser Permanente National Community Benefit Fund at The East Bay Community Foundation In The Amount Not To Exceed One Million Dollars ($1,000,000.00) For

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For questions regarding this report, please contact Sofia Navarro, Deputy City Administrator, at snavarro@oaklandca.gov.

Respectfully submitted,

Sofia Navarro
Sofia Navarro (Sep 1, 2026 17:04:46 PDT)

Sofia Navarro
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