

CITY OF OAKLAND

AGENDA REPORT

TO: Elizabeth Lake
Acting City Administrator

FROM: William A. Gilchrist
Director, Planning &
Building

Emily Weinstein
Director, Housing &
Community Development

SUBJECT: General Plan & Housing Element
Annual Progress Reports for Calendar
Year 2025

DATE: May 4, 2026

City Administrator Approval


[Betsy Lake \(May 26, 2026 13:03:09 PDT\)](#)

Date: May 26, 2026

RECOMMENDATION

Staff Recommends That The City Council Receive An Informational Report On The City Of Oakland's General Plan And Housing Element Annual Progress Reports For Calendar Year 2025.

EXECUTIVE SUMMARY

Pursuant to Section 65400 and 65700 of the California Government Code, the City of Oakland (City) has prepared Annual Progress Reports (APRs) for calendar year 2025 on implementation of the overall General Plan and on the housing-related programs and policies contained in the City's 2023-2031 Housing Element. This is the third year of reporting on the 2023-2031 Housing Element, which was adopted by the City Council via [Resolution No. 89565 C.M.S.](#) on January 31, 2023. The Oakland Housing Element was found to be in [full compliance](#) with the State Housing Element Law (Article 10.6 of the Gov. Code) by the California Department of Housing and Community Development (State HCD) on February 17, 2023.

This informational report highlights accomplishments reached in calendar year 2025 related to: implementing and updating the Oakland General Plan; implementing City programs and policies adopted in the 2023-2031 Housing Element; and meeting the City's housing production and preservation goals. The number of units that were Proposed, Entitled, Permitted, or Completed in 2025 decreased from 2024, reflecting the more constrained housing market stemming from high construction costs, high interest rates, stable lower Market-Rate rents, and other factors. Over half of the total number of housing units that were Permitted (received building permits) in 2025 were deed-restricted affordable housing units: a trend that is supported by investments from Oakland's Measure U affordable housing bond. Multifamily construction continues to

Community and Economic Development Committee
June 9, 2026

represent the overwhelming majority of new housing units. Accessory Dwelling Units (ADUs) also continue to make up a significant proportion of new housing units, although building permits issued for ADUs fell below 200 units for the first time in this Housing Element cycle.

The complete 2025 General Plan and Housing Element APRs can be found on the City's webpage: <https://www.oaklandca.gov/documents/housing-element-annual-progress-reports>.

(Note: The 2025 Housing Element APR contains tables that are best viewed electronically. The pertinent content of these tables is stated in this report.)

BACKGROUND / LEGISLATIVE HISTORY

California Government Code Sections 65400 and 65700 require that the City prepare and submit annual reports—known as the General Plan APR and the Housing Element APR—to the California Office of Land Use and Climate Innovation (State LCI)¹ and the California Department of Housing and Community Development (State HCD) by April 1 of each year, using forms and definitions adopted by State HCD. The General Plan APR must describe progress toward implementing and updating the General Plan each year. The Housing Element APR must describe progress made by the City to implement policies adopted in its Housing Element and to meet the City's assigned share of the Regional Housing Needs Allocation (RHNA). The RHNA is determined through a state-mandated process carried out by regional planning entities – in the case of Oakland's RHNA, the corresponding entity is the Association of Bay Area Governments (ABAG).

Oakland's 2025 General Plan APR, submitted to the State LCI on March 30, 2026, reflects progress toward implementing Oakland's current General Plan. During the 2025 reporting year, the Planning and Building Department continued to advance Phase 2 of the 2045 Oakland General Plan Update, which includes: (1) updating the Land Use and Transportation; Noise; and Open Space, Conservation, and Recreation Elements; and (2) creating a new Infrastructure and Capital Facilities Element.

Oakland's 2025 Housing Element APR, submitted to State LCI and State HCD on March 30, 2026, reflects the third year of reporting on progress to meet the productions targets and policies contained within the 2023-2031 Housing Element. Notably, the Housing Element APR quantifies the number of net new housing units Proposed, Entitled, Permitted, or Completed—by household affordability level—during the reporting year (January 1, 2025 to December 31, 2025).

In accordance with Action 5.2.11 of the adopted 2023-2031 Housing Element, staff is bringing this informational report for discussion before the City Council.

ANALYSIS AND POLICY ALTERNATIVES

¹ Formerly the Office of Planning and Research

As previously stated, the 2025 General Plan APR highlights accomplishments reached in 2025 towards implementing the current Oakland General Plan and advancing Phase 2 of the City's 2045 General Plan Update. The 2025 Housing Element APR highlights accomplishments reached in calendar year 2025 both in terms of housing production and preservation, as well as progress in implementing City programs and policies adopted in the 2023-2031 Housing Element.

As part of the 2023-2031 Housing Element, the City prepared a Racial Equity Impact Analysis (REIA)². This document identifies “whether Black/African American, Indigenous, and other Oaklanders of color are (1) disproportionately affected by the negative effects of programs and policies or (2) have less access to benefits provided through policies and programs.” The REIA evaluated each action in the Housing Action Plan “for its potential to help reverse longstanding housing disparities and provides additional recommendations for maximizing racial equity impacts,” identified those “actions with the most potential to positively impact racial equity in housing outcomes,” and provided “high priority recommendations to strengthen actions or ensure equitable implementation to improve outcomes for [Black, Indigenous, and People of Color] Oaklanders.” The REIA found the Housing Action Plan would have a moderate to high impact on improving racial equity and included recommendations on how to implement the actions with the highest impact. In 2025, implementation of the Housing Action Plan incorporated those recommendations. Of the six actions highlighted in section **II.6 Housing-Related Activities & Policy**, 83% were found to have a high impact on racial equity, while another 17% have a moderate impact.

A REIA was also prepared to support the Safety and Environmental Justice Elements adopted during Phase 1 of the General Plan Update.³ This REIA provided an assessment of the proposed goals and actions in the draft Safety and Environmental Justice Elements and proposed strategic direction for implementation measures that would “maximize benefits to lower-income and Black, Indigenous, and People of Color communities, reduce racial disparities, and mitigate possible additional harms to communities facing disparities.”

Implementing and updating Oakland's current General Plan promotes meaningful civic engagement in the public decision-making process and identifies objectives, policies, improvements, and programs that address the most pressing needs in the community, particularly where social and racial inequities are most prevalent. The REIA process is underway for the elements being updated as part of Phase 2 of the Oakland 2045 General Plan Update.

The analysis in this report addresses first the 2025 General Plan APR and second, the 2025 Housing Element APR.

² City of Oakland. “Racial Equity Impact Assessment, City of Oakland 2023-2031 Housing Element.” (2023) Oakland 2045 General Plan https://cao-94612.s3.amazonaws.com/documents/Housing-Element-REIA-1.6.23_Final.pdf

³ City of Oakland. “Racial Equity Impact Assessment, City of Oakland General Plan Environmental Justice and Safety Elements.” (2023) Oakland General Plan, Environmental Justice and Safety Element https://www.oaklandca.gov/files/assets/city/v/1/planning-amp-building/documents/sp/gp/ej-element/public-review-draft_-ej_safety-elements-reia_rev.5.17.23.pdf

I. 2025 GENERAL PLAN ANNUAL PROGRESS REPORT

The 2025 General Plan APR addresses the following topics:

- A. Date of the Last Update to the General Plan;
- B. Measures Associated with Implementation of the General Plan;
- C. Compliance with State LCI’s General Plan Guidelines;
- D. Updating Goals, Policies, Objectives, Standards, or Other Plan Proposals; and
- E. Implementation of the General Plan.

A. DATE OF THE LAST UPDATE TO THE GENERAL PLAN

California Government Code section 65302 mandates that all General Plans address specific topics. **Table 1** summarizes the eight (8) required General Plan Elements and two (2) optional topics with the date that they were last updated.

Table 1: General Plan Elements

General Plan Element	Required Content	Last Updated
<i>Phase I of the General Plan Update included updates of the Housing and Safety Elements of the General Plan and creation of the City’s first Environmental Justice Element</i>		
Housing (Required)	The Housing Element implements the declaration of State law that the availability of housing is a matter of vital statewide importance. It is more specific and directive than other elements, with detailed guidance and reviews. The State HCD must review and certify the Housing Element, while jurisdictions submit annual progress reports. In Oakland (and most major cities), the Housing Element must be revised and submitted to State HCD for review on an eight-year cycle.	January 31, 2023
Safety (Required)	The Safety Element is intended to reduce potential short and long-term risks of death, injuries, property damage, and economic dislocation resulting from fires, floods, droughts, earthquakes, landslides, climate change; as well as local hazards.	September 26, 2023
Environmental Justice (Required)	Senate Bill 1000, passed in 2016, requires that cities and towns with disadvantaged communities adopt environmental justice policies or an Environmental Justice Element. These must include objectives and policies to reduce health risks in disadvantaged communities, promote civic engagement in the public decision-making process, and prioritize	September 26, 2023

	<p>programs that address the needs of disadvantaged communities.</p> <p>Under SB 1000, Oakland is required to adopt an Environmental Justice Element, either standalone or interwoven with other Elements, concurrent with updates to the Housing and Safety Elements.</p>	
<p><i>Phase II of Oakland’s General Plan Update is currently underway and includes updates to the City’s Land Use and Transportation Element (LUTE); Open Space, Conservation, and Recreation Element (OSCAR); Noise Element; and development of a new Infrastructure and Facilities Element.</i></p>		
<p>Land Use (Required)</p>	<p>The Land Use Element establishes the community’s vision for growth via equitable and accessible distribution of different land uses, including residential, commercial, industrial, agricultural, and open space.</p> <p>In Oakland, the Land Use Element for areas outside of the Oakland waterfront is currently contained in the Land Use and Transportation Element (LUTE), adopted in 1998.</p> <p>The Estuary Policy Plan (EPP) establishes the current Land Use Element for lands between Interstate 880 and the Oakland waterfront. The EPP was adopted as part of the General Plan in 1999.</p>	<p>LUTE – 1998</p> <p>EPP – 1999</p> <p>LUTE and EPP will be updated and potentially combined during Phase 2 of the City’s General Plan Update.</p>
<p>Circulation (Required)</p>	<p>The Circulation Element addresses the community’s infrastructure needs for the circulation of people, goods, energy, water, sewage, storm drainage, and communications. By statute, the Circulation Element must correlate directly with the Land Use Element.</p> <p>In Oakland, the Circulation Element for areas outside of the Oakland waterfront is currently contained in the Land Use and Transportation Element (LUTE), adopted in 1998 (Oakland refers to “Circulation” as “Transportation”).</p> <p>The 1999 EPP establishes the current Circulation Element for areas between Interstate 880 and the Oakland waterfront.</p> <p>The 2017 Pedestrian Plan is an adopted part of the City’s Circulation Elements, and sets goals, outlines related policies and programs,</p>	<p>LUTE 1998</p> <p>EPP – 1999</p> <p>LUTE and EPP will be updated and potentially combined during Phase 2 of the City’s General Plan Update.</p> <p>The Pedestrian Plan was updated in 2017.</p> <p>The Bike Plan was comprehensively updated in 2019.</p>

	<p>and establishes a prioritization strategy to implement recommendations that will improve the pedestrian environment citywide.</p> <p>The 2019 Bike Plan is also an adopted part of the City's Circulation Elements and outlines major improvements to Oakland's citywide bicycle network and introduces brand new cycling programming.</p>	
Open Space (Required)	<p>The Open Space Element identifies the community's valuable undeveloped areas and creates a long-term plan to preserve them.</p> <p>In Oakland, the Open Space Element is currently contained in the City's Open Space, Conservation and Recreation (OSCAR) Element, adopted in 1996.</p>	<p>1996</p> <p>The OSCAR Element will be updated during Phase 2 of the City's General Plan Update.</p>
Conservation (Required)	<p>The Conservation Element establishes the community's goals and policies for the retention, enhancement, and development of natural resources. It is to be coordinated with the Land Use and Open Space Elements.</p> <p>In Oakland, the current Conservation Element is contained in the City's OSCAR Element, adopted in 1996.</p>	<p>1996</p> <p>The OSCAR Element will be updated during Phase 2 of the City's General Plan Update.</p>
Noise (Required)	<p>The Noise Element describes the community's local noise environment and analyzes current and projected noise levels. It outlines policies and implementation measures to address existing and foreseeable noise problems.</p> <p>In Oakland, the current Noise Element was adopted as part of the General Plan in 2005.</p>	<p>2005</p> <p>Noise Element will be updated during Phase 2 of the City's General Plan Update.</p>
<p><i>In 2025, the following optional Elements of Oakland's General Plan did not have a timeline for updates:</i></p>		
Historic Preservation (Optional)	<p>The Historic Preservation Element provides policies and actions to encourage the preservation of older buildings, districts, and other physical features of historic value.</p>	<p>1994</p>
Scenic Highways (Optional)	<p>The Scenic Highways Element establishes policies to preserve and enhance designated roadways traversing the City. It was previously a required element under State law, but that requirement was rescinded in 1984.</p>	<p>1974</p>

B. MEASURES ASSOCIATED WITH IMPLEMENTATION OF THE GENERAL PLAN

In 2025, the City continued working on major long-range planning initiatives to implement the Oakland General Plan. While not exhaustive, the list below offers a highlight of major implementation milestones, organized by General Plan Element.

- Land Use and Transportation Element (LUTE):
 - [Downtown Oakland Specific Plan](#) (adopted July 2024)
 - [Equitable Climate Action Plan](#) (adopted July 2020)
 - [Coliseum Area Specific Plan](#) (adopted April 2015)
 - [Lake Merritt Station Area Plan](#) (adopted December 2014)
 - [Broadway Valdez District Specific Plan](#) (adopted June 2014)
 - [West Oakland Specific Plan](#) (adopted June 2014)
 - [Central Estuary Area Plan](#) (adopted April 2013)
- Safety Element:
 - [Vegetation Management Plan](#) (adopted May 2024)
 - [Local Hazard Mitigation Plan](#) (adopted June 2021)
- Open Space, Conservation, and Recreation (OSCAR) Element:
 - [Urban Forest Master Plan](#) (adopted December 2024)

C. COMPLIANCE WITH STATE LCI'S GENERAL PLAN GUIDELINES

General Plan Update: As stated previously, a comprehensive update of the City's General Plan is currently underway. Phase 1 of the General Plan Update (GPU) was completed in fall 2023; and included updates to the Housing Element and Safety Element, the creation of a new Environmental Justice Element, and Industrial Lands Study, an Environmental Impact Report (EIR), and updates to the zoning code and map. In conjunction with Phase 1 of Oakland's GPU, the City created a [Map Atlas](#) to facilitate community input on planning issues, priorities and vision for the future and developed the [Environmental Justice and Racial Equity Baseline](#) to identify and delineate disparities by race and geography. With this GPU, the City is advancing its commitment to creating a "fair and just" city and undo past harms and inequities through the creation of more robust and equitable General Plan goals, policies, and actions. This means working to identify and understand the barriers to achieving greater equity and strengths of communities and working with communities to develop solutions for long-term and systemic changes that eliminate the root causes of inequity.

In October 2024, the City launched Phase 2 of the GPU. This phase of work will involve updates to the Land Use and Transportation Element (LUTE); Estuary Policy Plan (EPP); Open Space, Conservation, and Recreation Element (OSCAR); Noise Element; and development of a new Infrastructure and Capital Facilities Element. Based on insights gathered through a community survey fielded in 2024 and public input gathered in 2023 and as part of GPU Phase 1, the City published [Oakland for All: Options for How We Stabilize and Grow](#) (Options Report) in July 2025. The Options presented in the report represent the Phase 2 alternatives. Feedback on the Options Report, summarized in the [Options for How We Stabilize and Grow Survey Report](#), have informed the Draft Land Use Framework, which will be presented to the Community and Economic Development Committee on May 12, 2026.

The City's GPU process includes a robust and multi-pronged strategy for community engagement, including workshops, discussion groups, pop-up outreach, cultural events, youth engagement, online engagement methods, study sessions with decision-makers, and more. The GPU process places particular emphasis on engaging communities historically underrepresented and excluded from traditional planning processes and often most negatively impacted by City policies. In 2025, the City led a community engagement strategy to educate community members on the Options and gather feedback on what worked and what did not work in each Option. Through an online survey, pop-up events, focus groups, tribal consultation, and a series of walking tours led by community groups, the City reached an estimated 1,300 people. A full schedule of community engagement activities can be found [here](#). The [Engagement Summary Report](#) summarizes all community engagement activities and insights gathered from the Oakland community through 2025. The [Options Survey Report](#) summarizes the results of the online Options Survey.

D. GOALS, POLICIES, OBJECTIVES, STANDARDS, OR OTHER PLAN PROPOSALS

Based on insights gathered through the community survey fielded in 2024 and public input gathered in 2023 and as part of GPU Phase 1, the City published [Oakland for All: Options for How We Stabilize and Grow](#) (Options Report) in July 2025. The Options presented in the Options Report represent the Phase 2 alternatives. Feedback on the Options Report, summarized in the [Options for How We Stabilize and Grow Survey Report](#), was used to develop a Draft Land Use Framework, or preferred alternative, which will in turn guide the development of the Land Use and Transportation Element; the Open Space, Conservation, and Recreation Element; the Noise Element; and the creation of a new Infrastructure and Facilities Element.

In addition to the City's work on GPU Phase 2, in 2025 the City also continued to coordinate with regional partners to develop Subregional Shoreline Adaptation Plans as required under SB 272 and to update the Local Hazard Mitigation Plan. The City was also working to adopt the 2025-2029 Economic Development Action Plan (this was subsequently adopted in February 2026), which lays out five strategic goals for economic development in Oakland.

E. IMPLEMENTATION OF THE GENERAL PLAN

The following plans and projects were approved or ongoing in calendar year 2025, and amended or proposed amending the General Plan and/or General Plan land use maps:

1. [Brooklyn Basin \(288 9th Avenue\)](#) – Ongoing Construction in 2025
2. [Brooklyn Basin Parcel N \(80 Fallon Street\)](#) – Application Under Review in 2025
3. [West Oakland BART Transit-Oriented Development \(TOD\) \(1451 7th Street\)](#) – Application Under Review in 2025
4. [Lake Merritt BART Transit-Oriented Development \(TOD\) \(51 9th Street\)](#) – Ongoing Construction in 2025
5. [Oak Knoll Mixed Use Community \(8750 Mountain Blvd.\)](#) – Ongoing Construction in 2025

II. 2025 HOUSING ELEMENT ANNUAL PROGRESS REPORT

The 2025 Housing Element APR addresses topics including:

- A. Progress Towards Meeting Regional Housing Needs Allocations (RHNA);
- B. Overall Housing Production;
- C. Affordability of New Housing Units;
- D. Preservation and Production of Affordable Residential Units;
- E. Application for Lot Splits & Units Constructed;
- F. Housing-Related Activities and Policy; and
- G. Key Issues and Expectations for 2026.

The 2025 Housing Element APR provides a comprehensive account of new housing units produced in 2025, by affordability level and type of unit, based on key milestones in the development process. In other words, the 2025 Housing Element APR provides an accounting of new housing units **Proposed** (applications for a planning permit), **Entitled** (received all the required planning permit approvals), **Permitted** (issued a building permit), and **Completed** (passed its final building inspection/received certificate of occupancy) during the 2025 calendar year.

Table 2 provides the number of new housing units by phase of development and unit type. Analysis of each phase of development is in the subsequent sections. The specific unit type refers to the density and physical form of each development project. State HCD stipulates the following “Unit Type” definitions:

- **Single Family-Detached Unit (SFD)** – A one-unit structure with open space on all four sides. The unit often possesses an attached garage.
- **Single Family-Attached Unit (SFA)** – A one-unit structure attached to another unit by a common wall, commonly referred to as a townhouse, half-plex, or row house. The shared wall or walls extend from the foundation to the roof with adjoining units to form a property line. Each unit has individual heating and plumbing systems.
- **2-, 3-, and 4-Plex Units per Structure (2-4)** – A structure containing two, three, or four units and not classified as single-unit attached structure.
- **5 or More Units per Structure (5+)** – A structure containing five or more housing units, also known as “Multifamily Housing Projects.”
- **Accessory Dwelling Unit (ADU)** – A unit that is attached, detached, or located within the living area of an existing dwelling or residential dwelling unit which provides complete independent living facilities for one or more persons. This category also includes *Junior ADUs*.⁴
- **Mobilehome Unit/Manufactured Home (MH)**⁵ – A one-unit structure that was originally constructed to be towed on its own chassis.

Table 1: Number of New Housing Units by Phase of Development and Unit Type, 2025

Unit Category	Proposed	Entitled	Permitted	Completed
SFA	-	3	11	6

⁴ ADUs include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel on which the single- or multi-family dwelling is situated pursuant to Government Code section 65852.2. For purposes of the APR, an ADU also includes the following: an Efficiency Unit, as defined in Section 17958.1 of the Health and Safety Code or a manufactured home, as defined in Section 18007 of the Health and Safety Code.

⁵ This category includes Vehicular Residential Facilities as defined in the Oakland Planning Code Chapter 17.10.700.

Unit Category	Proposed	Entitled	Permitted	Completed
SFD	16	32	14	35
2 to 4	17	25	22	27
5+	709	1,627	473	1,140
ADU	252	244	192	183
MH	13	13	-	-
Totals	1,007	1,944	712	1,391

Table 3 provides the number of new housing units by phase of development and affordability level. This Housing Element APR provides a summary of housing production by household affordability level. The income levels used in the Housing Element APR are defined by State HCD based on Area Median Income (AMI).⁶ The AMI is the midpoint of an area's income distribution. This means half of households in an area earn more than the median and half earn less than the median. Each income level is defined below:

- An **Acutely Low-Income (ALI)** household earns up to 15% of AMI.
- An **Extremely Low-Income (ELI)** household earns between 15% and 30% of AMI.
- A **Very Low-Income (VLI)** household earns between zero and 50% of AMI.
- A **Low-Income (LI)** household earns between 51% and 80% of AMI.
- A **Moderate-Income (MI)** household earns between 81% and 120% of AMI.
- An **Above-Moderate** or **Market-Rate** household earns more than 120% of AMI.

Table 3: Number of New Housing Units by Phase of Development and Affordability, 2025

Unit Category	Proposed	Entitled	Permitted	Completed
ALI	-	-	-	-
ELI	145	150	127	139
VLI	300	445	249	123
LI	299	559	169	437*
MI	126	129	57	92
Market-Rate	137	661	110	600*
Totals	1,007	1,944	712	1,391

*An error was made in reporting the affordability levels of Completed units at the Prescott Station development, which was Completed in 2025. The Table above reflects the corrected affordability mix for Completed units. City staff will submit a revision to State HCD to address this and any other reconciliations.

A. PROGRESS TOWARDS MEETING REGIONAL HOUSING NEEDS ALLOCATIONS (RHNA)

Every jurisdiction in California is required to zone for enough land for private development to meet that city's RHNA. The RHNA is determined through a state-mandated process carried out by regional planning entities – in the case of Oakland's RHNA, the corresponding entity is the

⁶ For more information about Area Median Income: <https://www.oaklandca.gov/resources/rent-and-income-limits-for-affordable-housing>.

Association of Bay Area Governments (ABAG). The City’s progress toward meeting the RHNA is presented in Table B of the Housing Element APR⁷ and **Table 4**.

Table 4: Regional Housing Needs Allocation Progress, 2023-2030

Income Level	RHNA	2022*	2023	2024	2025	2026	2027	2028	2029	2030	Total Units	RHNA Due
Very Low	6,511	288	174	370	376						1,208	5,303
Low	3,750	348**	113	326	169						956**	2,794**
Moderate	4,457	78	141	109	57						385	4,072
Market	11,533	377**	355	223	110						1,065**	10,468**
Total	26,251	1,091	783	1,028	712						3,614	22,637

* The unit counts under 2022 reflect units permitted between June 30, 2022 and January 30, 2023, which were credited towards the 6th Cycle RHNA.

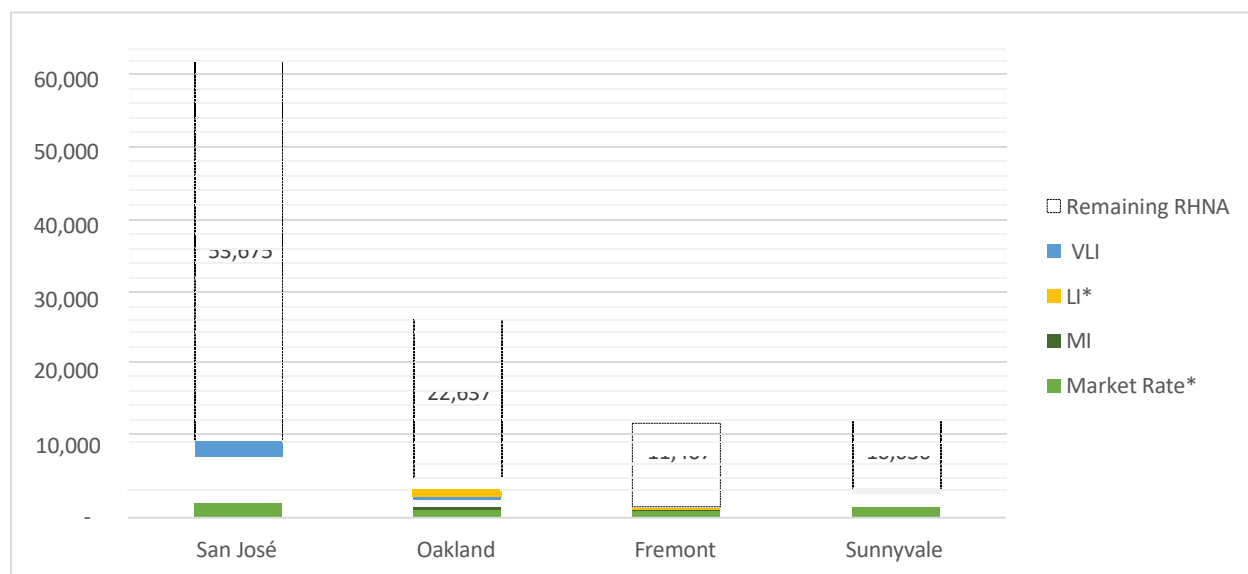
**An update will be made to report the affordability levels of units at the Prescott Station development, which was Permitted in October 2022. The project created 211 Low-Income units subject to a funding agreement finalized after the project was Permitted. The table above reflects the updated affordability mix for Permitted units. City staff will submit a revision to State HCD to address this and any other reconciliations.

From the onset of the 6th Cycle in 2022 through 2025, Oakland has Permitted almost **14%** of the cycle’s required units. To accomplish its RHNA goals, Oakland would need to annually have an average of **4,528** Permitted units over the next five years. Oakland has Permitted more VLI and LI units than MI or Market-Rate units. The City has achieved **19%** of its VLI requirement, **25%** of its LI requirement, and **9%** of both its MI and Market-Rate requirements for the 6th Cycle to date. The limited production of Moderate-Income and Market-Rate units is largely driven by negative market conditions, including high interest rates, high construction costs, and stable lower Market-Rate rents. Despite the City’s significant efforts to facilitate housing production, these market forces continue to dampen development activity. The City’s efforts include major amendments made to the Planning Code in October 2023, as well as the passage of Measure U in November 2022, which allocates new funding towards affordable housing developments.

Oakland is among the five Bay Area cities with the largest 6th Cycle¹² RHNA targets. As shown in **Figure 1** below, the allocations for Oakland and its peer cities are: San Francisco (**82,069**), San José (**62,200**), Oakland (**26,251**), Fremont (**12,897**), and Sunnyvale (**11,966**). Through 2025, Oakland has Permitted **3,614** of its required units, or **14%**. While this rate of housing unit production is significantly lagging the 12.5% annual average needed to meet the city’s RHNA, Oakland is roughly average compared to its peer cities; San José has Permitted **8,525** units (**14%**); Fremont has Permitted **1,490** units (**12%**); and Sunnyvale has Permitted **1,936** units (**16%**). Information on San Francisco’s 2025 APR was not publicly available at the time this report was finalized.

⁷ The 2025 Housing Element APR can be found at: <https://www.oaklandca.gov/documents/housing-element-annual-progress-reports>

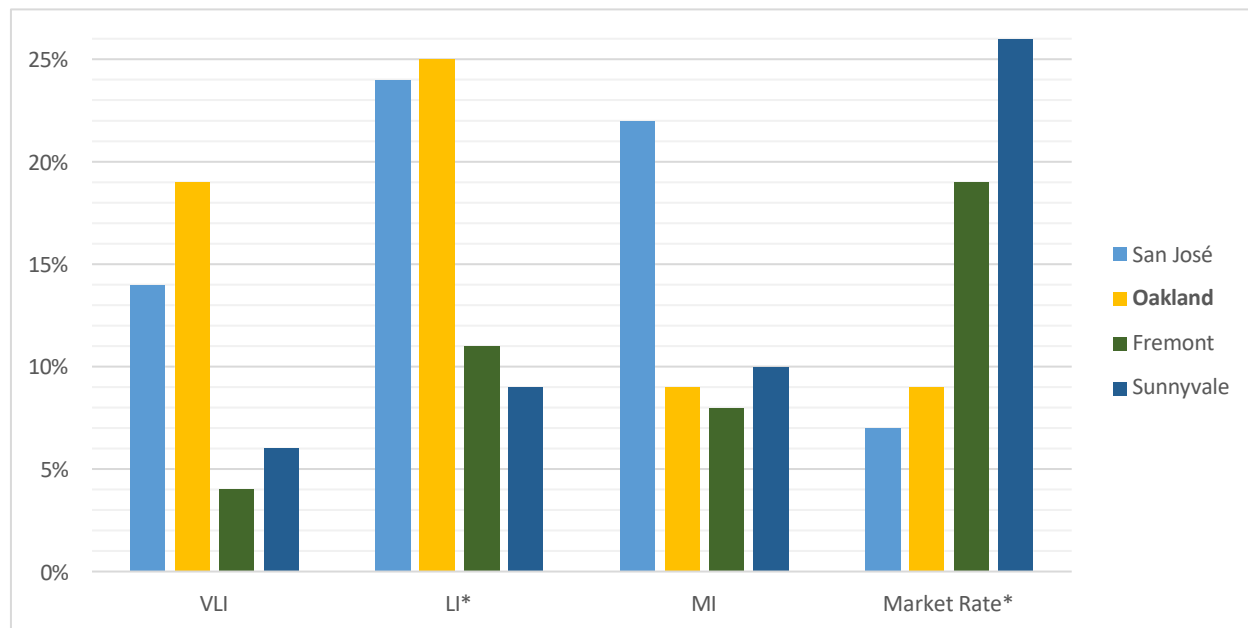
Figure 1: 6th Cycle Regional Housing Needs Allocation Progress in Major Bay Area Cities



**An update will be made to report the affordability levels of units at the Prescott Station development, which was Permitted in October 2022. The project created 211 Low-Income units subject to a funding agreement finalized after the project was Permitted. The table above reflects the updated affordability mix for Permitted units. City staff will submit a revision to State HCD to address this and any other reconciliations.*

Notably, as shown in **Figure 2**, Oakland has Permitted a larger share of its Very Low-Income (VLI) RHNA than any of its peer cities (**19%**). Additionally, Oakland has Permitted an above-average proportion of Low-Income (LI) units (**25%**), exceeding all the peer cities reviewed. Meanwhile, Oakland has Permitted a below-average proportion of Moderate-Income (MI) units (**9%**) and Market-Rate units (**9%**). This is in part due to the large number of above-moderate income units that were completed during the previous RHNA cycle, which exceeded RHNA targets. In the 5th RHNA cycle (2015-2023), Oakland was assigned a RHNA target of 7,816 above-moderate income units but ultimately issued permits for 14,966 above-moderate income units (191.5% of the original target). This overshoot was not accounted for in Oakland’s 6th cycle RHNA assignment. Above-moderate income housing production has slowed while the market absorbs the surge of new inventory, as reflected in the 6th cycle RHNA progress to date in above-moderate income units. Robust entitlement activity for above-moderate income units suggests that builders are preparing to resume new construction once market conditions become more favorable to these projects.

Figure 2: 6th Cycle Regional Housing Needs Allocation Progress by Affordability in Major Bay Area Cities



**An update will be made to report the affordability levels of units at the Prescott Station development, which was Permitted in October 2022. The project created 211 Low-Income units subject to a funding agreement finalized after the project was Permitted. The table above reflects the updated affordability mix for Permitted units. City staff will submit a revision to State HCD to address this and any other reconciliations.*

B. OVERALL HOUSING PRODUCTION

As mentioned previously, the 2025 Housing Element APR provides a comprehensive account of new housing units produced in calendar year 2025, by affordability level and type of unit, based on key milestones in the development process.

a. New Housing Units Proposed in Application Submittals

Table A of the 2025 Housing Element APR⁸ provides a list of application submittals for new housing development that were submitted in calendar year 2025.

A total of 282 applications for new housing development were submitted to the City in 2025. As shown in **Table 2** and **Table 3** above, these applications propose a total of **1,007** new units distributed across the following housing types: **709** multifamily units (5+); **252** ADUs; **16** single-

⁸ <https://www.oaklandca.gov/documents/housing-element-annual-progress-reports>

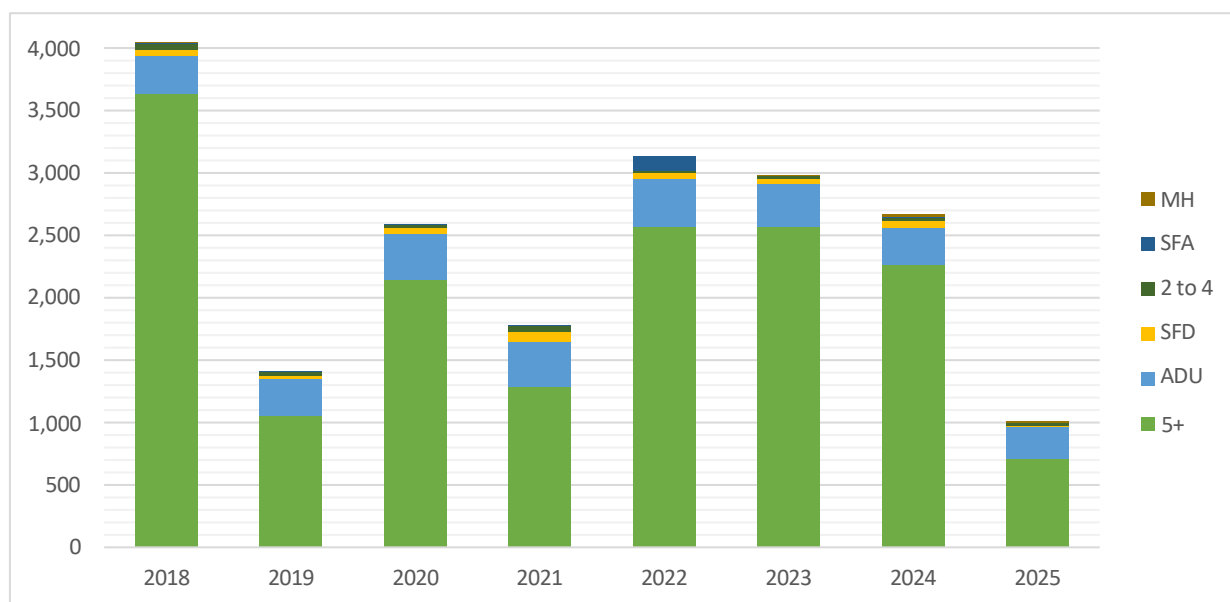
family detached units; **17** units in duplexes, triplexes, or fourplexes (2 to 4); **13** mobile or manufactured homes; and **0** single-family attached units.

As shown in **Figure 3** below, the **1,007** units Proposed through planning applications in 2025 reflect a decrease in units Proposed compared to recent years. Proposed units across all housing types were down compared to recent years.

While 2022 demonstrated a rebound from the impacts of the COVID-19 pandemic, the downward trend in Proposed units since 2022 reflects the realities of an increasingly constrained real estate financial environment. Housing developers are contending with high construction costs; high interest rates; and stable lower Market-Rate rents primarily due to the over 12,000 units of new Market-Rate housing that have been completed in Oakland over the past five years.

Over **60%** of all Proposed new units in calendar year 2025 were for deed-restricted affordable housing, reflecting Oakland's ability to contribute local funding to these developments, largely through Measure U. In 100% affordable housing projects, the ability of these projects to enter construction is highly dependent on the ability to further secure competitive funding at the State level. Most of the remaining Proposed units are in multifamily projects, which will likely take several years to complete and remain dependent on market conditions for when they can begin construction, or ADUs, which are typically constructed more quickly.

Figure 3: Total Number of Units Proposed (Planning Applications) for New Housing Development, 2018-2025



b. New Housing Units Entitled (or Approved by Planning)

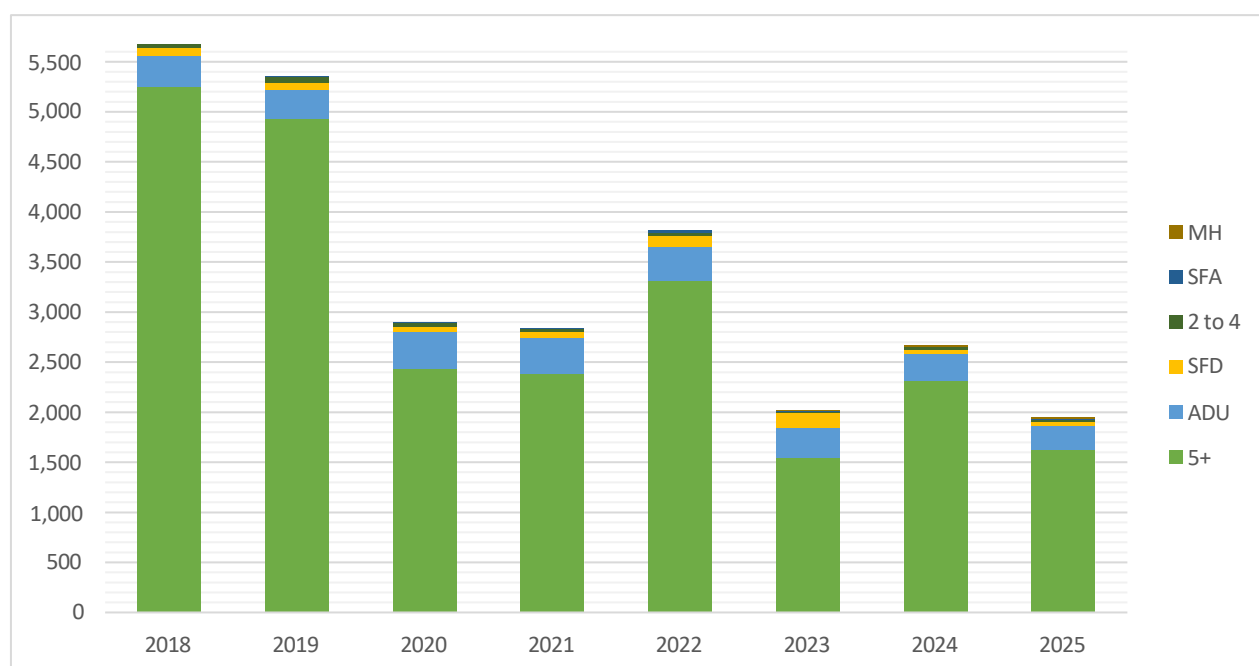
Entitled units are those that have received all necessary planning approvals for development. A project that has been Entitled has met the planning review criteria and is ready to move to the next step of applying for a building permit. The process to become Entitled typically involves a

formal planning review process, which focuses on whether the new residential facility meets specific criteria, including:

- Development standards established by Zoning;
- Conformity to the Oakland General Plan and any applicable Specific Plans; and
- Design review criteria adopted by the Planning Commission or City Council.

As shown in **Table 2** and **Table 3**, the City Entitled a total of **1,944** housing units in 2025. As shown in **Figure 4**, fewer total housing units were Entitled in 2025 than in any year since 2018. This represents a **27%** decline from 2024 and about a **4%** decline from the previous low year of 2023.

Figure 4: Total Number of New Housing Units Entitled (Approved by Planning), 2018-2025



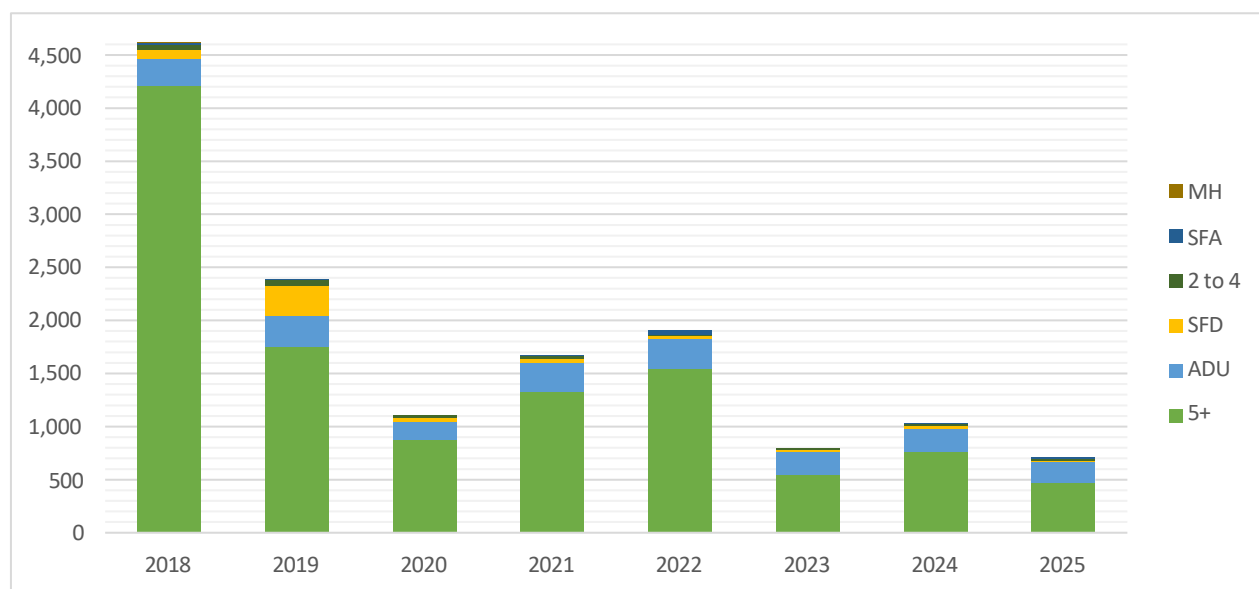
c. New Housing Units Permitted (Issued a Building Permit)

Building permits ensure that any new construction complies with all health, safety, and building code standards. The issuance of a building permit signals that construction on a project may begin – at this point, the unit is considered “Permitted.” While projects that have been Entitled have all the necessary land use approvals to apply for a building permit, external factors – such as financing, the real estate market, and complying with applicable pre-construction conditions of approval – will impact the timing for when an application for a building permit is submitted. Only projects that have been Permitted (issued a building permit) for the construction of new housing units may be counted towards meeting the RHNA.

As shown in **Table 2** and **Table 3**, the City Permitted a total of **712** new housing units in 2025. As shown in **Figure 5**, fewer units were Permitted in 2025 than in any year since 2018. This represents a **31%** decline from 2024 and a **10%** decline from the previous low in 2023. More than any other metric, the low number of units Permitted in 2025 demonstrates the constrained

real estate financial environment under which housing developers are currently operating. In contrast to planning Entitled projects, housing developers typically only apply for building permits once they are ready to break ground on a project. This means that Permitted units (building permit issuance) is the best indicator for the current state of housing development. In that regard, this is the stage at which housing developers are most sensitive to high construction costs, high interest rates, and stable lower Market-Rate rents. Notably, the share of affordable housing units continued to increase in 2025, as described in the section starting on page 16 of this report. The low number of permits is also partially a quirk of timing – many affordable housing projects in Oakland received their final funding in 2025 and staff anticipate over 1,000 affordable housing units will be permitted in the first half of 2026.

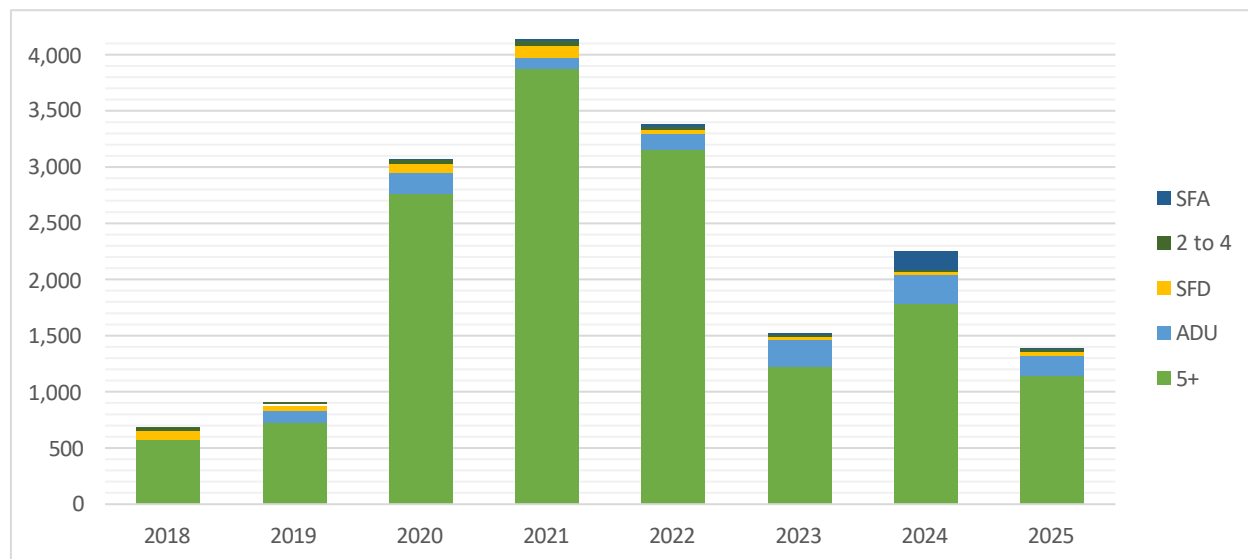
Figure 5: Total Number of New Housing Units Permitted (Building Permit Issued), 2018-2025



d. New Housing Units Completed

A Completed unit is one where the project has passed its final building inspection/received certificate of occupancy and is now ready for occupancy. Inspections are required to ensure that the construction is proceeding according to all current code standards, the approved plans, as well as any conditions of approval. As shown in **Table 2** and **Table 3**, the City Completed final inspection of **1,391** new housing units in 2025. As shown in **Figure 6**, fewer units were Completed in 2025 than in any year from 2020-2024. This represents a **38%** decrease from 2024 and a **66%** decrease from the peak year of 2021.

Figure 6: Total Number of New Housing Units Completed, 2018-2025



C. AFFORDABILITY OF NEW HOUSING UNITS

This Housing Element APR provides a summary of housing production by household affordability level. As described in the introduction to Section II: 2025 Housing Element Annual Progress Report, above, the income levels used in the Housing Element APR are defined by State HCD based on Area Median Income (AMI).⁹ The AMI is the midpoint of an area's income distribution. This means half of households in an area earn more than the median and half earn less than the median. Each income level is defined below:

- An **Acutely Low-Income (ALI)** household earns up to 15% of AMI
- An **Extremely Low-Income (ELI)** household earns between 15% and 30% of AMI.
- A **Very Low-Income (VLI)** household earns between 0% and 50% of AMI.
- A **Low-Income (LI)** household earns between 51% and 80% of AMI.
- A **Moderate-Income (MI)** household earns between 81% and 120% of AMI.
- An **Above-Moderate** household earns more than 120% of AMI. Housing units affordable to this income level are known as “**Market-Rate**” units.

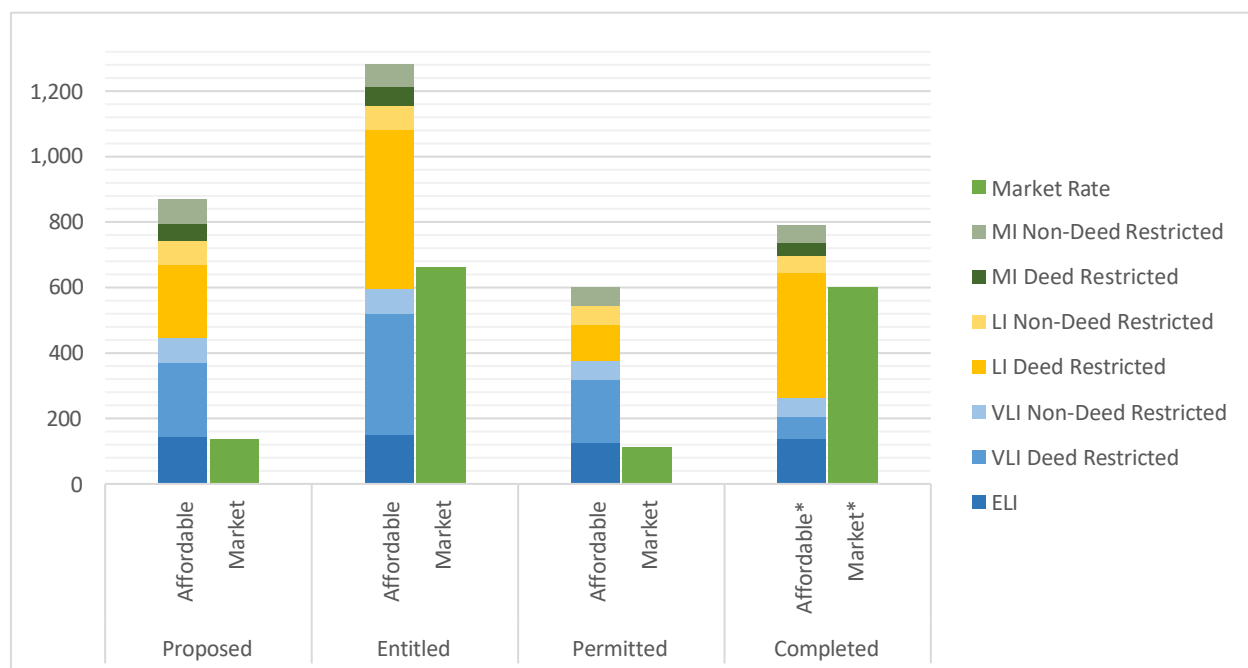
In previous years, the Housing Element APR has counted ALI and ELI units as a subset of new housing units affordable to Very Low-Income (VLI) households. This is because the APR has previously defined VLI as households earning between zero (0) and 50% of AMI. Due to the passage of AB 3093 in 2024, jurisdictions who received RHNA determinations after September 19, 2024, will have RHNA allocations for acutely low-income and extremely low-income housing units. New units at these affordability levels have therefore been separated from VLI units starting in the 2025 reporting year. Oakland received its RHNA determination prior to September 19, 2024, and therefore does not have allocations for ALI and ELI units. All ALI and ELI units reported on Oakland's 2025 APR will be counted as progress towards achieving the VLI RHNA target.

⁹ For more information about Area Median Income: <https://www.oaklandca.gov/resources/rent-and-income-limits-for-affordable-housing>.

For new housing units reported as affordable, the Housing Element APR also provides information on the financial assistance program or deed-restriction mechanism used to subsidize the unit.

As shown in **Figure 7** and **Figure 8**, the City continued to make progress in 2025 toward expanding the supply of affordable housing in Oakland. Notably, significantly more affordable housing units were Proposed, Entitled, Permitted, and Completed compared to Market-Rate units. Of the **712** new units Permitted in 2025, **60%** were deed restricted affordable units, **24%** were non-deed restricted affordable ADUs, and **15%** were Market-Rate units. This demonstrates how subsidized affordable housing is critical to addressing the housing crisis in a financially challenging environment. The robust production of affordable housing seems poised to continue as **55%** of the **1,944** new units Entitled in 2025 are deed-restricted affordable.

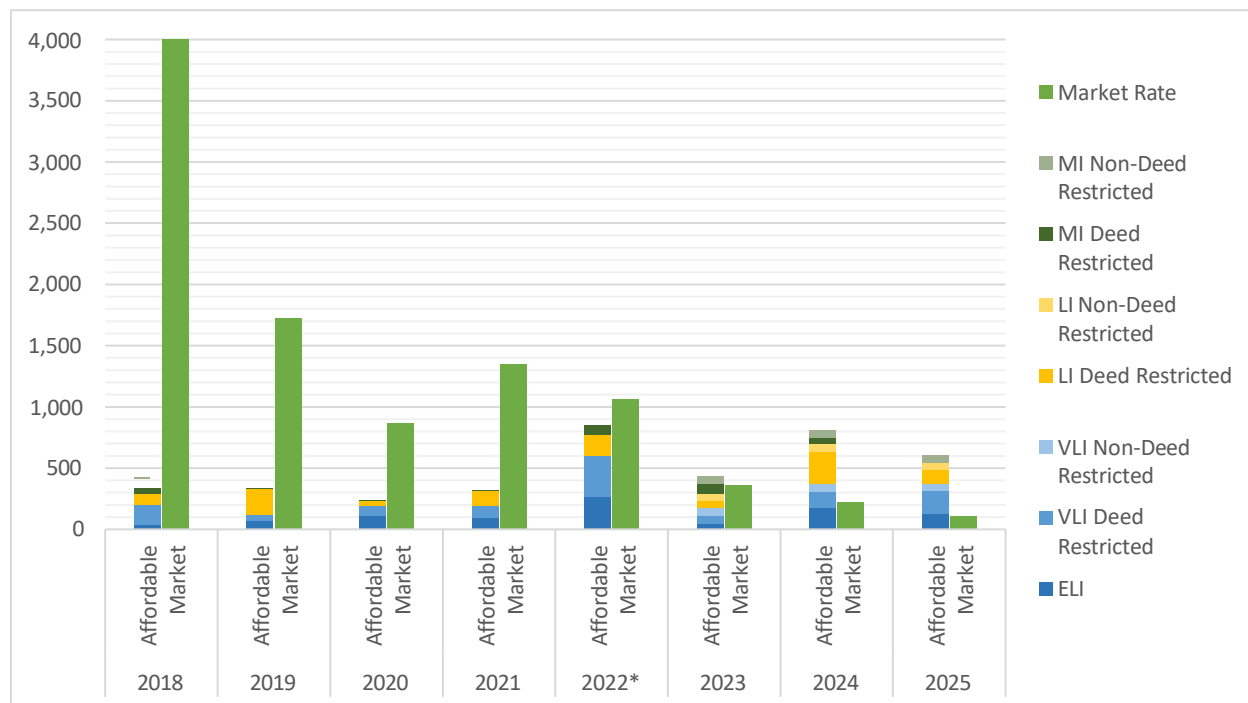
Figure 7: Number of New Housing Units by Phase of Development and Affordability, 2025*



*An error was made in reporting the affordability levels of units at the Prescott Station development, which was Completed in 2025. The graph above reflects the corrected affordability mix for Completed. City staff will submit a revision to State HCD to address this and any other reconciliations.

The Prescott Station project, located at 2121 Wood Street, was Permitted in 2022 and Completed in 2025. The project was originally permitted in 2022 with 211 Market-Rate units and 24 deed-restricted Moderate-Income units pursuant to a regulatory agreement with the City of Oakland. After being Permitted, the project entered into a funding agreement with the California Municipal Finance Authority (CMFA) that restricted the units previously planned as Market-Rate to Low-Income. This change in affordability levels was inadvertently omitted from the 2025 APR and all 211 units originally planned as Market-Rate units were recorded as such. City staff will submit a revision to State HCD correcting the affordability levels of the Completed units recorded in 2025 and updating the affordability levels of the units Permitted in 2022.

Figure 8: New Housing Units Permitted by Affordability, 2018-2025

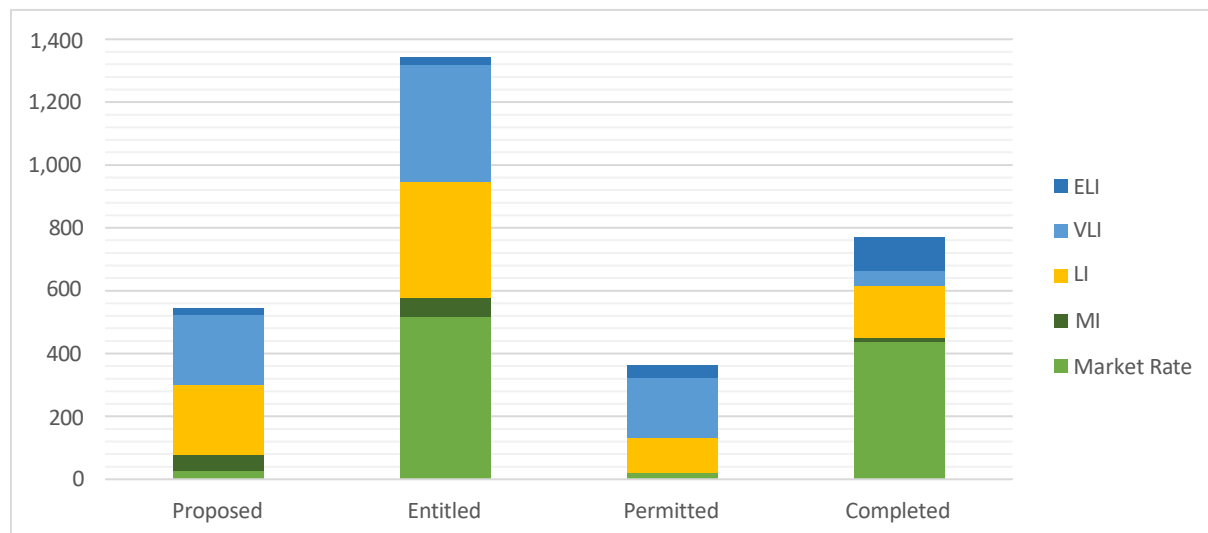


*An update will be made to report the affordability levels of units at the Prescott Station development, which was Permitted in October 2022. The project created 211 Low-Income units subject to a funding agreement finalized after the project was Permitted. The table above reflects the updated affordability mix for Permitted units. City staff will submit a revision to State HCD to address this and any other reconciliations.

The high proportion of affordable housing is due in part to the [City's Measure U affordable housing bond investments](#). Significant construction cost inflation over the past few years, stable lower rents, and high interest rates may all be contributing factors to the low number of Market-Rate projects entering construction. As such, the proportion of deed-restricted affordable housing units Permitted increased from **78%** of all Permitted units in 2024 to **84%** of all Permitted units in 2025. Due to an overall decrease in Permitted units, the number of deed-restricted affordable housing units Permitted in 2025 decreased by **25%** relative to 2024, while Market-Rate units decreased by **50%** relative to 2024.

As shown in **Figure 9**, a significant number of units in all development stages are in Density Bonus projects. Furthermore, these projects are important contributors to the development of affordable housing, especially of units affordable to low- and very low-income households. Of all affordable units, Density Bonus projects accounted for **60%** of Proposed units, **64%** of Entitled units, **57%** of Permitted units, and **57%** of Completed units. This demonstrates how incentivizing on-site affordable housing through allowance of higher densities and other relaxation of development standards can spur affordable housing production by housing developers. The Density Bonus program can both unlock larger projects for 100% affordable housing proposals and encourage Market-Rate housing projects to include affordable housing units on-site in exchange for incentives and waivers.

Figure 9: Number of New Housing Units in Density Bonus Projects by Phase of Development and Affordability, 2025



a. Senate Bill 423 Streamlining

California Senate Bill (SB) 423¹⁰ was signed into State law to streamline the construction of affordable housing. SB 423 applies to any city or county that has not made sufficient progress toward meeting their RHNA goals for above-moderate income units or units affordable to LI and VLI households (i.e., households earning below 80% of the AMI).

One affordable housing project submitted under SB 423 was Entitled in 2025 (see **Table 5**). This project included a total of **90** new housing units deed-restricted to VLI households and **one** Market-Rate unit set aside for property managers.

Table 5: Entitled SB 423 Projects by Affordability Level, 2025

Address	Record ID	Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income	Total Units
2500 76 th Avenue, Oakland, CA 94605	PLN25058	90	-	-	1	91
	Total Units	90	-	-	1	91

b. Accessory Dwelling Units (ADUs)

ADUs can be used to help address a range of local housing issues. According to the ADU Existing Conditions and Barriers Report¹¹, ADUs provide cost-effective, “affordable-by-design”

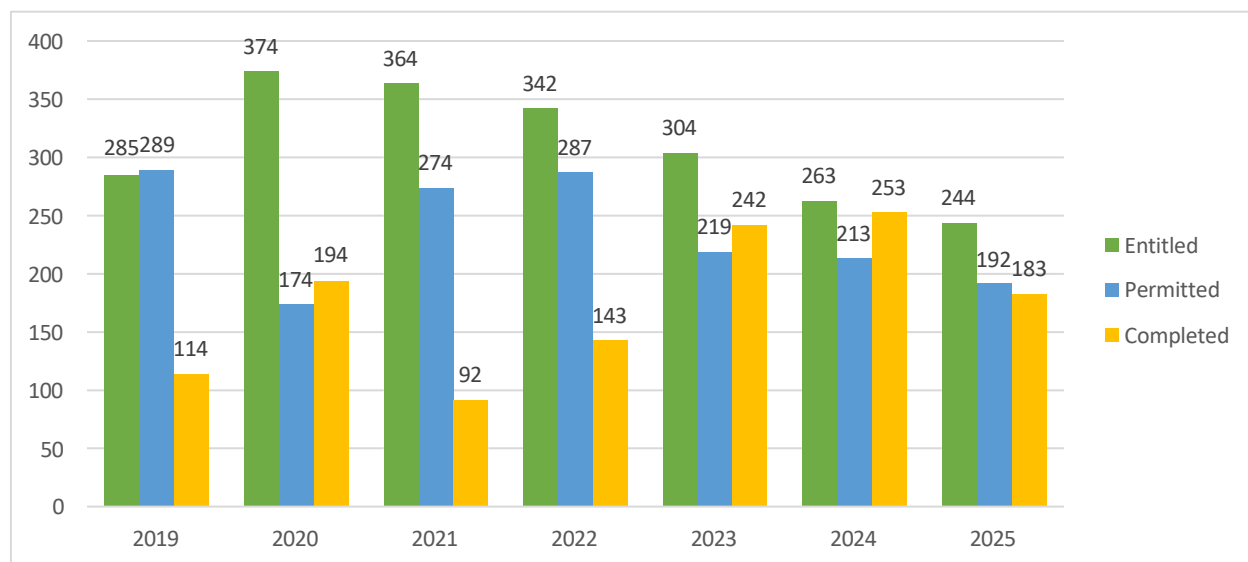
¹⁰ SB 423 (2023) amended Government Code Section 65913.4, which was first added by SB 35 (2017)

¹¹ “Oakland ADU Initiative Existing Conditions And Barriers Report” <https://cao-94612.s3.amazonaws.com/documents/Oakland-ADU-Research-Report-Jan-2020-Rev-June-2020.pdf>

housing in predominately single-family neighborhoods, many of which have immediate access to transit and amenities. They can also stabilize existing single-family neighborhoods by creating rental income for homeowners to help subsidize the cost of home ownership. In addition, they can allow families to support each other across generations while maintaining independent households and opportunities to age in place.

As shown in **Figure 10** and **Table 6**, the City Entitled **244** ADUs, Permitted **192** ADUs, and Completed **183** ADUs in 2025. The number of units Entitled and Permitted in 2025 were below average relative to the last five years. ADUs that were Entitled in 2025 represent a **7%** decline from 2024 and a **34%** decline from the peak year of 2020. Permitted ADUs in 2025 represent a **9%** decline from 2024 and a **34%** decline from the peak year of 2019. Completed ADUs in 2025 represent a **28%** decline from 2024, which was the peak year of ADU completions since 2019. The same increase in construction costs and financing is also impacting ADU construction. While ADU production declined across all development phases tracked in the APR, the decrease was less severe than the decline observed in multifamily development in 2025. This relative resilience suggests that, even in a financially constrained environment, ADUs continue to function as “affordable-by-design”¹² not only for renters but also for homeowners developing them. Although significant cost and financing barriers remain, ADUs are generally less complex to finance and deliver than multifamily projects, which often require layered financing structures. In addition, many ADUs are developed to accommodate family members or other household needs that may be less sensitive to broader economic cycles. As a result, demand for ADU development has remained comparatively stable despite the broader slowdown in housing production.

Figure 10: Production of Accessory Dwelling Units, 2019-2025



¹² Affordable-by-Design means that housing units have below-average rents without requiring the subsidies of conventional, deed-restricted affordable housing. Instead, rents are influenced by smaller than average unit size and reduced land costs.

Over the course of the 5th RHNA Cycle (2015-2023), the City reported ADUs as Market-Rate units to the State through the Housing Element APR. This was done because ADUs are not subject to deed-restrictions. However, recent studies on the affordability of ADUs support the idea that ADUs are an important source of housing that is “affordable-by-design.” State HCD determined that ABAG region jurisdictions may use regional surveys of ADU affordability as the basis for reporting the naturally occurring (non-deed restricted) affordability levels of ADUs. The ABAG affordability study,¹³ first published in 2022 and updated in 2026, estimated that of all ADUs, **30%** each qualified as VLI, LI, and MI units. The remaining **10%** of units qualify as above-moderate income units. For Oakland’s 2025 APR, this distribution was applied across all reported ADUs. As income categories must be reported for each individual project, each unit was assigned a non-deed restricted affordability level. These assignments were made such that the overall distribution of Proposed, Entitled, Permitted, and Completed units each approximately represent the 30-30-30-10 distribution determined by the ABAG study, as shown in **Table 6**.

Given this methodology, the reported income category of ADUs should only be considered in the aggregate. The reported affordability of an individual ADU does not necessarily reflect the actual rent charged for that unit.

Table 6: ADU Affordability by Phase of Development, 2025

	Proposed	Entitled	Permitted	Completed
Very Low-Income	76	74	58	57
Low-Income	76	71	58	53
Moderate Income	75	68	57	55
Above Median Income	25	31	19	18
Totals	252	244	192	183

D. PRESERVATION AND PRODUCTION OF AFFORDABLE RESIDENTIAL UNITS

The City typically issues funding for the construction, acquisition, and preservation of affordable housing via competitive “Notice of Funding Availability” (NOFA) processes. 2025 saw major continued City investments towards these affordable housing priorities, as shown in **Figure 11**.

The City's Acquisition and Conversion to Affordable Housing (ACAH) Program is an anti-displacement program that preserves existing housing that is affordable to low-income Oaklanders. The City provides financing to affordable housing partners to acquire unsubsidized affordable housing, perform necessary upgrades, and make improvements to the physical condition of the property. In return, the homes are deed restricted as affordable to low- and moderate- income households for at least 55 years.

The ACAH program closed on loans for 48 units in 2025. Additionally, on December 19, 2025, the City of Oakland’s Housing and Community Development Department (HCD) released a

¹³ "Using ADUs to Satisfy RHNA" ABAG Technical Memo: <https://abag.ca.gov/tools-resources/digital-library/adus-projections-memo-finalpdf>.

Notice of Funding Availability (NOFA) for the Acquisition and Conversion to Affordable Housing (ACAH) Program, with up to \$22 million in Measure U (Tranche 2) bond funds available.

In 2025, Oakland continued to implement the Rapid Response Homeless Housing (R2H2) NOFA, which was first issued in 2024. The R2H2 NOFA serves as an ongoing funding opportunity for capital and operating needs for homeless housing. The program is in operation, has funded one project and is working with several candidates for the State's Homekey+ program. Funding is available on an over-the-counter basis¹⁴ under the terms of a Notice of Funding Availability.

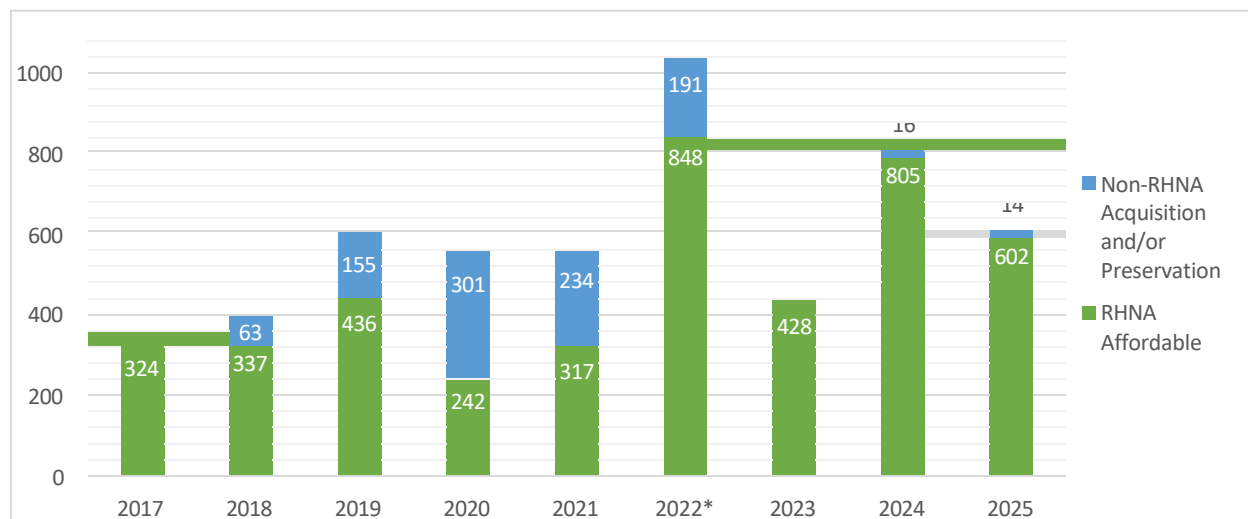
Including Measure U, Oakland committed \$143.5 million to affordable housing in 2025. Additionally, in December 2025, Oakland successfully issued \$334 million in new bonds to fund Measure U projects. Among other affordable housing investments, \$30 million raised through this new bond issuance will fund the ACAH Program, \$33 million will support the Mandela Transit Oriented Development, and \$28 million will support the Liberation Park Development. More details on this bond issuance are available at the following webpage:

<https://www.oaklandca.gov/News-Releases/Oakland-Successfully-Issues-334M-in-Bonds-to-Fund-Capital-Projects>.

In addition to the local investment of over \$140 million in affordable housing in 2025, the City vigorously pursued State and Federal funding opportunities to support more affordable housing units. In 2025, the City won \$7 million from the federal Pathways to Reducing Obstacles to Housing (PRO Housing) grant, which included \$5.2 million to establish a new revolving predevelopment loan program. The program is forecast to launch in 2026. The City also took recent action to streamline the entitlement process for affordable housing. With the adoption of the S-13 Affordable Housing Combining Zone in 2023, affordable housing in Oakland is eligible for by-right approval, two extra stories, unlimited density within the building envelope, and exemption from parking requirements. This overlay applies to all zones in which housing can be built, with limited exemptions for historic landmarks and the S-9 Fire Safety Protection Combining Zone. In addition, any 100% affordable housing development is approved through a ministerial review, even if it does not utilize the S-13 Combining Zone.

¹⁴ An over-the-counter Notice of Funding Availability funds qualifying applications on a rolling basis, as funds are available. This is more flexible than the traditional model of accepting applications for a limited submission window only.

Figure 11: Permitted Affordable Housing Production and Preservation Progress, 2017-2025



* An update will be made to report the affordability levels of units at the Prescott Station development, which was Permitted in October 2022. The project created 211 Low-Income units subject to a funding agreement finalized after the project was Permitted. The figure above reflects the updated affordability mix for Permitted units. City staff will submit a revision to State HCD to address this and any other reconciliations.

E. APPLICATION FOR LOT SPLITS & UNITS CONSTRUCTED

In 2019, Governor Gavin Newsom signed into law Senate Bill (SB) 9. The new law requires jurisdictions to ministerially approve either or both of the following, as specified:

- A housing development of no more than two units (duplex) in a single-family zone. (Gov. Code Section 65852.21)
- The subdivision of a parcel zoned for residential use, into two approximately equal parcels (lot split), as specified. (Gov. Code Section 66511.7)

Government Code section 65852.21(i) requires units constructed pursuant to Government Code section 65852.21 to be included in the Housing Element APR. Government Code section 66411.7(l) requires lot splits approved pursuant to Government Code section 66411.7 to be included in the Housing Element APR.

SB 9 only applies to single-family zones outside of environmental hazard and historic areas. Action 3.2.1 in the 2023-2031 Housing Element committed the City to significantly reducing single-family zoning. Through updates to the zoning code as part of the Missing Middle Housing Type Planning Code amendments adopted on October 3, 2023 ([Ordinance 13763 C.M.S.](#)) — in particular to the City’s Detached Residential (RD) and the Mixed Housing Type Residential (RM) Zones where four-plexes are now permitted on lots that are 4,000 square feet or larger and two units on lots of any size — the City has largely eliminated single-family zoning, thus making progress towards its goal of furthering equitable opportunities for all people and communities.

Through this measure, the City has significantly reduced the extent of exclusionary zoning, and thus the applicability of SB 9 in the City.

Four units (**One** project) submitted under SB 9 were Permitted in 2025.

F. HOUSING-RELATED ACTIVITIES & POLICY

Oakland's 2023-2031 Housing Element includes a Housing Action Plan (HAP) that identifies 123 action items that address the following goals:

1. Protect Oakland residents from displacement and prevent homelessness.
2. Preserve and improve existing housing stock.
3. Close the gap between affordable and Market-Rate housing production by expanding affordable housing opportunities.
4. Address homelessness and expand resources for the unhoused.
5. Promote neighborhood stability and health.

Progress toward implementing all policies and programs included in the HAP can be found in Table D of the 2025 Housing Element APR. Highlights include:

2.1.2 Promote healthy homes and lead-safe housing

In 2025, the Oakland Housing & Community Development Department (Oakland HCD) successfully applied for \$4.4 million from the federal Lead Hazard Reduction (LHR) grant program. These funds will pay for lead-based paint remediation for over 40 homes. \$400,000 of the grant funds will support other healthy home interventions to address indoor health hazards, like radon and mold.

2.2.8 Investigate a Tenant/Community Opportunity to Purchase Act

In 2025, Oakland HCD submitted a report to the City Council that described the history and implications of a "Tenant Opportunity to Purchase Act" (TOPA) or "Community Opportunity to Purchase Act" (COPA). If enacted, this legislation would create new rules regarding the sale of residential property and seek to expand opportunities to convert existing homes to deed-restricted affordable housing. As part of the HAP, staff were required to bring a report to Council describing the City's options. The report submitted satisfied the requirements of this housing element action.

3.3.8 Right-sized development fees on Market-Rate developments

On July 15, 2025, City Council adopted [Ordinance No. 13853 C.M.S](#) to increase the amount of affordable housing units a developer must provide on-site in order to not pay Affordable Housing Impact Fees. Affordable Housing Impact Fees are still the first requirement for a developer, but they have the option to build a certain percentage of on-site affordable housing units in order to not pay the Affordable Housing Impact Fees. The on-site percentage was increased for units affordable to very low-income households from 5% to 10%, for units affordable to low-income households from 10% to 12%, and for units affordable to moderate-income households from 10% to 15%. For Zone 3 in East Oakland the percentage remained the same at 5% for very-low income households and 10% low-income households, but increased to 15% for moderate income households. In addition, this ordinance also changed the timing for when all Impact Fees are charged, shifting fee collection to the Certificate of Occupancy stage.

Affordable Housing Impact Fees are no longer charged on 2 - 4-unit projects to encourage Missing Middle Housing. Affordable Housing Impact Fees are temporarily not charged on developments in Zone 3 (East Oakland) to try to incentivize development in that area of the City. In addition, the City completed its Annual Impact Fee Report in 2025 and it plans to complete the 5-year Impact Fee Report that is due in 2026 along with the Annual Reporting process.

3.3.9 Adjusting or waiving City fees and payment timing for affordable housing developments

On July 15, 2025, City Council adopted [Ordinance No. 13853 C.M.S](#), changing the timing for when Transportation Impact Fees are charged. Transportation Impact Fees are now charged at the Certificate of Occupancy stage. Collecting Transportation Impact Fees at the same time as Certificate of Occupancy issuance will reduce carrying costs for Affordable Housing Developers.

3.3.12 Continue the Acquisition and Conversion to Affordable Housing (ACAH) Program

In 2025, Oakland HCD closed loans on 48 housing units to acquire, rehabilitate and convert those homes to affordable housing. On December 19, 2025, the City of Oakland's Housing and Community Development Department (HCD) released a Notice of Funding Availability (NOFA) for the Acquisition and Conversion to Affordable Housing (ACAH) Program, with up to \$22 million in Measure U (Tranche 2) bond funds available.

3.4.8 Implement objective design standards

As of June 2025, three sets of Objective Design Standards (ODS) have been adopted by the Planning Commission, covering the majority of residential and mixed-use development in Oakland. The ODS for 4- to 8-story residential and mixed-use development were adopted in October 2024. The ODS for 1- to 3-story and 1- to 4-family residential and mixed-use development were adopted in June 2025. In addition to the standards themselves, the City also established associated simplified design review pathways, including a ministerial design review track, aligned with the ODS ([Ordinance No. 13855 C.M.S](#)). Together, the adopted standards and the new streamlined review tracks are now in place and function to simplify and expedite housing development citywide. The standards are being tested in reviews of projects and refined on as needed basis.

G. KEY ISSUES AND EXPECTATIONS FOR 2026

a. Affordable Housing

Oakland HCD marks a period of transition in 2026, as many pipeline affordable housing projects enter construction and a new wave of affordable housing opportunities emerge. All of this takes place during a time of flux on the statewide level, as major changes impact California's affordable housing system.

Due to changes in tax law, a bottleneck in the availability of federal tax credits for affordable housing has (at least temporarily) abated. This change has allowed hundreds of affordable homes with prior City funding commitments to clear their final financing barrier and move towards construction. As a result of tax credits awarded in 2025, as well as the City's three successful Homekey+ awards in 2025, staff anticipate that the City will have over 1,000

Permitted (issued building permits) new affordable housing units in the first half of 2026. Staff anticipate that several Round 3 Homekey projects will also finish construction and be Completed in 2026, providing almost 200 new homes for homeless Oaklanders.

The continued investment of Measure U funding in affordable housing will be an ongoing focus for the City in 2026. Building off the successful investment of tranche 2 Measure U funds in new construction in 2025, the City will invest up to \$22 million in Measure U towards the Acquisition and Conversion to Affordable Housing (ACAH) program. Funding commitments occur on a rolling basis, including to the Oakland's [first City-funded teacher/educator housing project](#). Staff anticipate releasing additional funds for new construction following the next tranche of bond sales, which may take place in early 2027.

Another ongoing focus for the City is effectively leveraging partnerships and funding opportunities with other levels of government. The primary limitation on affordable housing construction in Oakland remains the availability of funding. In 2026, the State will reorganize its affordable housing funding system to centralize most state affordable housing programs. The City is closely engaged in this process and anticipates this could significantly reduce predevelopment timelines and per unit costs for future affordable housing projects. The state legislature is currently considering a housing bond that, if approved by the voters, could replenish several key state funding programs and help leverage future City funding commitments. Closer to home, the City will continue to work with Alameda County to deploy Measure W funds to support affordable housing and homelessness solutions. The City also anticipates working more closely with the Bay Area Housing Finance Authority (BAHFA). BAHFA is already a valued partner due to their [Doorway affordable housing application portal](#), but more opportunities for collaboration exist around a series of new BAHFA financing products that can further expand affordable housing opportunities. These new products may be particularly helpful in expanding so-called "middle income" housing opportunities (80-120% of Area Median Income). This could be a strong complement to the City's existing investment in deeply affordable housing units.

Oakland HCD also anticipates pursuing new and/or expanded homeownership opportunities in 2026. The City currently receives an annual grant from the State called the "Permanent Local Housing Allocation" (PLHA). While these funds have historically been used to fund capitalized operating reserves essential for the successful operation of Permanent Supportive Housing, a new State requirement in 2026 is expected to mandate that 20% of these PLHA funds be used for homeownership. Although the amount of these homeownership funds may be modest (most likely \$400,000-\$1 million annually), this would represent the first ever annual funding stream available to Oakland HCD dedicated to supporting homeownership. Oakland HCD will work with a variety of stakeholders in 2026 to identify the most efficient and equitable options to use these funds to support homeownership. In 2026, Oakland HCD and PBD will also jointly continue their collaboration with the Alameda County Tax Collector's office to transfer tax-defaulted properties to potential affordable housing developers, with a special focus on affordable homeownership builders. The City will also collaborate with Alameda County's forthcoming "SHIFT" program, which is seeking to create pre-approved, repeatable plan sets for small-scale infill development (2-14 units). Some of these future projects may become condos.

A continuing challenge for affordable housing in 2026 is the high cost of construction. The cost of materials and especially labor are major contributors to these elevated costs. Although State-level efforts to foster more efficient building methods and reduce funding fragmentation could eventually lead to lower construction costs, the short-term outlook remains difficult. Oakland specific labor requirements for City-funded affordable housing—such as minimum contract participation requirements for local businesses, apprenticeship requirements, and local hire provisions—may cause City-funded projects to be more expensive than similar projects in nearby cities. This poses an additional set of challenges when it comes to competing for State-level affordable housing resources.

Outside of developing and preserving affordable housing, Oakland HCD remains focused on implementing its new [Anti-Displacement Strategic Action Plan](#). This plan underlines the importance of ongoing investment in homelessness prevention and other anti-displacement programs. Oakland HCD also looks forward to supporting the implementation of the City's new Homelessness Strategic Plan. The strategies contained in this plan serve as an important complement to the work Oakland HCD does to serve residents before and after they experience homelessness.

b. Market-Rate Housing

Oakland's housing market continues to absorb the early-2020's housing surge. High construction costs and high interest rates continue to pose a significant headwind to market-rate development.

Market rents in Oakland declined in the immediate aftermath of the pandemic and have remained largely stable since, but the decline in new Market-Rate housing completions may cause rents to once again rise over the next few years. Although Market-Rate rents in San Francisco have recently surged, the impacts have not yet materially spilled over to Oakland. Historically the higher rents tend to make their way to Oakland with residents who cannot afford to live in San Francisco moving to Oakland.

Planning Applications in 2026 to date have climbed by 5.66% compared to this same time period in 2025 - fueled by a 30% surge in development and zoning applications and a steady 3.87% rise in Planning Counter activity. The momentum carries over into Building Applications as well, which saw an overall increase of 0.81%, highlighted by a 132% jump in permits for brand-new builds and a healthy 9.72% boost in alterations.

In 2026, the General Plan Update Phase 2 will serve as an opportunity for the City to pursue additional options to stabilize Oakland's neighborhoods through strategic density increases, improved transit connectivity for residents and businesses, and increased access to parks, cultural amenities, and everyday services, among other strategies. Staff are considering strategies that support development of both Market-Rate and affordable units. These strategies include increased residential density allowances and increased height limits in key areas identified as "Neighborhood Centers," along transit corridors, and at BART stations. More information about policies under consideration as part of GPU Phase 2 can be found at the following webpage: <https://www.oaklandca.gov/gpu>.

RELATED PLANNING EFFORTS

This report relates to the implementation of the 2023-2031 Housing Element and the Oakland General Plan.

OAKLAND STRATEGIC PLAN

The Oakland Strategic Plan is a framework for achieving fiscal health while ensuring that core services and programs remain aligned with community priorities. This agenda item supports Oakland's Strategic Plan Priority 2: Foster Cross-Department Collaboration. Specifically, this item relates to the implementation of the following tasks:

Establish City HCD annual reporting on affordable housing development progress to City Council to accompany the Annual Progress Report (APR).

While this item does not establish a City HCD reporting process on affordable housing development progress separate from the APR, City HCD and the Planning & Building Department collaborated closely to develop this report. Much of the report focuses on Oakland's progress developing affordable housing, including a review of City funds disbursed to support affordable housing development, affordable housing units produced, and other measures of affordable housing progress laid out in the Housing Element. Beginning in 2025, Oakland HCD brought its first Annual Housing Programs Report to CED Committee and Council for review. With the second annual report in 2026, this new process will satisfy the citywide strategic plan's commitment.

EQUITABLE CLIMATE ACTION PLAN

Policies included in the Housing Element support relevant Action Items of the Equitable Climate Action Plan (ECAP). Relevant Action Items from the ECAP supported by the Housing Element include:

TLU-1 Align All Planning Policies & Regulations with ECAP Goals & Priorities.
The 2023-2031 Housing Element references and aligns with the policies established by the ECAP to ensure that the two plans do not conflict and that the Housing Element works to advance the priorities contained in the ECAP.

TLU-2 Align Permit and Project Approvals with ECAP Priorities.
Staff in the Planning and Building Department continue to require, review, and only approve development projects, including housing development projects, whose designs and programs align with ECAP priorities.

TLU-3 Take Action to Reduce and Prevent Displacement of Residents & Businesses.

Preventing Oakland residents from displacement is a core priority of the 2023-2031 Housing Element. The Housing Element identifies five overarching goals and associated actions to address the housing crisis and the needs of Oaklanders. Goal 1: Protect Oakland Residents from Displacement and Prevent Homelessness, is supported by 14 actions.

B-1 Eliminate Natural Gas in New Buildings.

Housing Element Action 5.2.6: Encourage Climate Resilient Housing, directs the City to support property owners in building electrification, energy efficiency and resilience, and seismic safety retrofits, prioritizing funding in frontline and disadvantaged communities. More than 1,500 solar projects have been permitted since the start of the current Housing Element Cycle in 2023, with 88% of these projects also including battery storage. The City is also preparing for the Zone Zero standards expected to be required by the State beginning in 2026.

B-2 Plan for All Existing Buildings to be Efficient and All-Electric by 2040.

Housing Element Action 2.1.1: Support Home Rehabilitation Programs, focuses on expanding housing rehabilitation assistance to very low- and low-income homeowners to address code violations, abate lead paint hazards, conduct major and minor home repairs, and make emergency repairs. The City will pursue resources to integrate holistic building electrification, onsite renewable energy, and energy storage into these programs where possible.

A-2 Enhance Community Energy Resilience.

Housing Element Action 2.1.1: Support Home Rehabilitation Programs, and Housing Element Action 5.2.6: Encourage Climate Resilient Housing, both advance community energy resilience by supporting retrofits of existing residences to accommodate resilient energy systems, as well as retrofits to support more energy efficient designs, including passive design and more energy and water efficient systems.

ECONOMIC DEVELOPMENT ACTION PLAN

Actions implemented pursuant to the 2023-2031 Housing Element align with Economic Development Action Plan Goal 4: Invest in Places. Actions included in the Housing Element focus on increasing the Market-Rate and affordable housing supply in Oakland to protect existing residents from displacement while accommodating new growth. Additionally, actions contained in the Housing Element support the economic vitality of Oakland by strengthening neighborhoods through stabilization of housing supply, supporting mixed-income neighborhoods, and advancing transit-oriented development.

FISCAL IMPACT

This report is for informational purposes only and does not have a direct fiscal impact or cost. The State HCD incentivizes and rewards local governments that have adopted compliant and effective Housing Elements. There are several housing and community development and

infrastructure funding programs that include Housing Element compliance as a rating and ranking or threshold requirement. In addition, AB 879 (2017) and SB 35 (2017) created new consequences for failing to submit an APR to the State HCD and the LCI by April 1 of each year. These new consequences include court sanctions and requiring municipalities to use a streamlined and ministerial process for approving affordable multifamily housing developments that satisfy the jurisdiction's planning standards and requirements. Given this, it is important to prioritize staff time to submit this document annually.

The housing trends described in this report have a profound impact on the long-term health of the City budget. The construction of affordable housing, and especially Permanent Supportive Housing for the homeless, reduces the number of homeless Oakland residents and the demand for street homelessness services, homeless-related emergency services, and other homelessness-related City expenses. Also, Market-Rate housing construction is an important component of property tax growth, which is a valuable contributor to the City's General Fund. The construction of new housing - affordable and Market-Rate alike - generates additional revenue for the City from construction-related business and sales taxes. New residents become additional customers for local businesses, supporting a healthy business and sales tax base over the long term.

PUBLIC OUTREACH / INTEREST

As noted earlier in this report, the 2025 APRs submitted to the State LCI and the State HCD on March 30, 2026, reflect the third year of reporting on progress to meet the production targets and policies within the City's 2023-2031 Housing Element. Government Code 65400 section (b) allows municipalities to consider the APR at a public meeting before the legislative body within 60 days of the April 1st deadline. In accordance with Action 5.2.11 of the adopted 2023-2031 Housing Element, the City conducted public meetings before the Zoning Update Committee on April 22nd and the Planning Commission on May 6th to review and consider the APR.

COORDINATION

Staff from the following City of Oakland departments and agencies coordinated in 2025 to implement the General Plan and 2023-2031 Housing Element: Planning and Building Department, Department of Housing and Community Development, Economic and Workforce Development Department, City Administrator's Office, Office of the City Attorney, Department of Finance, Department of Transportation, Fire Department, Human Services Department, Mayor's Office, and Public Works Department. Additionally, staff from the Bureau of Planning and Oakland HCD have worked closely to prepare these APRs, along with this agenda report.

This report has been reviewed by the Office of the City Attorney.

RACE AND EQUITY

Based on several recently-published reports, housing justice – the process and outcome of establishing housing as a human right – is now the number one priority for Oaklanders of all

racess, particularly for those who are at the lower ends of the income brackets and/or are experiencing homelessness.^{15,16,17} While housing affordability is both a regional, if not statewide issue, it severely impacts Oakland given the relatively high proportions of people needing below-Market-Rate housing and the high cost of housing in the Bay Area.¹⁸ According to the American Community Survey estimates for 2024,¹⁹ a staggering 49% of Oakland renters are housing burdened²⁰ and 27% are severely housing burdened.²¹ As shown in **Figure 12**, rent burden also follows familiar patterns of racial inequity. Black households have the lowest median household income, and approximately 58% of Black renter households are rent burdened with about 33% severely rent burdened — the highest rate of any racial/ethnic group in Oakland. Only White households had a rent burden below 40%. Therefore, there are significant racial equity opportunities associated with the City’s continued implementation of the 2023-2031 Housing Element, and from the City’s production of affordable housing.

As part of the 2023-2031 Housing Element, the City prepared a Racial Equity Impact Analysis (REIA). This document identifies “whether Black/African American, Indigenous, and other Oaklanders of color are (1) disproportionately affected by the negative effects of programs and policies or (2) have less access to benefits provided through policies and programs.” The REIA evaluated each action in the Housing Action Plan “for its potential to help reverse longstanding housing disparities and provides additional recommendations for maximizing racial equity impacts”, identified those “actions with the most potential to positively impact racial equity in housing outcomes,” and provided “high priority recommendations to strengthen actions or ensure equitable implementation to improve outcomes for [Black, Indigenous, and People of Color] Oaklanders.” The REIA found the Housing Action Plan would have a moderate to high impact on improving racial equity and included recommendations on how to implement the actions with the highest impact. In 2025, implementation of the Housing Action Plan incorporated those recommendations. Of the six actions highlighted in section **II.6 Housing-Related Activities & Policy**, 83% were found to have a high impact on racial equity, while another 17% have a moderate impact.

Implementing and updating Oakland’s current General Plan promotes meaningful civic engagement in the public decision-making process and identify objectives, policies, improvements, and programs that address the most pressing needs in the community, particularly where social and racial inequities are most prevalent.

¹⁵ "Centering Racial Equity in Homeless System Design." (2021) Oakland-Berkeley-Alameda County Continuum of Care.

<https://everyonehome.org/wp-content/uploads/2021/02/2021-Centering-Racial-Equity-in-Homeless-System-Design-Full-Report-FINAL.pdf>.

¹⁶ "Housing Vulnerability in Oakland, CA." (2020) The Housing Initiative at Penn.

https://www.housinginitiative.org/uploads/1/3/2/9/132946414/hip_oakland_market_study_9-29-20_small.pdf.

¹⁷ "A Primer on Power, Housing Justice, and Health Equity: How Building Community Power Can Help Address Housing Inequities and Improve Health." (2020) Human Impact Partners.

https://static1.squarespace.com/static/5ee2c6c3c085f746bd33f80e/t/5f6a265e4f5ea8325042f1cd/1600792164297/HI_P.RTTC_Final_Housing_Justice_HE_Primer+%281%29.pdf.

¹⁸ "Oakland 2045: Environmental Justice and Racial Equity Baseline." City of Oakland Planning and Building Department. https://cao-94612.s3.amazonaws.com/documents/Equity-Baseline_revised4.15.22.pdf.

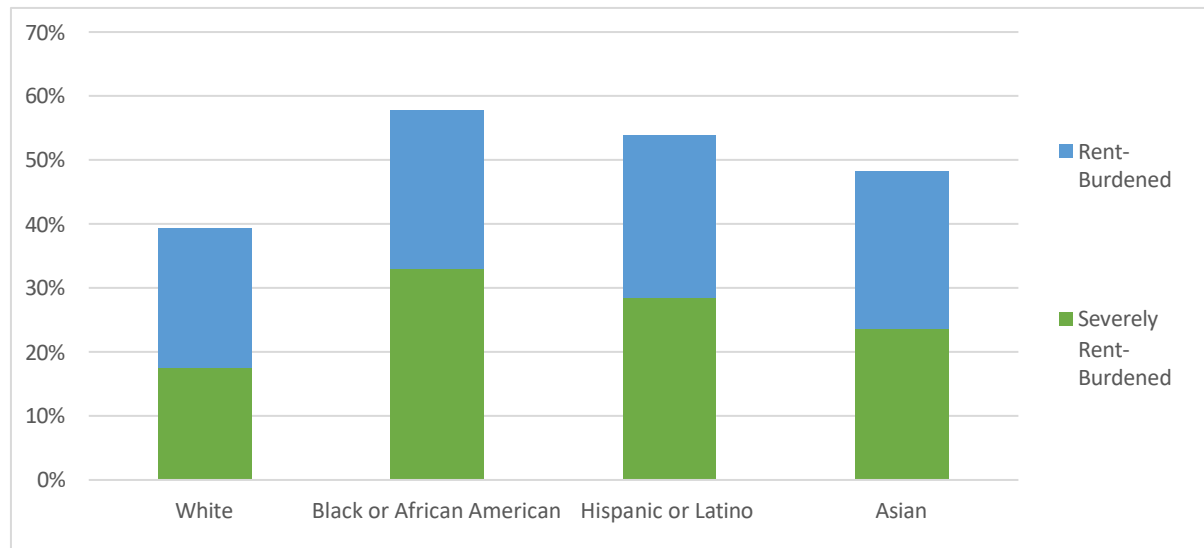
¹⁹ U.S. Census Bureau. "Gross Rent as a Percentage of Household Income in the Past 12 Months." *American Community Survey, ACS 1-Year Estimates Detailed Tables, Table B25070*, 2024,

<https://data.census.gov/table/ACSDT1Y2024.B25070?q=160XX00US0653000>

²⁰ Pay more than 30% of income on housing costs.

²¹ Pay more than 50% of income on housing costs.

Figure 12: Rent-Burden by Race/Ethnicity in Oakland, 2021²²



CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Consideration of the 2025 General Plan APR and the 2025 Housing Element APR does not constitute a project under the California Environmental Quality Act (CEQA).

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Receive An Informational Report On The City Of Oakland's General Plan And Housing Element Annual Progress Reports For Calendar Year 2025.

For questions regarding this report, please contact Bebe LeGardeur, Planner II, at blegardeur@oaklandca.gov, or Caleb Smith, Senior Policy Analyst, at csmith4@oaklandca.gov.

Respectfully submitted,

[William Gilchrist \(May 20, 2026 15:30:50 PDT\)](#)

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²² U.S. Census Bureau. "Gross Rent as a Percentage of Household Income in the Past 12 Months." *American Community Survey, ACS 5-Year Estimates Detailed Tables, Table B25070, 2021*
<https://data.census.gov/table/ACSDT5YSPT2021.B25070>



[Emily Weinstein \(May 20, 2026 15:56:25 PDT\)](#)

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