

Exhibit F



March 25, 2019

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Sent via Email

RE: City of Fresno Draft 2018 Housing Element Annual Progress Report

Dear Ms. Pagoulatos:

Thank you for the opportunity to provide comments on the City's Draft 2018 Housing Element Annual Progress Report ("2018 Draft APR" or "Draft APR"). We appreciate staff's efforts to provide information regarding the City's actions towards implementation of its 2016-2023 Housing Element ("Housing Element") in a manner that is accessible to the public.

Nevertheless, as detailed in this letter below, the Draft APR fails to provide *any* information at all about the status of the City's efforts to implement numerous commitments set forth in the 28 programs contained in the Housing Element and provides insufficient information to assess whether the City has met the targets and deadlines set forth in various other commitments contained in those programs. As a result, the Draft APR does not satisfy the minimum requirements set forth in the Government Code, which provide that local governments must annually prepare an APR that describe "the actions taken by the local government towards completion of the programs and the status of the local government's compliance with deadlines contained in the housing element." § 65400. We ask that the City revise the Draft APR to provide the missing information in accordance with state law or state whether the City has taken no action to implement any program at issue in this letter.

In addition, the inadequate and absent information about actions taken by the City to implement various programs, as well as information in the Draft APR and available to us indicating a failure to meet the requirements set forth in certain housing element programs, rings alarm bells for our organization, which works closely with lower-income residents who are deeply impacted by the dearth of decent quality affordable housing in Fresno. So too should it set off alarm bells for City staff, City administration officials, and City Council representatives. With more than 65% of all renter households in the City and 80% of lower-income renter households facing unaffordable housing costs, and thousands of households impacted by dilapidated, over-crowded, and



otherwise inadequate housing conditions, implementation of the housing element – the City’s only detailed affordable housing plan – must be priority.

Therefore, and in light of the information gaps contained in the Draft APR and the number and technical nature of the commitments and deadlines contained in the Housing Element programs, we ask that the City undertake an independent audit of its housing element to gather information about the status of implementation of each of the programs; issue findings regarding the status of the City’s compliance with those programs; identify any structural changes, staffing, or resources needs to provide for the Housing Element’s seamless implementation; and identify an action plan of steps to ensure the City’s compliance with each Housing Element program and relevant provisions of state Housing Element Law and Planning and Zoning Law.

Finally, in addition to identifying information gaps in the Draft APR and program implementation deficiencies, our letter identifies certain resources and strategies available to the City to facilitate the development and maintenance of affordable housing consistent with the Housing Element’s goals, objectives, policies and programs. We encourage the City to seriously consider and pursue these resources in the interest of progress towards addressing the dire and growing housing needs of the City’s residents.

Program 1 – Adequate Sites

A. Correct or Justify the Draft APR’s Calculation of Above-Moderate Income Capacity

With respect to Program 1, we first note that the Draft APR indicates that the City’s Housing Element Sites Inventory has a surplus capacity of 3,825 units of Above Moderate Income (“AMI”) housing development, while the 2017 APR and the Housing Element respectively indicate surplus capacities for AMI housing of 3,668, and 3,503 units. The Draft APR provides no explanation for the increase in the surplus capacity of the sites inventory for this income category, and we are not aware of any action taken by the City to amend the sites inventory that resulted in an increase in capacity. The City must correct the Draft APR to provide an accurate calculation of the sites inventory capacity for all income levels or explain the basis for the increased capacity.

B. The Dramatic Reduction in the Sites Inventories Capacities Merits Council & Administration Attention

Next, setting aside the question of the accuracy of the AMI surplus capacity identified in the Draft APR, the Draft APR indicates that the City’s 2015-2023 RHNA surplus capacity has fallen by nearly 4,000 units, including a loss of capacity for 2,316 Lower Income units, between the



Housing Element’s adoption and December 2018.¹ The 2018 Draft APR also reports that the City’s surplus capacity for its 2008-2013 Lower-Income Carry-Over need shrunk to just 59 units, a 609 unit loss from the initial carry-over capacity. While the Housing Element does not identify the reasons for the capacity reduction, we are aware that the City has approved the rezoning of numerous sites contained in the sites inventory to zone districts permitting lower or zero residential density. Given that the City is only three years into the eight-year planning period for this housing element cycle, the dramatic decline in the City’s RHNA and carry-over sites inventories’ surplus capacities merit the City Council and the Administration’s attention.

We understand that certain property owners have indicated a desire to City staff for extensive zone changes to permit lower residential densities, including but not limited to on sites identified in the Sites Inventory to meet the City’s lower-income RHNA and located in the West Area Specific Plan area. To the extent the City considers further reduction of the residential capacity of sites contained in either of its sites inventories, it must ensure that it maintains adequate sites in the inventories to meet its RHNA and carry-over obligations, including through rezoning if necessary, consistent with the Housing Element and No Net Loss Law.

C. The City Must Amend the Housing Element Sites Inventory to Conform with the General Plan Land Use Map

State law requires cities and counties to maintain internally consistent General Plans to guide municipalities’ growth. Gov. Code §§ 65300; 65300.5. Internal consistency requires consistency among elements as well as between all text, data, analysis, maps, and diagrams. *Concerned Citizens of Calaveras County v. Board of Supervisors* (1985) 166 Cal. App.3d 90. Office of Planning and Research (“OPR”) General Plan Guidelines, pp. 21-22.² Government Code Section 65583(c) specifically requires that the Housing Element identify the means by which consistency will be achieved and maintained with other general plan elements, including land use. General Plan Guidelines, p. 22. In the case of the City of Fresno, the Housing Element states:

¹ The Housing Element claimed a total surplus capacity to meet its 2015-2023 RHNA of 13,805 units for all income categories, while the 2018 Draft APR indicates a total surplus capacity of 9,838 units.

²“Internal consistency requires that no policy conflicts, either textual or diagrammatic, can exist between the components of an otherwise complete and adequate general plan such as internally referenced external documents like a climate action plan or a local energy assurance plan (Gov. Code § 65300.5).” “The general plan’s text and its accompanying diagrams and maps are integral parts of the plan. The must be in agreement.” OPR, General Plan Guidelines, pp. 21-22.



“When any element of the General Plan is amended, the City will review the Housing Element and if necessary, prepare an amendment to ensure continued consistency among elements.”

While the law requires consistency among all components of the General Plan, including the housing element and all other elements and maps and diagrams included in the General Plan, the City has not amended the Housing Element to maintain consistency with the Urban Form, Land Use and Design Element (“Urban Form Element”) and the General Plan Land Use and Circulation Map upon amendment to the land use designations identified therein. Along with the zone changes approved by the City, the City has approved various amendments to the land use designations its General Plan Land Use and Circulation Map to allow lower and no residential densities on sites contained in the Housing Element Sites Inventory. See e.g., Plan Amendment A-17-14 (General Plan Land Use Amendment for the Southwest Specific Plan), Plan Amendment A-17-15, Figures LU-1 and LU-2 of the General Plan, and associated Exhibit J, Housing Element Analysis³. However, the City appears not to have adopted corresponding amendments to its Housing Element sites inventories and Housing Element Figure 3-1, “Housing Element Sites (2013-2023 RHNA),” (p. 3-20) to reflect the new General Plan land use designations and zoning associated with sites subject to re-designation and zone change.⁴

We request that the City promptly initiate an amendment to its Housing Element to achieve consistency with all text, maps, diagrams, and other components of the rest of its General Plan, and amend the housing element upon the re-designation or re-zoning of any site in the inventory on a routine basis.

Program 2 – Residential Densities on Identified Sites

Housing Element Program 2 requires the City to “monitor and evaluate development on identified sites in both [Housing Element sites] inventories (2008-2013 and 2013-2023).” While the Draft APR does state that the “inventory currently has a surplus of adequate sites” to meet

³ Respectively available at <https://fresno.legistar.com/LegislationDetail.aspx?ID=3193727&GUID=DA6DC952-02D9-4F10-AE41-2A0EEC2E2E5B>, <https://fresno.legistar.com/View.ashx?M=F&ID=5514747&GUID=43C61603-8D5A-40F7-BA1C-C2592EAD4806>, and

<https://fresno.legistar.com/View.ashx?M=F&ID=5514751&GUID=D085AA32-F8C2-4A43-9F24-FC330BC04D50>

⁴ For example, the materials associated with Plan Amendment A-17-14 and 15 referenced above include a “Housing Element Analysis” but not a plan amendment to maintain consistency between the housing element, General Plan Land Use and Circulation Map, and General Plan Figures LU-1 and LU-2. In addition, the Housing Element posted to the City’s website does not indicate any amendment since its adoption on April 13, 2017 and the Sites Inventory contained therein contains inconsistencies with the land use map and figures as amended by subsequent zone changes and land use amendments, such as those adopted with the Southwest Specific Plan. See <https://www.fresno.gov/darm/planning-development/plans-projects-under-review/#tab-04>.



the City’s RHNA obligations, the Draft APR’s evaluation of Program 2 implementation provides no information about the development which has or has not occurred on sites contained in the inventory. Information about the nature (development type, residential density, affordability, and location) and extent of development on sites contained in the inventories would allow an evaluation of development trends and City Council approvals that may impact the availability of sites to meet the RHNA; the effectiveness and suitability of the sites contained in the inventory and of the Housing Element programs to facilitate housing production to meet the RHNA and to achieve the Housing Element’s goals and objectives⁵; and any actions by the City that may be appropriate or needed to support the achievement of those goals and objectives during the planning period. Providing such information is also necessary to facilitate the City’s compliance with Program 3, which requires the City to “provide annual information to the community on housing density and affordable housing” and to invite community members to “discuss housing production progress” at a public hearing.

Program 3 – Annual Reporting Program

With respect to Program 3, the Draft APR only states that the City presented the Draft APR to the public and interested stakeholders and garnered feedback at a Housing and Community Development Committee (“HCDC”) hearing. The APR does not provide any information to explain if and how the City complied with Program 3’s requirements to:

- “[p]artner with housing advocates, organizations, and developers to provide annual information to the community on housing density and affordable housing”;
- “notify and invite interested community members to attend and discuss housing production progress at a public hearing”;
- “utilize multiple methods of outreach to engage all members of the Fresno community, including multilingual notices and media outlets.”

We appreciate the City’s distribution of flyers in English and Spanish notifying the public of the HCDC and City Council hearing and the availability of the Draft APR, as well as the one-page graphic summary that staff prepared explaining certain requirements and updates relating to the

⁵ For example, this information would help the City and the public to evaluate the extent to which City zone changes and development approvals are consistent with and further Housing Element Policies H-1-b, H-1-c, and H-2-b. See Housing Element Policy H-1-b, “Encourage development of residential uses in strategic proximity to employment, recreational facilities, schools, neighborhood commercial areas, and transportation routes.”; Policy H-1-c, “Promote the development of affordable and special needs housing near transit and/or smart growth areas.”; Policy H-2-b, “Encourage both the private and public sectors to produce or assist in the production of housing, with particular emphasis on housing affordable to persons with disabilities, elderly, large families, female-headed households with children, and people experiencing homelessness.



Housing Element. These actions are useful steps to inform the public of the Draft APR and of opportunities to provide input.

The Draft APR should identify these actions and state what steps, if any, the City took to “partner” with housing advocates, organizations, and developers on and notify community members of the APR hearings through “multiple methods”, including through means other than its email list serve. The City should also state whether it used multi-lingual media outlets to notify the community, as required by Program 3. To the extent the City has not met the specific requirements of this Program, the City must supplement its outreach efforts to facilitate community engagement in the Draft APR prior to and at the City Council hearing on the draft.

Program 5 – Housing Funding Sources

Program 5 requires the City to take various actions to assist with, support, and pursue funding for affordable and mixed-income housing, including affordable housing outside of lower and moderate-income neighborhoods. While the Draft APR provides information about certain available funding sources and steps the City has taken to explore new sources of funding for affordable housing, the Draft APR does not provide any information about whether and how the City has taken steps to *pursue* currently available funding to assist with the development, preservation, and rehabilitation of housing, including to outside of the City’s low and moderate-income areas. We ask that the City supplement the Draft APR to state clearly what steps, if any, it has taken to implement this component of Program 3. The City’s diligent implementation of provisions contained in Program 3 and other Housing Element Programs 3 directing the City to take actions to facilitate opportunities for and support affordable housing development in higher income areas is necessary not only for the City’s compliance with its Housing Element but also with state and federal fair housing laws.⁶

With respect to the available funding sources identified in the Draft APR, we note that the list does not include SB 2 (Atkins, 2017), which created a permanent source of funding for planning for and development and maintenance of affordable housing. The State Department of Housing and Community Development’s website indicates that NOFA’s for the first round of planning grant funding will be available in March 2019. The City should solicit input by community

⁶ See e.g., Government Code Sections 8899.50 (establishing a duty by public agencies in California to affirmatively further fair housing and to take no action inconsistent with that duty) and the Federal Fair Housing Act of 1968, 42 U.S.C. §§ 3604(a)&(b) & 3608.



members and stakeholders on possible projects for the NOFA based on the eligible activities and opportunities set forth in the Guidelines.⁷

In addition, SB 2 will make funding available for the development and maintenance of affordable housing that meets certain criteria, including projects which receive funding from a local housing trust fund. To maximize the funding that the City of Fresno is eligible to receive and to bolster available affordable housing resources, we recommend that the City explore and pursue creation of an affordable housing trust fund.

Program 6 – Strengthening Partnerships with Affordable Housing Developers

Program 6 includes 6 bullet points and a “Timeframe/Objectives” section which each set forth specific commitments by the City of Fresno, with associated timelines for implementation, pursuant to which the City will strengthen partnerships with affordable housing developers and support the attainment of funding for affordable housing development. The Draft APR provides no information about any actions taken by the City, or a lack thereof, to implement several components of Program 6, including the following commitments:

- “Encouraging and assisting in funding applications to applicable federal, State, and local funding sources.”
- “Attracting large investors to facilitate the construction of new affordable housing units and incentivize self-help type single-family housing construction for extremely low-income households.”
- “Reviewing published notices for funding availability and causing applications to be prepared for various City housing programs, projects, and activities.”
- “Encouraging non-profit organizations to seek funding for development of new farmworker housing projects, as well as local affordable housing and mixed-income projects in transit-oriented developments along transit corridors throughout the City.”

The City must amend the Draft APR to explain whether, outside of the Annual Action Plan hearing, the City took any specific steps to implement the commitments set forth above.

The Draft APR references the Annual Action Plan (“AAP”) process as one of the primary activities undertaken by the City to implement Program 6. The Draft APR specifically references AAP meetings and hearings as the City’s implementation of the City’s commitment to support “local capacity building efforts around affordable housing finance, including convening affordable housing developers, community development leaders, lenders, and advocates...”

⁷ Available at <http://www.hcd.ca.gov/grants-funding/active-funding/planning-grants/docs/SB2-Planning-Grant-Guidelines.pdf>



While the Draft APR states that “a variety of stakeholders” participated in the AAP process, it does not indicate whether those stakeholders included “affordable housing developers, community development leaders, lenders, and advocates” or how the AAP workshops supported capacity building around affordable housing finance. The City must supplement the Draft APR to provide this information, evaluate the suitability of the AAP process to implement the specific requirements and achieve the intended capacity building outcome of Program 6, and identify additional measures to effectively implement the program if needed.

Program 7 – Special Needs Housing

As for Program 6, the Draft APR does provide information about any actions taken by the City to implement several components of Program 7. These components include commitments to implement the Universal Design Ordinance using visitability and aging in place as guiding principles; partner with non-profits to support the attainment of funding for new farmworker housing projects; provide technical assistance to developers to support the development of Single Room Occupancy Units; and seek funding the production of large family units and units for low- and very low-income seniors. These commitments are among the few commitments in the Housing Element which are specifically designed to benefit farmworkers, large families, low-income seniors, and very low and extremely-low income residents. Given the extreme special housing needs faced by these populations and the need for public intervention to address those needs, complete and accurate reporting by the City on its implementation of each of the commitments in Program 6 and the City’s robust implementation of those commitments is critical.

Program 8 – Homebuyer Assistance

Program 8 requires the City to “continue to pursue funds” from HCD’s first-time homebuyer program to assist households during the planning period; assist 10 households annually; and develop and implement a marketing plan which includes high opportunity areas to target resources to eligible homebuyers.

With respect to Program 8, the Draft APR only states that the did not offer a homebuyer assistance program in 2018, because its agreement with HCD expired in 2017 and no other funding source was available for such a program. While the City’s agreement with HCD may have expired, the CalHome program continues to exist and a NOFA was issued and awards announced in 2018.⁸ The Draft APR does not state whether the City applied for or took any other

⁸ See HCD’s website, CalHOME Program, <http://www.hcd.ca.gov/grants-funding/active-funding/index.shtml>



steps to obtain CalHome funds. The City should revise the Draft APR to explain what, if any, steps the City took to “continue to pursue funds” for the first-time homebuyer program.

HCD anticipates releasing a NOFA for \$57 million in CalHome funding in June 2019.⁹ Though the City’s previous contract with the state for CalHome funding may have expired, the City is still obligated to “continue to pursue” funding for first-time homebuyers under the program under Program 8 and should plan to pursue funding following release of this year’s NOFA.

Program 10A – Mobile Home Parks

To support the preservation of mobile homes as an important source of affordable housing in Fresno, Program 10A requires the City to undertake the following, pursuant to the following timelines:

- Compile a list of resources and provide technical assistance to facilitate the maintenance and preservation of mobile home parks and conduct outreach to stakeholders. Deadline: January 2017
- Conduct yearly outreach to mobile home residents and park owners regarding potential funding sources, including the States Mobile Home Park Rehabilitation and Ownership Program.
- Conduct and publish an assessment of housing-related needs in mobile home parks through communications with residents and owners, identifying city, state, federal, and private resources available to address those needs.
- Provide assistance with funding applications to mobile home park owners, residents, and non-profit organizations to assist in mobile home park preservation.
- Compile a list and map of mobile home parks in Fresno. Provide this information to interested mobile home park residents, owners, and non-profit organizations.
- Compile a list of mobile home parks (not individual units), mobile home preservation experts, and non-profits by the end of 2017. Conduct annual outreach to park owners and non-profit organizations interested in preservation of mobile home units, starting in January, 2018.

With respect to Program 10A, the Draft APR references the City’s public hearings and workshops for its 2018 Annual Action Plan and notes that the hearings were for residents, which include mobile home park residents. The Draft APR does not explain what component of Program 10A the City believes that the AAP workshops and hearings satisfy; how mobile home park residents were specifically invited to participate in those workshop and hearings; and how

⁹ See HCD’s Notice of Funding Availability Calendar, available at <http://www.hcd.ca.gov/grants-funding/nofas/docs/NOFA-Schedule.pdf>



those hearings satisfy Program 10A’s requirements for the City to specifically analyze and produce materials relating to needs in and resources available to the City’s mobile home parks.

The only information provided by the Draft APR about City activities undertaken specific to this program and mobile home parks is regarding the City’s posting of California Mobile Home Assistance Center flyers in English and Spanish at mobile home parks. The Draft APR also indicates that HCDD sent “Annual Mobile Home Rent Review Packets” to mobile home parks in 2018, but provides no information about the nature or purpose of those packets and their relationship to Program 10A.

The City must supplement the Draft APR to indicate what steps, if any, have been taken to implement the commitments set forth in Program 10 and take all actions necessary to achieve compliance with the program.

Program 10B – Housing Choice Vouchers

The Draft APR states that the City has posted a link to the Housing Authority’s Housing Choice Voucher program at three locations on its website. However, the Draft APR does not state whether information about the HCV program has been provided at the planning department’s planning counter as required by Program 10B. This component of the program is important to increase the visibility of the HCV program, especially to property owners and developers who may otherwise be unaware of the program and not seeking actively seeking information on the program through the City’s website.

In addition, the Draft APR does not state whether the City assisted the Housing Authority in maintaining a list of multi-family rental developments that accept vouchers and holding regular discussions with potential new landlords to expand the number of developments that accept HCV tenants, as is also required by Program 10B.

We ask that the City supplement the Draft APR to provide this information and to take any steps necessary to fully implement its commitments under this program.

Program 12-A Downtown Displacement Prevention

We appreciate that the City has taken the step of establish the task force called for by Program 12A and appointing its members. The Draft APR states that the annual report on displacement is complete and “will be presented at the first Anti-Displacement Task Force meeting.” In order to facilitate the engagement of low-income residents, community organizations, displacement, experts, low-income business owners, and property owners in the plan area in the task force’s activities as directed by Program 12-A, the City should release the report not at the first task force meeting but sufficiently in advance of the first meeting to allow residents and other stakeholders to review and process the material contained therein and provide informed input at

the task force meeting. Doing so will not only promote public engagement called for by the program, but facilitate transparency and trust necessary for the task force to succeed and allow committee members to come to the task force meeting prepared to engage in meaningful and substantive discussion.

Program 16 – Large and Small Lot Development

Program 16 was included in the Housing Element in recognition of the extensive amount of sites inventory capacity identified to meet the lower-income current and carry-over RHNA on sites under 1 acre and over 10 acres in size and the challenges and limitations to the development of affordable housing on small and large sites. Effective implementation of Program 16 is essential to ensuring that the City maintains adequate sites that are feasible for affordable housing development to meet the City’s 2008-2013 carry-over and 2013-2023 RHNAs.

The Draft APR indicates that of 105 “projects” that occurred on sites under 1 acre, all but two developed as single-family homes, and that “[o]f the 5 projects that occurred on sites with greater than ten acres, none of them included affordable housing.” While the Draft APR does not indicate affordability category anticipated by the sites inventory for these sites, the information provided indicates that to the extent that development is occurring at all on small and large lot sites inventory sites, the development is not meeting the affordable housing needs of lower and moderate-income residents.

Other than information about development projects described in the paragraph above and a statement that the City has implemented the Voluntary Parcel Merger Program and application fee reduction, the Draft APR provides no information to indicate that the City has implemented any other component of Program 16. The requirements and timelines set forth in Program 16 which are not addressed in the Draft APR include the following:

- By June 2017, “[t]he City will also establish a program to monitor development trends on small and large lots, identify regulatory barriers, and adjust incentives and/or development standards accordingly.” Program 10 describes various substantive and procedural details which the City is to include in the monitoring program, none of which are addressed in the Draft APR. These details include the establishment of a threshold for the minimum number of affordable units developed on large lots, which, if not met, shall require the City to develop and apply incentives to encourage development of affordable units by the second year of monitoring. Given that no affordable units were included in the development that occurred on large lots, it is apparent that the City must develop and implement the incentives for affordable housing development required by Program 16.¹⁰

¹⁰ The 2017 APR indicates similar development trends in that year, with all single-family homes constituting all small lot development on sites inventory sites; one development on a site over 10 acres which developed at 1/3 of



- “The City will encourage the development of large sites through an allowance of phasing of development and off-site improvements and, where applicable, through the Specific Plan process.”
- “Establish a policy and guidelines for the requirements of a Specific Plan or phasing process for large site development by December 2017.”

The City must supplement the Draft APR to state whether the City has taken any action to implement each of the commitments included in Program 16 and promptly take steps to come into compliance with the program’s requirements.

Program 17 – Agricultural Employees

The Draft APR states that no changes to the Development Code are necessary pursuant to Program 17, because the code meets the basic requirements of Agricultural Employees Housing Act (sic). The Employee Housing Act prohibits local governments from treating employee housing consisting of up to 36 beds or 12 units designed for use by a single-family or household “shall not be deemed a use that implies that the employee housing is an activity that differs in any other way from an agricultural use.” Public Health & Safety Code § 17021.6(b). Public Health and Safety Code Section 17021.6(b) further provides:

“No conditional use permit, zoning variance, or other zoning clearance shall be required of this employee housing that is not required of any other agricultural activity in the same zone. The permitted occupancy in employee housing in a zone allowing agricultural uses shall include agricultural employees who do not work on the property where the employee housing is located.”

The Draft APR’s statement that the Citywide Development Code is consistent with the EHA is incorrect. The only zone district wherein Agricultural Employee Housing is permitted under the Code is the Buffer District. However, several other zone districts, including all single and multi-family residential districts, allow agricultural activities by right.¹¹

the capacity anticipated by the sites inventory; and no deed-restricted affordable housing covenants on any of that development. p. 11.

¹¹ While Development Code Section 15-2716 provides that the Health and Safety code shall prevail over the Development Code in the event of a conflict between the Code and Health and Safety Code Section 17021.6, the prohibition on agricultural employee housing in zone districts where agriculture is permitted is inconsistent with Section 17021.6 and Housing Element Program 17 and could chill applications for employee housing development in these zone districts.



The City must initiate an amendment to the Development Code to bring it into conformity with the EAH.

Program 20 – Comprehensive Code Enforcement

Program 20 provides that the City will, “[c]omplete 8,000 inspections annually, pursue resolution of cases identified through the inspection process, and develop Task Force recommendations by mid-2017.” The Draft APR states that the City closed 395 housing code cases in 2018 which were opened the same year and closed an additional 1,278 cases. The Draft APR also states the City’s Anti-Slum Enforcement team “successfully pursued compliance of approximately 5,041 violations...” The Draft APR does not state how many inspections or cases were completed by ASET in 2018. According to our understanding of the City of Fresno code enforcement process, multiple violations are frequently identified in any given case arising from an inspection. Based on this information, it appears that the City is falling short of its target of pursuing resolution of 8,000 inspections by possibly thousands of inspections annually.¹²

We ask that the City supplement the Draft APR to include additional information indicating the number of cases opened and resolutions pursued by ASET in 2018 to allow for an accurate determination of the total number of cases resolved. We also ask that the City identify the reason for the shortfall in code enforcement cases and take necessary action to address the shortfall and meet Program 20’s target in 2019 and the rest of the planning period.

Program 21 – Neighborhood Infrastructure

Program 21 requires the City to provide services to facilitate development of undeveloped or underdeveloped properties. While the Draft APR lists amounts expended on various infrastructure and service improvements by the DPU, it does not state whether the services were provided to facilitate development on any undeveloped or underdeveloped sites. This information is particularly important to assess with respect to sites identified to meet the City’s lower-income RHNA in the sites inventories, especially those sites located in areas not currently

¹² Even if every single violation resolved by ASET was associated with a distinct inspection and case, the City would still fall short of the annual 8,000 inspection and case resolution target by about 1,300 cases under the most generous reading of the information provided in the Draft APR. (395 housing cases opened and closed in 2018+1,278 additional cases closed but not opened in 2018+5,041 violations pursued=6,714)

served by wet and dry utilities necessary for development to occur.¹³ The City must revise the Draft APR to include this information.

Program 22 – Housing Rehabilitation

While the Draft APR indicates that the City is meeting Program 22’s targets for the issuance of senior paint/minor repair and distressed property grants, it also states that the City has completed just two of 10 annual rehabilitation grants. The City should revise the Draft APR to explain the shortfall and identify steps that will be taken to achieve the rehabilitation grant target.

Program 27 – Equitable Communities

With respect to Program 27, the Draft APR lists several grants which the City receives or has applied to address infrastructure, service, parks and environmental health needs in lower-income neighborhoods and mentions that the FAX Fixed-Route System Restructure Study indicated that no disproportionate negative impact would result from the restructure on classes protected by law. However, the Draft APR provides no information about any efforts by the City to implement most of the commitments included in the bullet points and program objectives and timelines set forth in Program 27. These commitments as to which the Draft APR is silent include but are not limited to the following:

- Publication of a General Plan Annual Report every December which details the location of public investments and building permit activity by sector.
- Establish a General Plan Implementation Committee by early 2017 to review progress on General Plan priorities to invest in older and disadvantaged neighborhoods and continue to refine and review City policy and practices to this end. We note that the 2017 APR indicated that the City had not convened this committee as of that APR’s publication, and we are not aware of the City convening such a committee to date.
- Continue implementing the Department of Public Utilities policies and procedures to ensure water and sewer services are provided as a priority for development that includes units affordable to lower-income households.
- Track infrastructure projects in the City to assess the distribution of projects in the different areas of the City.
- As funding sources allow, prioritize basic infrastructure improvements including water, sewer, and street lights in high-need communities. Review location of infrastructure

¹³ According to our analysis of the sites inventory, approximately 67% of the sites included to meet the lower-income RHNA are located West of Highway 99 in an area which overwhelmingly lacks infrastructure and services to support development.



projects annually and identify high need, deficient areas for infrastructure prioritization by December 2017.¹⁴

- Assess the interaction between transportation network pathways and affordable housing sites to identify any barriers to affordable housing and employment access by July 2018. An action plan with specific timelines to address identified barriers will be developed within one year of completing the assessment.
- Expand affordable housing opportunities that prevent the concentration of single- family and multifamily dwelling units affordable to low- and moderate-income households.

The City must revise the Draft APR to include information on any activities the City undertook in 2018 towards implementation of these commitments. The City must immediately initiate a process to come into compliance with each program commitment which it has not implement as required and according to the timelines set forth in the Housing Element.

Additionally, we note that Program requires City staff to propose at least five sites between one and ten acres in size to City Council for rezoning to allow multi-family housing development on vacant land in high opportunity areas and to pursue and target funding to the sites for the development of affordable housing. The City must ensure that it complies with this program in a timely manner.

* * * *

Thank you for your consideration of this letter. Please do not hesitate to contact me at my office at (559) 369-2790 should you have any questions or wish to set up a meeting to discuss the contents of this letter in person. We look forward to continuing to work with the City to facilitate the City's compliance with its Housing Element and to advance access to safe and affordable housing opportunities for all Fresno residents.

Sincerely,

Ashley Werner
Senior Attorney

¹⁴ The 2017 APR references the 2017 Active Transportation Plan ("ATP"), which identifies priority areas for infrastructure improvements under that program. The ATP's prioritization however is focused on applications for state ATP funding for transportation supporting active transportation, not the holistic prioritization of infrastructure improvements, including water, sewer, and street lights, called for by Program 27.



cc: Mayor Lee Brand
City Council President Steve Brandau
Councilmember Esmeralda Soria, District 1
Councilmember Miguel Arias, District 3
Councilmember Paul Caprioglio, District 4
Councilmember Luis Chavez, District 5
Councilmember Gary Bredefeld, District 6
Councilmember Nelson Esparza, District 7
Tim Orman, Chief of Staff, Office of Mayor Lee Brand
Jennifer Clark, Director, Development and Resource Management Department
Talia Kolluri, Supervising Deputy Attorney, City of Fresno
Paul McDougall, State Department of Housing and Community Development



CALIFORNIA APARTMENT ASSOCIATION

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April 2, 2019

Development and Resource Management Department
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Fresno, CA 93721

On behalf of the California Apartment Association, I would like to comment on the 2018 Annual Progress Report as posted on the city's website.

CAA recognizes that California is in the midst of a housing crisis and that although areas like Silicon Valley may get more media coverage, the issues are no less profound in the Central Valley in general and Fresno in particular. We have been working over the last several state legislative sessions to support bills that will increase supply of housing in all market segments. This is particularly true in the Central Valley, where poverty limits housing choices and the market does not function as well as it can or should. Therefore, CAA respectfully asks the city consider the following factors in its Housing Element:

- The need for increased supply of very low and low income housing, both single and multi-family.
- Continued streamlining of the entitlement and permitting process regarding development.
- Support of SB 50 which allows for expedited housing construction near existing job centers and public transportation.
- Support of AB 11, which allows cities and counties to create housing and infrastructure agencies to fund affordable housing and infrastructure projects using tax increment financing with state approval. The new agencies would be required to set aside 30 percent of funding for the creation, improvement, or rehabilitation of affordable housing.
- Support of AB 1568 which would withhold transportation funds from cities and counties that fail to allow for the approval of housing units.
- Support of SB 48 which seeks to expand shelter access in California by creating a streamlined approval process for safe, sanitary, and low-barrier interim housing intervention developments as a means of ensuring unsheltered homeless people have temporary housing and services.
- Support of SB 621 which would streamline the court process for those affordable housing projects challenged under the California Environmental Quality Act (CEQA). This bill would also increase the amount of funding going to courts to expedite CEQA cases.
- Support of AB 816 which would establish the California Flexible Housing Subsidy Pool Program within HCD for the purpose of making grants available to cities and counties for eligible activities

including, among other things, rental assistance, operating subsidies in new and existing affordable or supportive housing units, and specified outreach services.

- Continuation of the Rental Housing Improvement Act to ensure all renters have habitable places to live. CAA also will continue to support concentrating on the areas of the city in most need of this program first and targeting documented problem properties and owners.

We look forward to working with the mayor, the council, city staff and community based organizations collectively to address these issues with the sense of urgency they deserve.

Thank you for your consideration.

Sincerely,

Greg Terzakis
Senior Vice President
California Apartment Association