

Exhibit G
Environmental Assessment

**CITY OF FRESNO
CEQA EXEMPTION
ENVIRONMENTAL ASSESSMENT FOR
PLAN AMENDMENT APPLICATION NO. P24-04066**

THE PROJECT DESCRIBED HEREIN IS DETERMINED TO BE CATEGORICALLY
EXEMPT FROM THE PREPARATION OF ENVIRONMENTAL DOCUMENTS
PURSUANT TO ARTICLE 5 OF THE STATE CEQA GUIDELINES.

APPLICANT: City of Fresno
Planning and Development Department
2600 Fresno Street
Fresno, CA 93721

PROJECT LOCATION: Citywide

PROJECT DESCRIPTION: Plan Amendment Application No. P24-04066 proposes to amend the text of Chapter 11 of the Fresno General Plan by replacing the current Fresno Housing Element (2015-2023) with an updated Fresno Multi-Jurisdictional Housing Element (Fresno Housing Element, 2023-2031). The proposed Plan Amendment does not include land use changes or rezoning of property. The Housing Element is the City's policy document for meeting its housing needs, including housing affordable to low- and moderate-income households and special needs populations. The Housing Element includes goals and policies, implementation programs, a sites inventory, a local assessment of fair housing, an analysis of constraints to housing development, review of past accomplishments, and description of public outreach and engagement. The Multi-Jurisdictional Housing Element is applicable within the Fresno city limits and would apply to all lands annexed into the City of Fresno.

This project is exempt under Section 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines as follows:

CEQA Guidelines Section 15061(b)(3) under the common sense exemption states that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Because the project involves policies, programs, and actions to meet the County's RHNA allocation that would not have the potential to cause a significant physical effect on the environment, it can be seen with certainty that there is no possibility that the proposed project would have a significant effect on the environment; therefore the proposed project is exempt from CEQA under the common sense exemption.

Pursuant to Program 25, Municipal Code Amendments for Compliance with State Law and to Reduce Barriers to Housing Development, the City plans to amend the Municipal Code to address development standards and barriers to special-needs housing opportunities, which includes amending the density bonus as well as incorporating emergency shelters, low-barrier navigation centers, residential care facilities, and supportive housing.

The proposed Plan Amendment is strictly a policy document that does not provide entitlements to any specific development projects, nor does it propose any land use or zoning changes. The proposed amendments to the Municipal Code in Implementing Program 25 would not result in significant environmental impacts as the development standards and facilities would still be required to comply with the City's General Plan and its zoning and land use designations. Further, the provisions of State law already apply to the City and could be requested by an applicant regardless of whether the Municipal Code is amended.

Therefore, Plan Amendment P24-04066 is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3). Based on staff analysis, it was determined that no adverse environmental impacts would occur as a result of the proposed project and none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines Section 15061(b)(3) apply to this project. Therefore, a categorical exemption, as noted above, has been prepared for the project.

No adverse environmental impacts will occur as a result of the proposed project. For more detailed information, see Technical Memo attached as Exhibit A.

Date: November 25, 2024

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Planner II

Submitted by: *Sophia Pagoulatos*

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Enclosure: Exhibit A, Technical Memo, Placeworks

Housing Element Update CEQA Exemption Technical Memorandum City of Fresno

Prepared for:

The City of Fresno

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1. Introduction

1.1 PURPOSE

This Technical Memorandum shall serve as an evaluation of the City of Fresno 2023-2031 (6th cycle) Housing Element Update (proposed project) concerning California Environmental Quality Act (CEQA) compliance and covers the findings from the CEQA compliance review and the recommendations concerning the appropriate CEQA compliance documentation.

1.2 STATUTORY AUTHORITY AND REQUIREMENTS

Once it is determined that an activity is a project subject to CEQA, the City must then determine whether the project is exempt from CEQA. CEQA Guidelines Section 15061(b) outlines how a project may be exempt as follows:

A project is exempt from CEQA if:

- 1) The project is exempt by statute (see, e.g., Article 18, commencing with CEQA Guidelines Section 15260).
- 2) The project is exempt pursuant to a categorical exemption (see Article 19, commencing with CEQA Guidelines Section 15300), and the application of that categorical exemption is not barred by one of the exceptions set forth in CEQA Guidelines Section 15300.2.
- 3) The activity is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.
- 4) The project will be rejected or disapproved by a public agency. (See CEQA Guidelines Section 15270(b)).
- 5) The project is exempt pursuant to the provisions of Article 12.5 of Chapter 3.

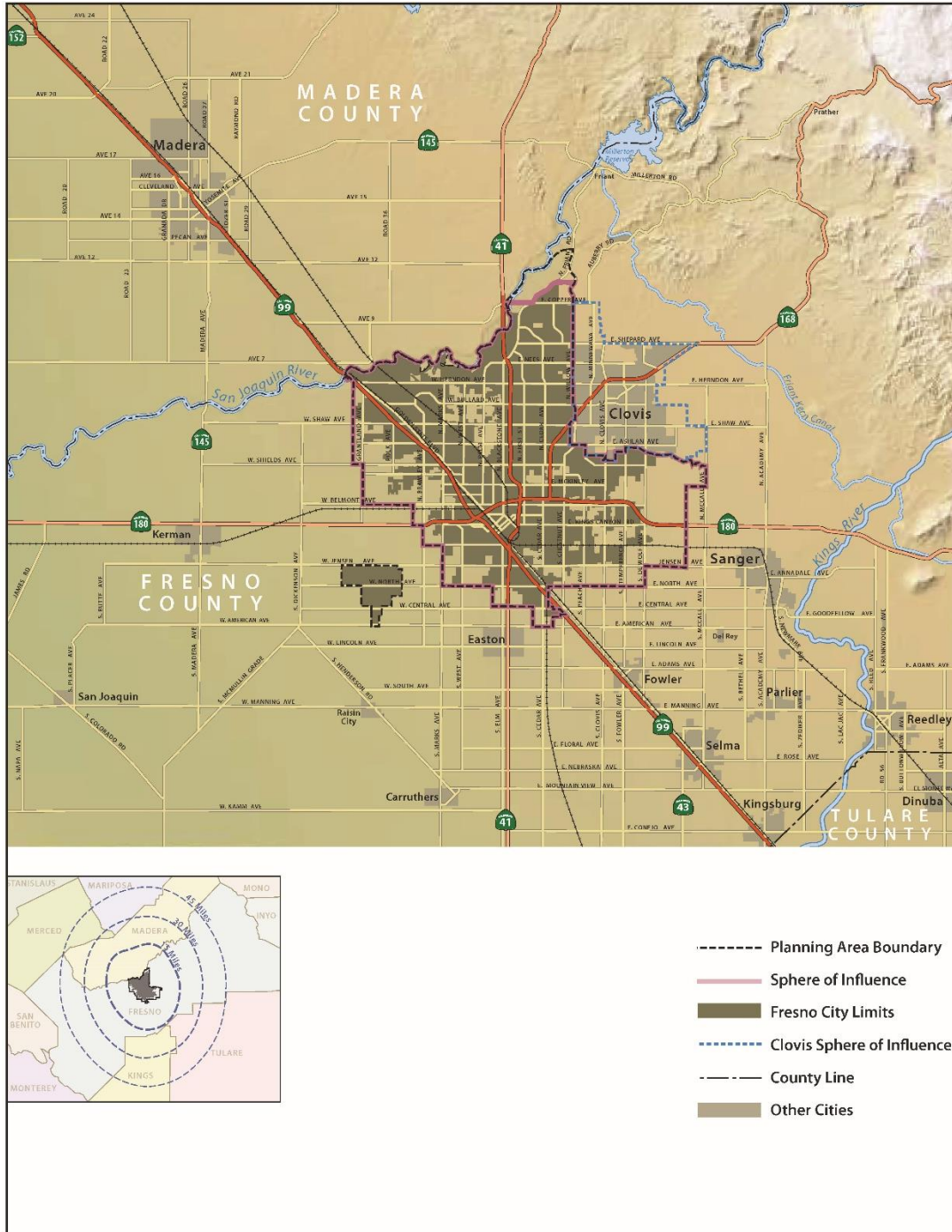
The proposed project would be exempt as a “common sense” exemption under CEQA Guidelines Section 15061(b)(3) because the implementation of the 2023-2031 Housing Element would not have the potential to cause a significant effect on the environment, as further discussed in Section 3, *Findings Concerning CEQA Exemption*.

2. Project Description

2.1 REGIONAL LOCATION

The City of Fresno is in the Central Valley of California. Fresno is surrounded by rural residential and agricultural areas, except to the northeast, where it is adjacent to the City of Clovis. State Route (SR) 99 runs northwest-southeast on the western edge of the city, connecting it with Sacramento, the San Francisco Bay Area, Bakersfield, and Los Angeles. SR 41 runs north-south through the heart of the city, connecting it with Yosemite National Park. SR 168 links the downtown to Clovis, and SR 180 runs east-west to both agricultural communities and Kings Canyon National Park. The northern border of the city is largely defined by the San Joaquin River, which flows onto the Sacramento-San Joaquin River Delta and San Francisco Bay. No major rivers or creeks run through the city, although many irrigation canals cross the City of Fresno. Figure 2-1, *Regional Location*, shows the regional location of the City of Fresno.

Figure 2-1 Regional Location



Source: City of Fresno 2014.

2.2 PROPOSED PROJECT

2.2.1 Project Background

The City of Fresno is participating with other cities in Fresno County to update their Housing Element as part of the Fresno County Multi-Jurisdictional 2023-2031 Housing Element. The Housing Element is a State-mandated policy document that is an element of the City of Fresno General Plan. The overall purpose of the proposed project is to identify the City's share of the regional housing needs and to show locations from the Land Use Element where housing can be built. The Housing Element also sets goals, policies, and programs to meet the community's housing needs.

The foundation of the Housing Element is the Regional Housing Needs Assessment (RHNA), a State-required process that seeks to ensure cities and counties are planning for enough housing to accommodate all economic segments of the community. The City of Fresno is in the region covered by the Fresno Council of Governments (FCOG). The City of Fresno's share of the regional housing needs was determined using a methodology prepared by FCOG as part of the Regional Housing Needs Plan, adopted by FCOG in October 2022. Under FCOG's Regional Housing Needs Plan, the City must plan to accommodate 36,866 housing units, including 9,440 very low-income, 5,884 low-income, 5,638 moderate-income, and 15,904 above moderate-income units.

2.2.2 Proposed Sites and Zoning

State law requires that the Housing Element identify adequate sites for housing by including an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, including analysis of the development capacity that can realistically be achieved for each site. The land use potential for all the sites in the inventory comes from Figure I-4, *Existing Land Use*, in the City's General Plan. The purpose of the sites inventory is to evaluate whether there are sufficient sites with appropriate land use designation and zoning to meet the RHNA. The sites inventory must identify adequate sites that will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of housing types for households of all income levels. The development capacity of each of the identified housing sites is based on land use designation and zoning districts from the existing Land Use Element and Zoning Code, respectively.

Table 2-1, *City of Fresno's RHNA Summary*, provides a summary of the City of Fresno's ability to meet the 2023-2031 RHNA. Within the city limits, the available vacant and underutilized sites are adequate to accommodate the RHNA for all income categories. The City has a total surplus capacity of 6,834 housing units. Therefore, there is no need to change a property's land use designation or zone district.

Figure 2-2, *City of Fresno's Sites Inventory*, shows where each site is in the city. The development capacity of each identified housing site is based on existing land use and zoning densities currently designated by the City's General Plan and Zoning Code.

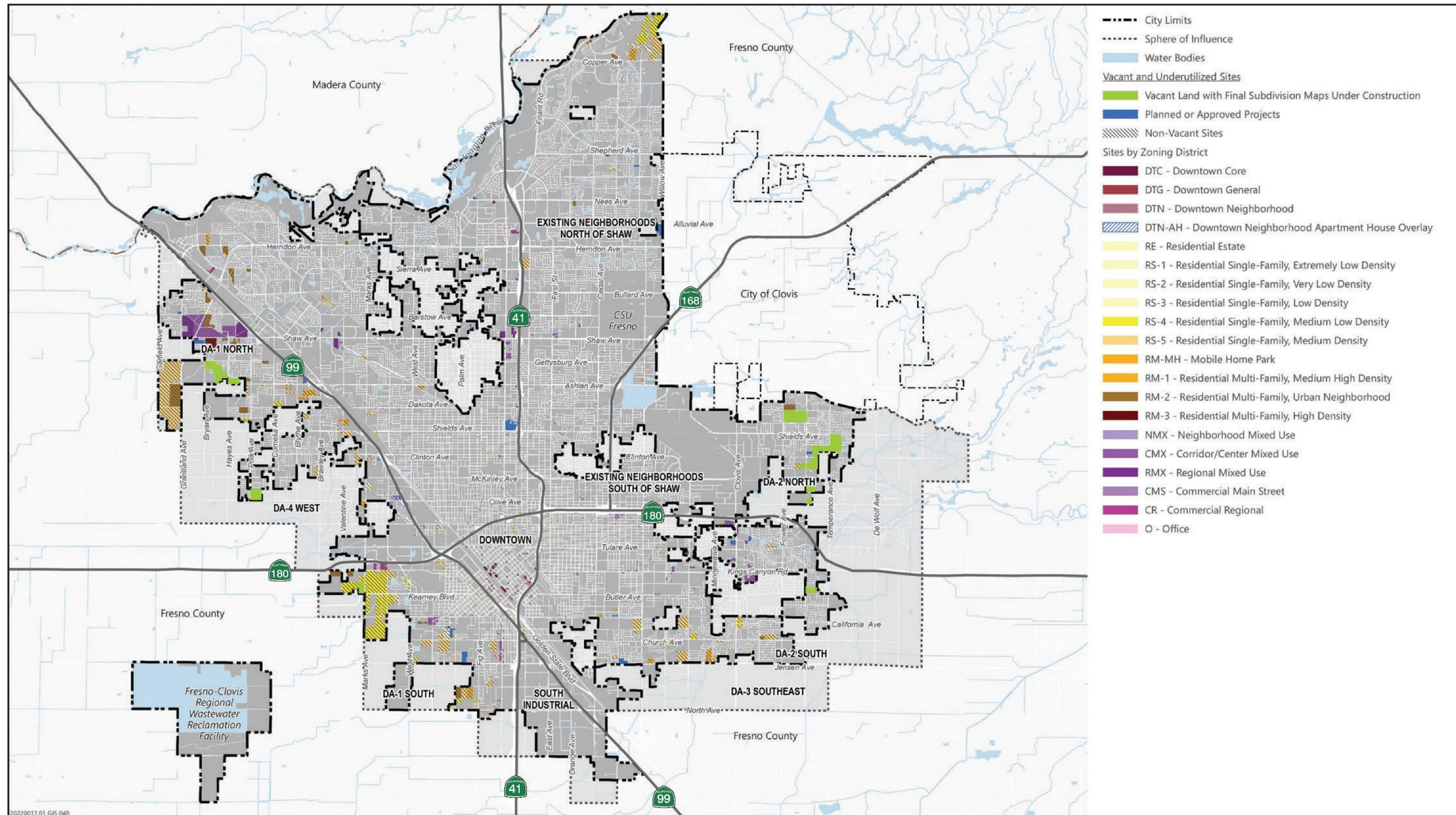
TABLE 2-1 CITY OF FRESNO'S RHNA SUMMARY

Income Category	RHNA	Planned or Approved Projects	Vacant Land with Final Subdivision Maps under Construction	Capacity on Vacant Sites	Capacity on Underutilized Non-vacant Sites	Accessory Dwelling Units	Surplus Capacity
Very Low ¹	9,440	292	0	11,111	7,035	28	3,459
Low	5,884	317	0				
Moderate	5,638	1,041	0	3,096	2,488	38	1,026
Above Moderate	15,904	1,107	967	8,025	8,127	28	2,350
Total	36,866	2,757	967	22,232	17,650	94	6,834

¹Includes Extremely low-income. The RHNA for extremely low income is equal to 50 percent of the very low-income allocation (4,720 units)

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Figure 2-2 City of Fresno's Sites Inventory



Source: City of Fresno and Ascent 2023.

0 2
Scale (Miles)



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2.2.3 Proposed Housing Element Programs

CEQA requires the City to evaluate the environmental impacts associated with direct and reasonably foreseeable indirect physical changes to the environment. The City coordinates with the County to provide several programs in the Housing Element to encourage housing production and outline steps for the future implementation of certain actions. The proposed project is intended to encourage the development of housing for different income levels based on the implementation of each program. The programs are either informative (providing information on the location of housing or housing programs offered by the City) or would result in no physical change to the environment (updating zone text to reflect State law definitions for example). Several of the programs from the existing Housing Element were modified to comply with State law, combined to consolidate programs with similar intent to aid in implementation, or eliminated where the City has already completed the identified task. This analysis is followed in Section 3.2, *Analysis in Support of Findings*. The following programs are part of the proposed project.

- Program 25: Municipal Code Amendments for Compliance with State Law and to Reduce Barriers to Housing Development. The City will amend the Municipal Code to address the following development standards and barriers to housing opportunities:
 - **Density Bonus:** Amend the Municipal Code to include provisions allowing 80 percent density bonus and up to four concessions for 100 percent affordable developments consistent with the current requirements of State Density Bonus Law outlined in Government Code Section 65915. Monitor State Density Bonus Law annually for legislative changes and modify ordinance as needed during the planning period.
 - **Accessory Dwelling Units:** Amend the Municipal Code to be consistent with the latest State legislation related to development standards for accessory dwelling units (ADUs) and ensuring that the construction of a junior accessory dwelling unit (JADU) on each lot is clearly permitted in addition to an ADU, in accordance with California Government Code Section 65852.2.
 - **Parking Requirements:** Amend parking requirements for ADUs and supportive housing units within a half mile of transit and amend the Municipal Code to remove parking minimums within a half mile of transit consistent with Assembly Bill (AB) 2097, outlined in Government Code Section 65863.2.
 - **Emergency Shelters:** Adopt the updated State definition of emergency shelters and modify the parking requirement for emergency shelters to require sufficient parking to accommodate all staff working in the emergency shelter, provided that the standards do not require more parking for emergency shelters than other residential or commercial uses in the same zone, in compliance with Government Code Section 65583(a)(4). Amend the hours of operation to cover nighttime hours, and review and confirm the standards for toilets is not excessive relative to similar other uses, and overall ensure that standards for emergency shelters comply with State law (Government Code Section 65583(a)(4)).

- **Low-Barrier Navigation Centers:** Permit low-barrier navigation centers, defined as low-barrier, temporary service-enriched shelters to help homeless individuals and families to quickly obtain permanent housing as a permitted use subject only to ministerial approval in zones where mixed uses are allowed or in nonresidential zones that permit multifamily housing (Government Code Section 65662; AB 101).
- **Residential Care Facilities:** Review requirements for unlicensed and licensed group homes and larger group homes and permit them in all residential zones in a similar manner to other residential uses to comply with the City’s obligation to affirmatively further fair housing pursuant to Government Code Section 8899.50 (b)(1) and Government Code Section 65583 (c)(10). The City will also review Conditional Use Permit (CUP) findings for residential care facilities to ensure they are objective and do not serve as a barrier to development. If determined to be a barrier or subjective, then the City will amend CUP findings for residential care facilities.
- **Single-Room Occupancy Units:** Amend the Municipal Code to comply with Government Code Section 65583 (c)(1) and remove the current limit of 15 guests in single-room occupancy (SRO) units, change SRO to permitted use in RM-1, RM-2, RM-3, NMX, CMX, and RMX, and evaluate objective design standards for SRO units to ensure that they are maintained and safe for all residents long term.
- **Farmworker and Employee Housing:** Amend the Municipal Code to comply with Government Code Section 65583 (c)(1) and permit employee housing for six or fewer as a residential use and permit agricultural labor housing in all zoning districts where agricultural uses are permitted.
- **Supportive Housing:** Allow for the approval of 100 percent affordable developments that include a percentage of supportive housing units, either 25 percent or 12 units, whichever is greater, to be allowed without a conditional use permit or other discretionary review in all zoning districts where multifamily and mixed-use development is permitted, consistent with Government Code Section 65651(a).
- **Definition of “Family”:** Amend the Municipal Code to add an inclusive definition of family and consistently replace the terms “single family” and multifamily” with “single-unit” and multiunit” to ensure internal consistency.
- **Definition of “Tiny Home”:** Amend the Municipal Code to expand the definition of tiny homes to allow for modular homeownership on leased parcels.

The City will consider amending the Municipal Code to address the following development standards and barriers to housing opportunities. These future amendments may require additional environmental analysis:

- **Overlay Zone in Transit-Rich and Urban Infill Sites:** Assess benefits of implementing Senate Bill (SB) 10 (2021) and if it is found to be beneficial then amend the Municipal Code to add an overlay zone that would allow up to 10 residential units in certain “transit rich” and “urban infill sites.”
- **Overlay Zone for Workforce Housing:** Assess benefits of implementing workforce housing and if it is found to be beneficial then amend the Municipal Code to add an overlay zone that would allow workforce housing in certain Commercial, Business Park, and Public Facilities zone districts.
- **Reduce Parking Requirements for Residential Care, General:** Amend the Municipal Code to reduce parking requirements to one space per employee and one space for every seven residents. Parking stalls in residential garages count towards required parking spaces.

3. Findings Concerning CEQA Exemption

3.1 CEQA GUIDELINES SECTION 15061(B)(3): COMMON SENSE EXEMPTION

The proposed project is exempt as a “common sense” exemption under CEQA Guidelines Section 15061(b)(3) because the project involves policies, programs, and actions to meet the County’s RHNA allocation that would not have the potential to cause a significant physical effect on the environment. As it can be seen with certainty that there is no possibility that the proposed project would have a significant effect on the environment, the proposed project is exempt from CEQA under the common sense exemption.

3.2 ANALYSIS IN SUPPORT OF FINDINGS

The proposed Housing Element is strictly a policy document that does not provide entitlements to any specific development projects. All development in the city must comply with the General Plan. The existing General Plan has sufficient capacity to accommodate all of the assigned RHNA allocation; therefore, there is no change from the existing development potential. The proposed goals and policies are either informative or would mirror existing State law that already applies to the City.

Pursuant to Program 25, Municipal Code Amendments for Compliance with State Law and to Reduce Barriers to Housing Development, the City plans to amend the Municipal Code to address development standards and barriers to special-needs housing opportunities, which includes amending the density bonus as well as incorporating emergency shelters, low-barrier navigation centers, residential care facilities, and supportive housing. The proposed amendments to the Municipal Code would not result in significant environmental impacts as these development standards and facilities would still be required to comply with the City’s General Plan and its zoning and land use designations. Further, the provisions of State law already apply to the City and could be requested by an applicant regardless of whether the Municipal Code is amended.

Table 3-1, *Program 25 Zoning Code Amendment Actions and CEQA Determination*, shows that each major action in Program 25 intends to update policies to comply with State law. New development would occur on land currently designated and zoned to allow residential uses to occur under the City’s General Plan. Furthermore, all future development in the city would require housing sites to comply with local regulations, including the City’s General Plan and Zoning Code.

Subsequent amendments to the City's land use or zoning regulations, such as those discussed in Program 25 would be subject to separate CEQA review at the time the amendments are prepared. In addition, future by-right development would still be subject to federal, State, and local regulations related to land use, such as the Migratory Bird Treaty Act, wetland conservation, and construction air quality permitting. Therefore, it can be seen with certainty that the proposed project would not have a significant effect on the environment and is exempt from further CEQA analysis.

TABLE 3-1 PROGRAM 25 ZONING CODE AMENDMENT ACTIONS AND CEQA DETERMINATION

Program 25 Actions	California State Code Sections	CEQA Determinations
<p>Density Bonus: Amend the Municipal Code to include provisions allowing 80 percent density bonus and up to four concessions for 100 percent affordable developments consistent with the current requirements of State Density Bonus Law outlined in Government Code Section 65915. Monitor State Density Bonus Law annually for legislative changes and modify ordinance as needed during the planning period.</p>	<p>California Code, Government Code Section 65915</p>	<p>No impact as this policy would be compliant with existing State law and can be implemented without a zone change.</p>
<p>Accessory Dwelling Units: Amend the Municipal Code to be consistent with the latest state legislation related to development standards for ADUs and ensuring that the construction of a junior accessory dwelling unit (JADU) on each lot is clearly permitted in addition to an ADU, in accordance with California Government Code Section 65852.2</p>	<p>California Code, Government Code Section 65852.2</p>	<p>No impact as this policy would be compliant with existing State law and can be implemented without a zone change.</p>
<p>Parking Requirements: Amend parking requirements for ADUs and supportive housing units within a half mile of transit and amend the Municipal Code to remove parking minimums within a half mile of transit consistent with AB 2097, outlined in Government Code Section 65863.2</p>	<p>California Code, Government Code Section 65853.2</p>	<p>No impact as this policy focuses on parking standards and therefore has no environmental impact.</p>
<p>Emergency Shelters: Adopt the updated State definition of emergency shelters and modify the parking requirement for emergency shelters to require sufficient parking to accommodate all staff working in the emergency shelter, provided that the standards do not require more parking for emergency shelters than other residential or commercial uses within the same zone, in compliance with Government Code Section 65583(a)(4). Amend the hours of operation to cover nighttime hours, and review and confirm the standards for toilets is not excessive relative to similar other uses, and overall ensure that standards for emergency shelters comply with state law (Government Code Section 65583(a)(4)).</p>	<p>California Code, Government Code Sections 65583(a)(4)(I), and 65583(a)(4)(A)(ii)</p>	<p>No impact as this policy would be compliant with existing State law and can be implemented without a zone change.</p>
<p>Low-Barrier Navigation Centers: Permit low-barrier navigation centers, defined as low-barrier, temporary service-enriched shelters to help homeless individuals and families to quickly obtain permanent housing as a permitted use subject only to ministerial approval in zones where mixed uses are allowed or in nonresidential zones that permit multifamily housing (Government Code Section 65662; AB 101).</p>	<p>California Code, Government Code Section 65662; Assembly Bill 101</p>	<p>No impact as this policy would be compliant with existing State law and can be implemented without a zone change.</p>

Program 25 Actions	California State Code Sections	CEQA Determinations
<p>Residential Care Facilities: Review requirements for unlicensed and licensed group homes and larger group homes and permit them in all residential zones in a similar manner to other residential uses to comply with the City’s obligation to affirmatively further fair housing pursuant to Government Code Section 8899.50 (b)(1) and Government Code Section 65583 (c)(10). The City will also review CUP findings for residential care facilities to ensure they are objective and do not serve as a barrier to development. If determined to be a barrier or subjective then the City will amend CUP findings for residential care facilities.</p>	<p>California Code, Health and Safety Code Sections 1267.8, 1566.3, and 1568.08</p>	<p>No impact as this policy would be compliant with existing State law and can be implemented without a zone change.</p>
<p>Single-Room Occupancy Units: Amend the Municipal Code to comply with Government Code Section 65583 (c)(1) and remove the current limit of 15 guests in SRO units, change SRO to permitted use in RM-1, RM-2, RM-3, NMX, CMX, and RMX, and evaluate objective design standards for SROs to ensure that units are maintained and safe for all residents long.</p>	<p>California Code, Government Code Section 65583(c)(1)</p>	<p>No impact as this policy would be compliant with existing State law and can be implemented without a zone change.</p>
<p>Farmworker and Employee Housing: Amend the Municipal Code to comply with Government Code Section 65583 (c)(1) and permit employee housing for six or fewer as a residential use and permit agricultural labor housing in all zoning districts where agricultural uses are permitted.</p>	<p>California Code, Health and Safety Code Sections 17021.5, 17021.6, and 17021.8</p>	<p>No impact as this policy would be compliant with existing State law and can be implemented without a zone change.</p>
<p>Supportive Housing: Allow for the approval of 100 percent affordable developments that include a percentage of supportive housing units, either 25 percent or 12 units, whichever is greater, to be allowed without a conditional use permit or other discretionary review in all zoning districts where multifamily and mixed-use development is permitted, consistent with Government Code Section 65651(a).</p>	<p>California Code, Government Code Sections 65583(a)(5) and 65583(c)(3).</p>	<p>No impact as this policy would be compliant with existing State law and can be implemented without a zone change.</p>
<p>Definition of Family: Amend the Municipal Code to add an inclusive definition of family and consistently replace the terms “single family” and multifamily” with “single-unit” and multiunit” to ensure internal consistency.</p>		<p>No impact as this policy would change the definition of a term and can be implemented without a zone change.</p>
<p>Definition of “Tiny Home”: Amend the Municipal Code to expand the definition of tiny homes to allow for modular homeownership on leased parcels</p>		<p>No impact as this policy would change the definition of a term and can be implemented without a zone change.</p>

Program 25 Actions	California State Code Sections	CEQA Determinations
<p>Overlay Zone in Transit Rich and Urban Infill Sites: Assess benefits of implementing SB 10 (2021) and if it is found to be beneficial then amend the Municipal Code to add an overlay zone which would allow up to 10 residential units in certain “transit rich” and “urban infill sites.</p>	<p>California Code, Government Code Section 65913.5</p>	<p>This action would be considered a subsequent amendment; therefore, this would need to undergo a separate CEQA review when the amendments are developed.</p>
<p>Overlay Zone for Workforce Housing: Assess benefits of implementing workforce housing and if it is found to be beneficial then amend the Municipal Code to add an overlay zone which would allow workforce housing in certain Commercial, Business Park, and Public Facilities zone districts.</p>		<p>This action would be considered a subsequent amendment; therefore, this would need to undergo a separate CEQA review when the amendments are developed.</p>
<p>Reduce Parking Requirements for Residential Care, General: Amend the Municipal Code to reduce parking requirements to 1 space per employee and 1 space for every 7 residents. Parking stalls within residential garages count towards required parking spaces.</p>		<p>No impact as this policy focuses on parking standards and therefore has no environmental impact.</p>