

Exhibit F
Amendment to Chapter 3 of the General Plan:
Disadvantaged Unincorporated Communities Analysis

3.7 DISADVANTAGED UNINCORPORATED COMMUNITIES

California Senate Bill 244 (Wolk, 2011; SB 244) requires local municipalities to identify Disadvantaged Unincorporated Communities (DUCs) within or adjacent to their Sphere of Influence (SOI), analyze the infrastructure needs of the DUCs (including water, wastewater, stormwater drainage, and structural fire protection), and evaluate potential funding mechanisms to make service extension feasible.

Disadvantaged Unincorporated Communities are defined as settled places not within city limits where the median household income is 80 percent or less than the statewide median household income.^{1, 2} Under the policy set forth by the Fresno Local Agency Formation Commission (LAFCO), a DUC must also have at least 15 residences with a density of one unit per acre or greater.³

In 2015, Fresno LAFCO identified a total of 20 DUCs that are located within or adjacent to the City of Fresno SOI and which meet the full definition of a DUC (See Figure LU-3).

¹ State of California Office of Planning and Research. Technical Advisory to SB 244.

² Flegal, C., Rice, S., Mann, J., & Tran, J. California Unincorporated: Mapping Disadvantaged Communities. PolicyLink, 2013

³ Fresno Local Agency Formation Commission. City of Fresno Municipal Service Review Public Review Draft, prepared by Policy Consulting Associates, LLC. October 20, 2015.

Infrastructure Conditions Summary of Fresno Area DUCs

Water

Water access for DUCs is served through either the City of Fresno Public Utilities Department or through private wells. Adequate water infrastructure is defined as having existing infrastructure connecting a parcel that contains one or more residences to the City's water system. The analysis does not include parcels that do not contain residences (i.e. vacant land or businesses) nor does it consider whether or not a residence has active service.

Wastewater

Similar to water, wastewater service is provided either through the City of Fresno Public Utilities Department or through private septic tanks. Adequate wastewater infrastructure is likewise defined as having existing infrastructure connecting a parcel that contains one or more residences to the City's system. The analysis does not include parcels that do not contain residences nor does it make a distinction of active versus inactive service.

Stormwater Drainage

The stormwater drainage analysis includes review of the existing curb and gutter facilities in the DUC areas. Adequate stormwater drainage is defined as having curb and gutter located between a parcel containing one or more residences and the adjacent street(s) throughout the entire DUC area. FEMA Flood Zones are also given to indicate the likelihood that an area would face a significant flood threat.⁴

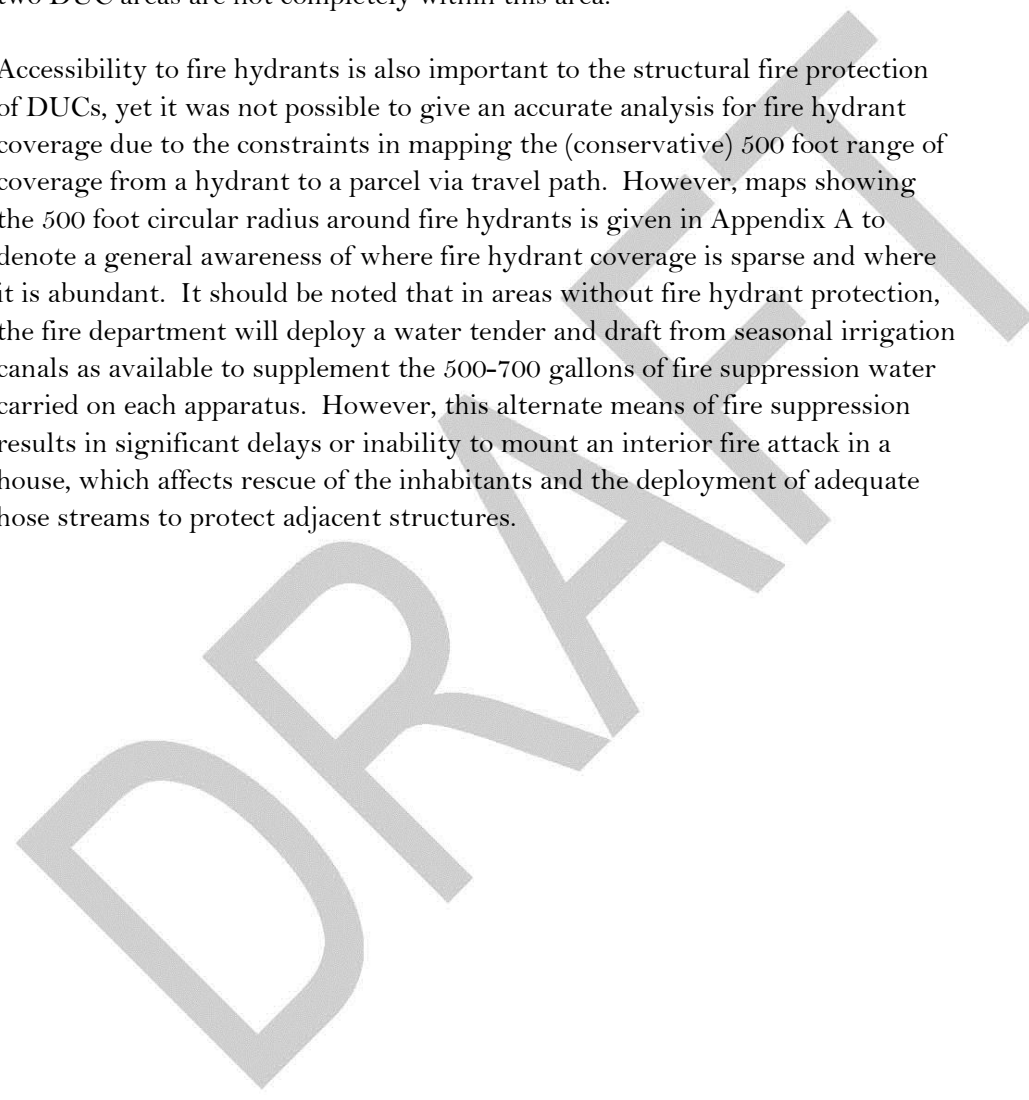
- Zone X: Areas determined to be outside the 0.2% annual chance floodplain.
- Zone XS: Zone X (shaded). Areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood.
- Zone A: No Base Flood Elevations determined.
- Zone AE: Floodway Areas. The floodway is the channel of a stream [or canal] plus any adjacent floodplain areas that must be kept free of encroachment so that the 1% annual chance flood can be carried without substantial increases in flood heights.

⁴Flood Insurance Rate Map for Fresno County. Federal Emergency Management Agency, 2009.

Structural Fire Protection

Fire protection service is provided through the City of Fresno Fire Department and through response agreements with the City of Clovis Fire Department and the Fresno County Fire Protection District. Adequate structural fire protection is defined as having all parcels located within a four minute-response area. Only two DUC areas are not completely within this area.

Accessibility to fire hydrants is also important to the structural fire protection of DUCs, yet it was not possible to give an accurate analysis for fire hydrant coverage due to the constraints in mapping the (conservative) 500 foot range of coverage from a hydrant to a parcel via travel path. However, maps showing the 500 foot circular radius around fire hydrants is given in Appendix A to denote a general awareness of where fire hydrant coverage is sparse and where it is abundant. It should be noted that in areas without fire hydrant protection, the fire department will deploy a water tender and draft from seasonal irrigation canals as available to supplement the 500-700 gallons of fire suppression water carried on each apparatus. However, this alternate means of fire suppression results in significant delays or inability to mount an interior fire attack in a house, which affects rescue of the inhabitants and the deployment of adequate hose streams to protect adjacent structures.



In the following table, information is given for each DUC that exhibits the extent to which adequate infrastructure (as defined for each category) exists in those areas.

TABLE 3-4: DUC INFRASTRUCTURE CONDITIONS SUMMARY					
#	Water ¹	Wastewater ¹	Stormwater Drainage		Structural Fire Protection
	Connected Line	Connected Line	Curb & Gutter	FEMA Flood Zone	Within 4 Minute Zone
1	4 of 18 22%	7 of 18 39%	No	Zone X	100%
2	8 of 39 21%	1 of 39 3%	No	Zone X	100%
3	0 of 249 0%	0 of 249 0%	No	Zone X & Zone XS	100%
4	131 of 221 59%	53 of 221 24%	No	Zone X & Zone XS	100%
5	0 of 14 0%	0 of 14 0%	No	Zone X & Zone XS	3.6%
6	0 of 39 0%	0 of 39 0%	No	Zone X & Zone A	100%
7	0 of 12 0%	0 of 12 0%	No	Zone X	100%
8	0 of 25 0%	0 of 25 0%	No	Zone X	100%
9	1 N/A ²	1 N/A ²	N/A	Zone X	60%
10	0 of 4 0% 12 N/A ²	0 of 4 0% 12 N/A ²	No	Zone X	100%
11	0 of 15 0%	0 of 15 0%	No	Zone X	100%
12	327 of 330 99%	324 of 330 98%	Yes	Zone X & Zone XS	100%
13	13 of 14 93%	0 of 14 0%	No	Zone XS	100%
14	104 N/A ³	83 of 104 80%	No	Zone X, Zone XS, & Zone AE	100%
15a	462 N/A ³	416 of 462 90%	No	Zone X & Zone XS	100%
15b	122 of 131 93% 5 N/A ³	125 of 136 92%	No	Zone X & Zone XS	100%
16	159 of 159 100% 441 N/A ³	587 of 600 98%	No	Zone XS	100%
17	976 of 976 100%	976 of 976 100%	No	Zone X & Zone XS	100%
18	1195 of 1195 100%	1195 of 1195 100%	Yes	Zone X, Zone XS, & Zone AE	100%
19	56 of 60 93%	60 of 60 100%	No	Zone XS	100%
20	272 of 272 100%	264 of 272 97%	No (missing 3 parcels)	Zone X	100%

¹ Counts of parcels with one or more residences are considered as a close approximation.
² These parcels are located within the boundaries of the Malaga Water District.
³ These parcels are located within the boundaries of the Bakman Water District.

The number of parcels with residences within each DUC was determined through visual interpretation of aerial maps and Google Maps Street View. Maps and additional data are included in Chapter 3, Appendix A.

Water Districts

As noted in Table 3-4, some DUCs or portions of DUCs are served by the Malaga and Bakman Water Districts. While the active service in these areas may be more limited than the actual district boundaries, they are nevertheless excluded from the analysis because an activation or system upgrade in these areas would be managed by the respective water district, not the City.

Potential Funding Mechanisms to Address Deficiencies

SB 244 does not require cities to provide infrastructure directly to DUC areas, however, it does require cities to evaluate potential funding mechanisms that would make such service extensions feasible. The following alternatives are provided as potential funding mechanisms that could be utilized by entities within the governmental, private, and non-profit realms.

New Development

One way to address existing deficiencies is through new private development where the installation, upgrade, or expansion of infrastructure would be required to serve the new development. This type of development typically occurs on a limited, site-specific basis and is thus unlikely to address area-wide infrastructure needs within large areas that are nonadjacent to the city limits. However, for small areas like DUC Area 1 or in areas like DUC Area 15b, where infrastructure is missing from only a small number of parcels, private development could be effective in completing the community's total infrastructure needs.

Service Districts

Another mechanism to provide infrastructure is to establish an assessment district to bond for infrastructure construction and pay for it over time. A district would fund the cost of the infrastructure within a designated area through the fairly proportioned financial contributions of each benefiting landowner. To form a district, property owners vote to affirm the establishment of the district and assessment through a special election. This method would be most effective in areas that are missing significant portions of infrastructure such as water and sewer mains along major corridors.

Grants and Loans

There are numerous state, federal, and regional grants and loans that can provide funding for infrastructure projects within DUCs. Some examples include:

State Water Resources Control Board Drinking Water State Revolving Fund⁵

The DWRSF is a State-managed fund that can supply low-interest to no-interest loans to provide drinking water infrastructure to disadvantaged communities. Eligible applicants include cities, counties, districts, for-profit and non-profit community water systems, public school districts and other non-community water systems, and systems that are created by the project. The repayment terms are 20 years or longer and the principal balance may be forgiven for publicly owned water systems or non-profit mutual water companies that serve disadvantaged communities.

State Water Resources Control Board Clean Water State Revolving Fund⁵

The CWSRF provides low interest financing agreements (dependent on General Obligation Bond Rate) for wastewater and stormwater treatment projects. Eligible applicants include cities, counties, districts, state agencies, tribal governments/organizations, agencies approved under Section 208 of the Clean Water Act, 501(c)(3)s, and National Estuary Programs. The repayment terms are up to 30 years or the useful life of the project. A percentage of the total project cost up to the full amount may be waived for projects benefiting DACs.⁶

State Water Resources Control Board Division of Financial Assistance

The Division of Financial Assistance is in charge of implementing the State Water Resources Control Board's financial assistance programs and contains a link to current funding sources on its website at www.waterboards.ca.gov/water_issues/programs/grants_loans

Groundwater Quality Funding Assistance⁷

The Groundwater Grant Program holds approximately \$744 million dollars for the prevention and cleanup of contamination of groundwater-sourced drinking water. Up to \$160 million has been specifically set aside for project serving disadvantaged communities (DACs) and economically distressed areas (EDAs). Eligible applicants include public agencies, non-profits, tribal organizations, public utilities, and mutual water companies. Grants range from \$100,000 - \$1 million for planning and \$500,000 - unrestricted for implementation. Funds are available from 2018 to 2021. Minimum local matching is 50%, however this may be reduced or waived for projects that benefit a DAC or EDA.

⁵ "Below-Market Financing for Wastewater & Water Quality." State of California Clean Water State Revolving Fund.

⁶ "Proposition 1 - Small Community Wastewater." State Water Resources Control Board, 15 Sept. 2015.

⁷ "Water Board Groundwater Funding Programs." California Water Boards.

Integrated Regional Water Management (IRWM) Grant Program⁸

The IRWM Grant is administered by the Department of Water Resources and contains approximately \$474.3 million in funding to be applied to projects that will adapt water systems to climate change, improve collaboration in regional water management, and increase regional water self-reliance (reducing reliance on the Sacramento-San Joaquin Delta). Of this \$102 million is set aside for assistance to disadvantaged communities (DACs). Eligible applicants include public agencies, non-profits, tribal organizations, public utilities, and mutual water companies. Minimum local matching is 50%, however this may be reduced or waived for projects that benefit a DAC or EDA.

Infrastructure State Revolving Fund (ISRF) Loan Program⁹

The California Infrastructure and Economic Development Bank manages the ISRF program to provide low-cost financing for infrastructure projects in amounts ranging from \$50,000 to \$25 million with terms of up to 30 years. Municipal agencies and non-profit entities with municipal sponsors are eligible for funding.

USDA Rural Development Water & Waste Disposal Loan & Grant Program¹⁰

The United States Department of Agriculture manages a Water & Waste Disposal Loan & Grant Program that offers long-term (up to 40 years), low-interest loans (sometimes combined with grants) for the construction or improvement of drinking water, sewer, solid waste, and storm water facilities in rural communities. The program may be pursued by state and local government entities, non-profits, and federally recognized tribes.

Community Development Block Grant Fund¹¹

Administered by the United States Department of Housing and Urban Development, CDBG Funds are used to benefit low- and moderate-income communities, blighted communities, and communities that face issues of health and welfare. The fund may be used by the state and by cities and counties and can be applied toward infrastructure improvements.¹²

⁸ "Proposition 1 IRWM Grant Program." California Department of Water Resources. 22 Feb. 2016.

⁹ California Infrastructure and Economic Development Bank. Criteria, Priorities and Guidelines for the Selection of Projects for Financing Under the Infrastructure State Revolving Fund (ISRF) Program. Adopted August 25, 2015.

¹⁰ "Water & Waste Disposal Loan & Grants Program." United States Department of Agriculture, Rural Development.

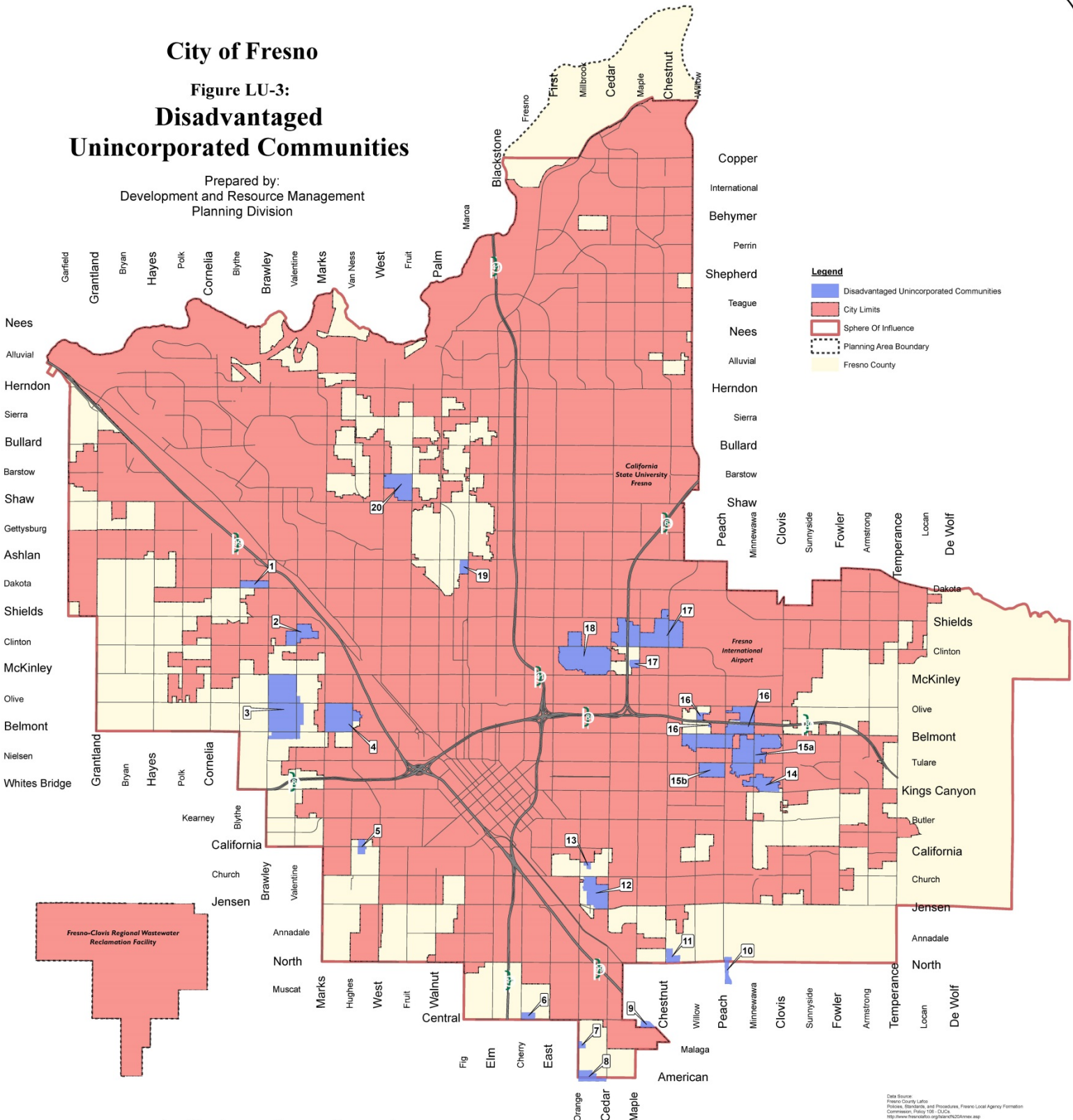
¹¹ "CDBG Entitlement Program Eligibility Requirements." US Department of Housing & Urban Development, 2014.

¹² "Expenditure Report: Use of CDBG Funds by Fresno County, CA." US Department of Housing & Urban Development, Office of Community Planning and Development. 12 Jan. 2015

City of Fresno

Figure LU-3: Disadvantaged Unincorporated Communities

Prepared by:
Development and Resource Management
Planning Division



- Legend**
- Disadvantaged Unincorporated Communities
 - City Limits
 - Sphere Of Influence
 - Planning Area Boundary
 - Fresno County

Data Source:
Fresno County Latino
Politics, Economic, and Procedures, Fresno Local Agency Formation
Commission, Policy 108. DUCs
http://www.fresnocounty.org/plan/2010/108.htm

Terms and Methodology:
This map shows County of Fresno Geographic Information System (GIS)
general mapping and GIS Census information to identify the census
composition of all the census block groups within the vicinity of the
Fresno city boundaries. Locations identified as DUCs are those
disadvantaged areas that are in the vicinity of DUCs pursuant to
Fresno LAFCA Policy 108 and 109. Each identified DUC area is
designated with a number on the map and a corresponding
description that identifies the location, number of properties within the
DUC, its 2000 Census block group number, and the first year
reported by ACS five-year estimates between 2000 and 2010.

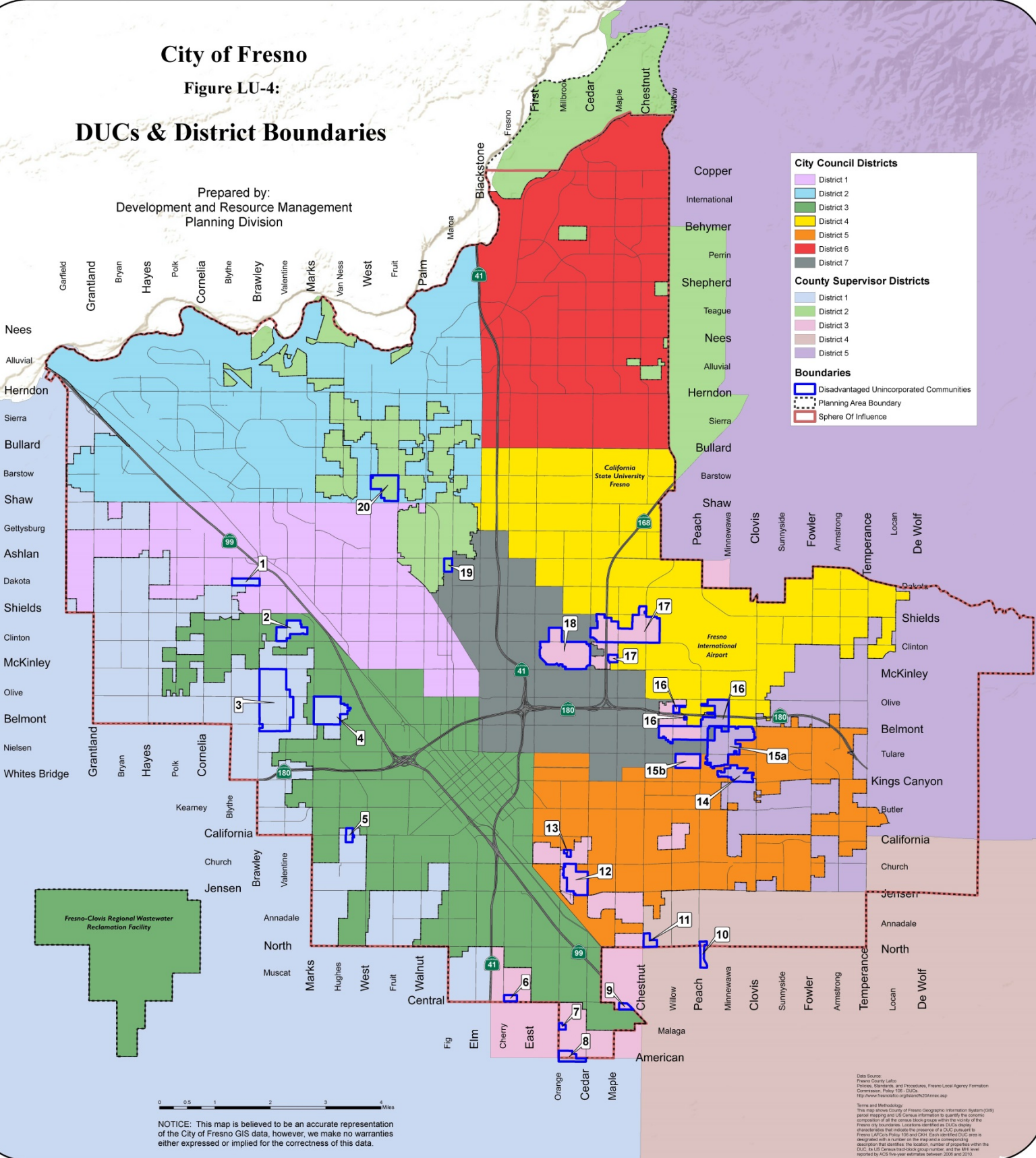
NOTICE: This map is believed to be an accurate representation of the City of Fresno GIS data, however, we make no warranties either expressed or implied for the correctness of this data.

City of Fresno

Figure LU-4:

DUCs & District Boundaries

Prepared by:
Development and Resource Management
Planning Division



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Data Source:
Fresno County LULU
Policies, Standards, and Procedures, Fresno Local Agency Formation
Commission, Policy 100 - DUCs
http://www.fresnoonline.org/land/NDAdmres.asp

Terms and Methodology:
This map shows County of Fresno Geographic Information System (GIS) parcel mapping and US Census information to quantify the economic opportunities of all the census tract groups within the county of the Fresno city boundaries. Locations identified as DUCs display designations that indicate the presence of a DUC pursuant to Fresno LAFCA Policy 100 and CHA. Each identified DUC area is designated with a number on the map and a corresponding description that identifies the location, number of properties within the DUC, its US Census tract group number, and the first level reported by ACS five-year estimates between 2000 and 2010.