CITY OF FRESNO

HOUSING ELEMENT UPDATE
2015-2023

Workshop/Study Session
February 2016
Goals for Study Session

- Understand what the Housing Element is
- Discuss the Housing Element update process
- Discuss Draft 2015-2023 Housing Element
  - Regional Housing Needs Allocation (RHNA)
  - Housing Objectives, Policies, and Programs
- Next Steps
Housing Element Facts

- State-mandated planning document for housing
  - 1 of 7 state-required elements of the Comprehensive Plan

- Only General Plan element that requires review and “certification” by a State agency - California Department of Housing & Community Development (HCD)
Why Update the Housing Element

Periodic updates required by State law

• 2015-2023 update due December 31, 2015 (plus 120-day grace period)
• If adopted on time, Housing Element valid for eight years
  If late: 4-year cycle penalty
Why Update the Housing Element

• Adjust Housing Policy to reflect changes in the community

• HCD Certification
  ▪ Compete for housing grants
  ▪ Legally adequate General Plan
Housing Element Update Process

Public Input

Phase 1
- Community Meetings to Receive Input
  - Fall 2015
- Evaluate Any New Constraints and Update Land Inventory and Resources
  - Fall 2015
- Revise Housing Policies and Programs and Prepare Draft Housing Element
  - Fall/Winter 2015

Phase 2
- CEQA Review
  - Early 2016
- HCD Review
  - Early January – Early March 2016 (60 days)
- Public Adoption Hearings
  - March/April 2016

Public Input
Housing Element Content

Constraints to Housing Development
- Governmental
- Market
- Environmental

Needs Assessment
- Demographic Trends
- Housing Market Trends
- Special Needs Groups

Resources and Sites Inventory
- Sites for all Income Levels
- Administrative Resources
- Financial Resources

Progress toward Implementing Previous Housing Element

Housing Plan
2015-2023
Affordable Housing Issues

- Affordable housing: a household paying no more than 30% of its annual income on housing
- Cost burden: When monthly housing costs (including utilities) exceed 30% of monthly income
- Cost burden in the City of Fresno:
  - 45% of all households
  - 37% of owner households
  - 54% of renter households

Sources: U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS) Data, 2006-2010
### State Income Thresholds

Affordable housing = 30% of household income

<table>
<thead>
<tr>
<th>Income Level</th>
<th>1-Person</th>
<th>2-Person</th>
<th>3-Person</th>
<th>4-Person</th>
<th>5 Person</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely Low (0-30% AMI)</td>
<td>$12,150</td>
<td>$15,930</td>
<td>$20,090</td>
<td>$24,250</td>
<td>$28,410</td>
</tr>
<tr>
<td>Very Low (31-50% AMI)</td>
<td>$20,300</td>
<td>$23,200</td>
<td>$26,100</td>
<td>$28,950</td>
<td>$31,300</td>
</tr>
<tr>
<td>Low (51-80% AMI)</td>
<td>$32,450</td>
<td>$37,050</td>
<td>$41,700</td>
<td>$46,300</td>
<td>$50,050</td>
</tr>
<tr>
<td>Moderate (81-120% AMI)</td>
<td>$48,650</td>
<td>$55,600</td>
<td>$62,550</td>
<td>$69,500</td>
<td>$75,050</td>
</tr>
</tbody>
</table>

AMI = Area Median Income  
Fresno County AMI = $57,900  
Source: CA HCD, 2015
High School Teacher: $76,450
Police/Sheriff Officer: $67,430
Low Income Family of 4: $46,300
Truck Driver: $42,030
Construction Laborer: $34,350
Retail Cashier: $23,690
Security Guard: $19,940
Farmworker (Crops/Nursery): $19,110
Cook, Fast Food: $18,880
Retiree (Social Security): $15,936

Estimated Average Monthly Mortgage: Home in the City of Fresno: $988
Estimated Average Monthly Mortgage: Home in Fresno County: $1,064
Average Rent in the City of Fresno: $884

Sources: U.S. Department of Labor, Bureau of Labor Statistics: May 2014 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates, Fresno, CA; U.S. Social Security Administration; Zillow.com; Livability.com; Realtor.com Mortgage Calculator; California Department of Housing and Community Development, 2015 Income Limits
Other Housing Needs

• 10% of housing units are overcrowded
• 6% of housing units need rehabilitation (based on a 2010 survey)
• 29% of Fresno households live below the poverty level
Regional Housing Needs Allocation (RHNA)

<table>
<thead>
<tr>
<th>Income Group</th>
<th>% of County AMI</th>
<th>Fresno RHNA (2013-2023)</th>
<th>% of Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Low</td>
<td>0-50%</td>
<td>5,666</td>
<td>24%</td>
</tr>
<tr>
<td>Low</td>
<td>51-80%</td>
<td>3,289</td>
<td>14%</td>
</tr>
<tr>
<td>Moderate</td>
<td>81-120%</td>
<td>3,571</td>
<td>15%</td>
</tr>
<tr>
<td>Above Moderate</td>
<td>120% +</td>
<td>11,039</td>
<td>47%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>23,565</td>
<td>100%</td>
</tr>
</tbody>
</table>

Remainder of Fresno County: 17,911 Units 43.2% of County

City of Fresno: 23,565 Units 56.8% of County
## Regional Housing Needs Allocation

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Population 2010</th>
<th>Housing Units 2010</th>
<th>RHNA (2013-2023)</th>
<th>% of County RHNA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clovis</td>
<td>93,631</td>
<td>35,306</td>
<td>6,328</td>
<td>15%</td>
</tr>
<tr>
<td>Coalinga</td>
<td>18,087</td>
<td>4,344</td>
<td>589</td>
<td>1%</td>
</tr>
<tr>
<td>Firebaugh</td>
<td>7,549</td>
<td>2,096</td>
<td>712</td>
<td>2%</td>
</tr>
<tr>
<td>Fowler</td>
<td>5,570</td>
<td>1,842</td>
<td>524</td>
<td>1%</td>
</tr>
<tr>
<td>Fresno</td>
<td><strong>494,665</strong></td>
<td><strong>171,288</strong></td>
<td><strong>23,565</strong></td>
<td><strong>57%</strong></td>
</tr>
<tr>
<td>Huron</td>
<td>6,754</td>
<td>1,602</td>
<td>424</td>
<td>1%</td>
</tr>
<tr>
<td>Kerman</td>
<td>13,544</td>
<td>3,908</td>
<td>909</td>
<td>2%</td>
</tr>
<tr>
<td>Kingsburg</td>
<td>11,382</td>
<td>4,069</td>
<td>374</td>
<td>1%</td>
</tr>
<tr>
<td>Mendota</td>
<td>11,014</td>
<td>2,556</td>
<td>554</td>
<td>1%</td>
</tr>
<tr>
<td>Orange Cove</td>
<td>9,078</td>
<td>2,231</td>
<td>669</td>
<td>2%</td>
</tr>
<tr>
<td>Parlier</td>
<td>14,494</td>
<td>3,494</td>
<td>588</td>
<td>1%</td>
</tr>
<tr>
<td>Reedley</td>
<td>24,194</td>
<td>6,867</td>
<td>1,311</td>
<td>3%</td>
</tr>
<tr>
<td>Sanger</td>
<td>24,270</td>
<td>7,104</td>
<td>1,218</td>
<td>3%</td>
</tr>
<tr>
<td>San Joaquin</td>
<td>4,001</td>
<td>882</td>
<td>378</td>
<td>1%</td>
</tr>
<tr>
<td>Selma</td>
<td>23,219</td>
<td>6,813</td>
<td>605</td>
<td>1%</td>
</tr>
<tr>
<td>Unincorp. Areas</td>
<td><strong>166,998</strong></td>
<td>---</td>
<td><strong>2,722</strong></td>
<td><strong>7%</strong></td>
</tr>
<tr>
<td>Fresno County</td>
<td>930,450</td>
<td>315,531</td>
<td>41,470</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Sources:** U.S. Census Bureau, 2010 Census of Population, Public Law 94-171 Redistricting Data File, Fresno County Regional Housing Needs Allocation Plan 2013, Fresno Council of Governments
**RHNA**

Goal for accommodating housing need through land use policies and planning (zoning)

- NOT a construction obligation

Affordability of units based on AB 2348

- Establishes “default density”
- Sites with density of at least 30 du/acre = considered feasible to facilitate development of affordable housing
- Does not dictate the type of future development on these sites; only assumes that higher densities can lower per-unit development costs
Achieving the RHNA

1. Credits for units permitted since January 1, 2013

2. Sites:
   – Vacant
   – Cap and Trade Sites

No General Plan land use or Zoning Map changes are proposed as part of this Housing Element Update as long as Zoning Map Update is adopted (scheduled for February 4, 2016).
Progress Towards the RHNA

• Permits issued since January 2013 for:
  – Housing with affordability restrictions
  – Multi-family housing with market rents affordable to moderate-income households
  – Single family housing

<table>
<thead>
<tr>
<th>Income Group</th>
<th>Fresno RHNA (2013-2023)</th>
<th>Units Permitted (Jan. 1-2013-present)</th>
<th>Remaining RHNA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Low</td>
<td>5,666</td>
<td>281</td>
<td>5,385</td>
</tr>
<tr>
<td>Low</td>
<td>3,289</td>
<td>267</td>
<td>3,022</td>
</tr>
<tr>
<td>Moderate</td>
<td>3,571</td>
<td>538</td>
<td>3,033</td>
</tr>
<tr>
<td>Above Moderate</td>
<td>11,039</td>
<td>6,252</td>
<td>4,787</td>
</tr>
<tr>
<td>Total</td>
<td>23,565</td>
<td>7,338</td>
<td>16,227</td>
</tr>
</tbody>
</table>
Site Affordability

• Sites with density of at least 30 du/acre considered feasible to facilitate development of affordable housing to very low- and low- income households
  – Pursuant to AB 2348

• Sites with density of 12-16 du/acre considered affordable to moderate-income households
  – Based on market rents and home sales prices
Sites Inventory

- Vacant Sites located throughout the City
  - 97% of sites

- Cap and Trade Sites (Greenhouse Gas Reduction Fund, or “Cap and Trade Fund”)
  - 3% of sites
  - Supports infill and compact development
  - Extra points for projects in long range planning documents (e.g., Housing Element sites inventory)

  - Fancher Multifamily (240 units)
  - Fancher Senior Housing (200 units)
  - Blackstone/McKinley project (90 units)
  - South Fulton Project (50 units)
  - Hotel Fresno (79 units)
Achieving the RHNA

- RHNA met with no General Plan land use or Zoning map changes
- RHNA surplus: 6,471 units

<table>
<thead>
<tr>
<th>Income Group</th>
<th>Remaining RHNA (2013-2023)</th>
<th>Vacant/Vacant BRT Sites</th>
<th>Cap and Trade Sites</th>
<th>Surplus Sites</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Low</td>
<td>5,385</td>
<td>9,167</td>
<td>547</td>
<td>+1,339</td>
</tr>
<tr>
<td>Low</td>
<td>3,022</td>
<td>32</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Moderate</td>
<td>3,033</td>
<td>4,894</td>
<td>80</td>
<td>+1,941</td>
</tr>
<tr>
<td>Above Moderate</td>
<td>4,787</td>
<td>7,978</td>
<td>--</td>
<td>+3,191</td>
</tr>
<tr>
<td>Total</td>
<td>16,227</td>
<td>22,039</td>
<td>659</td>
<td>+6,471</td>
</tr>
</tbody>
</table>
RHNA Capacity by Development Area
(based on vacant land and Cap and Trade sites only)

- **DA-4 West**: 297 units (1.3%)
- **DA-2 South**: 260 units (1.1%)
- **DA-2 North**: 188 units (0.8%)
- **DA-1 South**: 2,232 units (10%)
- **DA-1 North**: 4,298 units (19%)
- **South Industrial Area**: 5 units (0.02%)
- **Est. Nbrhds. South of Shaw**: 6,398 units (28%)
- **Est. Nbrhds. North of Shaw**: 6,316 units (28%)
- **BRT Corridors**: 970 units (4%)
- **Downtown**: 1,734 units (7.6%)

**Note:** The percentages are based on RHNA capacity in each area.
Housing Programs

• Intent of the Goals, Policies, and Programs remains the same
  – Removes programs already accomplished
  – Consolidates programs
  – Modifies objectives consistent with anticipated funding
Housing Programs

• Program 1: Adequate Sites

Adequate Sites to Accommodate a Range of Housing
Housing Programs

- **Program 2**: Density Bonus Programs
- **Program 3**: Housing Funding Sources
- **Program 4**: Partnerships with Affordable Housing Developers
- **Program 5**: Special Needs Housing
- **Program 6**: Home Buyer Assistance
- **Program 7**: Homeless Assistance
- **Program 8**: Fresno Green

Assist in the Development of Housing
Housing Programs

Removal of Governmental Constraints to Housing

- **Program 9**: Expedited Processing
- **Program 10**: Development Incentives
- **Program 11**: Agricultural Employee Housing
- **Program 12**: Infrastructure Priority
- **Program 13**: Water/Sewer Service Providers
Conserve/ Improve Fresno’s Housing

- **Program 14**: Code Enforcement
- **Program 15**: Neighborhood Infrastructure
- **Program 16**: Housing Rehabilitation
- **Program 17**: Franchise Tax Board Building Code Program
- **Program 18**: At-Risk Housing
- **Program 19**: Police Services
Housing Programs

- Program 20: Fair Housing Services
- Program 21: Relocation Services
Next Steps

• Draft Element Available for Public Review
• Draft Element Under Review by HCD
  – 60-day review period (January 7 – March 7, 2016)
  – Address HCD comments with the goal of obtaining substantial compliance
• Incorporate City Council and community feedback
• Environmental review (February 2016)
• Planning Commission and City Council adoption hearings (March/April 2016)
Additional Housing Element Workshops

- Planning Commission February 3, 6:00 pm
- Disability Advisory Commission, February 9, 10:00 am
- Housing and Community Development Commission, February 10, 5:00 pm