From:	Keith Bergthold
To:	cary@cfanda.com; npyovino@gmail.com
Cc:	Jennifer Clark; Drew Wilson; Keith Bergthold
Subject:	Fresno GPIRC - Chapter 2 Notes on Economic Development & Fiscal Sustainability - AND - DRIVE Fresno Opportunity Corridor Investment Plan for Urban Form Chapter Discussion at Feb 18th GPIRC Meeting
Date:	Tuesday, February 11, 2020 12:54:50 PM
Attachments:	image001.jpg image002.jpg GPIRC 2-11-2020 - KB Notes on Chapter 2 - Economic Development and Fiscal Sustainability Presented 2-4-2020.pdf

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External Email: Use caution with links and attachments

Dear Fresno GPIRC Chair Catalano and Vice-Chair Yovino,

Attached are my notes from the Chapter 2: Economic Development and Fiscal Sustainability discussed Feb 4th meeting – AND – A copy of the DRIVE Fresno Opportunity Corridor Investment Plan for the discussion related to Chapter 3: Urban Form, Land Use, and Design at our next meeting.

Thank you.

Regards, Keith

Keith Bergthold
Executive Director
Fresno Metro Ministry
4270 N. Blackstone Ave, Suite 212 • Fresno, CA 93726
Ph: 559.485.1416 ext. 101 • Fax: 559.485.9109 • Cell:559.250.1902
www.fresnometmin.org

"In the open spaces of democracy, we are listening – ears alert – we are watching – eyes open – registering the patterns and possibilities for engagement. Some acts are private; some are public. Our oscillations between local, national, and global gestures map the full range of our movement. Our strength lies in our imagination, paying attention to what sustains life, rather than what destroys it." Terry Tempest Williams

City of Fresno - General Plan Implementation Review Committee (GPIRC) – Meeting February 4, 2020

Notes on General Plan Chapter 2: Economic Development and Fiscal Sustainability, and Committee Member, City Staff, and Subject Matter Expert Comments and Questions on 2-4-2020

By Keith Bergthold, District 7 GPIRC Member Representative

1. **Fiscal Sustainability and General Plan (GP) Implementation Budgeting Progress:** As stated in GP Chapter 12 –IMPLEMENTATION – The specific timing of Plan implementation will be dependent on the City's budgetary resources and staffing and may vary depending on how market forces affect development. (GP Page 12-1) The CIP will be the primary means of scheduling and funding public infrastructure improvements of citywide benefit, consistent with the General Plan Economic Development and Fiscal Sustainability Element policies. (GP Page 12-2) A reasonable conclusion to be drawn from these few relevant GP statements is that the City initiating and funding implementation actions is critical for GP implementation to be successful.

   Given the rationale above, realistically evaluating the progress of the General Plan (the City Council charge in establishing the GPIRC as per the 12-12-19 Resolution adopted), is contingent, significantly so, upon accurately measuring the impact of the City's investments through annual capital improvement plans (CIP) and municipal operating budgets on achieving the required-recommended City actions and public facilities and services improvements, as well as encouraging the private market activities needed to implement the GP.

   Without appropriate systematic studies to measure the adequacy of City actions and budget investment impacts on GP implementation, the GPIRC does not have substantive evidence it needs to factually assess progress of the GP and to meaningfully discharge it duties and responsibilities.

2. **Fiscal Sustainability and Short-Term and Long-Term General Plan (GP) Land Use & Development Policy Impacts:** Comprehensive Fiscal Impact Analysis is essential for understanding both GP progress (short-term outcomes) and real GP impacts on Fiscal Sustainability (long-term generation of City revenues above or at least equal to costs). According to 'Fiscal Impact Analysis for California Communities' (California Strategic Growth Council, May 17, 2016):
   - A fiscal impact analysis (FIA) goes beyond the annual budget to clarify the longer-term financial effects of land use and development decisions and related public infrastructure and service costs in order to help ensure that local officials understand the short- and long-term fiscal effects prior to making such land use and development decisions. (Page 1)
   - A fiscal impact analysis provides support to decision makers, local government staff, and community stakeholders to identify and quantify benefits to a local community. Specific benefits of fiscal impact analysis include: • Identifies projected changes to local services and revenues • Helps define achievable levels of service • Projects capital facility needs • Clarifies development policy impacts • Calculates revenues and helps in the development of revenue strategies •

Encourages "what if" questions • Promotes public education of the connection between land use and fiscal conditions. (Page 2)

- Elected officials make decisions about the provision of services and infrastructure with limited available resources. They face a variety of competing and oftentimes contradictory influencing factors such as environmental, social, economic, fiscal, and political. An elected official will want to both address property owners' concerns while providing for the economic viability and safety of their citizens. Constituents include all members of the community including citizens, businesses, nonprofit organizations, institutions, and others. Elected officials need to fully understand revenue and cost drivers. For example, does the jurisdiction receive sales tax revenues based on point of sale purchases or is it distributed from the state based on a per capita formula? Often revenue generation potential may be well understood for a particular land use; however, the resulting costs may be less apparent. A fiscal impact analysis can help reveal these impacts with objective, quantifiable data. (Page 9)
- Another aspect to be considered with regard to timing (of Fiscal Impact Analyses) is local politics and election cycles. Land use decisions are local and are often driven by the assumption that the resulting land use will be fiscally beneficial. With the use of fiscal impact analysis, faulty perceptions and short-sighted decisions can be avoided or perhaps will be less likely to happen—or at a minimum, additional information will be available to better inform the debate. (Page 10)

The March 2012 'Fiscal Impact Analysis of (Fresno General Plan) Concept Alternatives'- Provides some selected insights and guidance as well:

- As noted at the outset, the fiscal impact analysis is designed to determine how key General Plan parameters will affect the performance and sustainability of the City's General Fund budget over the long term. The role and implications of critical and inter-related General Plan land use and policy parameters on the City's fiscal performance is described further below. (Page 12)
- Key fiscal impact analysis parameters include: Public Service Levels and Standards, Location of Growth, Types of Growth, and Tax and Fee Rates. (Pages 12-16)
- Having well-defined and well-understood service levels is critical to accurate analyses: This analysis has found that existing service levels are fiscally sustainable, and indeed would likely result in General Fund surpluses if maintained over the long term. However, City staff have also stressed that these services levels are sub-optimal and continue to have negative implications on the quality of public services and infrastructure with important implications on the quality of life of City residents (e.g., public safety, recreation, and transportation). Moreover, deferred maintenance issues may actually necessitate higher cost investments in the future. The fiscal analysis has also found that none of the General Plan alternatives is likely to generate sufficient revenue to provide service standards considered optimal by Departmental staff, given current tax rates, property values and costs (e.g., salaries, equipment, etc). (Page 13)
- Another issue complicating the policy decisions about optimal service provision is the distinction between existing deficiencies and the cost of growth. As noted, new growth is projected to generate a positive fiscal impact on the margin and thus can afford to pay for a slightly higher

level of service than is currently being provided. However, the fiscal benefit of new growth is significantly below the costs associated with expanding service standards to cover existing deficiencies faced by existing residents, let alone deferred maintenance. Thus, service standards articulated in the General Plan update should account for the cost serving both existing and new residents. (Page 13)

- As part of the General Plan, the City must treat its economic and fiscal performance as fundamental and integrally linked components that over the long run will rise and/or fall together. In other words, the City, through the General Plan Update effort, should approach and evaluate planning alternatives and policies holistically, rather than as distinct or independent items. For an example, an over-emphasis on creating additional capacity for revenue generating land uses, such as "big-box" retail, will not necessarily improve the City's long-term fiscal health if household incomes do not support growth in consumer demand or if new store sales "cannibalize" existing retail areas. Likewise, overly permissive land use or development standards will not encourage net new growth if over the long-run if they result in an urban landscape that is unappealing, one-dimensional, discontinuous, or is neglectful of existing neighborhoods. (Page 16)

Without an appropriate, comprehensive, and systematic Fiscal Impact Analysis to measure the variable financial sustainability impacts of GP land use and development policies on GP implementation, the GPIRC does not have substantive evidence it needs to factually assess progress of the GP and to meaningfully discharge it duties and responsibilities.

3. **Some GPIRC Member Comments-Questions about Fresno Needing Benchmarks for Progress; Fresno's Uncompetitive Position in the Region; Fresno's Lost Economic Growth to Other Cities; Growth Will Go Somewhere Else - Look at Clovis – Jobs, Housing, GHG, VMT; Fresno Needing to Function More Like a Business; Not Being Interested in All Boats Rising Together – But More Specifically: How Much of Fresno's Growth is Due to GP Success?, ETC.:** Annexed land development growth with the provision of associated public facilities and services produces short and long term costs and revenues to cities, requiring detailed and nuanced calculations to sort out real net benefits or losses. Cities have complex and unique financial structures based upon evolutionary policy choices and priorities, and perpetual never ending obligations to existing residents and rate payers, that defy oversimplified reference to transactional business models. Fresno does need realistic and comparable benchmarks for measuring development progress and a business like focus on achieving positive results, that also consider the role Fresno plays (or can play better) as a Central City in the region with challenges and obligations well above and beyond those required for extended residential subdivisions and/or isolated unincorporated new towns. Central City status and function in a growing four county market region implies amazing economic development opportunities and attractive urban form possibilities for Fresno if these can be grasped and differentiated by leaders from mere suburban expansion competitions with neighboring jurisdictions. But even so, without factual data and rigorous analyses it is not possible to draw accurate conclusions about the comparisons, relationships and causality being suggested by some GPIRC member's comments and questions about suspected economic loss and inadequate Fresno GP implementation success. Fully

understanding the true long-term revenues and costs of growth and how these affect fiscal sustainability should be a mandatory first step, despite the reality that a 5 year period since GP adoption may be much too short to believably measure the impact of long-term oriented policies and investments. Information on quantities and capacities of properly zoned and available developable land and approved subdivision lots in Fresno and surrounding jurisdictions would be a good start for comparisons, as would the dates these properties were approved for development to understand how they might have bearing on comparisons and possible competition with Fresno. For example, the Tesoro Viejo project plan in Madera County was approved in November 2012, two years before the adoption of the Fresno GP in December 2014, and the high growth Loma Vista Specific Plan area for Clovis was approved in May 2009, about 5 ½ years before Fresno GP adoption.

Without appropriate evidence-based comparative economic and market analyses of various jurisdictional plan approvals, development policies, public infrastructure and services platforms, zoned land capacities, development product types, market demand, and more in the proximate jurisdictions of our region, the GPIRC does not have substantive evidence it needs to factually assess progress of the GP in respect to the multi-jurisdictional comparisons, relationships and causality being suggested above for assessing the progress of the GP.

4. **Adequacy of tools and timeframe provided by City Council for GPIRC Work:** City Planning Staff and invited content experts have done a remarkable job in a short time to organize and facilitate meetings and begin the deep review of the GP chapter by chapter by the GPIRC. But as the Fresno City Planning Director respectfully explained when asked by GPIRC members about data and studies needed by the GPIRC to realistically assess GP implementation progress: Funds for consultants and studies did not accompany the City Council GPIRC establishment and charge, and City Staff does not have capacity with all its current obligations and deadlines to perform the data gathering and analyses identified by the GPIRC as needed for its work at the Feb 4th meeting. An alternative to having needed studies now is to review the GP Chapters over the next six months as prescribed by City Council resolution and make recommendations for required studies later as part of the review process.

As a GPIRC member I am deeply concerned about not being able to carry-out the evaluation duties and responsibilities of the committee as charged (as are many others on the committee) without the provision of adequate and accurate data and tools for measurement and assessment purposes along with a reasonable timeframe for conducting the committee's business. Not having adequate resources for consulting and analytical studies to support committee assessment work needs to be rectified by the City Council. We take the City Council's charge seriously which means the City Council needs to appropriately resource the effort if it is serious. Now is the time to get studies scoped, funded and completed – and a longer timeframe is needed (perhaps the whole 2020 calendar year into early 2021) for the GPIRC to fully study GP Chapters while the following research is conducted by consultants and made available to the GPIRC as soon as possible to complete comprehensive deliberation.*

- Systematic studies to measure the adequacy of City actions and budget investment impacts on GP implementation;
- Comprehensive and systematic Fiscal Impact Analyses to measure the variable financial sustainability impacts of GP land use and development policies on GP implementation; and
- Comparative economic and market analyses of various jurisdictional plan approvals, development policies, public infrastructure and services platforms, zoned land capacities, development product types, market demand, and more in the proximate jurisdictions to Fresno in our region.

*****Other committee members have additional data and study requests as well.

Fresno Opportunity Corridor

Investment plan

August 2019

OVERVIEW & VISION: Fresno is the fifth largest city in California and a key education, government, health, transportation, logistics, and food processing center for the San Joaquin Valley. However, Fresno has experienced significant urban sprawl for many decades and realized associated adverse outcomes. Indeed, listed as top "community concerns" the City's General Plan are "residential growth patterns that negatively impact natural resources and deplete strategic farmland" and "fiscal instability related to the city's existing spread out urban form and land use".[1] Sprawl has also accelerated disinvestment from established neighborhoods across the urban core, which is disproportionately home to people of color, in favor of greenfield development.

Fresno Opportunity Corridor

An 11-mile transit corridor in south and central Fresno that will foster healthier, more prosperous, sustainable and better-connected neighborhoods through infill, equity-based TOD

The Fresno Opportunity Corridor (FOC) initiative will boldly counteract this trend by fostering healthier, more prosperous, sustainable and better-connected neighborhoods through infill, equity-based transit-oriented development (eTOD). Leveraging previously adopted mixed-use zoning policy, existing Bus Rapid Transit (BRT) corridors, and new deployment of express bus services the FOC initiative will expand these areas to 11 miles made up of four distinct sub-corridors along Southern Blackstone Avenue, through the Downtown core, and connecting from Downtown to both Southeast Fresno along Ventura-Kings Canyon Blvd. and to Southwest Fresno along Ventura-California Avenue. Each FOC corridor segment is located in high poverty, disinvested neighborhoods. This initiative will spur significant infill eTOD, which aims to create and support communities of opportunity where residents of all incomes, ages, races, and ethnicities participate in and benefit from living in connected, healthy, vibrant places connected by transit. These transit-oriented communities of opportunity include a mixture of affordable housing, office, retail and other amenities as part of a walkable neighborhood generally located within a half-mile of quality public transportation.[2] Our equitable, neighborhood coalition approach will ensure that the eTOD benefits significantly accrue to the existing low-income communities and residents of color in these neighborhoods with minimal to no displacement.

OUR COMMUNITY'S SOLUTION: The FOC initiative includes several focus areas:

- **Form the "FOC Coalition" and FOC project area ($8M):** Form the cross-sector FOC Coalition for diverse, inclusive and equitable community engagement. The Coalition will be operated as an MOU partnership between neighborhood organizations in each of the four sub-corridors with a dedicated staff of five. Its initial focus will be to design and pursue City Council adoption of an eTOD implementation, community benefit, and anti-displacement policy within the FOC Project Area.

- **Conduct "complete street" improvements in the FOC ($330M):** Develop "complete street" policies, standards, and design options. Simultaneously, the FOC Coalition will complete a street funding mechanisms study (identifying primarily state and federal funds) and apply for and secure available funding. The Coalition will subsequently partner with the City Council and City Staff to adopt and deploy these funding mechanisms.
- **Collectively build FOC eTOD development plans ($3M):** For each of the four sub-corridors, the Coalition will lead the creation of a development plan that is economically feasible for existing property owners / developers, imaginatively designed, and community supported and inclusively beneficial. This combination will require cross-sector understandings and accountable collaboration (among public, private, and community interests) around the development of specific properties and eTOD projects.
- **Leverage gap financing for mixed-use, affordable housing eTOD projects** *[Note, the funding ask for this core component is included in the Fresno Revitalization Fund found in the DRIVE Permanent Affordable Housing Initiative]*: In order to ensure our aspiration of minimal to no displacement, leverage Fresno revitalization funds in eTOD projects to build 800 affordable housing units (200 units in strategic sites across each sub-corridor) and an associated 160,000 square feet of ground floor commercial space.

Photo rendition of an elevation closely approximating an eTOD that is planned for construction along the Blackstone Corridor.

POTENTIAL IMPACT: Over the course of the next decade and when fully implemented, the strategies articulated above could create:

- **Significant new capital investment:** $341M in seed funding scaling to up to ~$1.5B after multiplier effects
- **Reduce racial and economic isolation:** The location and design of the FOC project area and its emphasis on mixed-use and mixed-income oriented living, working, playing and business opportunities along complete streets, is an intentional approach to transformative and creative

placemaking meant to reduce racial and economic isolation.[3] These emerging inclusive urban development patterns hold promise for improving accessibility, fostering increased sociability and civic engagement, and generating job growth, creativity, and innovation among and between existing residents and new comers, and across racial and demographic differences

- **Support environmental justice and stability:** eTOD along BRT corridors has multiple environmental and health impacts including increased access to public transit (and reduced transportation costs) and improved air quality
- **Job growth:** eTOD is associated with new tax revenue, job growth, and increased family incomes to reinforce a positive community economic development reinvestment cycle

INVESTMENT ASK: Seeking $341M through 2030

NEXT STEPS AND CONSIDERATIONS:

The Fresno Opportunity Corridor is intimately connected to other DRIVE initiatives, including Permanent Affordable Housing and Civic Infrastructure. These initiatives come together to ensure that new mixed-use corridors include affordable housing options, and that neighborhood interests and equity remain at the center of any new development. This work is also supported by existing policies and programs in Fresno, including the City of Fresno's general plan policy framework, the development code for mixed use, and bus rapid transit system.

However, there is more work to be done in partnership with the City and other public agencies to ensure this work is successful. For example, collaboration with the City, Fresno Metropolitan Flood Control District, PG&E, and other utility companies will be required to increase any dry and wet utility capacities to accommodate 'complete streets' improvements and eTOD implementation. Other short-term priorities include increasing densities allowed in mixed-use zoning districts, expediting eTOD development application review, strengthening code and police enforcement safety along BRT corridors, reducing / eliminating development impacts fees for eTOD projects that increase local property and sales taxes, advancing studies and clear rules for renovating historic buildings and adaptive reuse requirements, and prioritizing BRT corridors for annual capital improvement budgeting.

THE PROBLEM

There are a lack of meaningful, equity-based transit-oriented development (eTOD) projects in Bus Rapid Transit (BRT) corridors, with disinvested neighborhoods disproportionately housing low-income residents and people of color: Over the last 10 years, there have been a series of policy changes in Fresno designed to improve development in Fresno's BRT corridors. First, in 2014, the Fresno City Council adopted a new General Plan, which led to a new Development Code in 2015 with mixed-use districts which accommodate high density (affordable) multi-family housing eTOD. By 2018, Fresno deployed BRT routes in under-resourced neighborhoods, in an effort to further enhance development and transportation options in these areas. However, these policy changes have not led to meaningful eTOD projects in these areas (e.g., in the sub-corridors of the Fresno Opportunity Corridor), leaving neighborhoods without affordable housing, private sector investment, or improvements in public infrastructure. Specific disinvested neighborhoods are located along the southern portion of the Blackstone BRT Corridor in central Fresno such as the Lowell, Susan B. Anthony, and Heaton elementary school neighborhoods. These neighborhoods have disproportionately high concentrations of low-income residents of color, and score worse on measures of poverty, pollution, education and civic participation than 98% of all other communities in Fresno County. The Winchell and Lane neighborhoods along the Ventura-Kings Canyon BRT Corridor in Southeast Fresno, and the Lincoln and King neighborhoods in Southwest Fresno face similar challenges.

This investment deficit is driven in part by the lack of "complete streets" and affordable housing along BRT routes, which disincentivize developers from investing in this land: "Complete streets" are defined as safe and convenient streets for everyone – pedestrians, bicyclists, and transit passengers of all ages and abilities, as well as for trucks, buses and automobiles. Yet in Fresno's BRT corridors, streets are nearly unusable for anyone not traveling by car. Where sidewalks do exist, they are characterized by gaps, inconsistent sizes, utility obstructions and inconsistent lighting, and lack benches, shade, and coordinated bike paths. Residents are hesitant to use these streets due to safety concerns, resulting in minimal foot traffic for prospective new businesses. With respect to bicyclists, Fresno's primary BRT corridor, Blackstone Avenue, does not have existing or planned bike lanes or separate bike paths, creating an unsafe situation for residents who rely on bicycles for transit. These conditions are not attractive for prospective customers from other parts of Fresno or the region. As a result, private sector developers and investors are incentivized to build in other areas perceived as more convenient, safe, and economically productive than the BRT corridors. In addition to an absence of complete streets, a lack of affordable housing along BRT corridors further disincentivizes eTOD. Fresno's low rent / low real estate lease rates mean income generation requires significant subsidies to make capital financing structures feasible for new mixed-use eTOD: The average gap financing required for eTOD affordable housing over the past 10 years in Fresno was 25-40% as a percentage of the total capital stack.[4] Low capital availability and access to capital are barriers for all but the largest infill developers.

Current rent commercial building property owners, businesses, lenders, and developers also inhibit progress with their longstanding beliefs that the existing

substandard development reality along BRT corridors in Fresno cannot be substantially changed or improved. This serves to sustain a default consensus for continued low rent / low real estate lease income generation conditions.

OUR COMMUNITY'S SOLUTION

The FOC approach distinguishes itself from Fresno's long local history of cyclical public policy debates and periodic City plan updates about infill development that have not embraced the inclusive, persistent, and accountable follow-through required to make infill a major influencer of resilient urban form. Public infrastructure improvements made in piecemeal fashion by fragmented private infill projects have not achieved the scale of impact that complete street public amenities and infill development could produce for our core area economy, environment, community members and businesses. This coalition is declaring a bold departure from the past via complete streets improvements, systemic gap financing, and new affordable housing units to scale eTOD production that will achieve greater equity and shared prosperity from land use development and transportation systems in Fresno.

By 2030, this coalition aspires to transform FOC into an urban landscape defined by dense infill eTOD – a mixture of affordable housing, office, retail and other public space amenities – as part of walkable, bikeable neighborhoods close to BRT stops. For these neighborhoods, there will be local revitalization, improved accessibility and reduced transportation costs, improvements in air quality, and increases local economic development and reinvestment.

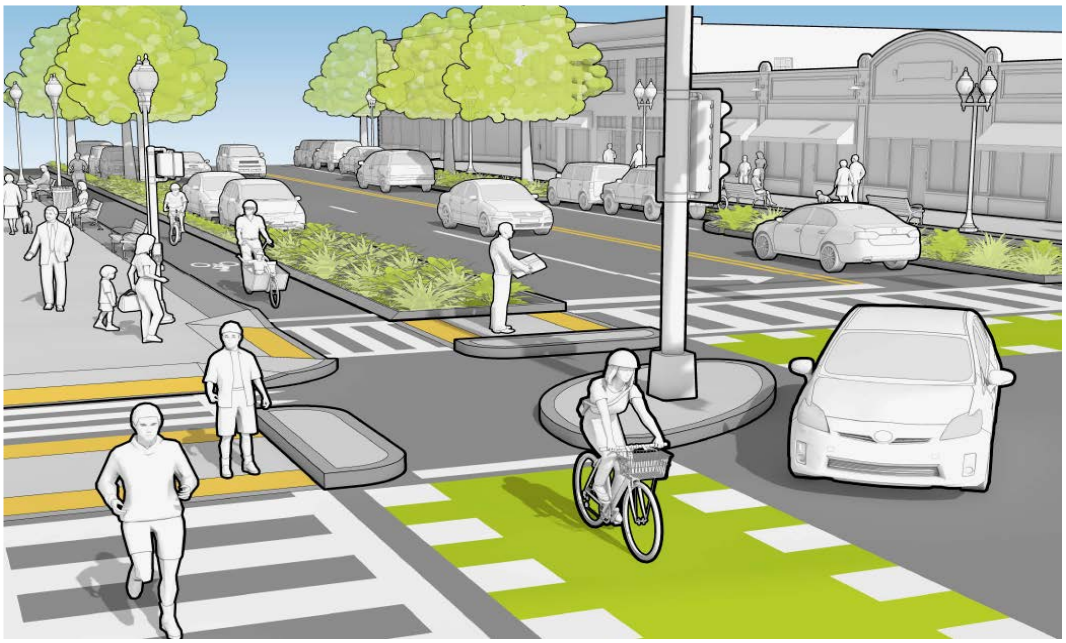
Unlike many corridor development initiatives, the FOC initiative puts social equity and shared prosperity goals at the heart of both its design and implementation. The FOC will connect and revitalize four sub-corridors, each in neighborhoods that experience high poverty and are disproportionately home to people of color. We will ensure robust, inclusive community engagement so residents have a strong voice in development of their own neighborhoods. Additionally, affordable housing will be a critical focus of the eTOD projects to ensure the FOC initiative is a driver of positive, transformational change with minimal-to-no displacement. We plan to achieve this by partnering with existing neighborhood organizations and working closely with the community hubs built through the DRIVE Civic Infrastructure initiative.

This group will prioritize four corridors: Blackstone Avenue, Ventura-Kings Canyon Boulevard, Ventura-California, Fruit, Church, and Elm Avenue, and Downtown. These are the strategies required to turn the vision for the FOC initiative into a reality:

Form the "FOC Coalition" and FOC project area ($8M): To ensure diverse, inclusive, and equitable community engagement, we will stand up an "FOC Coalition" operated as an MOU partnership between neighborhood organizations in each of the four sub-corridors with a dedicated staff of five. The initial Coalition focus will be to design and pursue City Council adoption of an eTOD implementation, community benefit, and anti-displacement policy within the FOC Project Area. The FOC Coalition will be an integral part of executing on the FOC strategy including securing funding, ensuring equitable community engagement

throughout all phases, and focusing on critical policy levers required to ensure this project benefits all residents. The FOC Coalition will develop complete street policies, standards, and design options, leveraging the Southern Blackstone Smart Mobility Strategy as a baseline (already approved by City Council).

Conduct "complete street" improvements in the FOC ($330M): Simultaneously to the above activities, the Coalition will also complete a street funding mechanisms study (identifying primarily state and federal funds) and apply for and secure available funding. The Coalition will partner with the City Council to adopt and deploy these funding mechanisms to build complete streets. Complete streets are the essential enabler of eTOD projects gaining momentum. With complete streets, developer off-site costs are minimized and urban placemaking becomes easier. Many cities and states have connected the success of eTOD to complete streets, including Los Angeles[5], Chicago[6], Honolulu[7], and New Jersey[8]. Complete streets along the 11 miles of the FOC project area will create safe and convenient streets for everyone – pedestrians, bicyclists, and transit passengers of all ages and abilities, as well as for trucks, buses and automobiles – and be the platform necessary for eTOD. Complete streets will be characterized by an integration of well-designed and secure transit stations, enhanced pedestrian safety-oriented road crossings, wide tree lined sidewalks with public furniture and resting areas along with separate cycle tracks and other amenities. These improvements are a necessary precursor to and encourager of the scale of development and connectivity of housing, jobs, schools, shopping, services, cultural, recreation, open space, and other opportunities needed in our underserved neighborhoods in south and central Fresno.



Invitation Art, Complete Streets Forum, Local First Arizona, Friday, March 22, 2019[9]

Collectively build FOC eTOD development plans ($3M): For each of the four sub-corridors, the FOC Coalition will build a development plan that is economically feasible for existing property owners and developers, imaginatively designed, community supported, and inclusively beneficial. This combination will require cross-sector collaboration (among public, private, and community interests) around the development of specific properties and eTOD projects, and include community needs, equity goals, and provision of meaningful improvements in public facilities,

spaces, and services. Inspiring existing property owners will require conducting and publishing detailed mixed-use zoned parcel capacity evaluations (e.g., "best use" development scenarios) and forming conceptual design visions for eTOD along the four sub-corridors. Ensuring a community supported and beneficial plan will require the FOC Coalition to partner with 1-2 neighborhood organizations (e.g., CDCs, EDCs, other nonprofit organizations) and the community hubs formed in the DRIVE Civic Infrastructure initiative to create a community development agenda and to spearhead community-led eTOD projects. These eTOD projects will achieve shared prosperity and community-specific goals through community leadership and public sector partnership. eTOD throughout the FOC will create compact, affordable, mixed-use, pedestrian oriented communities built along Bus Rapid Transit (BRT) corridors that can generate numerous local and regional impacts forecast to be 4 to 5 times the amounts of initial public investments that over 10+ years. There are documented successes for similar projects in Minneapolis, Seattle, Denver and Los Angeles.[10,11]

Leverage gap financing for mixed-use, affordable housing eTOD projects: *[Note, the funding ask for this core component is included in the Fresno Revitalization Fund found in the DRIVE Permanent Affordable Housing Initiative]:* In order to ensure our aspiration of minimal to no displacement, the FOC will leverage Fresno revitalization funds in eTOD projects to build 800 affordable housing units (200 units in strategic sites across each sub-corridor) and an associated 160,000 square feet of ground floor commercial space. To achieve this, we will provide gap financing to support the construction of 800 affordable housing units in mixed-use eTOD projects. Each sub-corridor will have approximately 200 of those units. These projects together will also create approximately 160,000 square feet of ground floor space to be used for offices, local restaurants, public/community space, etc. Investing in affordable housing is a critical component of eTOD development to ensure the shared prosperity and benefits for residents. Ground floor space can also contribute to local economic revitalization and job creation.

POTENTIAL IMPACT

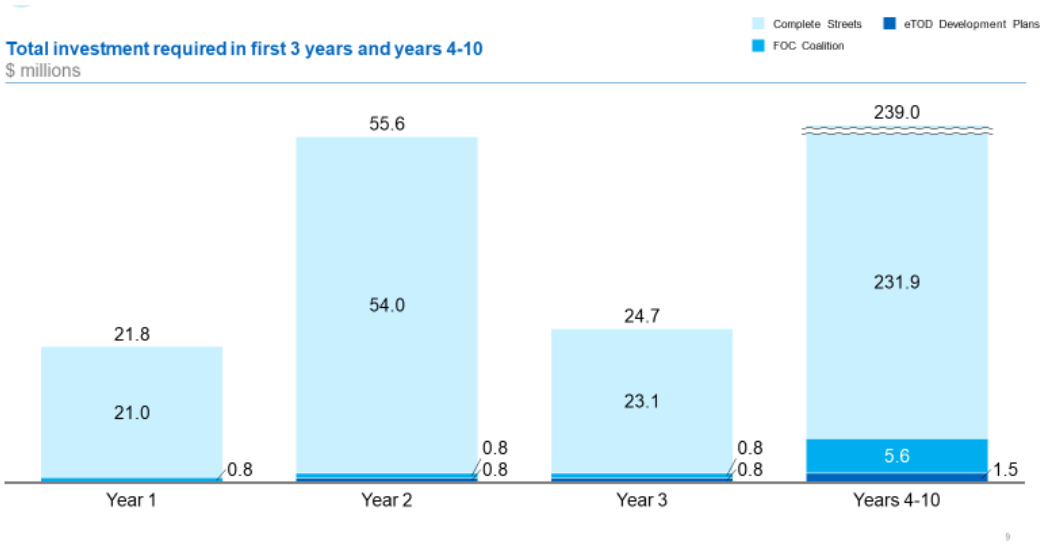
Through these strategies, we aim to transform our south and central Fresno's BRT corridors – improving the quality of life for existing residents and spurring additional economic activity and reinvestment. Specifically, these investments will help achieve:

- **Significant new capital investment:** $341M in seed funding scaling to up to ~$1.5B after multiplier effects
- **Reduce racial and economic isolation:** The location and design of the FOC project area and its emphasis on mixed-use and mixed-income oriented living, working, playing and business opportunities along complete streets, is an intentional approach to transformative and creative placemaking meant to reduce racial and economic isolation.[12] These emerging inclusive urban development patterns hold promise for improving accessibility, fostering increased sociability and civic engagement, and generating job growth, creativity, and innovation among and between existing residents and new comers, and across racial and demographic differences

- **Support environmental justice and stability:** eTOD along BRT corridors has multiple environmental and health impacts including increased access to public transit (and reduced transportation costs) and improved air quality
- **Job growth:** eTOD is associated with new tax revenue, job growth, and increased family incomes to reinforce a positive community economic development reinvestment cycle
- **Increase the number of affordable housing units:** With appropriate mixed-use and affordable housing development gap financing incentives and community engaged and supported eTOD feasibility analysis, design and development planning, the FOC project area can accommodate 4,000 to 5,000 additional affordable housing units over the next 10 plus years and contribute to meeting the need for tens of thousands of units across then city.
- **Community engagement:** With appropriate inclusive community engagement, eTOD can achieve integrated land use, transportation, environmental, housing, social equity and shared prosperity goals. Planning and implementing intentional eTOD can be a driver of positive transformation without displacement - ensuring that a more vibrant, prosperous, healthy, and resilient community connected to opportunities along the BRT corridor and throughout the city and region - may be enjoyed by all residents, and in particular, low-income communities and residents of color, who stand to gain the most from greater prosperity and connectivity.

INVESTMENT ASK

We seek $341 million over the next 10 years, which will scale over time:



At run-rate, these investments will support the following specific efforts:

$8M to set up and operate the FOC Coalition: Key cost items for the FOC coalition include staffing costs, outreach and engagement expenses, travel / local transportation, overhead, and funding for meetings and materials.

$330M for complete streets construction: Funding for complete streets provides extensive new streetscape construction with significant multi-mobility improvements and covers the costs to meet regulatory hurdles for reducing posted vehicular speeds and related modifications of traffic signal timing and coordination. Specific improvements will vary depending on the characteristics of particular corridor segments. FOC complete street improvements will generally include features such as continuous and universally accessible 10 foot or wider sidewalks with 6 foot tree-lined landscape buffers; 12 foot or wider raised two-way separated bikeways on one side of the street, or 6 foot or wider raised one-way separated bikeways on both sides; pedestrian and bicycle-friendly wayfinding signage, intersections, and dedicated mid-block traffic signals; street median pedestrian and bicyclist refuges and trees; pedestrian scale light fixtures and bicycle parking facilities; public street furniture; reduced driveways; and other enhanced public safety and transit use promoting facilities and stations. The remainder of the funds will be used for scoping, design, compliance with the California Environmental Quality Act, construction engineering, and administration.

$3M for crafting eTOD development plans: Funding will allow the following activities for each of the four corridor segments: Formation of multi-disciplinary analytical and design teams including community organizers, planners, architects, engineers, urban economists, business consultants, and real estate development professionals; documentation of existing conditions and development opportunity and constraint data on each mixed-use zoned parcel along corridors; extensive community resident, property owner, and business outreach and engagement; development of cross-sector community informed eTOD design alternatives for all parcels with varying levels of site development optimization, affordable housing intensities, and combinations of parcel uses and site configurations; comparative evaluations of design alternatives versus existing conditions using UrbanFootprint multi-variate impact software, gap financing needs tools, and traffic impact assessments; creation of exhibits of all parcel data, mapping, design and assessments for public feedback at various local venues; and hosting a robust website with all eTOD parcel level analyses, alternative design products and evaluations available as tools for the community, prospective investors, and funders to encourage imagination and to attract investment and development.

NEXT STEPS AND CONSIDERATIONS

Next steps: As funding is secured, we are actively continuing to make progress on these strategies. Over the course of the following 12 months, we are focused on the following key activities across component parts:

- **FOC coalition:** To stand up the FOC coalition, we will Bring together Better Blackstone CDC (BBCDC), Lowell Neighborhood CDC, Southeast Fresno Community Economic Development Association (SEFCEDA), Jackson Neighborhood CDC, Southwest Fresno Development Corp, Saint Rest EDC, Downtown Fresno Partnership, and other FOC project area Community Building Organizations (CBOs) to form the initial community-based FOC Coalition via a formal MOU partnership. We will also recruit appropriate public and private sector members. The first key activity for this group will be drafting the eTOD policy.

- **Complete streets construction:** Once established, the FOC Coalition will work with the City of Fresno, the Fresno Council of Governments, and the Fresno County Transportation Authority to prioritize city and county capital improvement funds and seek external regional, state and federal agency grant funding for complete streets. Various known funding sources include pursuing the Active Transportation Program (ATP), Surface Transportation Block Grant Program (STBG), Congestion Mitigation and Air Quality Improvement Program, Highway Safety Improvement Program (HSIP), Affordable Housing and Sustainable Communities (AHSC) Program, Fresno County Measure 'C', Regional Sustainable Infrastructure, San Joaquin Valley Air Pollution District Bikeway Incentive Program, and more.

[AK1]

- **eTOD development plans:** The FOC Coalition will then begin writing specific eTOD development plans for each relevant BRT corridor, including construction planning and planning for inclusive community engagement.

Key enablers and stakeholders to involve:

To enable the eTOD corridor, we are pursuing a number of policy changes that would make a significant difference in our work:

- **Increase allowed densities:** Densities are artificially low in mixed use zone districts regulations and need to be raised to full parcel development capacities (while maintaining other design and development standards and requirements) in order to increase economic feasibility of eTOD projects with a multiple family component.
- **Streamline and expedite City and other agency permitting:** Long application processing schedules can defeat eTOD projects. eTOD projects should be raised to top priority for expedited processing by all agencies to avoid being trapped in the agency queue.
- **Reduce fees, exactions and complex compliance rules for code compliant and tax revenue increasing and economically productive eTOD projects:** eTOD projects that increase property and sales taxes should not pay fees or exactions because they produce multiplier effects and municipal revenues over time due to favorable locations in historical tax sharing agreements with the County.
- **Strengthen code and police enforcement and measurable safety for residents, employees, and shoppers along BRT corridors:** Safety concerns discourage residents from visiting BRT corridors, hurting business and making them an undesirable place to live

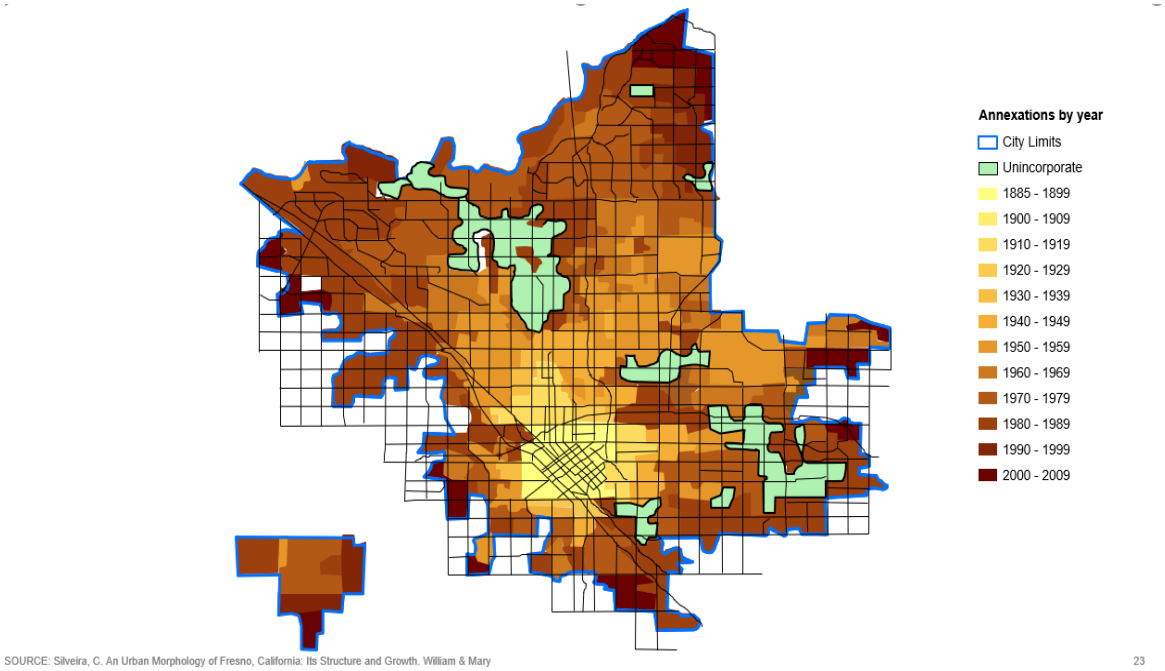
In order to achieve these goals, this group is actively engaging with City Council members to identify sponsors for each charge.

This initiative has already secured the committed partnership of local organizations including: Better Blackstone CDC, supporting the Blackstone Avenue segment; Southeast Fresno Community Economic Development Association and the Jackson neighborhood CDC, supporting Ventura-Kings Canyon Boulevard; and Southwest Fresno Development Corporation and Saint Rest EDC, supporting the downtown segment. In addition to our neighborhood partners, the Fresno Metro Ministry and Every Neighborhood Partnership, with funding from the Kresge Foundation, are working to grow a network of neighborhood-based CDCs and EDCs, including in the areas prioritized by this work.

Key risks: The greatest implementation risk foreseen by this group is that the eTOD corridor will be hindered by ongoing suburban sprawl development, located in proximate unincorporated areas and cities in SE Madera County, Clovis, Sanger, and even in expanding City of Fresno growth areas. This sprawl competes for investment and reduces the positive investment impact made along BRT corridors and in underserved urban neighborhoods in South and Central Fresno. To mitigate this risk, we are leading implementation with complete streets, banking on the belief that this development will be an unlock for new investment. Our synergies with permanent affordable housing are also key, as ensuring new residences in these corridors will also incentivize development. This project must reach scale immediately in the FOC project area or risk incremental small changes that fail to improve these neighborhoods.

APPENDIX

A. Fresno City Decades Annexation Map



B. FOC Project Area details

The FOC Project Area is designed to completely connect opportunity areas and concentrate prospective benefits of eTOD for Central and South Fresno communities. It includes four sub-corridor street segments for complete street development on existing and proposed BRT corridors with existing and proposed mixed-use zoned parcels that can accommodate eTOD on:

1. Blackstone Avenue south of Shields;

2. West along Divisadero, south through Downtown Fresno encompassing development along both Van Ness Avenue and Fulton Street;

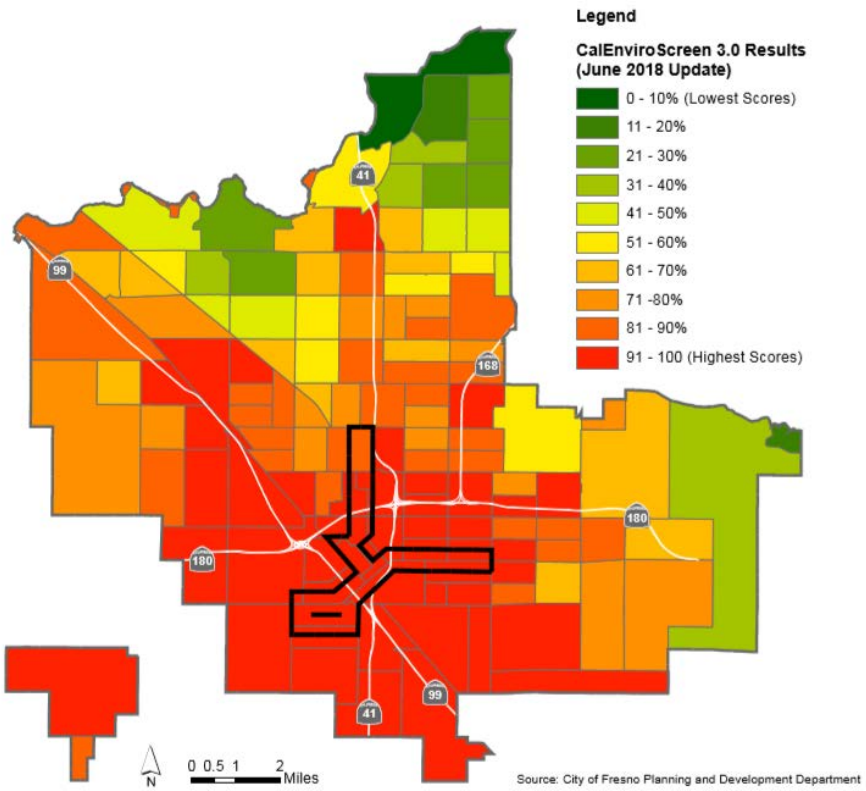
3. West along Ventura/California Avenue into a proposed Southwest Fresno Corridor Loop down Fruit to Church, Church to Elm, and Elm back to Ventura; and

4. A Southeast Fresno Corridor leg east from Van Ness along Ventura/Kings Canyon to Chestnut Avenue.

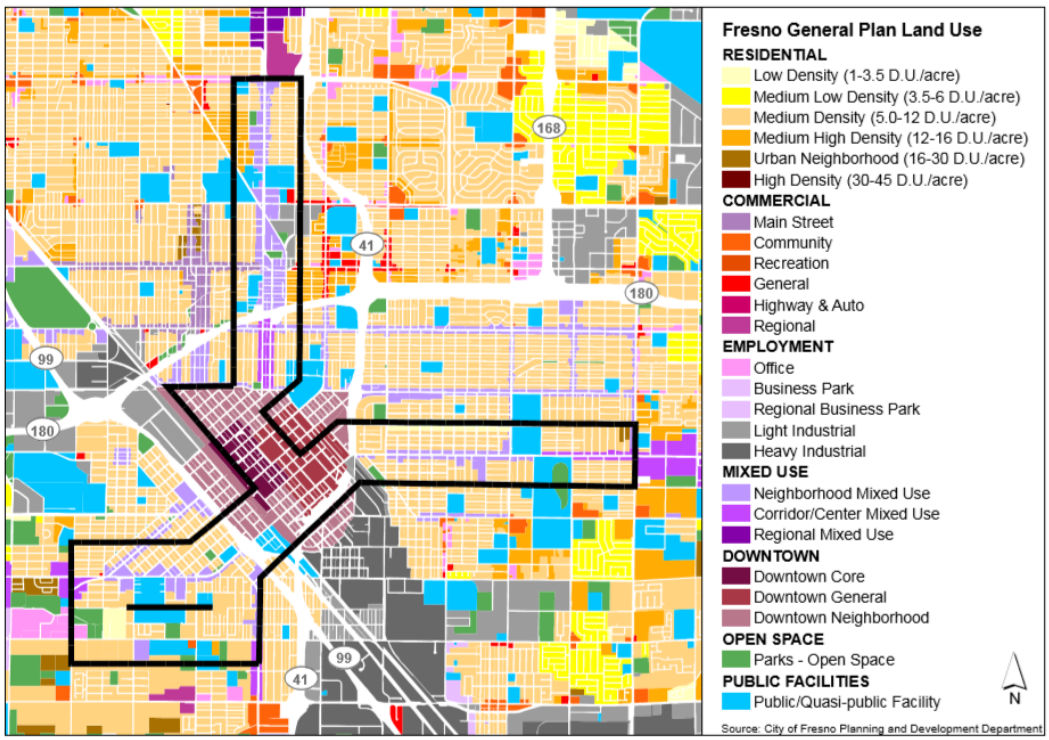
Beyond the north and east boundaries of the FOC Project Area (Blackstone and Ventura/Kings Canyon), larger parcel sizes and higher projected traffic counts diminish reasonable prospects for full complete street implementation and benefits. The Southwest Fresno Corridor Loop configuration will promote greater social, economic and cultural opportunities, multi-mobility options, and more coherent urban design and transportation linkages between and among the existing built environment in Southwest Fresno, the proposed Southwest Fresno City College

Campus and complementary intense eTOD along the Loop Corridors, with other places and people in the Fresno-Clovis metropolitan area and economy.

Geographic Scope of Fresno Opportunity Corridor – CalEnviroScreen 3.0



Geographic Scope of Fresno Opportunity Corridor – City of Fresno General Plan



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