



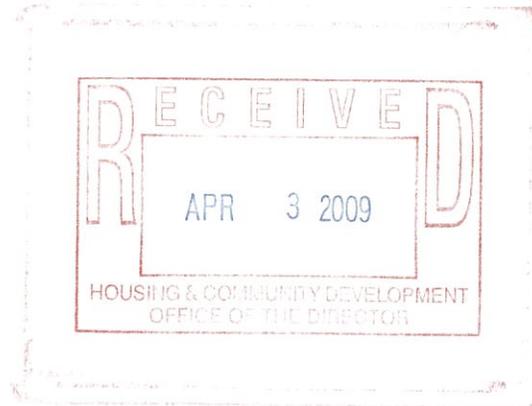
Cathy

Planning and Development Department
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March 26, 2009

Lynn Jacobs, Director
State of California
Housing and Community Development
P.O. Box 952053
Sacramento, CA 94252-2053



Subject: City of Fresno Housing Element Annual Progress Report
For the period July 1, 2008 – December 31, 2008

Dear Ms. Jacobs:

Thank you for your recent approval of the City of Fresno's 2008-2013 Housing Element. The preparation process was definitely challenging but marked a viable path to direct the City in achieving its Housing Element goals.

Since our initial submittal in June of 2008, the City has diligently worked to meet the identified housing goals, and staff continues our efforts to enact policies and programs to fulfill Fresno's housing needs. To that end, and in accordance with Government Code Section 65400, the City of Fresno is submitting the enclosed Housing Element Annual Progress Report as a true and correct representation of the City's efforts made thus far in fulfilling its 2008-2013 Housing Element objectives.

Housing development has seen a dramatic decline due to the economic environment. In these tough times the City has been developing incentive programs and working with the development community to improve City processes to stimulate the economy. We hope to build on these efforts to construct the housing units necessary to meet our RHNA goals.

If you have any questions regarding the report, please contact Claudia Cazares, Interim Housing and Community Development Division Manager at (559) 621-8356.

Sincerely,

Keith Bergthold, Interim Planning Director
Planning and Development Department

Enclosures

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(CCR Title 25 §6202)

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Table A2

Annual building Activity Report Summary for Above Moderate-Income Units
(not including those units reported on Table A)

No. of Units Permitted for Above Moderate	Single Family	2 - 4 Units	5+ Units	Second Unit	Mobile Homes	Total
374	1	23	0	0	398	

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Table B

Regional Housing Needs Allocation Progress

Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.		RHNA Allocation by Income Level	1/1/06	1/1/07	1/1/08	1/1/09	1/1/10	1/1/11	1/1/12	01/1/13-06/30/13	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8		
Very Low	Deed Restricted Non-deed restricted	4,820	101	40	33						174	4,646
	Deed Restricted Non-deed restricted		72	167	45						284	2,976
Moderate	Deed Restricted Non-deed restricted	3,260									0	31
	Above Moderate	3,696									6	25
Total RHNA by COG. Enter allocation number:		9,195									398	8,797
Total Units		20,971	173	213	103						887	20,084
Remaining Need for RHNA Period												

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Reduce Housing Costs 1.1.3	Assist LIHTC applications	Ongoing	There were no Low Income Housing Tax Credit applications received during the report period. One developer did receive tax credits, however the banks were would not purchasing the credits due to the low dollar value.
Institutional Barriers 1.1.4	Monitor institutional barriers and advise on the findings and develop maximum densities	Ongoing	There were no institutional barriers identified during the period 7/1/08 to 12/31/08.
Complaint Referral 1.1.5	Contract with FHCCC for compliance and dissemination of information	Ongoing	The FHCCC accomplishments for the period 7/1/08-12/31/08 are not available at the writing of this report but will reported in the next HCD Annual Progress Report.
Support Current Law 1.1.6	Contract with FHCCC \$50,000 per year	Annually	The City provided \$40,000 in CDBG funds to the Fresno Housing Council of Central California during the 2008-2009 program year.
Fresno Green 1.1.7	20% of all future City-sponsored affordable housing units shall meet the Fresno Green	Ongoing	No new proposals have been received during the 7/1/08 through 12/31/08 report period.
Fresno Green 1.1.7	Adopt and implement a solar rebate program	Ongoing	A Solar Energy System Rebate and Loan Program was adopted in October of 2007. However, the program was not funded during the 2008-2009 fiscal year due to funding shortfalls.
Fresno Green 1.1.7	Add weatherization/energy conservation component to the City's rehabilitation programs	Ongoing	A Weatherization Program was incorporated into the City's Senior Paints program and is an eligible repair item under the Home Improvement Program.
Funding Energy Saving Improvements 1.1.8	Monitor and apply to H.R. 6. Energy Independence and Security Act Legislation for funds	Ongoing	There were no applicable H.R.6899 NOFA's identified during 7/1/08-12/31/08. The Bill does provide funds for home heating assistance and weatherization. Staff will continue to follow for upcoming NOFA's.

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Land Demand 2.1.1	Ensure that there is at least a 10-yr supply of planned residential land and at least a 5-yr supply of zoned land	Annually	In preparation of Amendment I to the 2008-2013 Housing Element, the City's Planning Department identified a capacity for 25,112 dwelling units. The City also created program 2.1.6 A (Amendment I) to upzone 700 acres to accommodate multifamily developments. With the upzone program, there will be a capacity to develop 38,469 dwelling units.
Reduction in Density 2.1.2	Comply with State density law	Yr 1-5	The City adopted a Density Bonus Ordinance on 9/25/07 and is prepared to offer incentives to developers seeking to utilize the Ordinance. During the period 7/1/08 to 12/31/08, no developer requested incentives under the Density Bonus Ordinance.
Central Community Plan Area Housing 2.1.3	Priority processing within an average of 75 days	Yr 1-5	Since the adoption of the Housing Element, the City has not accepted for processing any proposals for housing in the Central Community Plan Area. However, staff has discussed four (i.e., Sebastian Court, Fulton/Arnador, F/Mono and U/Marispo) relatively large (30 plus units) new mixed-use projects and/or multi-family within the plan area. During these meetings, staff has provided insight and guidance to the potential applicants to ensure that upon submittal, there are clear expectations by City staff and the applicant to ensure a project's success.
Inner City Residential Development 2.1.4	Create 700 housing units	Yr 1-5	There were no inner city projects completed during 7/1/08-12/31/08.

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Inner City Residential Development 2.1.4	Reduce application fees from 10% to 50%	Yr 1-5	Per City Council direction, the City of Fresno continues to offer reduced fees for designated Inner City areas. It is noted that there are four such designated areas in the City, including the Downtown Area, Highway City (Shaw & State Route 99), Herndon Townsite (Herndon & State Route 99) and Pinedale. To date, there has been no change to our longstanding policy of offering significantly reduced application processing fees to encourage residential development in these areas.
Other infill housing 2.1.5	Acquisition of sites and construction of 300 affordable housing units	Yr 1-5	No new infill sites were purchased during 7/1/08-12/31/08.
Multi-family Land Supply 2.1.6	Monitor and ensure an adequate supply of multi-family planned and zoned land as needed	Annually	This program is scheduled to be implemented during the 2010 through 2012 plan period through the rezone program listed below in 2.1.6.a.
Facilitate the Development of Multifamily Housing Affordable to Lower-Income Households 2.1.6 A	Rezone 500 acres to R-2 or R-3 and 200 acres to R-3 and R-4 and prepare land use amendments	2010	Progress on this program will be included in the 2010-11 Annual Progress Report.
Increase Housing Yield 2.1.7	Review State regulations and change City plans, policies, and ordinances as needed	Annually	Staff continues to implement all tools available to maximize densities, including implementation of mixed use code provisions and provisions that allow development at R-3 densities in the C-P (Administrative and Professional) zone district.
Maximum Density 2.1.7 A	Achieve maximum densities, particularly in the R-3 and R-4 zoning districts, and facilitate maximum densities.	Annually	Staff continues to implement all tools available to maximize densities, including implementation of mixed use code provisions and provisions that allow development at R-3 densities in the C-P (Administrative and Professional) zone district.

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Mixed-Use Zoning 2.1.8	Complete activity center study	Yr 1-5	Activity Center Study approximately 40% complete. Staff and consultant held public workshops on December 9, 2008. Next steps include refining land use prototypes, identifying transportation improvements, developing case studies, and refinement through comparison with local and regional plans.
Farmworker Housing Funding and Development 2.1.9	Support farmworker housing through available funding sources and seek partnership opportunities w/local and state non-profit farmworker housing developers	Yr 1-5	No available funding sources were identified during 7/1/08-12/31/08.
Emergency Grant Allocations 2.1.10	Review applications and provide funding	Annually	For the 2008-2009 fiscal year, the City provided \$88,137.33 to the Marjorie Mason Center, \$92,951.55 to the Poverello House, \$44,971.64 to the Spirit of Women, \$25,586.08 to Turning Point, 49,522.54 to ECO "N" Street, and \$18,650.91 to ECO "T" Street.
Zoning for Emergency and Homeless Shelters 2.1.11	Identify zoning districts and revise Zoning Ordinance pursuant to Code Section 65583(a)(4)	2009	Housing Type Zoning Study is currently underway to provide guidance on changes needed in zoning code to comply with state law. Study to be complete by 2nd quarter 2009. Next step includes text amendments to zoning code, to be completed by 4th quarter 2009.
Zoning for Special Needs Housing 2.1.12	Review and revise Zoning Ordinance for consistency with special needs housing requirements	2009	Housing Type Zoning Study is currently underway to provide guidance on changes needed in zoning code to comply with state law. Study to be complete by 2nd quarter 2009. Next step includes text amendments to zoning code, to be completed by 4th quarter 2009.
Transitional and Supportive Housing 2.1.13	Identify funds and support construction of 100 transitional housing units	Yr 1-5	There were no funds identified during the report period. However, the City did support EAH in the development of Arbor Court by amending the HOME CDHO Agreement to 9 HOME CHDO-assisted units to enable EAH to comply with Title 34 MHP requirements.

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Transitional and Supportive Housing 2.1.13	Amend zoning ordinance to comply with state law	Yr 1-5	Housing Type Zoning Study currently underway to provide guidance on changes needed in zoning code to comply with state law. Study to be complete by 2nd quarter 2009. Next step includes text amendments to zoning code, to be completed by 4th quarter 2009.
Single Room Occupancy Housing 2.1.14	Amend Zoning Ordinance to comply with state law	Yr 1-5	Housing Type Zoning Study is currently underway to provide guidance on changes needed in zoning code to comply with state law. Study to be complete by 2nd quarter 2009. Next step includes text amendments to zoning code, to be completed by 4th quarter 2009.
Very-Low Income Large Family Single- and Multi-Family Housing 2.1.15	Support funding applications to help produce 400 large family units	Yr 1-5	No funding applications were identified by the City or the RDA during 7/1/08-12/31/08. The Housing Authority received approximately \$6 million in LIHTC Bond financing and \$5 million in Equity through 4% Tax Credits to support the addition of 36 units and rehabilitation of 33 units for very low income families.
Extremely Low-, Very Low-, and Low-Income Senior Housing 2.1.16	Find/provide funding to assist with the production of 400 senior affordable housing units	Yr 1-5	No funding assistance was provided during 7/1/08-12/31/08.
Other Extremely Low- and Very Low-Income Housing 2.1.17	Provide financial assistance for the construction of 1,000 units	Yr 1-5	No financial funding assistance was provided during 7/1/08-12/31/08.
Inclusionary and Alternative Housing Policy 2.1.18	Investigate alternative and comparable housing policies to increase affordable housing	Yr 1-5	Scope of work being developed for Affordable Housing Strategy to investigate alternative housing policies and comparable programs to help increase the supply of affordable housing. Scope to be complete in 3rd quarter of 2009; study to be complete in 2010.

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<p>Inclusionary and Alternative Housing Policy 2.1.18</p>	<p>RDA to utilize mandated inclusionary housing</p>	<p>Yr 1-5</p>	<p>The RDA entered into 2 Exclusive Negotiation Agreements in November of 2008 that would produce approximately 250 units of housing between 30% and 60% of area median income. The RDA also provided \$800,000 in construction financing for the construction of 66 market rate units and 16 units available to households at 120% of area median income.</p>
<p>Proposition 1C Program 2.1.19</p>	<p>Review NOFAs and submit qualified applications</p>	<p>Yr 1-5</p>	<p>The City was awarded 2008 CalHome funds the amount of \$1,500,000. However, HCD is currently not signing any new contracts due to the State funding shortfall.</p>
<p>Strengthening Partnerships with Affordable Housing Developers 2.1.20</p>	<p>Continue ongoing efforts</p>	<p>Yr 1-5</p>	<p>From September through December of 2008, the City released an RFP to solicit developers to create affordable housing on infill sites in scatters areas throughout the City. As a result of the RFPs, four single-family sites have been awarded to Habitat for the creation of four affordable (sweat equity) units.</p>
<p>Zoning for Farmworker Housing 2.1.21</p>	<p>Revise Zoning Ordinance to facilitate farmworker housing pursuant to state law</p>	<p>Year 1</p>	<p>Housing Type Zoning Study currently underway to provide guidance on changes needed in zoning code to comply with state law. Study to be complete by 2nd quarter 2009. Next step includes text amendments to zoning code, to be completed by 4th quarter 2009.</p>
<p>Single Room Occupancy Housing 2.1.22</p>	<p>Amend Zoning Ordinance to permit single room occupancy pursuant to state law</p>	<p>Year 1</p>	<p>Housing Type Zoning Study is currently underway to provide guidance on changes needed in zoning code to comply with state law. Study to be complete by 2nd quarter 2009. Next step includes text amendments to zoning code, to be completed by 4th quarter 2009.</p>
<p>Comprehensive Code Enforcement 3.1.1</p>	<p>Conduct code enforcement inspections of 7,000 units each year in targeted neighborhoods</p>	<p>Annually</p>	<p>The City's Code Enforcement Division completed 2,313 inspections from 7/1/08 through 12/31/08.</p>
<p>Neighborhood Infrastructure 3.1.2</p>	<p>Provide infrastructure to accommodate at least 2,500 households</p>	<p>Yr 1-5</p>	<p>There were no infrastructure projects completed during 7/1/08 through 12/31/09.</p>

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<p>Public Utilities Sewer and Water Deficiencies 3.1.3</p> <p>Enhance Police Service to High Crime Neighborhoods 3.1.4</p>	<p>Provide priority sewer and water development processing to adhere to state law for affordable housing developments</p> <p>Utilize pro-active efforts in high crime neighborhoods</p>	<p>Yr 1-5</p>	<p>The City's Department of Public Utilities is in the process of preparing a priority sewer and water services document to comply with SB 1087.</p> <p>To effectively increase police services in high crime neighborhoods, the Fresno Police Department used Crime Analysis and Crime Mapping to target locations where proactive policing could have a direct effect on crime. During the months of July 1, 2008 through December 31, 2008, the Police Department gained measurable reductions in crime through their use of units like the District Crime Suppression Team, the Bulldog Tactical Team, the West Fresno Tactical Team and District Patrol Officers who focused their efforts on those criminals involved in gang activity, narcotics and on those previously identified as having been engaged in criminal acts. Violent crime during this period, as compared to last year at this time was reduced by 4.5 percent. Property crimes however increased slightly over last year's rate by 6.4 percent. Highlights in crime reductions over the previous year included decreases in homicides by 31.6 percent, in rapes which fell by 36.4 percent, and in robberies which declined by 7.8 percent.</p>
<p>Housing Rehabilitation 3.2.1</p>	<p>Rehabilitate at least 2,000 units</p>	<p>Yr 1-5</p>	<p>During the report period, the City completed 10 Home Improvement Program activities and 27 Westherization Program activities. The Housing Authority received approximately \$6 million in LIHTC Bond Financing and \$5 million Equity through 4% Tax Credits to support the addition of 33 units to serve very low income families.</p>
<p>Housing Replacement 3.2.2</p>	<p>Replace or reconstruct at least 60 dilapidated housing units</p>	<p>Yr 1-5</p>	<p>There were no dilapidated units replaced during 7/1/08-12/31/08.</p>

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Home Buyer Assistance 3.2.3	First-time home buyer program to assist 500 households	Yr 1-5	During the reporting period, the City did not operate a home buyer assistance program due to budget cuts to the program.
Redeveloped Housing Sites 3.2.4	Acquire 30 properties for redevelopment	Yr 1-5	The RDA acquired one property during the reporting period.
Comprehensive Housing Quality Survey and Upgrade Geographic Information 3.2.5	Conduct survey and address GIS programming updates	Yr 3-5	This program is scheduled to be implemented during the 2010 through 2012 plan period.
At-Risk Housing 4.1.1	Monitor Notices	Yr 1-5	Of the 20 HUD-assisted projects listed in the Housing Element, 6 had the option to opt out during 7/1/08-12/31/08. However, no notices were received for these projects.
At-Risk Housing 4.1.1	Participate with local housing providers and contact agencies interested in acquisition	Yr 1-5	There were no notices received and thus no agencies were contacted during 7/1/08-12/31/08.
At-Risk Housing 4.1.1	Amend Condominium Ordinance	Yr 1-5	The City's Planning Department is in the process of amending its Condominium Ordinance. Adoption of the Ordinance is anticipated by mid 2009.
Prevention and Alleviating Foreclosures 4.1.2	Monitor available funding programs	Yr 1-5	The City of Fresno received \$10.9 million in NSP funds in 2008. The City is currently in the process of identifying projects and activities.
Prevention and Alleviating Foreclosures 4.1.2	Partner with housing counseling agencies	Yr 1-5	As part of the City's NSP implementation process, agencies are encouraged to submit concept papers for use of NSP funds.
Prevention and Alleviating Foreclosures 4.1.2	Update applicable ordinances to prevent and/or alleviate foreclosures	Yr 1-5	There were two Ordinances adopted (2008-67 and 2008-68) related to foreclosed properties.
Provide Relocation Services as Needed 4.2.1	Provide assistance as needed and required	as needed	There were no relocation assistance needed during 7/1/08-12/31/08.
Report by RHNA Category 4.3.1	Provide detailed reports	Ongoing	The RDA and the Housing Authority have provide info for the report period in accordance with HCD's RHNA categories.
Public Service Processing for Affordable Housing 4.3.2	Provide certified HE to applicable City Departments and Agencies	Yr 1, month 1	Upon certification, a copy of the Housing Element was provided to applicable City Departments and agencies.