

**Meeting of the City of Fresno
Infill Development Ad Hoc Council Subcommittee
Meeting Minutes
January 15, 2013**

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The City of Fresno Infill Development Ad Hoc Council Subcommittee met at 3:01 p.m. in Conference Room C (Room 2120), City Hall on January 15, 2013.

Councilmember Brand opened the meeting stating this was the first meeting of the Council Subcommittee on Infill Development and introduced the members, himself, Council members Baines and Olivier. The committee is hoping to make progress on what was done last November on the Infill Act. There was a 7-0 vote to accept the Act and put all of the recommendations into the future based on this subcommittee reviewing certain items and the Mayor holding a task force on financing. The two committees will eventually come back in May to make recommendations and findings to the Council that would be incorporated into the 2035 General Plan.

1. The first order of business is to elect a Subcommittee Chair. Councilmember Olivier made a motion to elect Councilmember Brand to be the Chair; the motion was seconded by Councilmember Baines. Motion passed on a vote of 3-0. It was determined that a Vice Chair was not needed.
2. Councilmember Brand expects the timeline to be anywhere between 6-8 weeks, two hours a meeting. The first meeting is scheduled for February 4th at 3:00 p.m. in meeting room 2165.
3. Councilmember Brand stated the items that needed to be discussed over the next few weeks will include:
 - a. Infill incentives
 - b. Inventory of infill land in the city
 - c. Mapping infill land parcels in the city
 - d. Infill development overlay districts
 - e. Interdepartmental infill development team
 - f. Plan check and permitting process
 - g. Development fee evaluation and tiered services areas
 - h. City fleet modifications
 - i. Review and evaluate a modified CFD financing model: Do Greenfield developments pay for themselves?

Councilmember Brand anticipated that “plan check and permitting process” and “development fee evaluation and tiered service areas” will be the heart of what we do here. These things are there to have substantial efficiencies and cost reductions to make the incentives that will basically replace our redevelopment agency that doesn’t exist anymore. Also, “review and evaluate a modified CFD financing model” will get a lot of attention.

4. As already mentioned, the Mayor will be chairing the Financing Taskforce which will be Statewide and local financing experts.
5. We also will be developing a list of people we would like to invite as speakers to this committee to help us fill in information.

Infill Incentives:

Mark asked that we define what infill means because it can mean different things to different people. The Act defines infill as follows - involves building and developing in vacant areas in city centers or urban settings. This improves the urban core of a city and leaves rural and open spaces undeveloped. Councilmember Baines asked how the committee will take public comment. Councilmember Brand laid out his vision of how things will work. Most of the infill will be in Southeast and Southwest Fresno that are highly impacted; the older neighborhoods that are under performing value wise that lowers our tax base, and consuming a disproportionate amount of services (police, fire, and code enforcement), these areas should be the focus. If we could find an infill model that works, over time find a method or model that slowly lifts these properties up, so that the value of a house in Southeast one day has the value of the same type of house in Northeast Fresno. By doing this we have greatly elevated our entire tax base and make more livable neighborhoods. This is going to be something that is difficult to achieve. We need to find concrete ways to make this work. Councilmember Baines asked how Councilmember Brand plans to run the meetings. Councilmember Brand responded that he would like to talk about the various topics and before any recommendations are made he would like to hear from anyone from the public or City staff to make comments, the purpose is to hear from everyone who has experience whether they be in the public or private sector to find the best solutions. The suggestions in the Act are things that he thought of and he has no pretense that he has found the answers; we may find things that are better. As we go into the future, I'd like to invite certain people who can be here to lend specific testimony on how that can best be accomplished. Then open it up to the public as well. Councilmember Baines asked Mark to describe how he sees infill. Mark and Councilmember Brand basically agree and they both feel infill is not just a downtown area. Councilmember Brand added that infill neighborhoods usually come with a high rate of crime and a high degree of code enforcement violations. We have got to establish realistic goals and a means to reach the goals.

Councilmember Brand gave an overview of the financial incentives on pages 15-18 in the Act. He also gave an overview of infrastructure incentives and regulatory incentives. Mark stated that he agrees with Councilmember Brand in regards to variances. Mark hopes that over the next few months that the big focus will be on where they can fix codes so that people don't have to go through the extra discretionary steps that are very expensive so that more things are doable within the code without having going through that. I hope we can find some ways to make that happen. Discussion ensued.

Councilmember Brand continued to review the remainder of Article VI of the Act. More discussion ensued regarding incentives and having the fees tiered.

Public Comment:

Jeff Roberts, Granville Homes - incentives, the City could look at development agreements. Incentives can be built into the agreement to phase in the tax rate. Jeff discussed CEQA, and the City coordinating with the Air Board and Flood Control District to get the fees down to zero. Jeff suggested having tiered fees in the master fee schedule. It would great not to have to go through CEQA for small projects.

Councilmember Olivier distributed a handout of an item that he brought up at the General Plan meeting and the reason he fought so hard to be on this committee as well. This could be a case study if we were interested in looking at some places where we could do better, it would be a great example. This was a duplex at Clinton and Hwy 41 and they wanted to put in a duplex. This guy wanted to build a duplex, but the way our fees are structured he would have to pay twice once for each unit, (police, fire and park fees). Because of the way our laws are we can't be flexible. He wanted to spend \$100,000 on this building and there were \$48,000 in fees which would have put him out of business. So this lot continues to be a weed farm. We need to fix the problems with our internal laws so this doesn't happen again. Mark suggested that the committee have some case studies to look at, put them on the table and talk through them.

Jamie Holt – She would like to know what a City that handled a situation like this right did. What are the options? When you look at case studies and determine what didn't work, have some solutions that show how it could work. More discussion ensued.

Name inaudible - Regulatory incentives they are looking at right now via Code updates. One of the things they are looking at is CEQA.

Name inaudible – California Legal Assistance. Will the policies and recommendations that come out of this be incorporated into the General Plan and if so, how? They would adjust the code. You mentioned some priority areas earlier, I think in the infrastructure incentives you want to prioritize infrastructure investments and areas that can support sustainable development and throughout the document, not just in the General Plan. What is the difference in the priority areas that you named and the downtown corridor and how will we know where the priorities are since clearly the biggest need is in the southeast and southwest areas that are not the corridor. I just want clarification on where the priorities are. The last question was what will their roles be in furthering fair housing and taking action to make sure there is different housing options for low income people in the Northern parts of Fresno?

Councilmember Baines responded that he has always been a proponent of making sure that affordable housing opportunities are available throughout the city in every district and every zip code.

Arthur Sevine – I want to jump on the City Manager's comments on the back fill. Having builders come in and built mix use, people move into the neighborhood because of the amenities of the neighborhood. I want to be sure that impact fees, waiving fees and the cost the fees cover are talked about. We should reduce the processing work first before we reduce the fees. Discussion ensued.

Christine barker of Building Healthy Communities - wants to see low income housing throughout the City. I wanted to ask what action you would take as Councilmember to listen to the public; will you hold meetings in your districts or city wide? What kind of accountability are you imagining for yourself throughout this process? Councilmember Brand responded that our goal is not to redo the General Plan. The goal is to find the vehicle to implement this ambitious General Plan. The subcommittee is here to examine this document and anything else other ideas and we're going to make findings and recommendations back to the City Council. More discussion ensued.

Mike Prandini of the Building Industry Association – what you are doing is laudable; trying to achieve it is very, very difficult because the market dictates. If the market wanted to live downtown you would have builders swarming all over downtown. But they are not and you need to find out why. There is a

perception that downtown is not safe and has a crime problem. Building incentives are subject to the prevailing wages. This doesn't help the builder, it costs them more money.

You can't charge as much downtown as you can in north Fresno. I don't think this will get solved in two months. There is only one builder here. The other builders are not participating. Maybe instead of public meeting, you should meet one on one with the other builders to find out why they are not here. You might need to look at some development agreements so it's clearly understood what the City gets out of it, what the City is contributing to it, what the developer gets out of it and what the developer contributes to it. He applauds this committee for trying to tackle this problem, but it won't be easy. There will need to be some kind of outreach to the development community. Discussion ensued.

Councilmember Baines stated that this process will be a long one and will not be solved in two months. This will be an ongoing process and developers are welcome to participate and give input.

Jeff Roberts - make the map smaller if possible. It would be valuable for each council district to take an inventory. It would be helpful to have an overlay map. He would like to share how a good project went on a project he worked on.

Keith gave an overview of the Vacant Land Use map and offered some suggestions. Discussion ensued. Lee went through article vii and article viii. Lee asked Keith to come back with better language for articles vii and viii.

Next meeting will be on 2/4/13 at 3pm.

The minutes of January 15, 2013 were approved on February 4, 2013 with a motion by Councilmember Brand and a second by Councilmember Olivier. The motion passed on a 2-0-1 vote with Councilmember Baines absent.