

**Meeting of the City of Fresno**  
**Infill Development Ad Hoc Council Subcommittee**  
**Meeting Minutes**  
**March 26, 2013**  
**3:00 P.M.**

The City of Fresno Infill Development Ad Hoc Council Subcommittee convened at 3:15 p.m. in Meeting Room 'A' (Room 2165), City Hall, on March 26, 2013.

In attendance: Councilmember's Brand, Olivier and Baines, City Manager Mark Scott, APW Director Scott Mozier, Keith Bergthold, Assistant Director DARM, Planning Manager Mike Sanchez, Senior Deputy City Attorney Yukimoto, and City Clerk Spence.

1. Introductions
2. Approval of March 12, 2013 Minutes
3. Conclude discussion on Infill Overlay Districts:
  - a) Staff recommendations on how Overlay District will fit into development code update and the downtown plan
  - b) Prioritize infill areas of Fresno
4. Continue discussion of Interdepartmental Infill Development Team
5. Review and evaluation of all development related fees (note: there will be multiple meetings on this subject)
  - a) Mitigation Fee Act
  - b) UGM fees
  - c) Citywide regional street impact fees
  - d) Development impact fees
  - e) Land use and zoning fees
  - f) Building fees
  - g) Software modeling and metric analysis for fee structure
  - h) Fee audits
  - i) Tiered fee structure
6. Public Comment
7. Adjourn

Self introductions were made.

Chair Brand made a motion to approve the minutes of March 12, 2013. Councilmember Baines seconded the motion. The motion was approved on a vote of 3-0.

Chair Brand stated he wanted to conclude the discussion on Infill Overlay Districts that was started at the March 12, 2013 meeting. As a follow up to that discussion we are going to have Keith discuss staff recommendations on two things, how these overlay districts fit into the general development code update and the downtown plan. Last week I had a conversation with Keith about prioritizing infill areas in the City of Fresno. With that I'll turn it over to Keith.

Keith distributed a color coded map to the committee and the audience that includes priority study areas. Keith explained the map that identified the priorities as 1) downtown, 2) South of Olive, and 3) BRT Corridors inside the City limits (Blackstone, Shaw, Kings Canyon and California Ave.). We have a lot of County parcels still, but we are not really talking about the County parcels since most of those would not be infill specific. We defined infill as the City limits as frozen for this analysis at the end of last year. This is probably around 1/3 of the City limits. These are the areas that we feel we could work on more specifically and would give us the first level of push for the infill policies being developed for integration with the code. There are certainly lots of other boundaries but we looked at the City limits, those areas in the density of vacant land and some other things. Clint asked if he has run the math on it yet. Keith responded no, we just looked at the pattern of vacant land and land that could be underutilized.

Councilmember Baines asked Keith when he says “priority” what does that look like. Keith responded that he will give him a case study scenario to give him an idea of what he means. I think we need a sense of geographic focus to do another set of filters to figure out where the infrastructure is supportive of the needs where we’ve got areas that don’t have infrastructure but in terms of the rest of the city we would be saying we really like for you to consider an array of incentives inside these geographies or some limited geographies, not the whole city.

Councilmember Baines asked what kind of incentives are we talking about. Keith went over a scenario they developed for a couple of purposes. We have to figure out how to work with the code and non-conforming uses and incentives and other things to implement the mixed use infill in the transit corridors. You are potentially deploying \$50 million worth of transit infrastructure onto these corridors and they ultimately need land use support. So we are trying to figure out how to accelerate the infill part of that land use support. This is a summary looking at what it might take to achieve transit oriented development and mixed use development on BRT corridors. The corridors that will start operations pretty soon are Blackstone and Ventura Kings Canyon. In the general plan we’ve added Shaw Avenue and California Avenue as second phase BRT corridors.

We feel in order to do this we will need to do a more detailed parcel analyses to determine parcels most capable of supporting mixed-use and residential infill, and we would call these priority parcels. We may need to do that same type of analyses in the downtown area and in the area South of Olive. So we have these sub-geographies (everything south of Olive) but there may be priorities inside those depending on criteria like (parcel size, existing infrastructure and ability of City to serve the capacity of infrastructure needed and maybe by the time we get down to other criteria that might give you a ranking within the sub-areas that will be the priority parcels. Councilmember Olivier asked if the large parcels on Blackstone would not be recommended for retail. Keith clarified that they were hoping to get a mix of retail, office and residential and look at designs if we could that would promote development closer to the street that would support these kinds of transit uses. Councilmember Olivier asked how we lure high density builders to build on Blackstone. Keith responded that the market is driven by public subsidy, so the market for all development is driven by subsidy, the highways we build, the subsidy that comes into the city from the federal government and the state support of infrastructure development, the home mortgage system to guarantee mortgages are all part of a massive public subsidy for development of all types.

The second step after understanding the analyses is for the City to decide on incentives described below and to contact the priority and non-priority parcel owners to discuss the City initiated rezones, and possible incentives and benefits. The City initiates rezoning to promote and achieve by-right development for property owners – using updated development code standards, application processing

protocols, and CEQA streamlining available through MEIR update. This is a huge incentive to develop a corridor, if we go in and rezone a piece of property where the City has already done the heavy lifting with the neighborhood, we are not forcing the developer to go in and have a number of public hearings with the neighbors about rezoning property. The City's actually initiating rezoning on the parcels that they think are important. One huge incentive is to have the property zoned properly with a new development code that is very specific about what the requirements are, and if they meet those requirements, they get a building permit. There is no fighting with the neighbors or anyone by the developers or builders. If we go through this process we are the ones noticing everyone that we've rezoned that property to this density, to these use mixes, to these heights, etc., when we go through that kind of process, it's rezoned. The developer now has the zoning in place to come in and get the building permit. We are designing into the Master Environmental Impact Report an implicit streamlining process for what we call subsequent projects. We've identified all of the corridors as subsequent projects. Chair Brand explained how the process works now. Keith explained that the rezoning in the City is a huge incentive for the market to come here instead of someplace else where they have these other hurdles that they have to overcome to get a building permit. Chair Brand added that by approving the zoning you increase the property value. Mark Scott stated that there was a down side to this. If you are a city councilmember and somebody doesn't like what's going to be done on that property that if they come in to complain, there isn't a thing we can do about it. Sometimes the other side of this coin is people will come in say that law was a bad law and I as a neighbor should have a time and a place to come in and appeal it and you have to say no I'm sorry. Under this section this is by-right and there is no such process to invoke. That is the trade off that exists with zoning everywhere.

Keith stated that this is a different way of doing things that requires the City to initiate rezoning of these properties that is consistent with both the general plan and understands that the new code has the kind of desirable development standards and design standards that we want.

Councilmember Baines stated that he was glad the City Manager explained the trade off because he doesn't want to stifle growth and development but he also wants to make sure that the community has the ability to give input. He is worried about the times where they can't foresee something fits into a box and he's not sure how they can see everything that fits into that box. Scott Mozier clarified that there are certain types of uses that will never be by-right, things like alcohol license, and business license.

Councilmember Baines expressed concern over not being able to foresee something today that might make sense in 2020 and being able to modifying the zoning in the future. Chair Brand stated that the general plan should be looked at every five years to make any changes if needed.

Councilmember Olivier reminded everyone not to lose focus of what we are trying to do. We also have to figure out how to help the little guy, not just the developers. We have to figure out in this committee how to help people like that out, these are the kinds of people who will fill in these rotten weed farms we have all over our city. That should be a major component of what comes out of this today as well.

Keith explains items 5-10 in the handout discussing recommending internal impact fees and other fees, the Mayor's Infill and Finance Task Force and Council Infill Development Task Force recommending new sources of revenue generally to promote infill development and specifically to back fill waived and reduced fees. Infill applications are not required to provide mitigation to major streets; these are obligations of the City programmed into CIP. For City initiated rezoned properties – flexibility is designed into the Code for non-conforming uses to avoid premature or onerous requirements. Other

and additional incentives are explored as may be recommended by CA Infill Builders Assoc, the Council Infill Development Task Force, and the Mayor's Infill and Finance Task Force, and ideas above pass the test, refinement and hopefully creativeness of legal review.

Keith provided examples of some type of situations that could occur such as the zoning changing over time and one building may have been constructed according to the old code, but if a new owner takes over the code is now different and requires much more in order to bring the building up to code which is very costly.

Keith went on to say, the public process is the education we do out in the community and having maps on the website. If we do a good job, everyone understands what the possibilities on these vacant pieces of property are and on the revitalization designated properties so they feel comfortable with the new code and the new plan.

The problem we've got with forcing the developer to rezone infill land to be consistent with the General Plan is that we make every project a new idea that has to be totally vetted over and over again with the community with enormous costs and extra time to get approvals. There are a number of communities doing exactly what we're proposing here and they are getting the investments. Investments that we will not get because we pose a 12 or 15 month process of pain because we didn't know what we wanted. More discussion ensued.

Councilmember Baines clarified the meaning of by-right. Keith explained that by-right exists right now. There is commercial zoning all over Fresno and if you come in with a use and the site plan that meets the design development standards, you get a building permit. There is no public notice. More discussion ensued regarding fees.

Chair Brand opened the meeting up to the public.

Public Comment:

Mike Prandini of the Building Industry Association – Where is the input from the people who will build what the city wants built? I don't see any notation that you will be going out seeking advice from Tom Richards, Kashian, big and small developers as to what it is they think might work? You need to reach out to those people. Mark and Keith agree. Keith thought that was already built in the process and that it will be a very public process. Councilmember Olivier stated that whenever we see language such as "City initiate", "City process" it would mean after we get input from developers and the public process. Mike said someone is going to have to reach out to the developers and invite them to participate. They are used to the old way of Fresno doing business. When you outreach to property owners you need to solicit info from the development community to identify what those people think is workable on that parcel. Chair Brand went over the folks he's already talked to. He also plans on inviting these folks specifically when we get into the examination of fees, and other areas to give testimony as part of the process. Mike also discussed number 5 regarding fees. Rather than look at the fees that are targeted, you need to work with the developer on what is needed to make it work. Councilmember Baines think they have it right on this one. He feels we do need a baseline first. He explained further, and more discussion ensued.

Mike Wells from the community. He has enjoyed the conversation so far. It reminds me of the conversations from a couple of years ago from the Downtown Fulton Corridor Specific Plan. I am

wondering if we are going to be able to use some of the same codes as a template because it would be useful to use the same kind of template so that we don't have to start all over again. Mike said he still has questions about the public participation element of this. He wants to make sure that the public has plenty of opportunities in the future to participate. Chair Brand stated that the way the committee is designed recommendations will go back to the City Council.

Keith stated having a partnership with the housing authority can make a whole lot of projects work. The map is close, but will need to be tweaked and then placed on the website.

Chair Brand stated we will have a set of detailed recommendations to be voted on by the subcommittee before it goes to Council.

#### 4. Continue discussion of Interdepartmental Infill Development Team.

Mark Scott spoke on this. Mark stated that putting together a team that are experts that are assigned and dedicated to work on this is difficult because we are in such a situation because we already don't have that much staff and we already dedicated part of our staff to High Speed Rail relocation. That will make that part of the team very busy. It's not just Planning, it's Planning, Engineering, Fire, etc. and they become the experts out of each of those areas. These people would become point people. Chair Brand feels that someone on the team needs to be at a level of authority, at least at the Asst. City Manager level. There would be an Asst. City Manager, someone from Public Works, Planning, City Attorney's Office. Mark reminded Chair Brand that he didn't have any department heads. Mark likes the concept but feels that someone else besides the City Manager/Planning Director can make those decision policies who feel comfortable making them. A lot of times Mike in his role and Scott in his role do that right now. He thinks the organization needs to have a person exist who does that and it may very well be Mike who is that point person. Councilmember Baines requested that whoever comprises this team has the authority to move it along regardless of their title.

Scott Mozier stated that an area we have not made a lot of leeway in is modifications to properties and existing sites in regards to standards requirements and zoning ordinances. Whenever you have to modify an existing building it needs to be brought up to ADA standards. More work can be done to get policies in place.

Chair Brand asked Mark if he could draft how he would like to see the Interdepartmental Infill Development Team put together for the next meeting on April 9, 2013 meeting. Chair Brand stated that we will pick up with fees at the next meeting.

The meeting adjourned at 4:47pm.

*The minutes of March 26, 2013 were approved on April 9, 2013 with a motion by Councilmember Olivier and a second by Chair Brand. The motion passed on a 2-0-1 vote with Councilmember Baines absent.*