



STAFF REPORT

MEETING DATE: March 24, 2025

PRESENTER: Jerry Jones, Community Development Director

SUBJECT: 2024 Annual Progress Report for the General Plan and Housing Element

RECOMMENDATION: Planning Commission by motion adopt a resolution recommending that the City Council review and accept the 2024 Annual Progress Report for the General Plan and Housing Element and authorize Staff to submit said report to the Governor's Office of Land Use and Climate Innovation and the California Department of Housing and Community Development.

EXECUTIVE SUMMARY:

Staff has completed the Annual Progress Report (APR) for the General Plan and Housing Element for the calendar year 2024. Pursuant to Government Code Section 65400, local planning agencies are required to provide an APR to the Governor's Office of Land Use and Climate Innovation (LCI) and the California Department of Housing and Community Development (HCD) by April 1st of each year on the implementation status of the City's General Plan and Housing Element for the prior calendar year.

BACKGROUND:

Upon adoption of a general plan, Government Code Section 65400 requires local agencies to prepare an annual progress report on the implementation of the general plan and the associated housing element for the prior calendar year. The report provides local legislative bodies with information regarding the progress of implementation of the general plan and housing element for their respective jurisdiction, as well as any updates/amendments that may need to be made. The report also informs the public of the progress in meeting the community's goals. In addition, the annual progress report fulfills statutory requirements to report certain housing information, including; the local agency's progress in meeting its share of regional housing needs (i.e., applications, entitlements, building permits, and certificates of occupancy), certain rezoning and general plan amendment activities, actions taken towards completion of Housing Element programs, and local efforts to remove governmental constraints to the development of housing.

The completed report must be provided to the local legislative body, the Governor's Office of Land Use and Climate Innovation (LCI), and the California Department of Housing and Community Development (HCD) by April 1st of each year. City Staff have reviewed the implementation programs included in the City's General Plan and approved the 6th Cycle Housing Element and prepared the Annual Progress Report (APR). The annual progress reporting on the implementation of the Housing Element must be completed using HCD standardized forms. The Housing Element APR is included as Exhibit 'A' to Attachment 'A'

(resolution) and is discussed in the summary below. This Staff Report, along with the Housing Element APR, constitutes the General Plan APR to be submitted.

General Plan

The General Plan serves as the City's guiding document for decisions concerning a variety of issues including growth, land use, housing, health and safety, and resource conservation.

The City adopted its comprehensive 2040 General Plan update on July 8, 2020. The General Plan consists of seven (7) elements:

1. Economic Development (ED)	5. Conservation, Open Space, Parks and Recreation (COS)
2. Land Use (LU)	6. Public Health and Safety (PH)
3. Circulation (CIRC)	7. Public Facilities and Services (PFS)
4. Housing (HE)	

The City strives to implement all aspects of the General Plan at the earliest opportunity. Each element of the General Plan includes goals, policies, and implementation programs. Table 1 provides status updates for various implementation programs for 2024. For status updates on the implementation programs for the Housing Element, refer to Exhibit 'A' to Attachment 'A' (resolution). In addition to preparing an annual progress report, the General Plan includes Policy LU-7.1, which requires the City to conduct a thorough review of the General Plan every five years and revise and update it as necessary. The City will be commencing this review and update, if necessary, in 2025.

Table 1. General Plan Implementation Program Updates

Element/Program	Description	Status
ED/Program E	Collaboration with Fresno County Economic Development Corporation to Market New Agricultural Technologies	Ongoing; The City has a seat on the Board of Director's for the Economic Development Corporation, allowing collaboration on new agricultural technologies that may be well suited for Kerman.
LU/Program A	Zoning Ordinance Consistency	Completed; A Zoning Ordinance update was adopted by City Council in May 2024 to comply with recent legislation and Housing Element requirements.
LU/Program D	Sign Design Guidelines	Ongoing; A Zoning Ordinance was adopted by the City Council in May 2024, which included updated sign design guidelines.

LU/Program F	Streetscape Improvements	Ongoing; The City awarded the construction contract for the Downtown Corridor Revitalization Project, Phase I, in October 2024. The project will make streetscape improvements along Madera Avenue. The project is partially funded by a Clean CA grant from Caltrans.
LU/Program H	Agricultural Mitigation Program	Initiated; The City began review of reference documents and programs of other jurisdictions. Development of a program will continue through 2025.
PFS/Program A	Water, Sewer, and Storm Drainage Master Plans	Ongoing; The City continued work on the update of the water, sewer, and storm drainage master plans.

In addition to reporting on the progress of implementation programs of the General Plan, LCI guidance requires the City to report on any planning activities initiated, general plan amendments, and major development applications processed during the reporting period. For progress of planning activities refer to Table 1 for status updates. The following are general plan amendments and/or major development applications processed during the reporting period:

1. General Plan Amendment 2023-01; Whispering Falls Project; Approved
The City Council approved the Whispering Falls Project on September 25, 2024. The Project approvals included General Plan Amendment 2023-01, Environmental 2023-01, Rezone 2023-01, Tentative Subdivision Map 2023-01, and Annexation 2023-01. The Project included the annexation of 64.76 acres to the City, pre-zoning of 44.75 acres to the SD-R-2.5 (Smart Development Combining District – Residential – minimum 2,500 square feet) Zoning District and approximately 20 acres to the SD-R-5 (Smart Development Combining District – Residential – minimum 5,000 square feet) Zoning District, and subdivision of approximately 21.89 acres into 118 single-family residential lots and one (1) lot reserved for 54 multi-family residential units and a community center in the future. The amendment to the General Plan consisted of the addition of the SD-R-2.5 zone district as a compatible zone district within the Medium Density Residential land use designation and set a minimum residential density of five (5) dwelling units per acre.
2. Crown-Schaad Residential Development; Approved
The City Council approved the Crown-Schaad Residential Development on September 25, 2024. The Project approvals included Environmental 2023-03, Rezone 2023-02, Tentative Subdivision Map 2023-02, and Annexation 2023-02. The Project included

the annexation of 9.69 acres to the City, pre-zoning of approximately 9.69 acres to the SD-R-4.5 (Smart Development Combining District – Residential – minimum 4,500 square feet) Zone District and rezoning of approximately 19.65 acres from the R-1-7 (Single-Family Residential) Zone District to the SD-R-4.5 Zone District, and subdivision of approximately 29 acres into 163 single-family residential lots.

3. General Plan Amendment 2023-02; The Orchards at Gill Estates; In Progress
The City accepted a complete application for The Orchards at Gill Estates on January 17, 2024. The Project application includes General Plan Amendment 2023-02, Environmental 2023-04, Rezone 2023-03, Tentative Subdivision Map 2023-03, and Annexation 2023-03. The Project proposes the annexation of 39.13 acres to the City, pre-zoning of 30.39 acres to the SD-R-3.5 (Smart Development Combining District – Residential – minimum 3,500 square feet) Zoning District and 8.74 acres to the Mixed Use Zoning District, and subdivision of approximately 28.35 acres into 172 single-family residential lots, one (1) lot (8.74 acres) reserved for mixed use development in the future, and a 2.04 acres remainder to accommodate an existing single-family residence. The Mixed Use Zoning District allows for a maximum density of 20 dwelling units per acre, which could yield up to 172 multi-family residential units if fully built out for residential purposes. The proposed amendment to the General Plan consists of the change of the land use designation of 8.74 acres from General Commercial to Mixed Use.
4. General Plan Amendment 2023-03; Del Norte Estates; In Progress
The City accepted a complete application for The Orchards at Gill Estates on February 7, 2024. The Project application includes General Plan Amendment 2023-03, Environmental 2023-08, Rezone 2023-04, Tentative Subdivision Map 2023-04, and Annexation 2023-04. The Project proposes the annexation of 72.29 acres to the City, pre-zoning of approximately 38 acres to the SD-R-5.0 (Smart Development Combining District – Residential – minimum 5,000 square feet) Zoning District, 10.96 acres to the R-2 (Multi-Unit Residential) Zoning District, and 18.95 acres to the General Commercial Zoning District, and subdivision of approximately 48 acres into 200 single-family residential lots, one (1) 3.64 acres multi-family residential lot which will allow for 72 to 87 multi-family units in the future, and four (4) commercial lots totaling approximately 5 acres reserved for future development. The proposed amendment to the General Plan consists of the change of the land use designations of approximately 48 acres to increase MDR – Medium Density Residential and the addition of HDR – High-Density Residential, with a corresponding reduction in land designated GC – General Commercial. This Project is listed as “In Progress” for the purposes of the 2024 reporting period but has since been approved by the City Council by the date of this report.
5. General Plan Amendment 2024-01; 6th Cycle Housing Element Update
The City Council approved the amendment on June 12, 2024. The amendment replaced the Fresno Multi-Jurisdictional 2015-2023 Housing Element with the Fresno Multi-Jurisdictional 2023-2031 Housing Element to comply with State law.

In total, the above residential development projects will result in 653 single-family residential units and up to 141 multi-family residential units (not including the possible yield from the mixed use parcel proposed as part of The Orchards at Gill Estates. The City also continues to receive inquiries regarding residential development on other properties and anticipates the submittal of new development applications in 2025.

Housing Element

State Housing Element Law (Government Code Section 65580, et seq.) mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The City's current Housing Element (6th Cycle), incorporated as part of the Fresno County Multi-Jurisdictional Housing Element, was adopted on June 12, 2024. The City's 6th Cycle Housing Element is a comprehensive policy document that forms a crucial part of the City's General Plan. Covering the planning period from December 31, 2023, to December 31, 2031, this Housing Element aims to address current and projected housing needs, identify suitable locations for housing development, and establish goals, policies, and programs to meet the community's housing requirements.

As part of the development of housing elements for all jurisdictions, a Regional Housing Needs Assessment (RHNA) must be prepared. The RHNA establishes exactly how many new homes, and at what affordability levels, a jurisdiction is required to plan for within an eight-year planning cycle to address regional and State housing needs. Through the RHNA allocation, each jurisdiction is assigned its "fair share" of housing production at specified affordability levels. Fair share ensures that each city or county plans for its proportionate share of the regional housing needs, including affordable housing for various income levels. As the planning body for the Fresno County region, the Fresno Council of Governments prepared the 6th Cycle RHNA which provides the housing allocation for each jurisdiction within the region.

The City's Housing Element RHNA allocation for the 6th Cycle planning period, which spans 2023 to 2031, was 1,063 units. The City's RHNA allocation and progress are shown in Table 2 below, which is a summary of "Table B" of the APR provided in Exhibit 'A' to Attachment 'A' (resolution). As identified in the table, 55 new above moderate-income housing units were issued building permits in 2024. The City remains 1,008 units short, but this is only progress in the first year of the eight-year planning period. Progress toward achieving the mandated RHNA allocation is a key component of the annual Housing Element APR submitted to HCD.

Table 2. RHNA Allocation and Progress Summary

Income Level	RHNA Allocation	2024 Units	Units to Date	Remaining RHNA
Very Low	285	-	-	285
Low	134	-	-	134
Moderate	168	-	-	167
Above Moderate	476	55	55	421
Total	1,063	55	55	1,008

The complete HCD standardized APR represents the City's activity for the calendar year of 2024 and is provided as Exhibit 'A' to Attachment 'A' (resolution). Some things to consider that may have directly or indirectly impacted the City's ability to attain or meet the General Plan and Housing Element's goals and policies:

- Competitive homebuyers market
- Higher interest rates
- Higher construction costs

The City's Housing Element includes thirty two implementation programs intended to further the development of housing, specifically affordable housing. As part of the Housing Element APR, the City must report on the status of implementation of each program. "Table D" of the Housing Element APR provides a list of the programs, their objectives, timeframes for implementation, and status updates. Table 3 below provides a list of programs with significant implementation progress made in 2024.

Table 3. Housing Element Implementation Program Updates

Program	Objective	Status
Program 4: Annexation and Provision of Adequate Sites	Annex at least 40 acres of vacant county land, of which 35 acres will have a General Plan designation of MDR and 5 acres will have a General Plan designation of HDR.	City Council approved Resolution No. 24-77 (Initiating annexation of 64.76 acres with 5 acres designated HDR and the balance designated MDR) on September 25, 2024.
	Annex 9.6 acres of vacant county land for single-family homes consistent with the General Plan designation of MDR	The City Council approved Resolution No. 24-78 (Initiating annexation of 9.69 acres designated MDR) on September 25, 2024.
Program 16: Zoning Code Amendments	Update the Zoning Code to address the following: density bonus, accessory dwelling units, emergency shelters, low-barrier navigation centers, residential care facilities, employee and farmworker housing, single-occupancy units, transitional and supportive housing, and multifamily projects.	The City Council adopted the amended Zoning Code on May 22, 2024, addressing the Program requirements.

Program 31: Improve Access to Resources	<p>The City will target implementation of at least one improvement per year, as funding allows, prioritizing projects in the moderate-resource areas on the east and southeast side of the City including, but not limited to:</p> <ul style="list-style-type: none"> - Eastside Community Park - Vineland Avenue Street Rehabilitation 	<p>The City has completed the Vineland Avenue Street Rehabilitation and has awarded the construction contract for Eastside Community Park (Hart Ranch Park)</p>
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Environmental Review

The APR has been determined to be categorically exempt under the California Environmental Quality Act (CEQA) guidelines, Section 15306 (Information Collection) as it consists of basic data collection that does not result in a serious or major disturbance to an environmental resource. The APR is strictly for information-gathering purposes as required by Government Code Section 65400. Furthermore, none of the exceptions set forth in CEQA Guidelines Section 15300.2 apply to this Project.

Conclusion

The APR for the General Plan and Housing Element describes the progress of the City's ongoing efforts to implement and assess identified goals, policies, and objectives in the General Plan and Housing Element. Demonstration of ongoing compliance with State-required reporting ensures that the City maintains eligibility and competitiveness for ongoing grant funding opportunities that may help to implement these goals and policies. City staff will continue its proactive efforts to assist property owners, developers, community groups, and residents in achieving project approvals and streamlining building permit issuance.

FISCAL IMPACT:

None

ATTACHMENTS:

A. Resolution w/Exhibit