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VALLEY VOICES

Fresno may grow to its southeast, but at what cost and who pays? This needs more study | Opinion

BY DILLON SAVORY, KEITH FORD, KEITH BERGTHOLD AND PATIENCE MILROD *SPECIAL TO THE FRESNO BEE*

MARCH 30, 2024 5:30 AM



Southeast Fresno can accommodate future growth, but many questions about who pays for streets and sewer service remain unanswered. CRAIG KOHLRUSS *Fresno Bee file*

What if you build it and nobody comes? For the city of Fresno, that would mean spending billions of dollars for the streets, parks, sewers and water systems that support new homes — but without the new residents to pay for all those city investments. The result: we city taxpayers would have to pick up a huge chunk of the tab for developing those new neighborhoods.

Recent California state growth projections show tiny annual population increases here — 0.2%. Studies are now showing that people who are moving here have lower incomes than the average Fresnan, and they will certainly not be buying overwhelmingly high-end housing in what is called the [Southeast Development Area](#).

For these reasons, we congratulate the city, and Mayor Jerry Dyer in particular, on the decision to avoid that risk, and to take whatever time it takes to do a good job of planning for major development outside city limits, including in the Southeast

As the Building Industry Association pointed out recently [in an op-ed](#) in The Bee, there's a massive amount of crucial information we still don't have about SEDA: Where are the plans for providing city services to the 45,000 homes to be built in this new growth area? In this time of drought and climate change, how reliable are claimed water supplies? What's the cost to secure that water, and to build the system to deliver it? Who will pay? What sewer, transportation, and other public infrastructure will be needed? What's the cost? Who will pay?

As the BIA also notes, there has still been no decision about the “land uses and development patterns” in the SEDA area. Those decisions — how many houses, how many apartments, how many schools, government buildings, parks and playgrounds, commercial districts, industrial facilities — must be made before anyone could possibly answer all those essential questions about building and paying for water, sewers, roads, etc.

OPINION

The BIA's excellent point in turn makes us wonder: How in the world can the SEDA proposal be called a “specific plan” unless there's actual planning, which must of course include these kinds of land-use decisions?

As the BIA has observed, we don't know how the city and Fresno County will divide tax revenues generated by the SEDA proposal. Since SEDA is outside the city limits, it will have to be annexed into Fresno; as things stand now, the city would get only 38¢ of every tax dollar generated there.

Until we know the costs of providing those city services, and how the city and county will split the project's tax revenues, we can't know if this new growth can pay its own way. And if the new growth can't pay for itself, city taxpayers will be on the hook for those massive expenditures (estimated right now at \$1 billion to \$4 billion).

What we also know is that the city's own 2023 draft Housing Element (page 1E-2-36) concludes there is capacity within city limits for 46,392 new homes — on land with ready access to water, sewer, roads, and schools, and available right now to build the housing Fresno needs.

We urge the BIA and its member developers to take advantage of these opportunities to fill the [gaps in our city](#) with attractive housing for all families in Fresno.

This situation creates opportunity, too, for the City Council: it's time to focus on getting housing built in vacant and underused sites in all parts of Fresno. That new focus should include supporting developers with the improved infrastructure and other incentives that will inspire them to build so that every Fresno family has a good roof over its head.

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