



Planning & Housing Divisions

Prohousing Designation Discussion

City Council
March 16, 2026





Introduction

- State HCD offers a Prohousing Designation Program to incentivize jurisdictions that go above and beyond and use innovative ways to increase housing opportunities.
- Prohousing is completely optional and offers non-competitive funding to be used toward housing development or assistance programs.
- Staff finds that Visalia is close to reaching the minimum requirements for a complete application.
- Staff is seeking Council's direction whether to proceed with filing an application.



What is Prohousing?

The Prohousing Designation Program was created through 2019-2020 Legislature.

Receiving a Designation offers two primary incentives:

1. Gives additional scoring points in many state competitive funding programs, which have supported projects like The Lofts at Fort Visalia, Rancho Colegio & Crescent Meadows.
2. Access to the Prohousing Incentive Program (PIP), a non-competitive funding program to assist jurisdictions with implementing Prohousing Policies.

PIP is currently in Round 4 of its NOFA.



Funding Available Through PIP

Base Award Amount: \$750,000

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*Bonus Award: up to \$500,000, equal to a jurisdiction's Prohousing Designation Score x 10,000

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Maximum Possible: \$1,250,000

*Visalia could receive a minimum \$1,050,000, based on the minimum required score of 30, but is eligible to receive a maximum of \$1,250,000 if its Prohousing Designation score is 50+.



Project Activities that can be funded with PIP

- Affordable housing development (i.e., Crescent Meadows Phase 2)
- Visalia Navigation Center operational assistance
- Eden House operational assistance
- Warming Center operational assistance
- An emergency shelter development and/or operational assistance
- Tenant-based rental assistance for people experiencing or at-risk of homelessness

Operational assistance may include the following costs: personnel, leasing/rent, utilities, facility maintenance, telephone, internet, supplies, equipment, janitorial services, security, and/or client assistance.



City Activities that can be funded with PIP

- Updates to general plans, community plans, specific plans, local planning related to implementation of sustainable communities' strategies.
- Updates to zoning ordinances.
- Environmental analyses that eliminate the need for project-specific review.
- Local process improvements that expedite local planning and permitting.



Application Requirements

- **Resolution** – Adopted prior to filing
- **Self-Scoring Sheet**
 - Demonstrating compliance with Prohousing Policies
 - Must score 30 points minimum
- **Statement of Practices Towards Homeless Encampments**
 - Template provided in Appendix of Prohousing application
- **Public Participation** – 30-day diligent public participation process with public hearing



Scoring – Visalia complies with the following Prohousing Policies

Category 1: Favorable Zoning and Land Use

- 1H Zoning or other land use designation methods to allow for residential or mixed uses in one or more non-residential zones (e.g., commercial, light industrial).
- 1I Modification of development standards and other applicable zoning provisions or land use designation methods to promote greater development intensity.



Scoring – Visalia complies with the following Prohousing Policies

Category 2: Acceleration of Housing Production Timeframes

- 2B Acceleration of Housing Production through the establishment of streamlined, program-level CEQA analysis and certification of ... specific plans with accompanying EIRs
- 2C Documented practice of streamlining housing development at the project level, such as by enabling a by-right approval process or by utilizing statutory and categorical exemptions
- 2D Establishment of permitting processes that take less than four months to complete. Policies under this category must address all approvals necessary to issue building permits.



Scoring – Visalia complies with the following Prohousing Policies

Category 2: Acceleration of Housing Production Timeframes (continued)

- 2H Absence, elimination, or replacement of subjective development and design standards with objective development and design standards
- 2I Establishment of one-stop-shop permitting processes
- 2K Establishment of a standardized application form for all entitlement applications.
- 2L Publicly posting status updates on project permit approvals on the internet.
- 2M Limitation on the total number of hearings for any project to three or fewer.*

*An internal policy must be adopted



Scoring – Visalia complies with the following Prohousing Policies

Category 3: Reduction of Construction & Development Costs

3A Waiver or significant reduction of development impact fees for residential development with units affordable to Lower-Income Households.



Scoring – Visalia complies with the following Prohousing Policies

Category 4: Providing Financial Subsidies

4C Demonstration of regular use or planned regular use of funding (e.g., federal, state, or local) for preserving assisted units at-risk of conversion to market rate uses and conversion of market rate uses to units with affordability restrictions (e.g., acquisition/rehabilitation).

4H Directed residual redevelopment funds to accelerate the production of affordable housing.

4I Development and regular (at least biennial) use of a housing subsidy pool, local or regional trust fund, or other similar funding source sufficient to facilitate and support the development of housing affordable to lower-income households.



Scoring – Visalia complies with the following Prohousing Policies

Category 4: Providing Financial Subsidies (continued)

4K Providing operating subsidies for permanent supportive housing.

4L Providing subsidies for housing affordable to extremely low-income households.

4M Other policies that quantifiably promote, develop, or leverage financial resources for housing affordable to lower-income households.

Visalia's affordable housing developments promote, develop, and leverage financial resources for affordable housing or low-income households.



Scoring – Visalia complies with the following Prohousing Policies

Enhancement Factors

8 Other policies that involve meaningful actions towards Affirmatively Furthering Fair Housing outside of those required pursuant to State law, including, but not limited to, outreach campaigns, updated zoning codes, and expanded access to financing support.

Visalia has an active fair housing contract with CSET to conduct outreach, campaign, and provide education on fair housing resources.

Total Score is 24 Points based on City's compliance with all preceding Policies



Additional Prohousing Policies to achieve 30 points or more

Category 1: Favorable Zoning and Land Use

- 1C Designate additional sufficient site to accommodate 125 to 149 percent of Visalia's current RHNA allocation, by total and income category. (2 points)
- 1D Density bonus programs that allow additional density for additional affordability beyond minimum statutory requirements. (2 points)
- 1E Increasing allowable density in low-density, single-family residential areas beyond the requirements of state Accessory Dwelling Unit Law and SB 9 requirements. (2 points)
- 1F Eliminating minimum parking requirements; adopting vehicular parking ratios less than thresholds in state law, or maximum parking requirements at or less than ratios in state law. (2 points)



Additional Prohousing Policies to achieve 30 points or more

Category 2: Acceleration of Housing Production Timeframes

2A Establishment of ministerial approval processes for multiple housing types, including, for example, single-family, multifamily and mixed-use housing. (3 points)

2E Absence or elimination of public hearings for projects consistent with zoning and the general plan. (2 points)

Note: Commission and Council have directed staff to proceed with 2A and 2E at work sessions held February 9 and March 2.



Additional Prohousing Policies to achieve 30 points or more

Category 2: Acceleration of Housing Production Timeframes (continued)

- 2F Priority permit processing or reduced plan check times for homes affordable to lower-income households. (2 points)
- 2G Establishment of consolidated or streamlined permit processes that minimize the levels of review and approval required for projects, and that are consistent with zoning regulations and the general plan. (1 point)
- 2J Priority permit processing or reduced plan check times for ADUs/JADUs or multifamily housing. (1 point)



Additional Prohousing Policies to achieve 30 points or more

Category 3: Reduction of Construction & Development Costs

3B Adoption of policies that result in less restrictive requirements than state law to reduce barriers for property owners to create ADUs/JADUs. (2 points)

3C Adoption of other fee reduction strategies, including fee deferrals and reduced fees for housing for persons with special needs. (1 point)

3H Adoption of ordinances that reduce barriers, beyond existing law, for the development of housing affordable to Lower-Income Households. (1 point)

Note: Commission and Council directed staff to proceed with 3H at work sessions held February 9 and March 2.



Additional Prohousing Policies to achieve 30 points or more

Category 4: Providing Financial Subsidies

4E A comprehensive program that complies with the Surplus Land Act and that makes publicly owned land available for affordable housing, or for multifamily housing projects with the highest feasible percentage of units affordable to lower income households. A qualifying program may utilize mechanisms such as land donations, land sales with significant write-downs, or below-market land leases. (2 points)

4G Prioritization of local general funds to accelerate the production of housing affordable to lower-income households. (2 points)



Additional Prohousing Policies to achieve 30 points or more

Enhancement Factors

6 Rezoning and other policies that result in a net gain of housing capacity while concurrently mitigating development impacts on or from Environmentally Sensitive or Hazardous Areas. (1 point)

OTHER BENEFITS

1. Provides opportunities to streamline and prioritize processing of ADU permits.
2. Provides increased opportunities for affordable housing.



RECOMMENDED MOTION

- Direct staff to proceed with filing an application.
- If directed to proceed, then also provide direction on types / categories that staff will pursue.



Questions & Discussion

