The County of Yuba

Community Development and Services Agency

TO: Board of Supervisors

FROM: Community Development and Services Agency, D'Angelo Gonzalez

SUBJECT: Ordinance - Hold public hearing, waive reading and adopt ordinance adopting the Development Agreement with Habitat for Humanity Yuba-Sutter, a California nonprofit public benefit corporation, for the development known as Fernwood Village. (Roll Call Vote) (10 Minute estimate)

DATE: January 13th, 2026

NUMBER: 617/2025

Recommendation

Hold public hearing, waive reading and adopt ordinance adopting the Development Agreement with Habitat for Humanity Yuba-Sutter for the development known as Fernwood Village.

Background

Community Development and Services Agency (CDSA) staff have been exploring the redevelopment of the approximately 7-acre Fernwood Park in the community of Linda since before 2019. Historically, the park has been significantly underutilized, with only 0.75 acres developed with park amenities. The remaining area has become a nuisance site for the Sheriff's Department, Code Enforcement, and Public Works due to vagrancy and ongoing maintenance issues.

Given the underutilization of Fernwood Park and Yuba County's increasing demand for affordable housing, CDSA staff, following the Board of Supervisors' approval of a Fernwood Park redevelopment concept map on November 12, 2019 (Agenda Item 548/2019), have been working to implement the approved redevelopment concept. The goal of the project is to create a new 0.75-acre park with modern amenities, surrounded by deed-restricted, owner-occupied affordable housing. This housing would provide "eyes on the park," helping to reduce the vagrancy-related issues currently affecting the site.

Using funding from Community Development Block Grant No. 20-CDBG-12055, the Yuba County Planning Department processed a Tentative Subdivision Tract Map (LDIV-22-0014). The Planning Commission approved the Tentative Subdivision Tract Map on August 16, 2023, and the Board of

Supervisors approved it on February 27, 2024 (Agenda Item 651/2023). The approved map created 75 residential lots while preserving a 0.75-acre park, consistent with the size of the existing developed park area.

As part of the adoption of the 75-unit subdivision map under Agenda Item 651/2023, the Board authorized staff to release a Request for Proposals (RFP) to identify a qualified developer to take site control of the Fernwood Park redevelopment project and construct the approved development. The RFP was released in fall 2024, and Habitat for Humanity submitted the highest-scoring proposal and was subsequently awarded the project.

Following the award of the RFP, staff began working in 2025 on a Development Agreement to facilitate the transfer of site control from the County to Habitat for Humanity.

Under the Development Agreement, Habitat for Humanity will receive site control of the Fernwood Park redevelopment project for a term of 10 years and will be required to develop the 75 residential lots as affordable, owner-occupied housing for households earning up to 80 percent of Area Median Income (AMI). This project will support the County's efforts to meet its Regional Housing Needs Allocation (RHNA) requirements under the State-mandated Yuba County Housing Element. In addition, Habitat for Humanity will be required to reconstruct the existing 0.75-acre park. The Development Agreement also includes a reversion clause requiring that, if the project is not constructed by the end of the agreement term, the property will revert to the County at no cost.

At the December 2025 Planning Commission meeting, Housing Department staff presented the Development Agreement to the Planning Commission and responded to questions regarding the project. Following discussion, the Planning Commission voted unanimously (5–0) to recommend approval of the Development Agreement to the Board of Supervisors.

Discussion

In order to strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic cost of development, the Legislature of the State of California adopted Section 65864 of the Government Code, authorizing local governments to enter into development agreements with applicants for development projects. The objective of such an agreement is to provide assurances that, upon approval of the project, the applicant may proceed with the project in accord with existing policies, rules, and regulations, subject to the conditions of approval, thus vesting certain development rights in the property.

Yuba County Ordinance Code Section 11.66.010 further states that a development agreement may be appropriate where one or more of the following circumstances exist:

- To facilitate development projects for which there is significant applicant contribution toward infrastructure, public facilities, open space or other amenities, or other programs of benefit to the County and its residents;

- To assure the applicant that upon approval of the subject project, the project may proceed in accordance with existing County policies, rules and regulations in place at the time of Development Agreement approval;
- To encourage private participation in comprehensive planning and provision of public facilities, including, but not limited to, streets, sewerage, transportation, potable water, schools and utilities; and
- To provide a net benefit to the County and its residents not otherwise obtainable through other processes.

The applicant has demonstrated that they have met the appropriateness of entering into a development agreement as listed above. In addition, Chapter 11.66 requires that a public hearing be held by both the Planning Commission and the Board of Supervisors prior to approval of a development agreement.

The Development Agreement is provided in Attachment B for the Board's review. As a part of the Development Agreement, the developer and the County have agreed to the following main points that meet the circumstances in 11.66.010. The following is a summary of the provisions of the proposed agreements:

1. The agreements shall commence on the effective date of the adopting ordinance and shall continue in force for a period of ten (10) years from date of the adopted ordinance.
2. Developer shall complete all improvements and fulfil the conditions of approval for LDIV-22-0014 including the reconstruction of a 0.75-acre park.
3. Developer shall cause thirty (30)-year affordable housing deed restrictions to be recorded against all resulting lots prior to the sale of any individual lot.
4. Developer shall pay an in-lieu fee of $10,000 to the Yuba County Housing Department to cover the costs of administering the terms of this agreement.
5. In the event that the lots are not developed as outlined in the agreement before the expiration date, the land will be returned to the County at no cost.

Environmental Determination

A Mitigated Negative Declaration and Mitigation Monitoring Plan was adopted by the Yuba County Board of Supervisors on February 27, 2024. This agreement is consistent with the project evaluated in the Initial Study/Mitigated Negative Declaration and therefore no further environmental review is required.

Committee Action

Chapter 11.66 requires that a public hearing be held by both the Planning Commission and the Board of Supervisors prior to approval of a development agreement. A draft of the proposed development agreement was provided to the Planning Commission on December 17, 2025 (DVA-25-0003). The item was approved by the Planning Commission with a 5 yes – 0 no vote.

Fiscal Impact

General Fund - None
Non-General Fund - None
Source of Funds - None

Attachments
Ordinance
Development Agreement
Planning Commission Resolution