



## Board of Directors Committee

Meeting Date: June 20, 2024

Agenda Item No. 12

Board Workshop: Yuba City Infill Analysis Project

Workshop

**Author:** Gregory Chew

**Attachments:** No

**Referring Committee:** Land Use & Natural Resources

**Issue:**

At the June SACOG Board of Directors meeting, staff from Yuba City will present findings from a recent infill development analysis conducted in partnership with SACOG. The Land Use and Natural Resources Committee was briefed about the workshop to prepare for meaningful discussion among the broader board.

**Request:**

None; this item is for information only.

**Recommendation for Board:**

None; this is for information only.

**Recommendation for Committee:**

None; this is for information only.

**Background:**

Like many jurisdictions, Yuba City is finding it challenging to bring infill housing development to its core area. The city has a prime infill opportunity site at 433 Plumas Street located near health care jobs and centrally located within the city. The city owns the 2.46 acres site that allows for higher density housing. As part of ongoing implementation of Green Means Go and partially funded by Regional Early Action Plan funds (REAP 1) from the California Department of Housing and Community Development, Yuba City, SACOG and a consultant team evaluated the development potential for this site. The analysis examined the challenges and potential solutions to bring infill development to this important downtown parcel. This workshop will provide some insight into the development environment in Yuba City and the Yuba/Sutter counties area that may be applicable in other parts of the region.

**Discussion/Analysis:**

The challenges that Yuba City is facing in catalyzing infill development are not unique to the city and include infrastructure capacity, fees, technical challenges, financing, and market conditions, among others. City staff will talk through these challenges, what the city is trying to do about them, and the tools the city is exploring to overcome the barriers to unlocking this important infill site.

The goal of this workshop is to provide the SACOG board with a better understanding of the unique communities it represents and serves along with an opportunity to learn about strategies that may be applicable in other parts of the region. Below is a brief summary of the two major efforts SACOG has engaged in with Yuba City under the direction of the Land Use & Natural Resources Committee over the last two years:

The first effort analyzed a site at the north end of downtown near Plumas and Almond Streets. The city and SACOG partnered with the Urban Land Institute (ULI) to analyze the site in Fall 2022. ULI volunteers in the fields of architecture, finance, and housing development visited the site, developed conceptual development plans and prepared a financial analysis. The team found major challenges at the location including existing structure and infrastructure needs as well as the property owner's interest in pursuing medical uses at the site. Ultimately the team recommended the city focus on a second city-owned site at the southern end of downtown located at 433 Plumas Street.

In this second phase of work, the city worked with SACOG and a consultant team led by BAE Urban Economics to survey the employees of the major employers of the area. Caltrans District 3 and Adventist Healthcare have numerous employees with high paying jobs that want or were required to reside close to their workplace. Beale Air Force Base opted not to participate in the survey, but also has a need for more housing options near the base. The project team analyzed survey results of hundreds of employees to prepare two design concepts for the site – a townhouse and an apartment-style option. The financial analysis for these two different housing types considered both for-rent and for-sale options. Each scenario showed a gap between revenues and costs.

As a next step, the project consultant team recommended that the city release a Requestion for Qualifications/Proposals for developers that could work with the city to find ways to help close the financing gap. The city could also consider rezoning the site to allow for higher densities, assist with the needed infrastructure, cut back on the amenities required, and/or possibly sell the site to the developer.

**Fiscal Impact/Grant Information:**

There is no fiscal impact to SACOG.