



City Council Meeting Staff Report

Meeting Date:

October 28, 2025

Subject: Introduce and waive the first reading of the ordinance approving Amendment No. 4 to the Third Amended and Restated City of Wheatland Development Agreement Concerning the Caliterra Ranch (formerly known as Jones Ranch) Subdivision and Dale Investments, LLC.

Prepared By: Tim Raney, Community Development Director

Recommendation

Staff recommends that the Wheatland City Council conduct a public hearing on the proposed development agreement amendment, and upon close of the public hearing introduce and waive the first reading of the ordinance approving Amendment No. 4 to the Third Amended and Restated City of Wheatland Development Agreement Concerning Caliterra Ranch (formerly known as Jones Ranch) Subdivision and Dale Investments, LLC (see Attachment 1).

Background/Discussion

The Caliterra Ranch Project (formerly known as Jones Ranch) is an approximately 193-acre site currently consisting of 620 planned single-family residential lots, located on the south side of Wheatland Road, between the existing High School and Ace Hardware. Oakley Lane bisects the property, which is agricultural in appearance, characterized by grasslands and open space. The first phase of construction consisting of 145 homes has been completed by K. Hovnanian Homes.

On November 7, 2023, the City Council approved Amendment No. 3 to the Third Amended and Restated Development Agreement between the City of Wheatland and the applicant, Dale Investments, LLC. Amendment No. 3 extended the expiration date of the Development Agreement from December 31, 2023 to December 31, 2030. Amendment No. 3 also updated language in the Development Agreement regarding the timing of the construction of the on-site park. The updated language requires that the Developer prepare and submit a park improvement plan for a 2.6-acre portion of the on-site park by December 31, 2025, and construct the 2.6-acre portion of the park by December 31, 2026.

On March 18, 2025, the City Council approved an amendment to the Caliterra Ranch Tentative Subdivision Map and adopted an Addendum to the Initial Study/Mitigated Negative Declaration (SCH#2005082035). The Tentative Subdivision Map amendment redesigned the eastern area of the project site including the roadway alignments of First Street and Wheatland Park Drive, providing the addition of 68 single-family lots, raising the total planned lots from 552 to 620.

On June 13, 2025, the City staff received a letter from the project applicant requesting an amendment to the current development agreement to reflect the changes resulting from the recent Caliterra Ranch Tentative Subdivision Map Amendment Project (see Attachment 2).

As part of the original Caliterra Ranch Project and included in the City's 2006 General Plan Circulation Element, the extension of Main Street was planned to be constructed from its termination near State Route (SR) 65 to the eastern edge of the Caliterra Ranch Project site through the Roddan Ranch

property. The 98-acre Roddan Ranch property was a planned residential subdivision located in an unincorporated area of Yuba County immediately east of the Bishop Pumpkin Farm.

The Roddan Ranch property is now owned by the Bishop's Pumpkin Farm and is no longer proposed for residential development. The Bishop's Pumpkin Farm has disclosed to the City that they do not have a need for the Main Street extension through their property. In addition, if the developer was to construct the Main Street extension at the 250th building permit as currently required, the City would be required to reimburse the developer using previously collected and future impact fees. However, with the future Roddan Ranch property no longer moving forward with residential development, the previous impact fees and the amount of potential future impact fees would not result in sufficient funds for the City to reimburse the developer for the road construction. Also, with the change in land uses for the Roddan Ranch property from future residential to agricultural tourism the need for the Main Street extension has diminished. Moreover, the needed right-of-way for the Main Street extension has yet not been dedicated to the City.

Furthermore, a new traffic signal has been constructed at the SR 65 and McDevitt Drive intersection which provides a second point of ingress and egress for the Caliterra Ranch subdivision to the north rather than to the south with the Main Street extension. The City's General Plan Circulation Map includes the southwestern portion of what is called the "Ring Road", which would connect Oakley Road to SR 65. The City would prefer this future roadway connection as a third point of ingress and egress for the Caliterra Ranch subdivision and surrounding areas as the southwestern area of the City develops in the future. The Main Street extension would remain in the City's General Plan Circulation Map and any impact fees that would have been collected for this roadway will continue to be collected but the construction of the roadway will no longer be tied to the development of the Caliterra Ranch subdivision. The Main Street extension may or may not remain in the City's General Plan Circulation Map as part of the current General Plan Update.

It should be noted that the Caliterra Ranch Development Impact Fee protections, as provided by the current development agreement, will expire in 2027. As a result, full City impact fees would then be collected for the remainder of the phases for the construction of the Caliterra Ranch subdivision.

City staff has met with the Dale Investments representatives on several occasions to discuss the framework for a fourth amendment to the Third Amended and Restated Development Agreement and has prepared the proposed ordinance and draft development agreement amendment for Planning Commission consideration.

The proposed draft development agreement amendment includes the following modifications:

- Section 3.5.1: The Water System Plan shall include the dedication of a new domestic water supply well and related improvements. The Water System Plan will be prepared by a qualified engineer that includes updated water demand and usage calculations as well as technical information and calculations in order to determine the construction timing and dedication of the well.
- Section 3.7.1: The Main Street extension is removed from the development agreement in its entirety. As described above, the Main Street extension to be constructed by the 250th building permit of the Caliterra Ranch subdivision is no longer needed.
- Section 3.13.4: The 1.5-acre parcel intended for the future Wheatland Fire Authority station will be dedicated to the City at a time that is agreed upon by the City and property owner. The current development agreement requires the dedication of the fire station in conjunction with the development of the surrounding properties.
- Section 5.3: Reimbursement of the Main Street extension costs is removed from the development agreement in its entirety. With the removal of the Main Street extension from the development

agreement, the City will no longer be required to reimburse the developer for the cost of construction.

Planning Commission Review

On October 7, 2025, the Wheatland Planning Commission held a public hearing for the proposed project. Staff provided a presentation, and the Planning Commission received public comments. The planning commission had questions for staff regarding the update to the Main Street extension costs. Specifically, questions were raised about whether the developer would still pay fees associated with the Main Street extension. Staff clarified that the developer would still be responsible for paying the required developer fees, per the current Development Agreement terms. Questions were also raised about the water supply well, the cost of constructing the water supply well, and the timing of its construction. After discussion, the Wheatland Planning Commission unanimously recommended City Council approval.

Conclusion

Based on the information contained in the staff report, staff recommends that the City Council introduce and waive the first reading of the ordinance approving Amendment No. 4 to the Third Amended and Restated City of Wheatland Development Agreement to the Caliterra Ranch (formerly known as Jones Ranch) Subdivision and Dale Investments, LLC.

Attachments:

1. Ordinance No. 2025-** approving the Amendment No. 4 to the Third Amended and Restated City of Wheatland Development Agreement to the Caliterra Ranch (formerly known as Jones Ranch) Subdivision and Dale Investments, LLC

Exhibit A: Draft Amendment No. 4 to the Third Amended and Restated City of Wheatland Development Agreement to the Caliterra Ranch (formerly known as Jones Ranch) Subdivision and Dale Investments, LLC

2. Request Letter dated June 13, 2025.