

ORDINANCE NO. 827

**AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF GRASS VALLEY APPROVING THE
DEVELOPMENT AGREEMENT WITH GRASS VALLEY
PROVISIONS, LLC**

WHEREAS, Article 2.5 of Chapter 4 of Division 1 of Title 7 (commencing with Section 65864) of the Government Code of the State of California (the “Statute”) authorizes a city to enter into a development agreement with any person having a legal or equitable interest in real property for the development of the property as provided in that Statute; and

WHEREAS, Grass Valley Provisions, LLC (“Provisions”) and its landlord Mark and Teri Heausser (collectively, “Owner”) are the tenant and owners of real property located at 403 Idaho Maryland Road, Grass Valley, CA 94945 (the “Property”);

WHEREAS, Owner plans to operate Provisions, a cannabis dispensary, in accordance with the laws of the State of California pursuant to business license 03605403 granted by the City pursuant to Grass Valley Municipal Code (GVMC) Chapter 5.04 on January 1, 2024; dispensary permit 22PLN-06 granted by the City pursuant to GVMC Chapter 5.60 on June 29, 2022; and a Type 10 license C10-0001265-LIC issued by the State Department of Cannabis Control on April 20, 2023;

WHEREAS, City and Owner desire to enter into a Development Agreement to vest certain land use rights in Owner and to obtain certain community benefits Provisions will provide to City (the “Agreement”);

WHEREAS, the Grass Valley Planning Commission held a duly noticed public hearing on April 3rd, 2024, to consider a recommendation on the Agreement in accordance with GVMC sections 17.76.030 and 17.76.040 and Government Code section 65867;

WHEREAS, the Grass Valley Planning Commission, after due consideration of and based upon all of the evidence, reports, and testimony offered at said public hearing, adopted its Resolution No. 2024-11, recommending that the City Council approve the Agreement based on the findings required by GVMC section 17.76.040(C) and find approval of the Agreement to be exempt from the California Environmental Quality Act, Public Resources Code sections 21000, et seq. (“CEQA”);

WHEREAS, on March 29th, 2024, a Notice of Public Hearing was published in *The Union*, a newspaper of general circulation within the City of Grass Valley and was mailed to all interested parties, as well as property owners within a 300-foot radius of the subject property; and

WHEREAS, the Grass Valley City Council held a duly noticed public hearing on April 9th, 2024, in which it heard and considered evidence for and against approval of the Agreement and made findings in conjunction therewith in accordance with GVMC sections 17.76.030 and 17.76.040 and Government Code section 65867.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GRASS VALLEY:

SECTION 1. RECITALS. The City Council hereby finds that the foregoing recitals are true and correct and are incorporated herein.

SECTION 2. CEQA. The City Council finds this Ordinance is not a project for purposes of the California Environmental Quality Act (California Public Resources Code § 21000, et seq.) (CEQA) pursuant to section 15061(b)(3) of the CEQA Guidelines, (California Code of Regulations, title 14, section 15000, et seq.), as it can be seen with certainty that this Agreement has no potential to cause physical change to the environment because it provides for the maintenance, with negligible expansion, of an existing use. To the extent this Agreement is a project within the meaning of CEQA, it is categorically exempt pursuant to CEQA Guideline section 15301 as a minor alteration of an existing private facility.

SECTION 3. FINDINGS. Based upon the facts and analysis presented to it, including all written and oral testimony and staff presentations, and subject to the attachments hereto, the City Council finds the Agreement:

1. Is consistent with the objectives, policies, general land uses, and programs specified in the general plan, any applicable specific plan, and the Grass Valley development code;
2. Is compatible with the uses authorized in, and the regulations prescribed for, the land use and zone in which the real property is located;
3. Is in conformity with public convenience, general welfare, and good land use practice;
4. Will not be detrimental to the health, safety, and general welfare; and
5. Will not adversely affect the orderly development of property or the preservation of property values.

SECTION 4. AGREEMENT APPROVAL. Based on all of the above, the City Council of the City of Grass Valley does hereby approve the Agreement between the City and Grass Valley Provisions, LLC, as shown in **Exhibit A**, attached hereto and incorporated herein by reference, and authorizes the City Manager to execute the Agreement in accordance with GVMC section 17.76.040(E) after it has been executed by the Owner and any other parties to the Agreement.

SECTION 5. SEVERABILITY. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance.

SECTION 6. EFFECTIVE DATE. This Ordinance shall be in full force and effect 30 days after its passage and adoption as provided by Government Code section 36397 and section 2 of Article VII of the Grass Valley City Charter.

SECTION 7. PUBLICATION. The City Clerk will certify to the passage of this Ordinance by the City Council of the City of Grass Valley, California, and cause a summary to be published once in *The Union*, a newspaper of general circulation, printed, published and circulated in the City in accordance with Government Code section 36933.

SECTION 8. CUSTODIAN OF RECORDS. The documents and materials that constitute the record of proceedings on which these findings are based are located at the City Clerk's office at 125 East Main Street, Grass Valley, CA 95945. The City Clerk is the custodian of the record of proceedings.

SECTION 9. EXECUTION OF ORDINANCE. The Mayor of the City Council shall sign this Ordinance and the City Clerk shall attest and certify to the passage and adoption thereof.

SECTION 10. RECORDING. Pursuant to Government Code section 65868.5 and GVMC section 17.76.060, within 10 days following the entering into of the Agreement, as evidenced by the full execution thereof, the City Clerk shall record with the Nevada County Recorder a copy of the Agreement.

Introduced at a regular meeting of the City Council held on March 26, 2024, and passed and adopted by the City Council of the City of Grass Valley on April 9th, 2024, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jan Arbuckle, Mayor

ATTEST:

APPROVED AS TO FORM:

Taylor Day, City Clerk

Michael G. Colantuono, City Attorney

EXHIBIT A