



City of Grass Valley
City Council
Agenda Action Sheet

Title: Second reading of an Ordinance of the City Council of the City of Grass Valley adding section 17.74.060(A.5.) Of chapter 17.74 and section 17.81.130 (C.) of Chapter 17.81, Title 17 of the Grass Valley Municipal Code regarding tolling provisions and expiration terms for development entitlements and tentative maps

CEQA: Not a Project under CEQA pursuant to CEQA Guidelines §15378

Recommendation:

Hold a second reading, waive full reading, to adopt Ordinance No. 841 adding section 17.74.060(A.5.) of chapter 17.74 and section 17.81.130 (C.) of Chapter 17.81, Title 17 of the Grass Valley Municipal Code regarding tolling provisions and expiration terms for development entitlements and tentative maps (Attachment 1)

Prepared by: Amy Wolfson, City Planner

Council Meeting Date: April 28, 2026

Date Prepared: April 22, 2026

Agenda: Consent

Background Information: In September 2024, staff brought the Dorsey Marketplace Supplemental Final Environmental Impact Report (SFEIR) to Council to take action on the entirety of the EIR prepared for the project. The SFEIR was required after a legal challenge was filed and the appeals court determined that the City failed to analyze the impact of traffic generated by the Project and its potential to exacerbate health risks for future Project residents and occupants. The Project and the initial EIR were approved by City Council at their regular meeting held on April 28, 2020. The aforementioned legal challenge of that approval was filed shortly thereafter, and the judge required the additional analysis mentioned above. The time between the initial entitlement approval and the dismissal of the legal challenge was almost three and a half years. Development entitlements have a standard one-year expiration unless conditioned otherwise and tentative maps have a standard three-year expiration timeframe. While the applicant could technically have pulled permits, it is generally ill-advised during instances of pending litigation given the uncertainty of the outcome and the financial burdens that come with exercising an entitlement. Once legal staff determined that the litigation did not automatically toll the entitlements, Planning staff were asked to prepare an ordinance that would toll such entitlement approvals only during instances of legal challenge, for the rare occasions that legal challenges occur on approved projects in the future. The proposed ordinance language does not have any effect on the previously approved Dorsey Marketplace proposal from 2020, which is currently being re-processed. If adopted, the ordinance will only impact future projects.

PROPOSED ORDINANCE TEXT AMENDMENT

The proposed Ordinance language seeks to increase the initial time period within which a permit must be exercised, going from twelve months to twenty-four months. It also aims to add tolling language to development entitlements, such as Development Review Permits, Use Permits, and Variances, as well as to Tentative Map entitlements, in Section 17.74.060 and 17.81.130, respectively. Entitlement tolling would automatically occur for the duration of time a project is under legal challenge. Both sections would be revised to include tolling language to an approved entitlement project or tentative subdivision map that “is the subject of a lawsuit pending in a court of competent jurisdiction, during which time [the project] shall be tolled, and not expire.”

Staff is also taking the opportunity to fix a couple typos in these code sections, one of which is an inconsistent section sequencing typo, and one is a misspelled “siz” instead of “six.”

PLANNING COMMISSION RECOMMENDATION:

The Planning Commission reviewed the proposed zoning ordinance text amendment at their regular meeting held on March 17, 2026 and recommended 3 to 0 (two absent), that the City Council approve the text amendment as presented.

INTRODUCTION AT CITY COUNCIL MEETING:

The Ordinance was introduced at the public hearing before the City Council of Grass Valley at their regular meeting on April 14, 2026. City Council voted 5-0 to approve the Ordinance language as written, and as modified by staff to correct the missing strikeout information in reference to the removal of a twelve-month time limit, in favor of the proposed twenty-four month time period applicable to entitlement projects.

Council Goals/Objectives: This ordinance supports the 2022 Strategic Plan Update, Goal #5: the City of Grass Valley strives to exemplify an innovative, efficient, effective, open and collaborative city government.

Fiscal Impact: Drafting of the ordinance required staff time.

Funds Available: None **Account #:** TBD **Reviewed by:** City Manager

Attachments:

1. Ordinance 841, adopt the Zoning Text Amendment