



City of Grass Valley City Council Agenda Action Sheet

Title: Amend Dorsey Marketplace Project to Add a Condition of Approval to Allow Phasing of the Project

CEQA: Consideration of an Addendum to the Certified EIR and Subsequent EIR in Accordance with the California Environmental Quality Act (CEQA)

Recommendation:

Approve Resolution 2025-51 approve an amendment to the Conditions of Approval for the Dorsey Marketplace Project to add Condition A.4, allowing phasing of the project over a seven-year period and adopting a CEQA Addendum as the appropriate level of environmental review.

Prepared by: Amy Wolfson, City Planner

Council Meeting Date: December 9, 2025 **Date Prepared:** December 2, 2025

Agenda: Public Hearing

Background Information: At the regular meeting held on November 25, 2025, City Council considered a request by Warren Hughes to add a condition of approval to the Dorsey Marketplace project that would allow development of the project to be phased over a seven-year period. Council continued the item because Hughes was unavailable to respond to questions about the length of time being requested to build out the project.

At its April 28, 2020 regular meeting, the City Council approved the Dorsey Marketplace project “Alternative B” and also certified the Final EIR prepared for the Project and adopted Findings of Fact and a Statement of Overriding Considerations. The approved Project consisted of applications for a General Plan Amendment, Zoning Map Amendment, Development Review Permit, and Use Permit for a proposed mixed-use development on a 26.8-acre infill site. Approved Alternative B includes 104,350 square feet of commercial space, 8,500 square feet of office space, and 172 apartment units, along with pedestrian corridors, public plaza spaces, spaces for public art and murals throughout the commercial component, as well as a small dog park.

At the regular meeting held on September 10, 2024, the City Council adopted Resolution No 2024-66 certifying the updated Final Environmental Impact Report for the Dorsey Marketplace Project, which included the Subsequent EIR prepared for the project to analyze traffic from the Project and its impact on health risks for future Project residents and occupants based on the potential for mobile source emissions associated with SR 20/49 in 2035. The Nevada County Superior Court discharged the writ of mandate on November 1, 2024, certifying that the City had fulfilled its obligation for fully disclosing the environmental impacts of the project with its certification of the Subsequent EIR.

Project Amendment: In September 2025, the applicant timely filed a request within a year of the Superior Court's decision to discharge the writ of mandate to modify the conditions of approval to add a new Condition of Approval (A4) to allow construction of the Dorsey Marketplace Project over a seven-year period. Each phase consists of portions of the remediation program, infrastructure improvements, and residential and commercial development as shown in the Phasing Plan provided by the applicant. The added Condition of Approval states:

The Dorsey Marketplace Project may be constructed in phases within a seven-year period as approved by the City Council of the City of Grass Valley. Minor modifications to the phasing program may be approved by the Planning Director. The phased project shall remain eligible for extensions of time for no more than two, twelve-month periods in accordance with Development Code Section 17.74.060(T).

Without this permit revision the project is subject to standard project timelines as outlined in Section 17.74.060 of the development code, which requires effectuating the project through a building permit within one-year of project approval, and subsequent building permits for each subsequent year until project completion. This standard timeline is impractical for a project of this size and scope, particularly considering there is a soil cleanup component. The development code allows for a project to be phased over several years so long as it is conditioned as such. Phasing is typical for larger developments such as Dorsey Marketplace. The applicant has provided a phasing plan that proposes build-out of the project within a seven-year timeframe. There are no changes proposed to the overall project development.

Council Goals/Objectives: Adding this phasing condition supports the 2022 Strategic Plan Update, Goal #1: The City of Grass Valley is dedicated to promoting programs and projects that improve livability and enhance the character and charm of Grass Valley, as well as supports 2022 Strategic Plan Update Goal # 4: the City of Grass Valley encourages a robust and sustainable economy that reflects diverse employment opportunities that support the values of Grass Valley

Fiscal Impact: None

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

Attachments:

1. Resolution 2025-51, adding Condition of Approval A.4 to the Dorsey Marketplace Project and adopting a CEQA Addendum as the appropriate level of environmental review.
2. Proposed Phasing Plan