



GRASS VALLEY

City Council Regular Meeting, Capital Improvements Authority and Redevelopment "Successor Agency"

Tuesday, March 26, 2024 at 6:00 PM

Council Chambers, Grass Valley City Hall | 125 East Main Street, Grass Valley, California

Telephone: (530) 274-4310 - Fax: (530) 274-4399

E-Mail: info@cityofgrassvalley.com

Web Site: www.cityofgrassvalley.com

AGENDA

Any person with a disability who requires accommodations to participate in this meeting should telephone the City Clerk's office at (530)274-4390, at least 48 hours prior to the meeting to make a request for a disability related modification or accommodation.

**Mayor Jan Arbuckle, Vice Mayor Hilary Hodge, Councilmember Bob Branstrom,
Councilmember Haven Caravelli, Councilmember Tom Ivy**

MEETING NOTICE

City Council welcomes you to attend the meetings electronically or in person at the City Hall Council Chambers, located at 125 E. Main St., Grass Valley, CA 95945. Regular Meetings are scheduled at 6:00 p.m. on the 2nd and 4th Tuesday of each month. Your interest is encouraged and appreciated.

This meeting is being broadcast "live" on Comcast Channel 17 or on Channel 18 by Nevada County Media, on the internet at www.cityofgrassvalley.com, or on the City of Grass Valley YouTube channel at <https://www.youtube.com/@cityofgrassvalley.com>

Members of the public are encouraged to submit public comments via voicemail at (530) 274-4390 and email to public@cityofgrassvalley.com. Comments will be reviewed and distributed before the meeting if received by 5pm. Comments received after that will be addressed during the item and/or at the end of the meeting. Council will have the option to modify their action on items based on comments received. Action may be taken on any agenda item.

Agenda materials, staff reports, and background information related to regular agenda items are available on the City's website: www.cityofgrassvalley.com. Materials related to an item on this agenda submitted to the Council after distribution of the agenda packet will be made available on the City of Grass Valley website at www.cityofgrassvalley.com, subject to City staff's ability to post the documents before the meeting.

Please note, individuals who disrupt, disturb, impede, or render infeasible the orderly conduct of a meeting will receive one warning that, if they do not cease such behavior, they may be removed from the meeting. The chair has authority to order individuals removed if they do not cease their disruptive behavior following this warning. No warning is required before an individual is removed if that individual engages in a use of force or makes a true threat of force. (Gov. Code, § 54957.95.)

Council Chambers are wheelchair accessible and listening devices are available. Other special accommodations may be requested to the City Clerk 72 hours in advance of the meeting by calling (530) 274-4390, we are happy to accommodate.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

AGENDA APPROVAL - *The City Council reserves the right to hear items in a different order to accomplish business in the most efficient manner.*

REPORT OUT OF CLOSED SESSION

INTRODUCTIONS AND PRESENTATIONS

1. Presentation of the 2023 Firework Sponsor Awards

PUBLIC COMMENT - *Members of the public are encouraged to submit public comments via voicemail at (530) 274-4390 and email to public@cityofgrassvalley.com. Comments will be reviewed and distributed before the meeting if received by 5pm. Comments received after 5pm will be addressed during the item and/or at the end of the meeting. Council will have the option to modify their action on items based on comments received. Action may be taken on any agenda item. There is a time limitation of three minutes per person for all emailed, voicemail, or in person comments, and only one type of public comment per person. Speaker cards are assigned for public comments that are on any items not on the agenda, and within the jurisdiction or interest of the City. Speaker Cards can be pulled until the opening of public comment at which time sign ups will no longer be allowed. These cards can be found at the City Clerks desk. If you wish to speak regarding a scheduled agenda item, please come to the podium when the item is announced. When recognized, please begin by providing your name and address for the record (optional). Thirty minutes of public comment will be heard under this item in order of the speaker card assigned and the remaining general public comments will be heard at the end of the meeting. We will begin with number one.*

CONSENT ITEMS -*All matters listed under the Consent Calendar are to be considered routine by the City Council and/or Grass Valley Redevelopment Agency and will be enacted by one motion in the form listed. There will be no separate discussion of these items unless, before the City Council and/or Grass Valley Redevelopment Agency votes on the motion to adopt, members of the Council and/or Agency, staff or the public request specific items to be removed from the Consent Calendar for separate discussion and action but Council action is required to do so (roll call vote). Unless the Council removes an item from the Consent Calendar for separate discussion, public comments are invited as to the consent calendar as a whole and limited to three minutes per person.*

2. Approval of the Regular Meeting Minutes of March 12, 2024.

Recommendation: Council approve minutes as submitted.

3. Local Emergency Proclamation (Winter Storm of February 2023)

CEQA: Not a project

Recommendation: To continue the Winter Storm February 24th, 2023 to March 1st, 2023 proclamation declaring a Local State of Emergency

4. Downtown Streetscape Improvements Project - Final Acceptance

CEQA: Exempt - Procedural Action

Recommendation: That Council: 1) accept the Downtown Streetscape Improvements Project as complete, and 2) authorize the City Engineer to file a Notice of Completion with the County Recorder.

ITEMS REMOVED FROM CONSENT CALENDAR FOR DISCUSSION OR SEPARATE ACTION AND / OR ANY ADDED AGENDA ITEMS

REORGANIZATION RELATED ITEMS

PUBLIC HEARING

ADMINISTRATIVE

5. Administrative Draft of a City Civility Pledge to add to the City’s Code of Conduct and Meeting Agendas

CEQA: Not a Project.

Recommendation: That Council 1) consider and approve the proposed Civility Pledge; and 2) direct staff to update the City’s Code of Conduct and meeting agendas to include a Civility Pledge.

6. Introduction of an Ordinance Approving the Development Agreement with Grass Valley Provisions, LLC and the Reduction of additional tax on high potency cannabis and cannabis products cultivated, manufactured, and sold.

CEQA: Not a Project.

Recommendation: That Council 1) consider the proposed Resolution to temporarily decrease the additional business taxes collected from cannabis businesses operating within the City of Grass Valley for high-potency cannabis products; and 2) Introduce the attached Ordinance approving the Development Agreement with Grass Valley Provisions LLC, waive full reading, and read by title only

7. Update on amendments to the Waste Management Franchise Agreement tied to state-mandated implementation of SB 1383, AB 341, and AB 1826 (Recycling and Organic Waste programs)

CEQA: Not a project.

Recommendation: That Council provide general input and direction to staff.

BRIEF REPORTS BY COUNCIL MEMBERS

CONTINUATION OF PUBLIC COMMENT

ADJOURN

POSTING NOTICE

This is to certify that the above notice of a meeting of The City Council, scheduled for Tuesday, March 26, 2024 at 6:00 PM was posted at city hall, easily accessible to the public, as of 5:00 p.m. Friday, March 22, 2024.

Taylor Day, City Clerk



GRASS VALLEY

**City Council Regular Meeting, Capital Improvements Authority and
Redevelopment "Successor Agency"**

Tuesday, March 12, 2024 at 6:00 PM

Council Chambers, Grass Valley City Hall | 125 East Main Street, Grass Valley, California

Telephone: (530) 274-4310 - Fax: (530) 274-4399

E-Mail: info@cityofgrassvalley.com

Web Site: www.cityofgrassvalley.com

MINUTES

CALL TO ORDER

Meeting called to order at 6:02 pm.

PLEDGE OF ALLEGIANCE

Pledge of allegiance led by Vice Mayor Hodge

ROLL CALL

PRESENT

- Councilmember Bob Branstrom
- Councilmember Haven Caravelli
- Councilmember Tom Ivy
- Vice Mayor Hilary Hodge

ABSENT

Mayor Jan Arbuckle

AGENDA APPROVAL -

Motion made to approve agenda as submitted by Councilmember Branstrom, Seconded by Councilmember Caravelli.

Voting Yea: Councilmember Branstrom, Councilmember Caravelli, Councilmember Ivy, Vice Mayor Hodge

REPORT OUT OF CLOSED SESSION

No closed session.

INTRODUCTIONS AND PRESENTATIONS

1. Smoke-Free Healthy Housing, presented by the Tobacco-Free Nevada County Coalition

PUBLIC COMMENT -

Virtual comments attached.

Public comment: Attached is public comment speakers with noted changes to; #3 Josh, #7 Charlie, #11 Yasmin Badshamah, #13 Ian, #14 Anna Mudd, and Matthew Coulter

CONSENT ITEMS -

Public comment: Sherley, Charly, Josh, Yasmin Badshamah, Ian & Matthew Coulter

Motion made to approve consent with removal of item #6, 4th of July Fireworks Show and item #8, Transportation Impact Fees - Fee Program Revision for discussion by Councilmember Branstrom, Seconded by Councilmember Caravelli.

Voting Yea: Councilmember Branstrom, Councilmember Caravelli, Councilmember Ivy, Vice Mayor Hodge

2. Approval of the Regular Meeting Minutes of February 27, 2024.

Recommendation: Council approve minutes as submitted.

3. Second Amended and Restated Joint Powers Agreement for Pioneer Community Energy

CEQA: Not a project

Recommendation: Adopt a resolution 2024-10 of the City Council of the City of Grass Valley approving the second amended a restated Joint Powers Agreement of Pioneer Community Energy.

4. Review of 2023 General Plan Annual Progress Report

CEQA: Not a project

Recommendation: Receive and File. No formal action required.

5. Review of 2023 Annual Housing Element Progress Report

CEQA: Not a Project

Recommendation: Receive and File. No formal action required.

6. Adoption of updated job descriptions for all peace officer classes

CEQA: Not a Project

Recommendation: Approve the attached updated job descriptions for all peace officer job classes in the City

ITEMS REMOVED FROM CONSENT CALENDAR FOR DISCUSSION OR SEPARATE ACTION AND / OR ANY ADDED AGENDA ITEMS

7. 4th of July Fireworks Show (Approval of Pyro Spectaculars North Agreement)

CEQA: Not a Project

Recommendation: The Council 1) approve the 2024 4th of July Fireworks Show; 2) approve the City Manager to execute an Agreement with Pyro Spectaculars North, Inc. for the amount of \$22,600 for the 4th of July Fireworks Show subject to legal review; and 3) approve the Finance Director to make any necessary budget adjustments and transfers.

Tim Kiser, City Manager, gave overview to the Council.

Council asked about alternative options.

Public Comment: Salem, Sherliy, Josh, Ian, Robin Galvin-Davis, Yasimin, Charlie, Matthew Coulter

Motion made to 1) approve the 2024 4th of July Fireworks Show; 2) approve the City Manager to execute an Agreement with Pyro Spectaculars North, Inc. for the amount of \$22,600 for the 4th of July Fireworks Show subject to legal review; and 3) approve the Finance Director to make any necessary budget adjustments and transfers by Councilmember Branstrom, Seconded by Councilmember Caravelli. Voting Yea: Councilmember Branstrom, Councilmember Caravelli, Councilmember Ivy, Vice Mayor Hodge

8. Transportation Impact Fees - Fee Program Revisions

CEQA: Not a project

Recommendation: That Council authorize revised, lower fees for the Single Family Residential land use category for the Grass Valley Transportation Impact Fee (GVTIF) and Regional Transportation Mitigation Fee (RTMF) programs

Tim Kiser, City Manager, gave presentation to council.

Public comment: Josh, Matthew Coulter

A motion was made to authorize revised, lower fees for the Single Family Residential land use category for the Grass Valley Transportation Impact Fee (GVTIF) and Regional Transportation Mitigation Fee (RTMF) programs by Councilmember Bob Branstrom.

A motion was made to authorize revised, lower fees for the Single Family Residential land use category for the Grass Valley Transportation Impact Fee (GVTIF) and Regional Transportation Mitigation Fee (RTMF) programs and to bring back an item of reducing impact fees to council by Councilmember Ivy, Seconded by Councilmember Caravelli.

Voting Yea: Councilmember Branstrom, Councilmember Caravelli, Councilmember Ivy, Vice Mayor Hodge

Break taken at 7:56 pm. Meeting called to order at 8:03 pm.

REORGANIZATION RELATED ITEMS

PUBLIC HEARING

ADMINISTRATIVE

9. Public Review for the Sphere of Influence (SOI) Plan Update
Recommendation: Receive and File. No formal action required.

LAFCo gave presentation to the Council.

10. Opposition to Pacific Bell Telephone Company d/b/a AT&T California amended application for targeted relief from its Carrier of Last Resort obligation and certain associated tariff obligations.

CEQA: Not a Project.

Recommendation: That Council approve the letter and authorize the Mayor to sign and submit it to the California Public Utilities Commission.

Tim Kiser, City Manager, gave overview to the Council.

Public Comment; Josh, Fred, Matthew Coulter

Motion made to approve the letter and authorize the Mayor to sign and submit it to the California Public Utilities Commission by Councilmember Caravelli, Seconded by

Councilmember Branstrom.
Voting Yea: Councilmember Branstrom, Councilmember Caravelli, Councilmember Ivy, Vice Mayor Hodge

BRIEF REPORTS BY COUNCIL MEMBERS

Councilmember Caravelli attended an ERC Meeting, a Holt Conservatory ballet performance, the Rock-a-Billy Right event, and the Business of Art meeting. Councilmember Branstrom attended the Idaho Maryland Mine Hearing, the In-Concert Sierra raise the roof event, spoke at an educational event on climate for the Penn Valley Rotary, he went to Africa for 3 weeks, and attended an International Women's Day event. Councilmember Ivy attended a Woods Brother Concert. Vice Mayor Hodge attended the Glenn Miller Orchestra performance.

CONTINUATION OF PUBLIC COMMENT

ADJOURN

Meeting adjourned at 8:43 pm.

Jan Arbuckle, Mayor

Taylor Day, City Clerk

Adopted on: _____



3/12/24

Item # 2.

CITY OF GRASS VALLEY CITY COUNCIL MEETING

GENERAL PUBLIC COMMENT SIGN IN SHEET

WELCOME to the City of Grass Valley City Council meeting! Public Comments provide an opportunity for the public to address the City Council on any subject which is not on the agenda but in the jurisdiction of the council. If you wish to speak, please indicate in the appropriate box when you sign in and take the number corresponding to your name. Each individual can have up to 3 minutes of public comment. At the beginning of the meeting, there will be an allotted 30 minutes of general public comments and the remainder of comments will be heard at the end of the agenda. Speakers will be called in order of the numbers given.

When you are recognized by the mayor:

1. Please stand before the podium and give your name and address. (optional)
2. Please limit your comments to three minutes per speaker.
3. If previous speakers have made the same point, you may simply indicate your support or disagreement, unless you have new information.

Thank you for your participation.

| #'s | Print Name or N/A | Address (optional) | Self/Business (optional) |
|------|---------------------------------|--------------------|--------------------------|
| 1 | ROBIN GALVAN DAVIES | | GV CHAMBER / GVDA |
| 2 | Shirley Osgood | | |
| 3 | Aaron Bushnell | (Josh) | |
| 4 | XXXXXXXXXXXXXXXXXXXX | | |
| 5 | XXXXXXXXXXXXXXXXXXXX | | |
| 6 | Zach | | |
| * 7 | Yasmin Badshamrah | Grass Valley | |
| 8 | Salem Peterson | 329 Miners Trail | Self |
| 9 | Jon Luke | 371 Miners Trail | |
| 10 | Elizabeth Newman | GV | |
| * 11 | Charlie D | GV | |
| 12 | Jeffrey Gottesman | NC | |
| 13 | Anna Mudd | GV | |
| 14 | Ian | 35 GV | |

Taylor Day

From: Tammy Gregerson [REDACTED]
Sent: Tuesday, March 12, 2024 4:37 PM
To: Public Comments
Subject: Public Comment

You don't often get email from [REDACTED] [Learn why this is important](#)

Hello mayor and council members,

My name is Tammy Gregerson and I live within the city limits of Grass Valley. I am sick today and am not able to make the meeting, so I am sending this brief email to once again urge you to add a ceasefire resolution to the agenda of your next meeting.

Thank you for your time,
Tammy

Taylor Day

From: Tim McCall [REDACTED]
Sent: Saturday, March 9, 2024 6:42 PM
To: Public Comments
Subject: Response to written questions
Attachments: 2024-02-07 Ltr Tim Kiser - Ballot questions.docx

You don't often get email from [REDACTED]. [Learn why this is important](#)

Dear Council Members;

Regarding my attached February 7, 2024 letter addressed to the City Manager which was hand delivered to City Hall; I have not yet received a response. I would appreciate you directing Mr. Kiser to respond to the rather simple questions presented. If he has send a response, I must have missed it, and apologize. I would appreciate him sending it again.

The answers are quite important to me.

Thank you.

Tim McCall

February 7, 2024

Tim Kiser, City Manager
City of Grass Valley
125 E. Main Street
Grass Valley, CA 95945

Dear Mr. Kiser,

I am researching certain aspects of Measure B in our Nevada County Voter Information Guide issued for the March 5, Presidential Primary Election.

First, I am asking about the origins of the proposed Ordinance No. 826. I do not have a problem with the ordinance itself, however, I would like to know its origins. Not the ideas put forth but the actual writing of the document. Was it produced in-house and if so, by whom including their job title. Or perhaps it was produced by an outside consultant and if so, the companies name and the person chiefly responsible for its content. Also, who is responsible for recommending and for approving the document for the ballot.

Second, I have similar curiosity regarding the BALLOT QUESTION appearing above the proposed ordinance. I am interested to know who wrote the text, and who is responsible for recommending and for approving the text.

Your prompt attention to my request for information will be greatly appreciated. For convenience over writing a formal letter, you may email me at mccallengr@sbcglobal.net.

Thank You,

Tim McCall
424 S Auburn Street
Grass Valley, CA

Note: Original hand delivered to Zack (?) (office behind counter on the left) at City Hall 2/7/2024 ~ 4:45pm. Asked if he would please deliver to Tim Kiser. The envelope had his full name and address plus my name as sender. He agreed and immediately turned and started down the hallway headed north. I left the building.

Taylor Day

From: Linda Kruse [REDACTED]
Sent: Thursday, March 7, 2024 3:30 PM
To: Public Comments
Cc: Lois Koenig; Nicole Vernon; Jack and Terry Meixner
Subject: Timberwood Estates

You don't often get email from [REDACTED]. [Learn why this is important](#)

Dear Sir or Madam:

I am writing on behalf of Timberwood Estates Homeowners Association in my capacity as Vice President. I have been directed by the Planning Commission of Grass Valley to reach out to you.

We attended a Planning Commission meeting a couple of months ago after learning of the future building of a hotel on Plaza Drive, directly below our subdivision. The reason for our attendance at the Planning Commission meeting was to get approval to put in a gate at the west end of Timberwood Drive. We have no objection to the hotel being built and the owner of the Plaza Drive property has even agreed to pay for a portion of the gate.

After our appearance before the Planning Commission, we were informed they did not have a problem with the gate but that it did depend on the Fire Marshall. So we reached out to the Fire Marshall who in turn forwarded our letter back to the Planning Commission who then forwarded to us the Subdivision Ordinance Section 17.88.030(H). After receipt of that, Jack Meixner, a resident here at Timberwood Estates and retired from the Sacramento Metropolitan Fire Department, wrote letters to the Police Department and the Fire Marshall explaining what type of gate we would install along with how they would be able to gain entry. The Police Chief seemed to understand our concern, being a private road, and had no issues with what we are proposing. The Fire Marshall took the correspondence to the Fire Chief and the Chief responded with the Ordinance, but suggested we go to the Council and have them amend the Ordinance.

The reason for this request is that Timberwood Drive is a private road which we as Homeowners are responsible for the upkeep. We have an abundance of public traffic that speeds through Timberwood Drive using it as a thoroughfare to and from many locations in the area. The traffic will only increase once the hotel and future development on Plaza Drive are built. We are a small residential community comprised of 43 homesites. We are not a 55 and older community but a majority of our residents are. Timberwood Drive is a narrow road with sidewalks only on one side, a blind intersection near our mailboxes and we have concerns regarding our safety with the abundance of speeding traffic at all hours during the day and night. It has been proven that gated communities, even communities with only one gate, deters criminal behavior and keeps our safety intact.

We are not requesting a gated or walled community. We are asking for a gate on the west end of Timberwood Drive. That gate would have a pedestrian entrance as stated in the Ordinance. Also as stated in the Ordinance a vehicle entrance is available off of Brunswick. **We believe Timberwood Estates is an exception to this Ordinance due to our road being private, having a pedestrian entrance on both ends and having vehicle entrance off of Brunswick.**

Thank you in advance for your courtesy and cooperation. Please advise as to the best way to go about getting our concerns addressed and requesting of the gate on the west end of Timberwood Drive. We look forward to your response.

Linda Kruse
VP of Timberwood Estates HOA





**City of Grass Valley
City Council
Agenda Action Sheet**

Title: Local Emergency Proclamation (Winter Storm of February 2023)

CEQA: Not a project

Recommendation: To continue the Winter Storm February 24th, 2023 to March 1st, 2023 proclamation declaring a Local State of Emergency

Prepared by: Timothy M. Kiser, City Manager

Council Meeting Date: 3/26/2024

Date Prepared: 3/21/2024

Agenda: Consent

Background Information: Due to conditions of extreme peril to the safety of persons and property have arisen within the City of Grass Valley, caused by the winter storm February 24th, 2023 to March 1st, 2023 which cut power, downed trees, blocked roads and created other hazards to health and human safety commencing at which time the City Council of the City of Grass Valley was not in session. The city found it necessary to proclaim the existence of a local emergency throughout the city.

On March 2nd, Tim Kiser, the Emergency Services Director, proclaimed an existence of a local emergency. On March 8th, 2023, at a special City Council Meeting council adopted Resolution 2023-07 confirming the Emergency Services Director's proclamation of a local emergency.

Council Goals/Objectives: This resolution executes portions of work tasks towards achieving/maintaining Strategic Plan - Public Safety. The City of Grass Valley is devoted to providing a safe Place to Live, Work, and Play.

Fiscal Impact: The City will be requesting reimbursement for repair costs from the California Office of Emergency Services. If approved, costs would be reimbursable around 75% and sufficient General Funds exist to cover any shortfall.

Funds Available: N/A

Account #: N/A

Reviewed by: ___ City Manager



City of Grass Valley City Council Agenda Action Sheet

Title: Downtown Streetscape Improvements Project - Final Acceptance

CEQA: Exempt - Procedural Action

Recommendation: That Council: 1) accept the Downtown Streetscape Improvements Project as complete, and 2) authorize the City Engineer to file a Notice of Completion with the County Recorder.

Prepared by: Bjorn P. Jones, PE, City Engineer

Council Meeting Date: 03/26/2024

Date Prepared: 03/19/2024

Agenda: Consent

Background Information: On April 26, 2022, Council authorized the award of a Design Build contract for the Downtown Streetscape Improvement Project to Sierra Foothills Construction Company in the amount of \$6,741,000. The contract was executed concurrently with a change order to reduce the scope of work, for an original contract total of \$5,283,268. Project work included the transformation of Mill Street (from Neal to West Main Street) to create a pedestrian friendly, town square atmosphere; as well as harmonious lighting and landscaping improvements along Main Street between Church and Bennett Streets. During the construction of the project, design changes and a number of unforeseen issues resulted in Council approval of two prior budget amendments for a total approved project budget of \$6,084,044.80.

All of the work has now been completed by Sierra Foothills Construction Company with a total of sixteen change orders issued for this project. Final project costs equaled \$6,071,479.02, within the previously authorized amount.

The Engineering Division has field accepted the work and the contractor has provided the City with a guarantee of work for a period of one year following the date of acceptance of the project. Upon Council's acceptance, Staff will file a Notice of Completion with the County Recorder's Office. If no Stop Notices are received by the City after a period of thirty-five (35) days from the filing date of the Notice, all appropriate bonds will be released to the Contractor.

Council Goals/Objectives: The Downtown Streetscape Improvements Project executes portions of work tasks towards achieving/maintaining Strategic Plan Goal #1 - Community and Sense of Place, Goal #4 - Economic Development and Vitality and Goal #7 - Water & Wastewater Systems & Underground Infrastructure.

Fiscal Impact: This project was funded in the FY 22/23 and 23/24 CIP Budgets utilizing a combination of Water Rate Funds, ARPA Grant Funds, Impact Fees, Measure E Funds and General Funds.

Funds Available: Yes

Account #: 300-406-66005

Reviewed by: City Manager

Attachments: Notice of Completion

RECORDING REQUESTED BY and
WHEN RECORDED MAIL TO:

**ENGINEERING DIVISION
CITY OF GRASS VALLEY
125 East Main Street
Grass Valley, CA 95945**

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN THAT:

1. That the undersigned is OWNER or agent of the OWNER of the interest or estate stated below in the property hereinafter described.
2. The FULL NAME of the OWNER is the **City of Grass Valley**.
3. The FULL ADDRESS of the OWNER is **125 East Main Street, Grass Valley, CA 95945**.
4. The nature of the INTEREST or ESTATE of the undersigned is: **FEE**.
5. A work of improvement on the property hereinafter described was COMPLETED: **March 26, 2024**.
6. The work of improvement completed is described as follows: **Reconstruction of street right of way to develop a pedestrian plaza including stamped concrete construction, utility work, stacked rock planter construction, lighting and landscaping, among other streetscape improvements.**
7. The NAME OF THE ORIGINAL CONTRACTOR, if any, for such work of improvement is: **Sierra Foothills Construction Company**.
8. The street address of said property is: **Mill Street between Neal and Main Streets and Main Street between Church and Bennett Streets.**
9. The property on which said work of improvement was completed is in the City of **Grass Valley**, County of **Nevada**, State of California and is described as follows: **Downtown Streetscapes Improvement Project.**

City of Grass Valley
Owner

by: _____
Bjorn P. Jones, City Engineer

"I certify under penalty of perjury that the foregoing is true and correct."

(Date and Place)

(Signature)



City of Grass Valley City Council Agenda Action Sheet

Title: Administrative Draft of a City Civility Pledge to add to the City's Code of Conduct and Meeting Agendas

CEQA: Not a Project.

Recommendation: That Council 1) consider and approve the proposed Civility Pledge; and 2) direct staff to update the City's Code of Conduct and meeting agendas to include a Civility Pledge.

Prepared by: Timothy M. Kiser, City Manager

Council Meeting Date: March 26, 2024

Date Prepared: March 20, 2024

Agenda: Administrative

Background Information: From contentious City Council meetings to personal attacks on social media, the idea of keeping things civil in local government has become more difficult over the years. As communities become increasingly divided over political or cultural lines and continue to grapple with the pandemic's economic impacts, there is a growing call to keep conversations respectful and professional. For this reason, the Municipal Association of South Carolina, and the Illinois Municipal League amongst others, have developed Civility Pledges to engage in civil behavior with each other as well as with residents and meeting attendees. Civility Pledges focuses on the idea that all people have the right to be treated with respect, courtesy, and openness. We value all input. We commit to conduct ourselves at all times with civility and courtesy to each other. Some cities also have a civility pledge that can be published or recited at meetings.

In September 2023, the Council instructed staff to create a Civility Pledge following guidance provided during the City Council Meeting. However, due to staffing changes and holiday schedules, the process has taken longer than anticipated to assemble an administrative draft for City Council's review, feedback, and adoption. Enclosed is the proposed Civility Pledge for City Council's consideration.

We kindly request any feedback and approval of the proposed Civility Pledge, along with authorization to integrate it into the relevant documents.

Council Goals/Objectives: The execution of this action attempts to achieve Strategic Goal #5 - High Performance Government and Quality Service.

Fiscal Impact: There is no fiscal impact in creating a Civility Pledge

Funds Available: Yes

Account #: N/A

Reviewed by: Tim Kiser, City Manager

Attachments: N/A



CITY OF GRASS VALLEY

Civility Pledge

As a public servant, I hereby pledge to promote civility, productivity, and community engagement by communicating in a respectful manner, listening to and being mindful of the viewpoints of fellow citizens, and acknowledging that while everyone’s ideas may differ, our common goal is to contribute towards the betterment of our city. I pledge to remain kind while advocating for civil engagement and positive collaboration to strive toward achieving my community’s aspirations.

Name

Title

Date

Signature



City of Grass Valley City Council Agenda Action Sheet

Title: Introduction of an Ordinance Approving the Development Agreement with Grass Valley Provisions, LLC and the Reduction of additional tax on high potency cannabis and cannabis products cultivated, manufactured, and sold.

CEQA: Not a Project.

Recommendation: That Council 1) consider the proposed Resolution to temporarily decrease the additional business taxes collected from cannabis businesses operating within the City of Grass Valley for high-potency cannabis products; and 2) Introduce the attached Ordinance approving the Development Agreement with Grass Valley Provisions LLC, waive full reading, and read by title only

Prepared by: Timothy M. Kiser, City Manager

Council Meeting Date: March 26, 2024

Date Prepared: March 20, 2024

Agenda: Administrative

Background Information: On February 9, 2024, the City of Grass Valley received correspondence from Grass Valley Provisions, LLC (Provisions), highlighting the adverse effects of the City's implemented Tetrahydrocannabinol (THC) and sweetened cannabis beverages taxes. The tangible impact of this THC tax becomes apparent when comparing customer receipts between Grass Valley and neighboring Nevada City. For instance, locally manufactured cannabis cartridges containing 1 gram of 90.13% THC cannabis oil are priced around \$45. In contrast, the same item purchased in Nevada City amounts to \$57.58, inclusive of all taxes, whereas in Grass Valley, it totals \$95.60. This stark contrast illustrates how the current tax structure places Provisions at a competitive disadvantage against neighboring retailers and illicit delivery services, which operate without tax obligations. Ultimately, if left unchanged, these tax burdens will inevitably drive Provisions out of business.

Provisions respectfully urges the City of Grass Valley to consider the removal of the aforementioned tax provision, specifically Section D of Chapter 5.06.030, thereby enabling Provisions to compete effectively for customers in the region. While Provisions acknowledges the potential benefits of cannabis tax revenue in supporting community initiatives such as law enforcement, aid for the homeless, and youth programs, they propose an alternative solution. To align with this vision, Provisions offers to contribute \$10,000 to the City of Grass Valley for the first two years of its operations, earmarked exclusively for youth programs.

This correspondence marks the initial presentation of the attached Ordinance and Development Agreement. The Planning Commission is scheduled to convene a Public Hearing on this matter on April 3, 2024.

Please note that the attached Resolution suspends the supplementary THC tax for the duration outlined in the Development Agreement. This matter will be revisited by the

City Council, alongside the second reading of the Ordinance and Development Agreement, during the first regular scheduled meeting in of April 2024.

Council Goals/Objectives: The execution of this action attempts to achieve Strategic Goal #5 - High Performance Government and Quality Service.

Fiscal Impact: The exact fiscal impact on this item is unknown due to the discrepancy in price difference between the current THC extra tax and the ability to sell products. If the Development Agreement is implemented the City will receive \$10,000 per year for two years for recreational purposes.

Funds Available: N/A

Account #: N/A

Reviewed by: Tim Kiser, City Manager

Attachments:

- Letter from Grass Valley Provisions
- Ordinance approving the Development Agreement with Grass Valley Provisions
- Proposed Development Agreement
- Proposed Resolution

GRASS VALLEY

PROVISIONS

EST. 2023

February 9, 2024

Tim Kiser
125 E Main Street
Grass Valley, CA 95945

RE: THC TAX ORDINANCE NO. 807

Dear Mr. Kiser,

I write to report some exciting news - Grass Valley Provisions is close to opening its cannabis storefront in the City of Grass Valley, a project our team has dedicated countless hours to accomplish. The timeline is currently weather dependent, but I'm told we should be finalized in four to six weeks. I will keep you updated on as we near completion.

As you know, the City of Grass Valley has a unique cannabis tax structure. For dispensaries, this includes 4% of gross receipts, as well as an additional tax on high potency cannabis flower, products, and beverages. This additional tax is explained in Chapter 5.06.030 - Cannabis business tax:

- 1. An additional tax of up to one percent (1%) of the gross receipts from high potency cannabis and each high potency cannabis product cultivated, manufactured or sold by the taxpayer, multiplied by the percent of tetrahydrocannabinol (THC) content of the product above 17%; and,*
- 2. An additional tax of 20% of gross receipts from sweetened cannabis beverages.*

The impact of this THC based tax is clear when examining the difference in a customer's receipt should they purchase a cannabis product in Grass Valley versus in neighboring Nevada City. Locally produced cannabis cartridges containing 1 gram of 90.13% THC cannabis oil retail for around \$45. This single item when purchased in Nevada City would come to \$57.58 including all applicable taxes. The same item if purchased in Grass Valley would come to \$95.60.

As demonstrated, under this tax structure, Grass Valley Provisions would not be able to compete with surrounding retail operations, or the illicit delivery services and ‘black-market’ operators who pay no taxes whatsoever. The impacts of this tax will ultimately force Grass Valley Provisions out of business. As such, we respectfully request that the City of Grass Valley act to remove the above-mentioned tax language, specifically Section D of Chapter 5.06.030, and allow Grass Valley Provisions the opportunity to compete for customers in the area.

Grass Valley Provisions recognizes the opportunity that revenue from cannabis taxes present to support community programs and crucial services such as law enforcement, support for the unhoused, and youth programs. To aid this vision, we propose to donate \$10,000 to the City of Grass Valley, for the first two years of our operations, to be used exclusively for youth programs.

We appreciate the consideration of the City and request this matter be place on the agenda for discussion at the next available City Council meeting.

Sincerely,
Cameron Brady
Chief Legal Officer

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

DEVELOPMENT AGREEMENT
For Grass Valley Provisions, LLC

This DEVELOPMENT AGREEMENT (“**Agreement**”) is entered into this [redacted] day of [redacted], 202[redacted] by and between the City of Grass Valley, a California municipal corporation (“**City**”), and [insert], Grass Valley Provisions, LLC and its landlords Mark and Teri Heuser (collectively “**Owner**”) (City and Owner are individually referred to as “**Party**” and collectively as “**Parties.**”)

RECITALS

1. Owners are the owners and tenants of a parcel located at 403 Idaho Maryland Road, Grass Valley, CA 95945 (the “**Property**”). The Property, APN 009-220-001-000, is currently being used by Owner as a cannabis dispensary, Grass Valley Provisions, LLC.
2. Owner operates Grass Valley Provisions, LLC in accordance with the laws of the State of California pursuant to business license #03605403 granted in accordance with Grass Valley Municipal Code Chapter 5.04 on January 1, 2024, dispensary permit # 22PLN-06 granted in accordance with Grass Valley Municipal Code 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.
3. City and Owner wish to enter into this Development Agreement to vest certain land use rights as described in **Exhibit A**, attached hereto and incorporated herein by reference, and to achieve the public benefits described in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Owner agree as follows:

1. Consistent with Applicable Law.
 - a. This Development Agreement is authorized by Section 65865 of the Government Code of the State of California and Chapter 17.76 of the Grass Valley Municipal Code.
 - b. Pursuant to this Agreement, City and Owner have taken all actions mandated by and fulfilled all requirements set forth in the Development Agreement Ordinance of the City of Grass Valley, Title 17, Chapter 17.76 of the Grass Valley Municipal Code.
 - c. Pursuant to Section 17.76.040 of the Grass Valley Municipal Code, having duly examined and considered this Agreement and having held a properly noticed public hearing regarding this Agreement before the Planning Commission on April 3rd, 2024, the Planning Commission recommended the City Council approve this Agreement after finding 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 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; will not be detrimental to the health, safety, and general welfare; and (4) will not adversely affect the orderly development of property or the preservation of property values.

- d. Pursuant to Section 17.76.040(E) of the Grass Valley Municipal Code, having duly examined and considered this Agreement and having held a properly noticed public hearing regarding this Agreement before the City Council on April 9th, 2024, the City Council adopted Ordinance No. 827, approving this Agreement and finding it (1) is consistent with the objectives, policies, general land uses, and programs specified in the general plan, any applicable specific plan, and the 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; will not be detrimental to the health, safety, and general welfare; and (4) will not adversely affect the orderly development of property or the preservation of property values.
- e. The “**Effective Date**” of this Agreement shall be the later of (i) the effective date of Ordinance No. 827 approving this Agreement or (ii) the date this Agreement is recorded in the office of the Nevada County Recorder.

2. Parties’ Obligations.

a. City agrees:

- i. The permitted uses of the Property, the density and intensity of use, development standards, and other terms and conditions of development applicable to the Property shall be those set forth in **Exhibit A**, attached hereto and incorporated herein by reference, for the term of this Agreement. Except as otherwise provided in this Agreement, the land use rights described in **Exhibit A** are hereby fully vested for the term of this Agreement. Any development of the Property shall be conducted in accordance with the terms and conditions of this Agreement.
- ii. In the event the Development Code is amended by the City to provide more favorable site-development standards than those in effect as of the Effective Date, Owner shall have the right to notify the City in writing of its desire to be subject to the new standards for the remaining term of this Agreement. If the City agrees by resolution of the City Council, such new standards shall become applicable to the Property. Should the City thereafter amend such new standards, upon the effective date of such amendment, the original new standards shall have no further application to the Property, but Developer may notify the City and the City may agree by resolution to apply such amended new standards to the Property.

iii. To maintain the sums provided by Owner pursuant to section 2.b.i below in a designated account, separate from City general funds, to be used exclusively to provide grant funding for programs discouraging youth access to cannabis. City agrees to consult with Owner at least annually about appropriate programs for use of the funds provided under this subparagraph.

b. Owner agrees:

i. To provide certain contributions set forth herein, which the City acknowledges will have an overall benefit to the public and surrounding area, including but not limited to:

1. Payment of a sum of **\$10,000.00** to be used exclusively for City programs to discourage youth access to cannabis.

ii. To consent to, and waive any rights it may have now or in the future, to challenge the legal validity of, the conditions, requirements, policies or programs required by existing provisions of the Grass Valley Municipal Code, including, without limitation, any claim that they constitute an abuse of the police power, violate substantive due process, deny equal protection of the laws, effect a taking of property without payment of just compensation, or impose an unlawful tax.

c. The Parties agree:

i. Nothing in this Agreement shall preclude the application of changes in the City's laws, regulations, plans or policies, the terms of which are specifically mandated and required by changes in state or federal laws or regulations as provided in Government Code section 65869.5.

ii. This Agreement shall not be construed to limit the authority of the City to charge processing fees for land use approvals, building permits or other similar permits or entitlements that are in force and effect at the time application is made for such permits or entitlements. Development of the Property shall be required to pay existing and future City development fees, processing fees, and building permit fees.

3. Term.

a. The Term of this Agreement shall commence on the Effective Date and shall extend for a period of two years after the Effective Date, unless said Term is otherwise terminated or extended as set forth in this Agreement or by mutual consent of the Parties. Following the expiration of the Term, this Agreement shall terminate and be of no further force and effect except to the extent that any payment due under this Agreement has not yet been paid or any indemnity obligation has not be satisfied.

4. Termination Provisions.

a. Default by Owner.

- i. Termination. If City determines, on the basis of substantial evidence, that Owner has not complied in good faith with the terms and conditions of the Agreement, City may terminate the Agreement after a public hearing on the matter.
- ii. Notice of Proposed Termination. City shall give Owner a written notice identifying with specificity those obligations of Owner which have not been performed. The written notice shall include the time and place of the hearing and any other information that City considers necessary to inform the property owner of the nature of the proceeding.
- iii. Public Hearing on Proposed Termination. City shall give notice of the public hearing in accordance with Government Code sections 65090 and 65091 and Grass Valley Municipal Code section 17.76.080. On conclusion of the public hearing, the City Council may, in lieu of termination, impose conditions on Owner as it considers necessary to protect City's interests.
- iv. Modification of Agreement. City may, instead of termination, modify this Agreement if it determines that Owner has not complied in good faith with this Agreement. If City chooses to modify this Agreement under this subdivision, it must follow the procedures set forth in sections 4.a.ii and 4.a.iii of this Agreement.

b. Default by City.

- i. Default and Notice of Default. If City defaults under this Agreement, Owner shall have only those rights and remedies provided herein which shall include only specific performance of City's obligations under this Agreement and shall not include damages of any kind. With respect to a default pursuant to this Agreement, Owner shall first submit to City a written notice of default stating with specificity those obligations which have not been performed. Upon receipt of the notice of default, City shall cure the identified default(s) at the earliest reasonable time after receipt of the notice of default and shall complete the cure in any event not later than 120 days after receipt of the notice of default, or such longer period as is reasonably necessary to remedy such default(s), provided that City shall continuously and diligently pursue such remedy at all times until such default(s) is cured.

5. No Damages; Specific Performance.

- a. Specific Performance. Both Parties agree and recognize that Owner has invested a considerable amount of time and financial resources in planning the use of and improvements for the Property. For these reasons, it may not be possible to determine an amount of monetary damages which would adequately compensate Owner for this work nor calculate the consideration City would require to enter into this Agreement to justify such exposure. The Parties acknowledge that City would not enter into this Agreement if it might expose its assets and the public to the risk of damages arising from failed expectations in the use or development of the

Property. Therefore, the Parties agree that monetary damages shall not be an adequate remedy for Owner if City should be determined to be in default under this Agreement. The Parties further agree that specific performance (or writ of mandate for performance of a required act) shall be the sole available and appropriate remedy for Owner under this Agreement, and Owner shall not seek monetary damages for a default by City under this Agreement or under any otherwise applicable legal basis for monetary damages. In no event will City or its officers, agents, or employees be liable for damages for any default under this Agreement, it being expressly understood and agreed that the sole legal remedy available to Owner for a default under this Agreement by City shall be an action in mandate, specific performance, or other injunctive or declaratory relief to enforce the provisions of this Agreement.

6. Amendment or Cancellation of Agreement.

- a. This Agreement may be amended or canceled, in whole or in part, by mutual consent of Parties in writing, in accordance with the provisions of Grass Valley Municipal Code section 17.76.050 and Government Code section 65868.

7. Periodic Review.

- a. The City shall conduct annual reviews of this Agreement during its term in accordance with the procedures set forth in Grass Valley Municipal Code section 17.76.070.
- b. The costs incurred by the City in connection with an annual review shall be borne by Owner, who shall reimburse the City upon its written invoice for those costs.

8. California Environmental Quality Act (CEQA) Compliance.

- a. Owner and City agree that this Agreement 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.

9. Indemnity.

- a. Owner agrees to protect, defend (with legal counsel acceptable to City), indemnify and hold harmless City, its councilmembers, officers, agents, independent contractors and employees from and against any and all claims, damages, penalties, losses, costs, expenses (including reasonable attorneys' fees and court costs), injuries and liabilities of every kind arising out of or caused by any of Owner's alleged negligence, gross negligence or intentional wrongdoing under this Agreement, whether such alleged activities or performance thereof be by Owner or anyone directly or indirectly employed or contracted by Owner, and all claims challenging the legality, validity, adequacy, or enforceability of this Agreement.

- b. City's rights of indemnity, as expressly set forth in this Agreement, shall not depend upon its payment of any claim, damage, penalty, loss, cost, expense (including reasonable attorneys' fees and court costs), injury or liability sustained by Owner or its contractors, subcontractors, agents or employees. Owner shall not be entitled to a refund if it is adjudicated or determined to have been non-negligent.
- c. If City tenders the defense and indemnification of a claim within this Agreement to Owner and its contractors, subcontractors, agents or employees, City shall be entitled to actively supervise the claim and its defense, shall be authorized to select and retain its own independent counsel, at Owner's or its contractors, subcontractors, agents or employees' expense, as necessary, which decision shall be made solely and exclusively by City, and City must consent to the disposition of any such claim, including but not limited to, settlement.

10. Recordings.

- a. Pursuant to Grass Valley Municipal Code section 17.76.060 and Government Code section 65868.5, the City Clerk will record this Agreement with the Office of the Nevada County Recorder no later than 10 days after its execution.

11. Notices.

- a. Unless otherwise agreed to by City and Owner, all notices required or permitted to be given hereunder shall be in writing. Such notices shall be effective (i) 2 days following deposit into the United States mail, registered or certified, return receipt requested, postage prepaid, or (ii) upon hand delivery by nationally recognized overnight courier providing evidence of delivery or (iii) when sent by email, telecopy, or similar electronic transmission (if followed by a hard copy sent by one of the forgoing methods), addressed as follows:

If to City:

City of Grass Valley
 City Manager
 125 East Main St.
 Grass Valley, CA 95945

If to Owner:

Grass Valley Provisions, LLC
 [insert]

With a Courtesy Copy sent to:

Michael G. Colantuono, City Attorney
 City of Grass Valley
 City Attorney
 420 Sierra College Dr., Suite 140
 Grass Valley, CA 95945

12. Conflicts of Interest.

- a. No member, official, or employee of City shall have any personal interest, direct or indirect, in this Agreement nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is, directly or indirectly, interested.

13. Nonliability of City Officials and Employees.

- a. No member, official, employee, attorney or consultant of City shall be personally liable to Owner, or any successor in interest of Owner, for any default or breach by City or on any obligations under this Agreement.

14. Owner Understanding.

- a. Owner understands that this Agreement may result in the reduction of the total value of the Property and willingly enters into this Agreement with that knowledge. Owner agrees that it will, under no circumstances, challenge the validity of this Agreement on the basis that it has caused such reduction in value.

15. Assurances to Act in Good Faith.

- a. City and Owner agree to execute all documents and instruments, take all action, and use their best efforts to accomplish the purposes of this Agreement. City and Owner shall each diligently and in good faith pursue the satisfaction of any conditions or contingencies subject to its approval. City and Owner shall execute and deliver to the other all such further instruments and documents as may be reasonably necessary to carry out this Agreement to provide and secure to the other Party the full and complete enjoyment of its rights and privileges hereunder.

16. Constructive Notice.

- a. Every person who now or hereafter owns or acquires any right, title or interest in or to any portion of the Project or the Subject Property is and shall be conclusively deemed to have consented and agreed to every provision contained herein, whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in the Project or the Subject Property.

17. Severability.

- a. Wherever possible, each provision of this Agreement shall be interpreted so as to be effective under applicable law. If, however, any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remainder of this Agreement.

18. Construction.

- a. Owner acknowledges that Owner has been advised to have this Agreement reviewed by counsel, and agrees that Owner and its counsel (and/or such other business and financial advisers as Owner desires) have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be

resolved against the drafting Party shall not apply in the interpretation of this Agreement or any amendments or exhibits hereto.

19. Time of the Essence.

- a. Time is of the essence of this Agreement and all Parties' obligations hereunder.

20. Attorneys' Fees.

- a. If any action at law or in equity, including an action for declaratory relief or specific performance, is brought by either Party to enforce or interpret provisions of this Agreement against the other Party, then the prevailing Party shall be entitled to be reimbursed by the non-prevailing Party for its reasonable and actual attorneys' fees (including reasonable in-house counsel fees of City at private rates prevailing in Nevada County) and costs, which may be set by the court in the same action or in a separate action brought for that purpose.

21. Successors and Assigns.

- a. The provisions hereof shall be binding upon, and inure to the benefit of, City and Owner and their successors and assigns, as the case or context may require. This Agreement shall likewise be binding upon and obligate the Property and any successors in interest to the Property. City will not unreasonably withhold its consent to an assignment if the assignment results in merely a change in the form of ownership of the Property or the assets of Owner. Notwithstanding the foregoing, Owner shall have the right, without the consent of City, to assign its rights and obligations under this Agreement to a person that is an affiliate of Owner or to a purchaser of all or substantially all of Owner's assets.

22. No Third Party Beneficiaries.

- a. The only parties to this Agreement are Owner and City. Except as to successors and assigns as specified in section 21, there are no third party beneficiaries, and this Agreement is not intended, and shall not be construed, to benefit, or be enforceable by any other person whatsoever.

23. No Joint Venture.

- a. Nothing contained herein shall be construed to make City in any way or for any purpose a partner, joint venturer, or associated in any relationship with Owner, nor shall this Agreement be construed to authorize either Party to act as agent for the other. City hereby acknowledges, agrees and confirms that it has and will have no proprietary or other beneficial interest in the Property.

24. Waiver.

- a. Failure by a Party to insist on the strict performance of any provision of this Agreement by the other Party shall not constitute a waiver of such Party's right to insist and demand thereafter strict compliance by the other Party with that or other provisions of this Agreement.

25. Entire Agreement, Waivers and Amendments.

- a. This Agreement, together with its Exhibit A, contains the entire understanding and agreement of the Parties with respect to its subject matter. There are no oral or written representations, understandings, undertakings, or agreements that are not contained or expressly referred to in this Agreement, and any such representations, understandings, or agreements not contained or expressly referred to herein are superseded by this Agreement.

26. Enforcement.

- a. This Agreement shall in all respects be interpreted, enforced, and governed under the laws of the State of California. Parties agree that any action to enforce this Agreement shall be filed and maintained in the Nevada County Superior Court and Owner hereby concedes the existence of personal jurisdiction and consents to the jurisdiction of that Court for this purpose.

IN WITNESS WHEREOF City and Owner have executed this Agreement as of the date first written above.

“City”

“Owner”

City of Grass Valley

[insert]

By: _____
Signature

By: _____
Signature

Printed: _____

Printed: _____

Title: _____

Title: _____

Date: _____

Date: _____

By: _____
Taylor Day, City Clerk

Date: _____

Approved as to form:

By: _____
Michael G. Colantuono, City Attorney

Date: _____

EXHIBIT A

DRAFT

Exhibit A
DEVELOPMENT AGREEMENT
For Grass Valley Provisions, LLC

The following land use rights are vested for Grass Valley Provisions, LLC operating a legal cannabis dispensary at 403 Idaho-Maryland Road for a period of two years:

1. A business tax reduction on high potency cannabis products pursuant to Resolution No. 2024-XXX, adopted by City Council at their meeting on _____.

DRAFT

RESOLUTION NO. 2024-XXX**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRASS VALLEY
TEMPORARILY DECREASING THE ADDITIONAL BUSINESS TAXES
COLLECTED FROM CANNABIS BUSINESSES OPERATING WITHIN THE CITY
OF GRASS VALLEY FOR HIGH POTENCY CANNABIS PRODUCTS**

WHEREAS, section 5.06.030(D) of the Grass Valley Municipal Code imposes on each cannabis business in the City additional taxes of (1) up to 1% of gross receipts from high potency cannabis and each high potency cannabis product cultivated, manufactured, or sold by the taxpayer, multiplied by the percent of tetrahydrocannabinol (THC) content of the product above 17%, and (2) 20% of gross receipts from sweetened cannabis beverages;

WHEREAS, the Grass Valley City Council desires to exercise its authority under section 5.06.030(E) of the Grass Valley Municipal Code to temporarily suspend the imposition and collection of the aforementioned taxes from cannabis businesses operating within the City while this resolution is in effect;

WHEREAS, voter approval is not required for these changes to go into effect, as there will be no increase in any rate nor any amount levied on any cannabis businesses within the meaning of Government Code section 53750, subdivision (h); and

WHEREAS, the Grass Valley City Council desires this resolution to remain in effect through April 9th, 2026.

NOW THEREFORE BE IT RESOLVED by the City of Grass Valley as follows:

1. **Recitals.** The foregoing recitals are true and correct and incorporated herein.
2. **CEQA.** The adoption of this resolution is exempt from review under the California Environmental Quality Act (CEQA) (Public Resources Code, § 21000, et seq.) pursuant to CEQA Guidelines (Title 14 of the California Code of Regulations, § 15000, et seq.) sections 15378(b) and 15061(b)(3) as this is a government fiscal activity which does not commit to any specific project which may result in a potentially significant physical impact to the environment.
3. **Cannabis Business Taxes.** The taxes imposed by section 5.06.030(D) of the Grass Valley Municipal Code of (1) up to 1% of gross receipts from high potency cannabis and each high potency cannabis product cultivated, manufactured, or sold by the taxpayer multiplied by the percent of tetrahydrocannabinol (THC) content of the product above 17% and (2) 20% of gross receipts from sweetened cannabis beverages are hereby set at 0 percent while this resolution is in effect.
4. **Duration.** This resolution shall continue in force and effect until April 9th, 2026 unless sooner modified or repealed by the City Council.

5. Effective Date. This resolution shall take effect immediately upon adoption.

6. Certification. The Grass Valley City Clerk shall attest to the passage and adoption of this resolution and its approval by the City Council and shall cause the same to be listed in the records of the City.

ADOPTED as a resolution by the City Council of the City of Grass Valley at a regular meeting thereof held on the 9th day of April, 2024 by the following vote:

AYES:

NOES:

ABSTAINS:

ABSENT:

Jan Arbuckle, Mayor

ATTEST:

Taylor Day, City Clerk

APPROVED AS TO FORM:

Michael G. Colantuono, City Attorney



City of Grass Valley City Council Agenda Action Sheet

Title: Update on amendments to the Waste Management Franchise Agreement tied to state-mandated implementation of SB 1383, AB 341, and AB 1826 (Recycling and Organic Waste programs)

CEQA: Not a project.

Recommendation: That Council provide general input and direction to staff.

Prepared by: Zac Quentmeyer, Deputy Public Works Director

Council Meeting Date: 3/26/2024

Date Prepared: 3/21/2024

Agenda: Administrative

Background Information: In October of 2022, City staff updated Council on contract amendment negotiations with Waste Management (WM) related to the implementation of SB 1383. At the time Waste Management provided a proposed rate schedule for implementing additional collection services for residential and commercial customers. The rate proposal included a bundled residential rate structure where if residents sign up for residential Waste Management services, they automatically receive and pay for three carts (garbage, recycling, and organics). Residents would also have an option to apply for a waiver and choose to self-haul, opting out of all WM services. However, the proposed rate structure did not provide an option for a customer to sign up for garbage and recycling services while opting out of organic services if they compost their yard waste and food scraps. The council directed staff to continue working with Waste Management to explore additional rate structures for those residents who choose to self-compost instead of paying for collection services.

Over the last year, a committee of staff and council members have met on and off with Waste Management staff to review a variety of rate structure options. These options included variations of 3 and 4 cart systems with options for mandatory and opt out services. Ultimately, it was determined that implementing a 4-cart system where customers receive a separate cart for yard waste and food waste would lead to dramatically higher rates. This was largely due to the cost associated with processing, labor and vehicles.

In October of 2023, the committee was introduced to a solid waste model implemented in Portland, Oregon where garbage is collected every other week instead of weekly. Organic waste would be picked up weekly. The basic concept behind this model is that that about 30% of residential garbage is food waste. Thus, if residents deposit food

waste in their organics cart, they should have less garbage and less slimy smelly waste in their garbage, making biweekly pick up manageable. Many residents would likely need to increase the size of their garbage cart under this model. Below are some pros and cons staff has identified with this concept:

Pros

1. Keep rates low. Garbage and organic services would flip flop, garbage being collected biweekly, and organics would switch to weekly service.
2. Encourage customers to use their organics cart for their food scraps which is the intent of SB 1383. If customers know their garbage cart will only be picked up every other week, they will be more likely to use their organics cart for food waste to reduce odors and maximize the capacity of their garbage cart.
3. No increase in the number of trucks on the road.

Cons

1. Potential contamination of recycling and organics. If customers run out of room in their garbage can, they may choose to add non recyclables to their recycling or non-organics to their organics.
2. Potential additional overage charges. If customers are regularly overfilling their garbage carts, they may be subject to overages charges levied by Waste Management.
3. Heavier garbage carts for customers. The average size and weight of the garbage carts will likely increase for most customers, making it more difficult for those with mobility issues to get their cart to the curb.

Staff is requesting council to provide direction on whether to continue to investigate a biweekly garbage service model.

Council Goals/Objectives: There are no specific goals or objectives that support the implementation of this mandate.

Fiscal Impact: The implementation of SB 1383 is an unfunded state-mandate and requires the City to dedicate staff and general fund money.

Funds Available: Implementation requires the City to fund this effort.

Account #: General Fund

Reviewed by: City Manager

Attachments: CalRecycle overview of SB 1383

SB 1383

Reducing Short-Lived Climate Pollutants in California

An Overview of SB 1383's
Organic Waste Reduction
Requirements



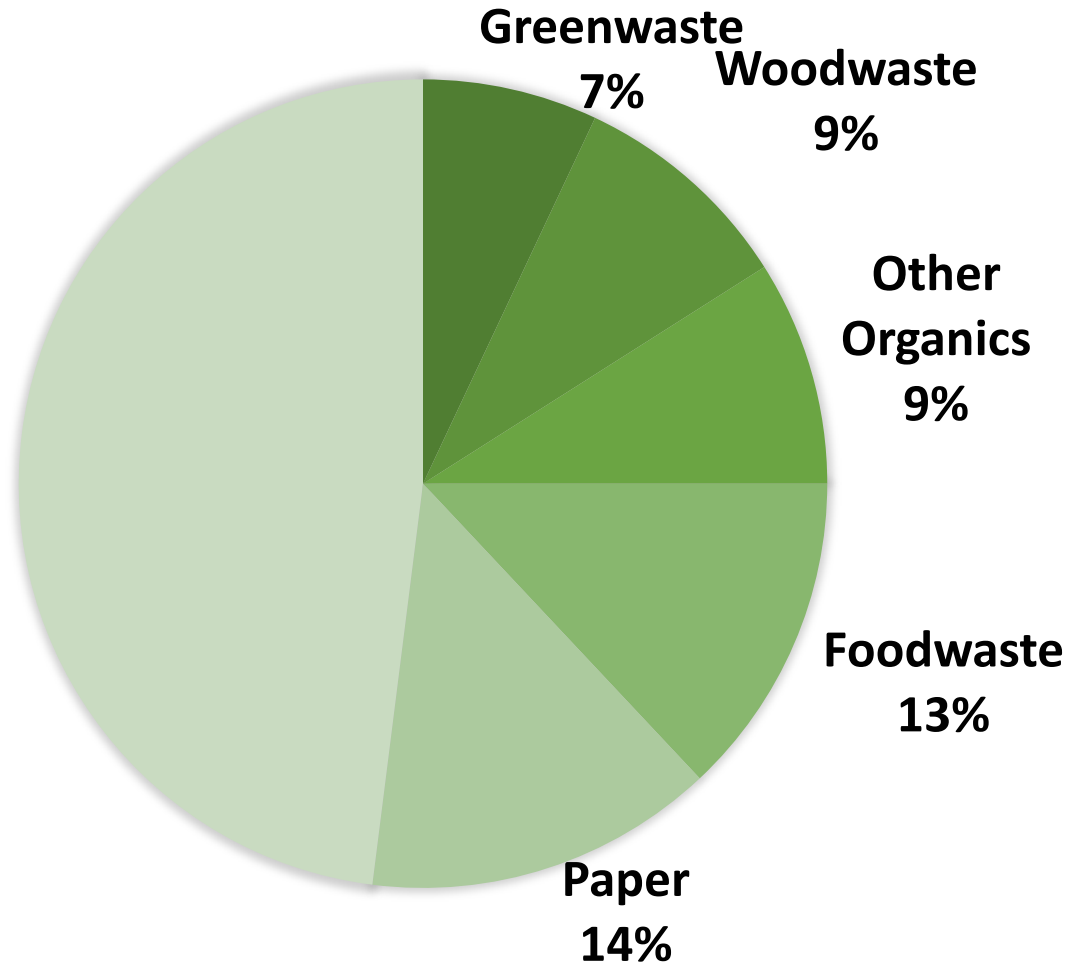
Organic Waste Is the Largest Waste Stream in California Item # 7.

1 IN 5 CALIFORNIANS ARE
FOOD INSECURE



Non
Organic
waste
48%

**CALIFORNIA THROWS
AWAY MORE THAN 6
MILLION TONS OF
FOOD WASTE EVERY
YEAR!**



**CALIFORNIA
DISPOSED OF
APPROXIMATELY 24
MILLION TONS OF
ORGANIC WASTE IN
2018**

CLIMATE CHANGE NEGATIVELY IMPACTS CALIFORNIA

Item # 7.

Landfilled Organic Waste Emits
Methane Gas—
A Super Pollutant
More Powerful than CO2

Methane Gas Contributes to
Climate Change in California



CALIFORNIA
is already experiencing
the impacts of
CLIMATE CHANGE

IN 2015 THE DROUGHT COST THE
AGRICULTURE INDUSTRY IN THE
CENTRAL VALLEY AN ESTIMATED
\$2.7 BILLION & 20,000 JOBS

SB 1383 Requirements

Item # 7.

2020

50 PERCENT REDUCTION IN LANDFILLED ORGANIC WASTE
(11.5 Million Tons of Organic Waste Disposal Allowed)

2022

REGULATIONS TAKE EFFECT

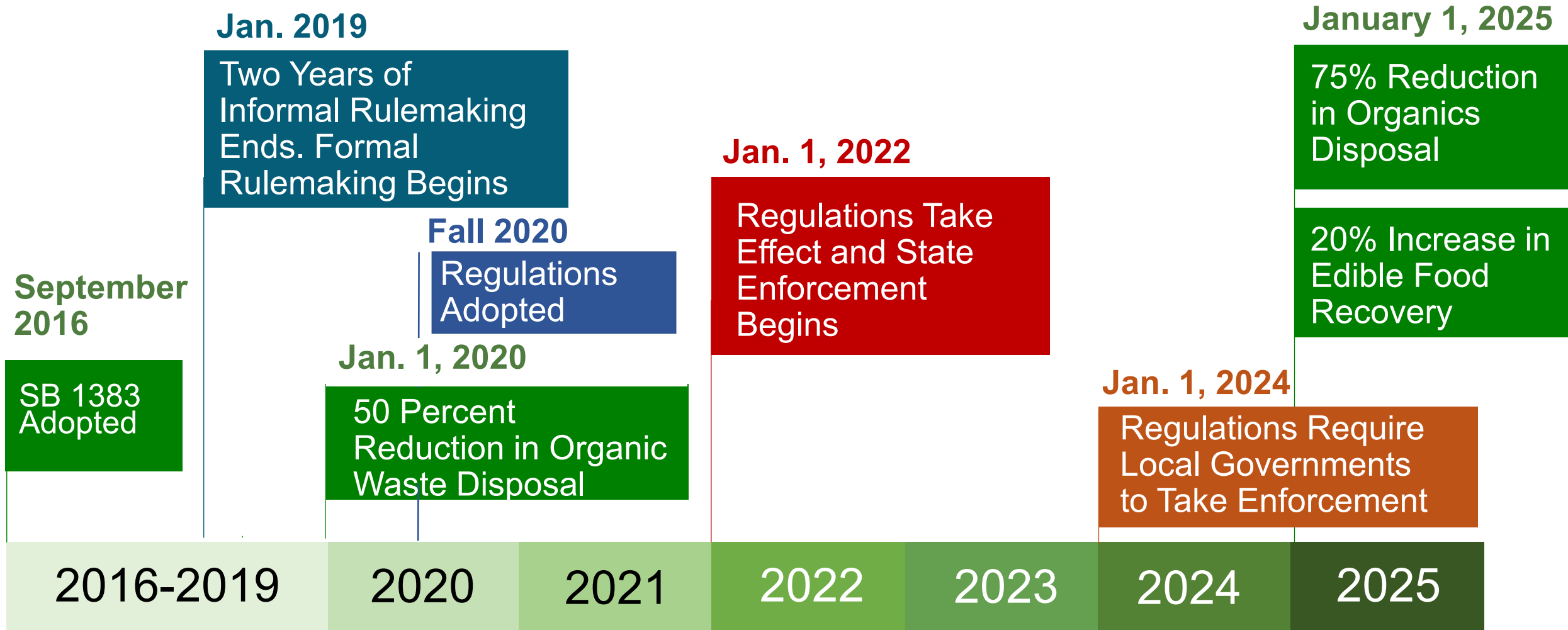
2025

75 PERCENT REDUCTION IN LANDFILLED ORGANIC WASTE
(5.7 Million Tons of Organic Waste Disposal Allowed)

2025

**20 PERCENT OF CURRENTLY DISPOSED EDIBLE FOOD MUST
BE RECOVERED FOR HUMAN CONSUMPTION**

SB 1383 Key Implementation Dates



SB 1383 Key Jurisdiction Dates

Item # 7.

2022



Provide Organics Collection Service to All Residents and Businesses



Establish Edible Food Recovery Program



Conduct Education and Outreach



Procurement



Capacity Planning

2024



Starting January 1, 2024 Jurisdictions must take action against non compliant entities

Jurisdiction Responsibilities

**Provide Organics
Collection Services to All
Residents and Businesses**



**Conduct Education and
Outreach to Community**



**Secure Access to
Recycling and Edible
Food Recovery Capacity**



**Establish Edible Food
Recovery Program**



**Procure Recyclable and
Recovered Organic
Products**



**Monitor Compliance
and Conduct
Enforcement**

SB 1383 IN ACTION

LOCAL GOVERNMENT ROLES AND RESPONSIBILITIES

SB 1383 doesn't just apply to waste management and recycling departments.
Every local department plays a role in SB 1383 implementation.



JURISDICTION REQUIREMENTS



Provide organics collection service to all residents and businesses

Organic Waste Collection Services

Item # 7.



Three-Container “source separated” Collection Service

- Organics prohibited from black container
- All organic waste segregated for collection and recycling



Two-Container Collection Service

- One container for collection of segregated organic waste
- One container for collection of mixed waste (subject to 75% organic content recovery standard)



One-Container Collection Service

- One container for collection of mixed waste (subject to 75% organic content recovery standard)

- Minimum contamination monitoring and reduction requirements
- Collection waivers authorized for certain documented circumstances

SB 1383 IN ACTION

EDIBLE FOOD RECOVERY PROGRAM



Establish Edible Food Recovery Program

JURISDICTION REQUIREMENTS

Item # 7.

Identify Existing Food Recovery Capacity



Expand Existing Food Recovery Capacity (if needed)



Monitor Commercial Edible Food Generators for Compliance



Ensure Commercial Edible Food Generators Have Access to Food Recovery Services



SB 1383 IN ACTION

EDUCATION REQUIREMENTS



Conduct Education and Outreach to Community

JURISDICTION REQUIREMENTS

Item # 7.

Annually educate all organic waste generators, commercial edible food generators, and self-haulers about relevant requirements

Jurisdictions must provide print or electronic communication.



Jurisdictions may Supplement with Direct Communication.



Appropriate educational material must be provided to linguistically isolated households

SB 1383 IN ACTION

PROCUREMENT REQUIREMENTS



Procure Recycled and Recovered Organic Products

JURISDICTION REQUIREMENTS

Item # 7.

COMPOST, MULCH, RENEWABLE NATURAL GAS & ELECTRICITY

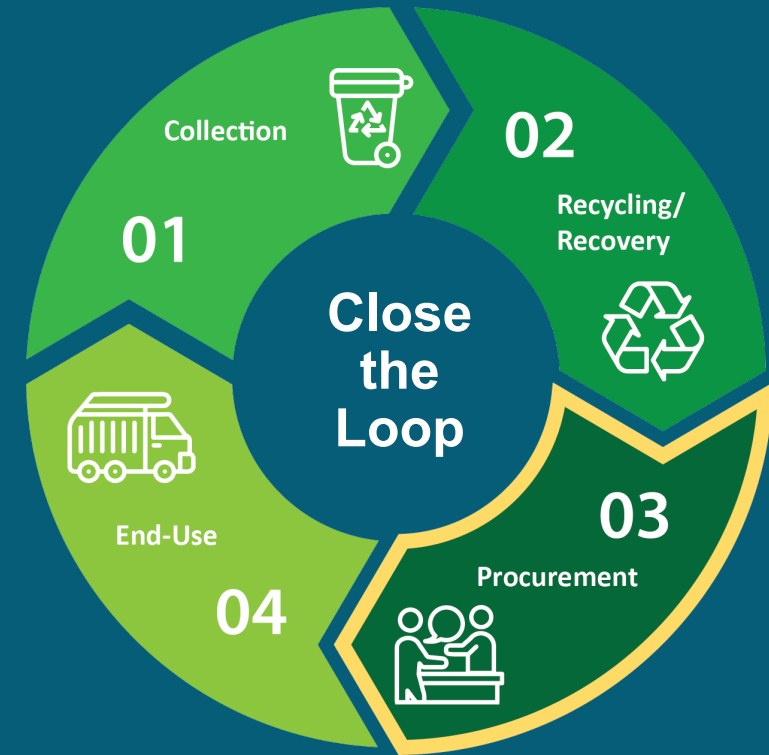
- Procurement Target

PAPER PROCUREMENT REQUIREMENTS

- Recycled Content
- Recyclability

PROCUREMENT OPTIONS

- Direct Procurement
- Direct Service Provider



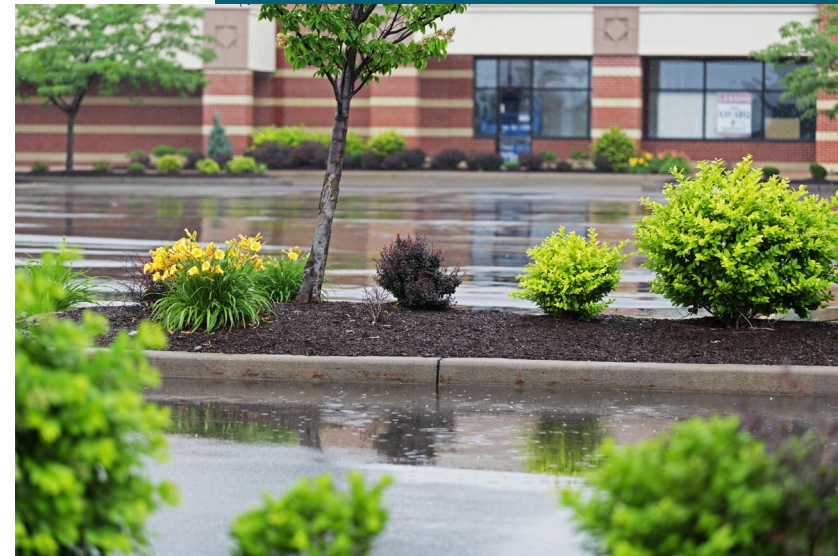
Construction & Landscaping Requirements

Item # 7.

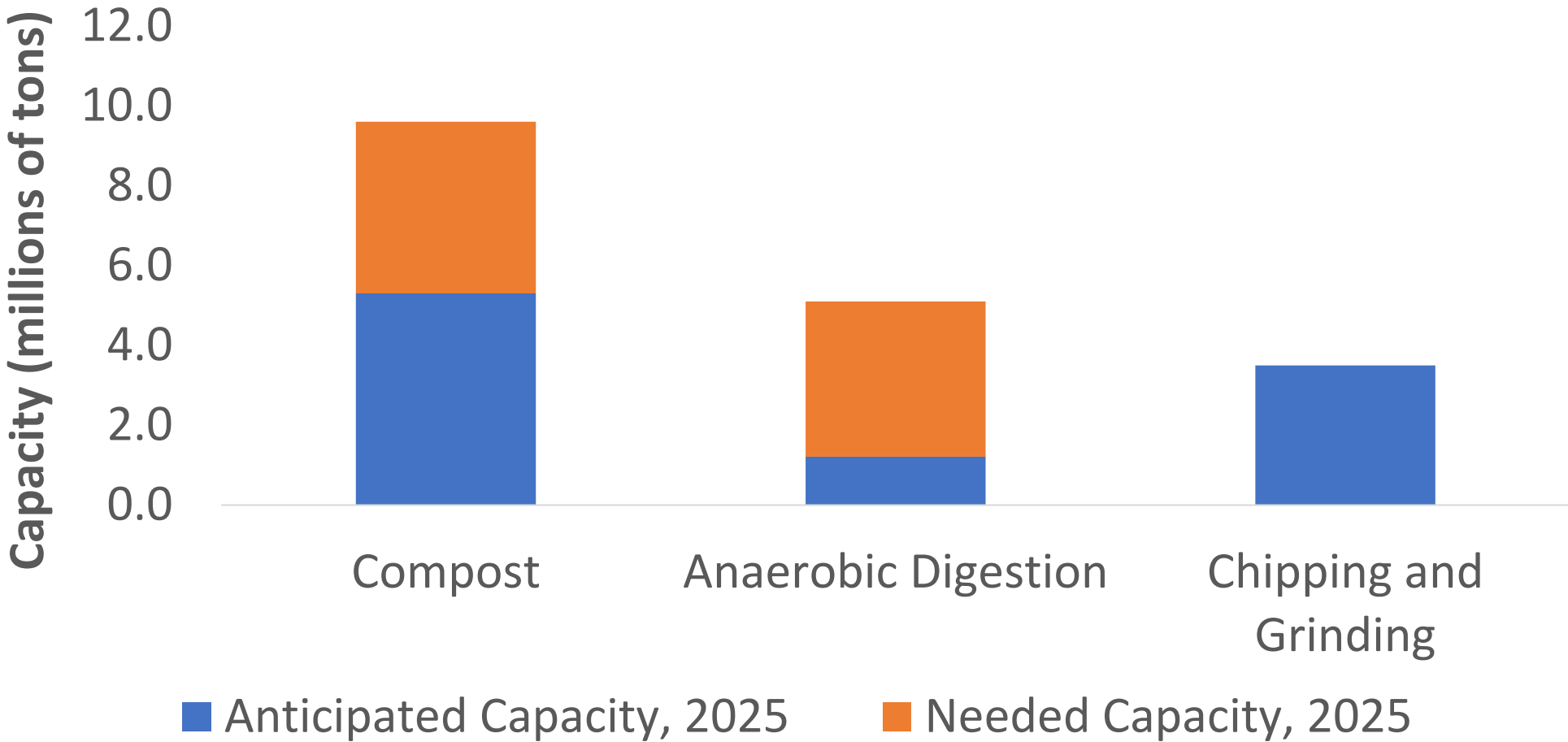


Recycling organic waste commingled with C&D debris, to meet CalGreen 65% requirement for C&D recycling in both residential and non-residential projects

Model Water Efficient Landscape Ordinance (MWELO) requirements for compost and mulch application.



Waste Sector Outlook



SB 1383 IN ACTION

INFRASTRUCTURE REQUIREMENTS



Evaluating Current Infrastructure and Planning New Compost and AD Facilities and Edible Food Recovery



SB 1383 IN ACTION

INSPECTION AND ENFORCEMENT REQUIREMENTS



Monitor Compliance and Conduct Enforcement

JURISDICTION REQUIREMENTS

Ordinance 2022



Adopt an Ordinance
(Enforceable
Mechanism)
Including
Enforcement

Compliance Monitoring & Education 2022-2024



Annual
Compliance
Reviews, Route
Reviews,
Inspections

Educate Violators

Compliance Monitoring & Enforcement 2024



Annual Compliance
Reviews
Route Reviews,
Inspections,
Notice of Violations,
Penalties for
Violators

JURISDICTION ENFORCEMENT REQUIREMENTS

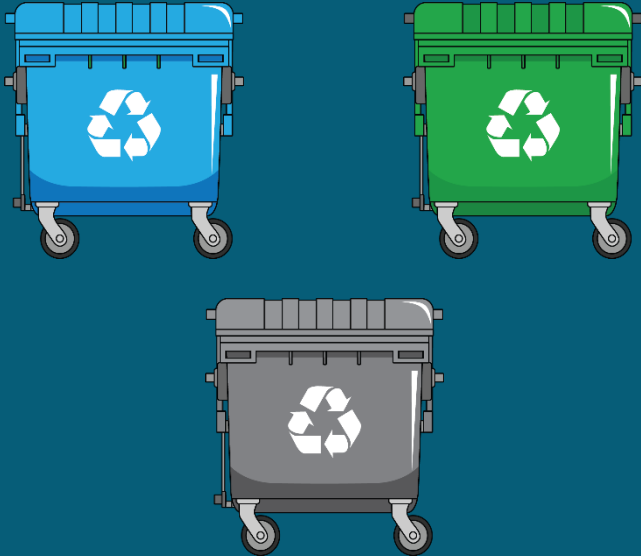


Must Have Enforcement and Inspection Program that Includes:

- Annual Compliance Review
 - Commercial Businesses that Generate ≥ 2 Cubic Yards/week
 - Verify Businesses are:
 - Subscribed to Service or Self-hauling
- 2 or 3 Container Collection Service: Route Reviews of Commercial/Residential Areas to Verify Service and Inspect for Contamination OR Waste Evaluations to Determine Percent Contamination in Loads at the Facility
- Single Unsegregated Collection Service: Verify Businesses are subscribed to a service that is Transporting Contents to a High Diversion Organic Waste Processing Facility

Requirements Harmonize with AB 1826 and Don't Establish a Minimum Quantity of Physical Inspections

JURISDICTION ENFORCEMENT REQUIREMENTS ON COMMERCIAL FOOD GENERATORS



Must Have Enforcement and Inspection Program that Includes:

- Inspections to verify:
 - Edible food Recovery arrangements
- Tier 1 Commercial Edible Food Generators by 2022
- Food Recovery Organizations and Services by 2022
- Tier 2 Commercial Edible Food Generators by 2024

Commercial Edible Food Generator Inspections Can Be Combined with Existing Mandatory Inspections

SB 1383 IN ACTION

JURISDICTION REQUIREMENTS



Maintain Records and Report to CalRecycle

Recordkeeping Requirements:



Organic Collection Services



Hauler Program



Contamination Minimization



Waivers



Education & Outreach



Edible Food Recovery Program



Recycled Organic Waste Procurement



Recycled Paper Procurement



Commercial Edible Food Generators



Jurisdiction Inspection & Enforcement



STATE ENFORCEMENT



CALRECYCLE OVERSIGHT (BEGINS IN 2022)

Item # 7.



Oversee and Monitor for Compliance

- Jurisdictions
- State Agencies and Facilities
- Local Education Agencies



Review Reports, Records and Authorize Waivers

- Annual Reports
- Implementation Record
- Low Population Waivers
- Rural Area Waivers
- Emergency Circumstances Notifications



If Violations

- Issue Notices of Violation
- Approve Corrective Action Plan
- Allows up to 24 months to address barriers outside of a jurisdiction's control
- May be subject to penalties



<https://www2.calrecycle.ca.gov/Listservs/Subscribe/152>



<https://www.calrecycle.ca.gov/organics/slcp>



**Presenter's
Contact Info**