

**ORDINANCE NO. CC 2026-03**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA HABRA, CALIFORNIA, FINDING THAT THIS ORDINANCE IS EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND TERMINATING DEVELOPMENT AGREEMENT 22-03 BETWEEN THE CITY OF LA HABRA AND JP420, LLC FOR A NON-STOREFRONT RETAIL CANNABIS BUSINESS THAT NEVER COMMENCED OPERATIONS AT 536 WEST MOUNTAIN VIEW AVENUE, SUITE B**

**WHEREAS**, California Government Code Section 65865 provides that any city may enter into a Development Agreement with any person having a legal authority or equitable interest in real property for the development of such property; and

**WHEREAS**, the City approved Development Agreement 22-03 with JP420, LLC by adoption of Ordinance 1845 on August 15, 2022 (“Development Agreement”) whereby JP420 was authorized to operate a non-storefront cannabis retail business at 536 West Mountain View Ave, Suite B, La Habra, CA 90631 (“Property”); and

**WHEREAS**, Section 15.1 requires JP420 to develop the Property and operate the business as expeditiously as feasible; and

**WHEREAS**, Section 15.2 of the Development Agreement requires the continuous operation of the business at the approved location; and

**WHEREAS**, JP420 has failed to commence operations at the Property in violation of Sections 15.1 and 15.2 of the Development Agreement; and

**WHEREAS**, the City sent JP420 written notice of default on March 23, 2026. JP420 has failed to cure within 14 days as set forth in Section 27.1 of the Development Agreement; and

**WHEREAS**, for these reasons, the City Council desires to terminate the Development Agreement; and

**WHEREAS**, this ordinance was reviewed pursuant to the guidelines of the California Environmental Quality Act (CEQA) and determined to be Categorically Exempt pursuant to 14 CCR Section 15060(c)(2) and 15061(b)(3) because it can be seen with certainty that there is no possibility that the project will have a significant impact on the environment for which the subject Development Agreement applies.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LA HABRA DOES HEREBY ORDAIN AS FOLLOWS:**

**SECTION 1.** The City Council finds that all the aforementioned facts, findings, and conclusions set forth in this Ordinance are correct.

**SECTION 2.** The City Council of the City of La Habra does hereby terminate the Development Agreement and directs the City Clerk to record a copy of this ordinance with the Orange County Clerk-Recorder.

**PASSED, APPROVED AND ADOPTED** this 4<sup>th</sup> day of May, 2026.

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José Medrano  
Mayor

ATTEST:

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Rhonda J. Barone, CMC  
City Clerk

STATE OF CALIFORNIA }  
COUNTY OF ORANGE } SS.  
CITY OF LA HABRA }

I, Rhonda J. Barone, CMC, City Clerk of the City of La Habra, do hereby certify that the above and foregoing is a true and correct copy of Ordinance No. CC 2026-03 introduced at a regular meeting of the City Council of the City of La Habra held on the 20<sup>th</sup> day of April, 2026, and was thereafter adopted at a regular meeting held on the 4<sup>th</sup> day of May, 2026, by the following vote:

AYES: COUNCILMEMBERS:  
NOES: COUNCILMEMBERS:  
ABSENT: COUNCILMEMBERS:  
ABSTAIN: COUNCILMEMBERS:

Said ordinance has been published or posted pursuant to law.

Witness my hand and the official seal of the City of La Habra this 4<sup>th</sup> day of May, 2026.

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Rhonda J. Barone, CMC  
City Clerk