Date: April 7, 2026

Honorable Mayor and Council Members:

Author and title: Carissa Binkley, Economic Vitality Program Analyst II & Denyelle Nishimori, Director of Community Development

Title: **River Revitalization Steering Committee (R2SC) Update**

Jen Callaway, Town Manager

Recommended Action:

Staff recommend that Town Council:

1. Direct staff to reconvene the River Revitalization Steering Committee (R2SC) as an ad-hoc advisory group to:
    - Receive progress updates on each Catalyst Project;
    - Provide input and review of a Catalyst Land Use concept, consistent with the R3 Playbook; and
    - Review and provide input on potential future uses of the eastern portion of the 10257 West River Street parcel

2. Provide direction regarding Catalyst Project focus area remaining limited to the currently approved sites or being expanded.

Executive Summary:

This staff report provides an update on the River Revitalization Steering Committee (R2SC) and highlights key topics for Council discussion. Since the last update to Town Council, staff and consultants have advanced the Catalyst Projects, coordinated with property owners, and evaluated regulatory tools to support implementation.

Staff recommend reconvening the R2SC to review Catalyst Project progress, discuss a Catalyst Project land use concept consistent with the R3 Playbook, and consider potential future uses for the eastern portion of the 10257 West River Street parcel, adjacent to DEWBEYÚMUWEʔ Park, following the withdrawal of the proposed development by Jones-Corda Construction, Truckee River Winery and Ward Young Architecture and Planning.

Staff also seeks Council direction on whether to expand the Catalyst Project focus area as expansion has been requested by two catalyst sites. Expansion of catalyst sites will have impacts to staff time and consultant support needed, as well as the Council's approved workplan, likely delaying the Economic Vitality Action Plan.

Discussion:

BACKGROUND

Established by Town Council in 2023, the River Revitalization Steering Committee (R2SC), a committee of Town Council members, property owners, residents and business owners, worked to develop a vision for a revitalized, connected, and accessible Truckee River corridor.

The Catalyst Project concept emerged through the R2SC process as a strategy to build momentum and advance river corridor redevelopment in partnership with a small number of interested property owners.

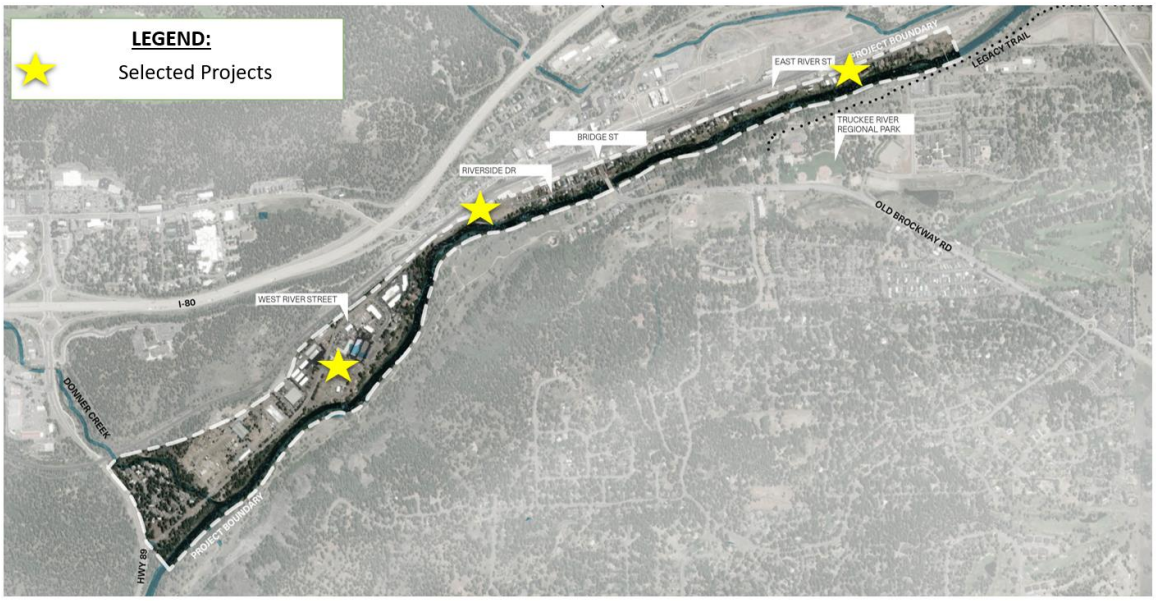
- On October 8, 2024, Town Council directed staff to develop a Request for Interest (RFI) to solicit property owner interest in participating in the Catalyst Project process (see Attachment 1)
- Following a robust, R2SC-led selection process focused on alignment with R2SC goals and feasibility of short-term change, on January 28, 2025, Town Council approved three Catalyst Project partners and directed staff to negotiate partnership agreements with the selected property owners (see Attachment 2)
- On September 23, 2025, Town Council approved the R3 Playbook, an action plan developed through nearly two years of public engagement, technical analysis, and committee-led planning. Catalyst Projects are intended to demonstrate early implementation of the Playbook vision, support economic vitality, and enhance river-oriented uses while maintaining community character (see Attachments 3 and 4)

Following adoption of the R3 Playbook, R2SC wrapped up their regular meetings. Interested members of the R2SC agreed to attend any potential future meetings as an ad-hoc advisory group.

Since the last Council update on September 23, 2025, staff, consultants and R2SC volunteer liaisons have continued coordination with catalyst site property owners, refined site concepts, and evaluated potential regulatory tools to support catalyst project feasibility.

Catalyst Project Updates

Exhibit 1: Catalyst site locations



Each Catalyst Project has convened regular coordination meetings with consultants, staff, and volunteer R2SC liaisons. Progress to date includes:

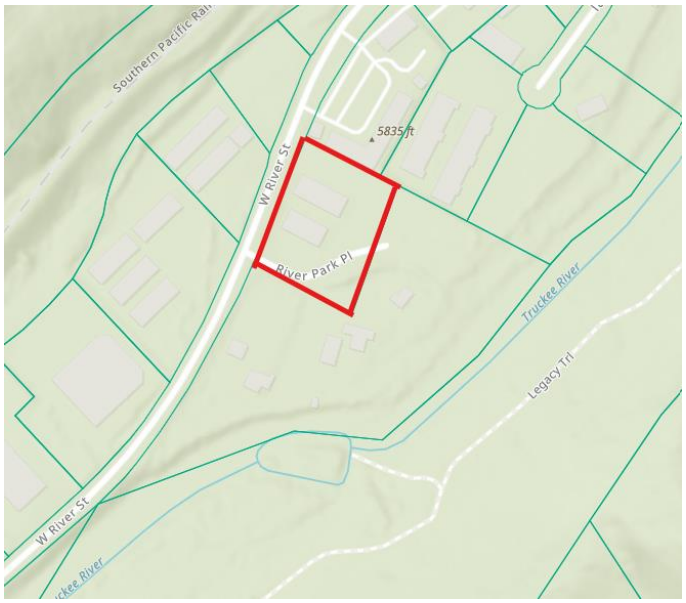
<u>East River Street: Mark Tanner Construction, 10603 East River Street</u>

Exhibit 2: <u>10603 East River Street Catalyst Site</u>

- Five Catalyst Project meetings have been held
- Evaluation of potential uses, including residential, lodging, and recreation, for zoning and financial feasibility
- Assessment of building reuse versus removal of the existing structure
- Site walk to better understand reuse opportunities
- Coordination of Base Flood Elevation survey
- Initial assessment of potential receiver sites within Truckee, with no preferred site identified at this stage
- Review of potential zoning pathways
- Airport Land Use Compatibility analysis

<u>West River Street: Truckee River Partners, 10885 West River Street</u>

Exhibit 3: 10885 West River Street Catalyst Site

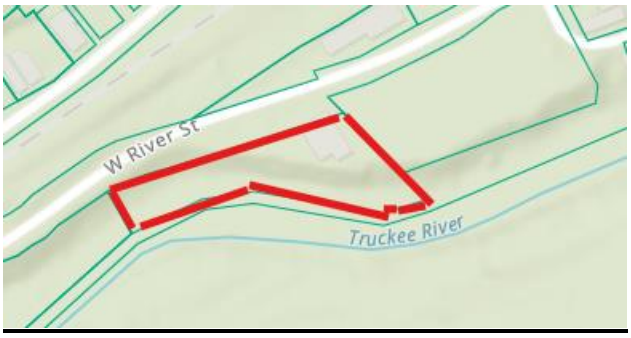


- Five Catalyst Project meetings have been held
- Evaluation of potential adaptive reuse opportunities and the relationship with the adjacent riverfront property
- River setback analysis on the adjacent riverfront property
- Zoning constraints and opportunities review

- Site walk to assess restoration, public access, and redevelopment opportunities
- Development of a conceptual phased plan.

<u>Downtown West River Street: Old Trestle 10331 West River Street</u>

Exhibit 4: 10331 West River Street Catalyst Site



- Six Catalyst Project meetings have been held
- Development Permit application under review by Town Planning (see Attachment 5).
- Coordination of required materials for application processing.
    - Environmental review is in process and completion of review is contingent upon submittal of additional required information from the applicant.
- Preparation of a communications consultant scope of work; solicitation of proposals in process.

Catalyst Project Land Use Concept

Staff have identified two common constraints across the two Catalyst Project sites for 10885 West River Street and 10603 East River Street: first, exclusively-residential zoning (Downtown High Density Residential 12- 24 dwelling units per acre) that limit the ability to establish non-residential or mixed uses. Second, Development Code standards regarding legal nonconforming use makes adaptive reuse and transitions to R3 Playbook implementation challenging. To address these constraints, staff explored options for a more flexible land use approach that allows a broader mix of uses while establishing project-specific standards as well as options that allow for investment in and transition to a revitalized and connected river corridor.

Staff are proposing a two-phased approach for these two catalyst sites:

<u>Phase 1 (Near-Term):</u>

This phase is intended to facilitate near-term advancement of catalyst projects to support river-oriented revitalization in advance of a comprehensive rezoning of the area.

The Town would maintain the existing DRH, 12-24 (Downtown High Density Residential, 12-24 dwelling units per acre) zoning for both 10885 West River Street and 10603 East River Street and process individual Planned Development land use applications to allow uses that are otherwise not allowed in this zoning district. This option could provide a process to define expectations of how the additional uses and site improvements will advance the river revitalization goals of the R3 Playbook and will establish parameters for the transition of non-conforming uses to conforming uses over time.

This approach provides flexibility to advance catalyst projects while enabling the Town to apply conditions related to timelines, performance standards, and required improvements. Specific findings for this process include determining that the Planned Development results in a project of superior quality than might otherwise occur from the strict application of the provisions and standards of the Development Code and that the project is creating a substantial public amenity beyond the typical

requirements of the Development Code. Additionally, any potential life/safety building and site deficiencies would need to be addressed before any new uses would be able to operate.

Phase 2 (Longer-Term):

Phase 2 for both the 10885 West River Street site and the 10603 East River Street site would involve rezoning both sites to allow mixed use. As described below, rezoning is a longer and more complex process that will need to consider General Plan consistency, Housing Element requirements and Downtown Truckee Plan consistency, and would begin after the planning division wraps up work on the Housing Element update. This is why staff recommend considering a Planned Development opportunity for either project to move forward more quickly, if the property owner is ready to do so. Because rezoning of the river corridor to uses informed by the R2SC process is already planned as part of the Town's General Plan implementation workplan and budget, the rezoning process would be completed at the Town's expense.

West River Street: Truckee River Partners, 10885 West River Street

Rezone this site to a new Riverfront Mixed Use zoning district consistent with the General Plan land use designation. Since this catalyst site is currently a Housing Element site, which means that it is counted as part of the sites inventory toward the Town's lower income Regional Housing Needs Allocations (RHNA), a potential change in density of a site would trigger a requirement to make a "no net loss" finding (Government Code Section 65863). A "no net loss" finding means that the Town will have to ensure that there is adequate existing zoning to address the potential loss in lower income housing units to meet the RHNA requirements or the Town would be required rezone additional sites to address the potential loss within six months. Staff believes that the site can be rezoned to a density of 15-18 dwelling units per acre, which would address the minimum density requirements for a lower income site and the maximum density allowed in the Riverfront Mixed Use General Plan land use designation. Staff's proposed new zoning district has a lower residential density than the current zoning and would create a small loss in lower income housing units; however, other rezoning along West River (for General Plan land use designation consistency), could occur concurrently to address the potential loss of housing units. This would align zoning with long-term land use goals, while supporting mixed-use development.

East River Street: Mark Tanner Construction, 10603 East River Street
Rezone this site to allow mixed-use development. This could mean that the site would be zoned RMU,15-18 to match the zoning for the West River catalyst site, Downtown Mixed Use (DMU), or to another zoning district depending on long-term goals for reuse of the site. A rezone may require a review and revision of the Downtown Truckee Plan to ensure consistency, which would take place concurrently with the rezone. In order to allow R2SC-supported non-residential uses long-term and encourage redevelopment or reuse of a legal, nonconforming industrial/office site, this site would need to be rezoned from DRH, 12-24 to a mixed-use zoning district.

This catalyst site is not currently a Housing Element site, is not counted toward the Town's potential housing capacity, and would not be subject to the "no net loss" law. Additionally, if the new zoning requires a minimum density of at least 15 dwelling units per acre and if the property owner provides written support for this potential change, this site may qualify as a candidate site for rezoning to meet RHNA requirement. Note that the smaller parcel size may mean that the site would only qualify as a moderate-income site regardless of density.

Next Steps- Catalyst Project Land Use Concepts

Following Council feedback received as part of this agenda item, staff recommend presenting this concept and Council feedback to R2SC for input. Council's feedback will help frame this discussion with R2SC and provide R2SC with parameters in which the Council would like to move forward. Staff then anticipate returning to Town Council with a refined proposal in late spring or summer 2026. The MOU for each catalyst project specified a not-to-exceed amount of consultant costs and staff time that Council approved to support each catalyst project. A summary of the current tracking of MOU-allocated and remaining resources is provided below (note, the below balances do not include consultant work completed during March, 2026).

Table 1: Tracking of MOU-allocated catalyst project resources

Catalyst Project	**Consultant Budget**		**Community Dev. Staff Hours**		**Economic Vitality Staff Hours**	
	Allocated	*Remaining*	*Allocated*	*Remaining*	*Allocated*	*Remaining*
Truckee River Partners MOU	$50,000	$28,430	30	18	75	60
Mark Tanner Construction MOU	$75,000	$41,235	40	18	100	90

Staff will provide an update of the above resource tracking when a refined proposal is brought back to Town Council following R2SC input. As part of this future Council discussion, Council will have an opportunity to consider whether to allocate any additional staff time (if anticipated to be necessary) to support each project's planned development process, or whether to direct that any exceedance of the not-to-exceed Community Development staff time specified in the MOU would be charged to the project applicant. Additionally, at this time Council will have the opportunity to consider prioritization of planned development application processing, in the context of considering feasibility with completing priorities and processing requirements (i.e. time-sensitive Housing Element development and state-required timelines for processing housing projects).

Potential future use of 10257 West River Street

The Town owns the 1.42 acre 10257 West River Street parcel, formerly used as the Nevada County corporation yard. Following robust community engagement, the Town developed a redevelopment feasibility study that included a vision for a riverfront park (now named DEWBEYÚMUWEʔ Park, which was completed by the Town in 2025), and river-oriented commercial uses to activate the neighborhood. Following a 2017 Request for Qualifications process (see attachment 6), the Town selected two development teams to partner with the Town on the site's commercial offerings. One selected partner, Truckee River Partners, continues to move forward on their proposed Old Trestle project (now a R2SC catalyst project) that will include the adjacent 10885 West River Street parcel and the western portion of the 10257 West River Street parcel. The party previous-selected to develop the eastern portion of the parcel, a partnership comprised of Jones-Corda Construction, Truckee River Winery and Ward Young Architecture and Planning, has notified the Town that they are no longer pursuing development of the eastern portion of the Town-owned property. Staff recommend seeking R2SC input on potential future uses of the site consistent with the R3 Playbook. Based on the goals of the R3 Playbook and prior R2SC discussion about the importance of developing housing within the river corridor, staff propose that R2SC consider recommending a housing use for this site.

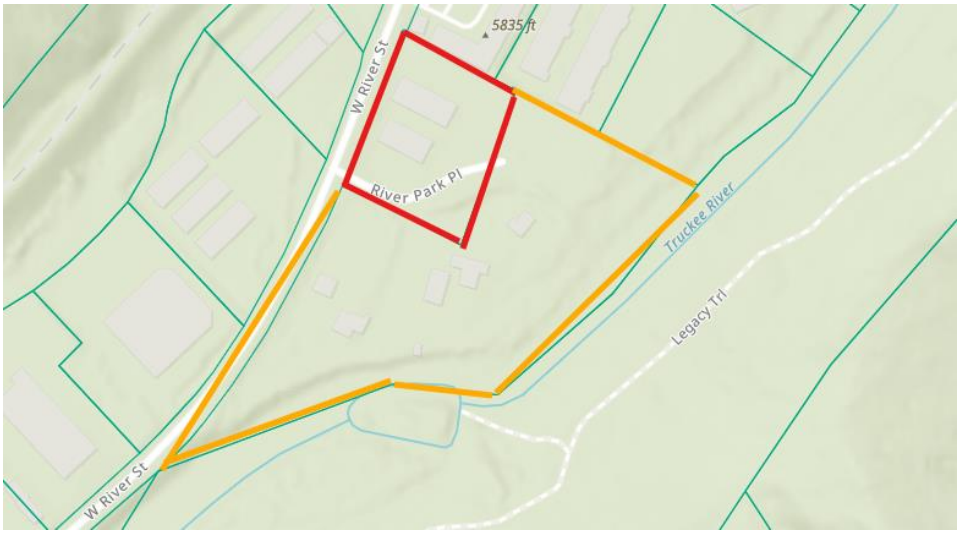
This proposed concept will be discussed with R2SC and staff anticipate that R2SC will make a recommendation to Town Council regarding future use of this site. Following R2SC's discussion, staff anticipate bringing the committee's recommendation to Town Council for direction on potential next steps. Council is welcome to provide initial feedback and thoughts for R2SC to consider as part of this

discussion, such as identifying Council's preferred land use as housing, mixed-use, etc. Staff will share Council feedback with R2SC during the upcoming meeting.

Consideration of Catalyst Project Expansion

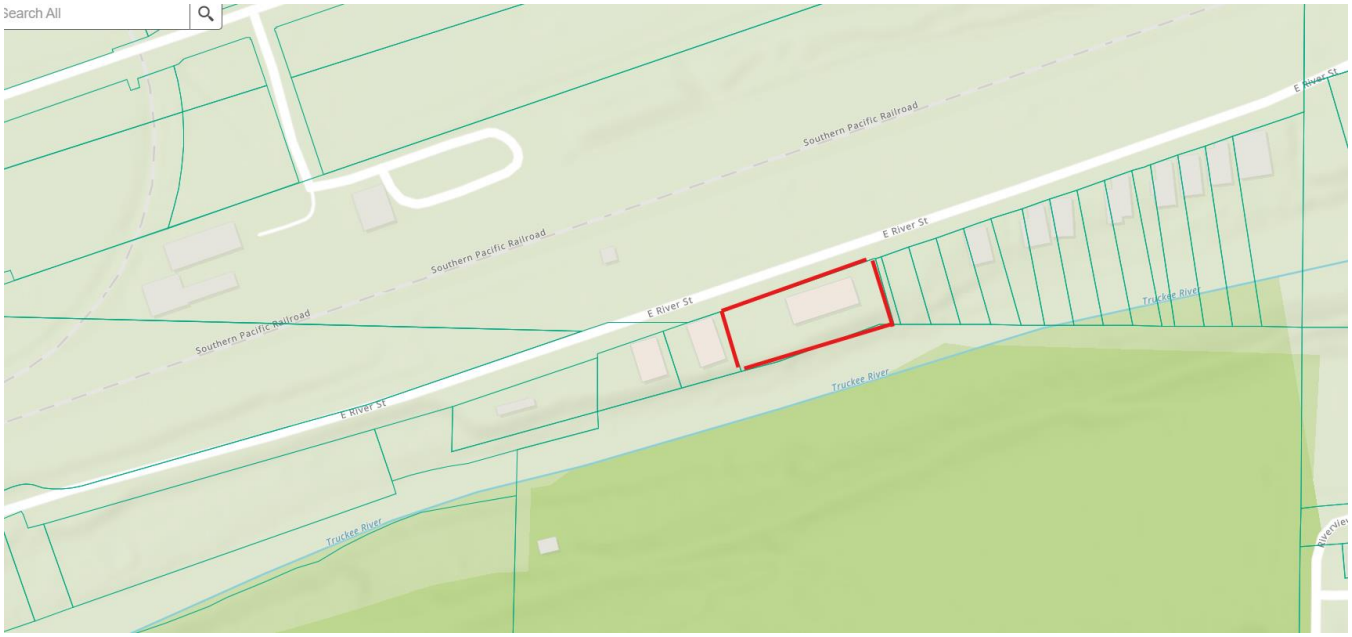
Expansion of the Catalyst Project focus areas to include nearby properties has been requested by two of the catalyst projects owners and evaluated as part of the on-going catalyst site work (see Exhibits 5 and 6). While this could create additional opportunities, it would require additional staff and consultant resources, would likely affect project timelines and costs, and is also is not currently programed into the Town's workplan. Specifically, staff anticipate that an expansion of catalyst sites would likely delay completion of the Economic Vitality Action Plan.

Exhibit 5: 10885 West River Street Catalyst Site and adjacent parcel



The 10885 West River Street Catalyst Site is depicted above in red, with the adjacent riverfront parcel in orange. Staff have discussed floodplain analysis of the adjacent riverfront parcel to aid in potential financing of revitalization efforts. The property owner continues to express interest in expanding the catalyst project to include both parcels.

Exhibit 6: 10603 East River Street Catalyst Site and adjacent parcels



The 10603 East River Street Catalyst Site is depicted above in red. Neighboring properties owned by other parties are currently expected to be collaboratively involved in catalyst work.

To help provide a framework and direction for staff and the catalyst site project teams, staff seeks Council direction on maintaining focus on the currently approved Catalyst Project sites. As catalyst site discussions have progressed, on-going requests to expand catalyst support to adjoining and adjacent properties has come up. Staff have been adhering to work specific to the catalyst sites, understanding that this was the direction of Council and the intent of the catalyst projects, to focus on three achievable projects to ensure meaningful progress, to learn from these initial projects and to inform future revitalization efforts. However, since the request to expand has come up multiple times, staff would like Council direction to share with R2SC and catalyst site property owners, providing a more clearly defined framework and guardrails for the project sites. Expansion of the catalyst sites would require additional staff and consultant support, requiring revisions to the Council strategic priorities workplan. Most notably, the Economic Vitality Action Plan development would likely be delayed.

The existing catalyst project MOU scopes of work allow for limited consideration of/ coordination with adjacent properties. Specifically, the Truckee River Partners MOU states that, “The Parties may jointly plan for conceptual design of the Property, focusing on the adaptive reuse of the buildings on 10855 West River Street while allowing for consideration of the connection to the owner’s planned development on 10925 West River Street.” Staff has interpreted this language to prioritize advancing the catalyst parcels while also supporting work that considers impacts on neighboring and adjacent properties. For example, for the 10855 West River Street catalyst project work has included initial site testing to understand development constraints and opportunities on both the catalyst site and adjacent parcel, including river setbacks. It is staff’s understanding that additional catalyst project work to refine the conceptual design and roadmap to development should focus on the catalyst parcel, unless Council provides direction to expand the catalyst project. Staff seeks Council direction as to the interpretation of this language and expansion of catalyst site support to ensure staff is working in alignment with expectations.

Next Steps

Based on Council direction, staff will reconvene the R2SC this spring to review these topics and return to Council with updates and any recommended actions in late spring or summer 2026.

Priority:

x	Enhanced Communication		Climate and Greenhouse Gas Reduction	x	Housing
X	Infrastructure Investment		Emergency and Wildfire Preparedness		Core Service

Fiscal Impact:

The immediate impact associated with the recommended action is staff time to reconvene R2SC. Additional work related to Catalyst Projects, zoning updates, or potential expansion may have budget implications, which would be brought forward for Council consideration as needed.

Public Communication: Agenda posting.

Attachments:
Attachment 1: October 8, 2024 staff report::
https://portal.laserfiche.com/Portal/DocView.aspx?id=59743530&repo=r-6a91ddbc

Attachment 2: January 28, 2025 Staff report:
https://app.laserfiche.com/laserfiche/DocView.aspx?repo=r6a91ddbc&customerId=140032387&id=59783573

Attachment 3: September 23, 2025 staff report:
https://app.laserfiche.com/laserfiche/DocView.aspx?repo=r6a91ddbc&customerId=140032387&id=59881204

Attachment 4: R3 Playbook:https://townoftruckee.box.com/s/ifkkowr3g4wngyuldkto3u6rcb0a0are

Attachment 5: Old Trestle Development Permit: https://www.townoftruckee.gov/725/Old-Trestle-Development-Permit

Attachment 6: West River Site Development Project Update:
https://portal.laserfiche.com/Portal/DocView.aspx?id=59260657&repo=r-6a91ddbc