



PLANNING COMMISSION STAFF REPORT

Meeting Date: October 21, 2025

To: Town of Truckee Planning Commission

From: Yumie Dahn, Principal Planner

RE: The Village at Gray's Crossing Project Amendment Time Extension (Planning Application #2025-00000097)

APNs 043-050-025 to -027, 043-060-009 to -012, 043-060-014 to -027, 043-070-008 to -021 (10222, 10202, 10204, 10151, 10105, 10162, 10073, 10036, 10020, 10012, 10003 Edwin Way; 10131, 10125, 10117, 10109, 10097, 10089, 10085, 10077, 10069, 10061, 10076, 10084, 10096, 10102, 10053, 10047, 10041, 10033, 10027, 10019, 10026, 10038, 10046, 10054 Jake's Way)

Approved by: Denyelle Nishimori, Community Development Director

Recommended Action: That the Planning Commission adopt Resolution No. 2025-14 approving a two-year Time Extension for the previously approved Village at Gray's Crossing Project Amendment and determining the project exempt from further environmental review pursuant to Section 15061(b)(3) of the California Environmental Quality Act.

Project Summary: The applicants are requesting a two-year time extension for the previously approved Village at Gray's Crossing, a mixed-use project which includes 24 townhomes, a fourplex residential building, five mixed-use buildings with 17,192 s.f. of commercial floor area and 21 residential lofts, a 129-unit hotel with conference center, and an automated car wash. The Village at Gray's Crossing was approved by the Planning Commission on August 20, 2019 and extended for two years on November 16, 2021 and December 19, 2023. These approvals included the townhomes, fourplex, mixed-use building and hotel with conference center; the car wash was not part of the original approval.

On January 16, 2024, the Planning Commission considered a Project Amendment to the Village at Gray's Crossing project that focused on the design of the 129-unit hotel and associated conference center. The approval of the Project Amendment extended the Village at Gray's Crossing approval to January 29, 2026. On March 12, 2024, the Council approved on appeal an additional Project Amendment which incorporated a 3,883 s.f. 100-foot-long automated car wash, which extended the project approvals for the entire Village at Gray's Crossing to March 12, 2026.

The applicants have completed construction of 12 of the 24 townhomes and the fourplex residential building. Building permits have been submitted and reviewed for the five mixed use buildings but have not been completed for issuance by the applicants. A grading permit for the hotel and conference center was issued on June 25, 2025 with building permits anticipated to be ready for issuance this fall. The applicant does not anticipate installing foundations or commencing vertical construction for the hotel until the 2026 construction season.

In order to ensure the land use entitlement continue to be in active, the applicants are requesting a two-year time extension for the Village at Gray's Crossing Project Amendment, which is located at APNs 043-050-025 to -027, 043-060-009 to -012, 043-060-014 to -027, 043-070-008 to -021 (10222, 10202, 10204, 10151, 10105, 10162, 10073, 10036, 10020, 10012, 10003 Edwin Way; 10131, 10125, 10117, 10109, 10097, 10089, 10085, 10077, 10069, 10061, 10076, 10084, 10096, 10102, 10053, 10047, 10041, 10033,

10027, 10019, 10026, 10038, 10046, 10054 Jake's Way). The requested Time Extension would extend the following land use entitlements:

- Development Permits to construct new structures that contain 7,500 s.f. or more of total gross floor area and allow 26,000 s.f. or more of site disturbance, including the hotel and conference center, townhomes, fourplex, five mixed-use buildings, and car wash.
- Tentative Map for a condominium plan for commercial and residential tenant spaces in the mixed-use buildings and fourplex
- Comprehensive Sign Program for a multi-tenant site with a hotel with conference center and commercial uses.

Planning Commission's Role: The Planning Commission's role is to review the requested Time Extension and ensure that the project is consistent with the requirements of the current Development Code, Specific Plan, and 2040 General Plan. Typically, projects that have been reviewed by the Town Council, such as the Village at Gray's Crossing Car Wash Project Amendment, return to the Town Council for review. However, Condition of Approval No. 5 of Town Council Resolution 2024-12 allows for the Planning Commission to be the designated review authority for all potential Time Extensions and Project Amendments associated with the project.

Location/Setting: The project site is located in the Prosser area, east of State Route 89N between Prosser Dam Road and Hennes Road along Edwin Way. Adjacent uses include the Fairway Townhomes on Annie's Loop to the north, Hennes Flats apartments to the south, and the Gray's Crossing golf course and single-family residential homes to the east (see Figure 1; APNs 043-050-025 to -027, 043-060-009 to -012, 043-060-014 to -027, 043-070-008 to -021 (10222, 10202, 10204, 10151, 10105, 10162, 10073, 10036, 10020, 10012, 10003 Edwin Way; 10131, 10125, 10117, 10109, 10097, 10089, 10085, 10077, 10069, 10061, 10076, 10084, 10096, 10102, 10053, 10047, 10041, 10033, 10027, 10019, 10026, 10038, 10046, 10054 Jake's Way).

Project Site Information:

General Plan Designation: Gray's Crossing Specific Plan Area
Zoning District: Neighborhood Commercial (CN)
Project Site Size: 15.9 acres

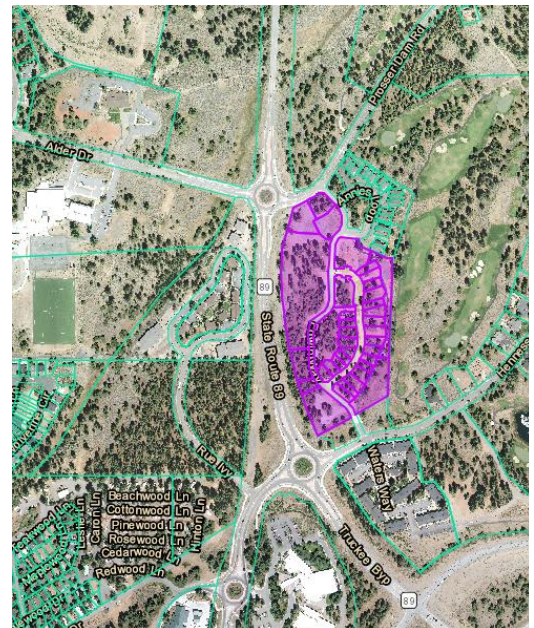


Figure 1: Vicinity Map

Discussion/Analysis:

Background

The Village at Gray's Crossing has a history that dates back to 2004 with the adoption of the Gray's Crossing Specific Plan. The most recent iteration was approved by the Planning Commission in August 2019. The applicants proposed the following:

- An 83,371 s.f. 129-room hotel with 4,989 s.f. conference center, pool, and outdoor lounge area
- One eight-pump gas station with 2,788 s.f. convenience store and 756 s.f. car wash
- Three Commercial buildings with five residential units above (called "neighborhood commercial" on the applicant team's site plan; considered live/work by the Gray's Crossing Specific Plan)
 - Commercial square footage (retail assumed) for each building: 2,460 s.f.
 - Five residential units in each building: Two 530 s.f. one-bedroom units and three 660 s.f. one bedroom units.

- Two Commercial Buildings with three residential units above. (called “live/work units” on the applicant team’s site plan; considered live/work by the Gray’s Crossing Specific Plan)
 - Commercial square footage (retail assumed) for each building: 4,906 s.f.
 - Three residential units in each building: Three 1,569 s.f. two bedroom units
- 24 attached single-family residential units:
 - Four Townhome A buildings (Two units within each building) – Two four-bedroom 2,738 s.f. attached units with 615 s.f. garages
 - Four Townhome B buildings (Two units within each building) – One 2,738 s.f. four-bedroom attached unit with 575 s.f. garage and one four-bedroom 2,802 s.f. with 615 s.f. garage
 - Five Townhome C buildings (Two units within each building) – Two three-bedroom 1,984 s.f. with 575 s.f. garages
- One fourplex:
 - Two two-bedroom 1,435 s.f. units
 - Two two-bedroom 1,461 s.f. units
- 250 parking spaces

Due to neighborhood concern, the applicants removed from consideration the gas station with convenience store and car wash from the application request and added in additional landscape berming along SR89N and an offsite bus turnout on the south side of Henness Road. Nineteen additional parking spaces were also included in the project. The Planning Commission approved the project as revised by the applicant on August 20, 2019 (Resolution 2019-17). Two two-year Time Extensions were approved in 2021 and 2023 (Resolution 2021-12 and 2023-20).

On January 16, 2024, the Planning Commission approved a Project Amendment to the Development Permit for the hotel and conference center portion of the project which requested modifications to the architectural design and site layout, including parking, trash enclosure location, exterior lighting, signage, and landscape plans. Approved changes to the project resulted in an approximately 91,704 s.f. hotel and 4,820 s.f. conference center. This project amendment extended the land use entitlements to January 29, 2026 (Resolution 2024-02).

The Planning Commission approved a 3,833 s.f. 100-foot-long automated car wash on January 16, 2024. Since the car wash site was originally part of the 2019 Village at Gray’s Crossing proposal (originally proposed as the gas station that was removed from consideration), the project was reviewed as a Project Amendment to the Development Permit. The approval was appealed to the Town Council who reviewed the application and the merits of the appeal application. The Town Council upheld Planning Commission’s approval and denied the appeal on March 12, 2024. This action extended the land use entitlements until March 12, 2026 (Town Council Resolution 2024-12).

More information on the history of the Village at Gray’s Crossing and the project can be found at the following links:

Staff reports and minutes can be found at the following links:

- July 16, 2019 Planning Commission

Staff Report: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59395727&repo=r-6a91ddbc>

Minutes: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59403675&repo=r-6a91ddbc>

- August 20, 2019 Planning Commission

Staff Report: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59402030&repo=r-6a91ddbc>

Minutes: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59413330&repo=r-6a91ddbc>
Resolution: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59403640&repo=r-6a91ddbc>

- November 16, 2021 Planning Commission

Staff Report: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59549712&repo=r-6a91ddbc>
Minutes: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59577725&repo=r-6a91ddbc>
Resolution: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59578004&repo=r-6a91ddbc>

- December 19, 2023 Planning Commission

Staff Report: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59683478&repo=r-6a91ddbc>
Minutes: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59695649&repo=r-6a91ddbc>
Resolution: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59685550&repo=r-6a91ddbc>

- January 16, 2024 Planning Commission

- o Hotel Amendment Staff Report: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59688902&repo=r-6a91ddbc>
- o Car Wash Amendment Staff Report: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59688897&repo=r-6a91ddbc>
- o Minutes: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59703274&repo=r-6a91ddbc>
- o Resolution approving the amendments to the hotel: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59694307&repo=r-6a91ddbc>

- March 12, 2024 Town Council

- o Car Wash Appeal Staff Report: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59705238&repo=r-6a91ddbc>
- o Minutes: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59723238&repo=r-6a91ddbc>
- o Resolution: <https://portal.laserfiche.com/Portal/DocView.aspx?id=59707374&repo=r-6a91ddbc>

Time Extension Request

The applicant is requesting a two-year Time Extension (See Attachment #2 for the Applicant Justification Letter). The justification letter identifies the efforts and financial investment that have been made to implement the project. While there has been no new progress on the remaining mixed-use buildings, car wash, and 12 remaining townhomes since the most recent Project Amendment approval, the applicant team has been putting significant resources and time into obtaining the required building permits for the hotel and conference center and site grading has commenced. No changes to the project have been requested.

General Plan Consistency

The Village at Gray's Crossing and the first Time Extension were approved under the 2025 General Plan. The second Village at Gray's Crossing Time Extension and Project Amendment associated with the hotel

and conference center were reviewed under the 2040 General Plan, which was adopted in May 2023. The Project Amendment application associated with the car wash was reviewed under the 2025 General Plan as it was deemed complete in June 2022, prior to the adoption of the 2040 General Plan. However, with the current request for the Time Extension, the entire project is required to be reviewed for consistency under the 2040 General Plan. No new policies or programs were adopted for the Gray's Crossing Specific Plan in the 2040 General Plan. The 2040 General Plan directs the Town to "Continue to implement the Gray's Crossing Specific Plan until built out." In 2019 and in the subsequent 2024 Project Amendments, the proposed project was found to be consistent with the Gray's Crossing Specific Plan and extension of the land use entitlement will allow for the project to be implemented as identified in the Specific Plan.

Development Code Consistency

Time Extensions for the land use entitlements and the Tentative Map have separate findings. Staff reviewed the Time Extension application for consistency with the Development Code standards, as discussed below.

Time Extensions for Land Use Entitlements

For land use entitlements (Development Permit and Comprehensive Sign Program), Development Code Section 18.84.055 (Time Extensions) requires filing of the application for a Time Extension prior to the expiration of the application. The burden of proof for approving the Time Extension is on the applicant to establish, with substantial evidence, why the permit should be extended. The review authority may impose conditions on the approved extension deemed reasonable and necessary to ensure that the approval will remain in compliance with the findings and to ensure compliance with the General Plan and Development Code.

Two findings are required to be made to allow for the two-year extension:

1. The permittee has made a good faith effort to exercise the permit and has exercised due diligence in seeking to establish the permit.
2. The land use permit(s) and approved use are in compliance with this Development Code, the General Plan and any applicable Specific Plan.

The permit shall not be deemed exercised until the permittee has obtained all necessary Building Permits and diligently pursued construction. Diligent pursuit shall require, at a minimum, the completion of the installation of the foundation(s) for all structure(s) on the property.

Since the last Project Amendments for the hotel and car wash were approved in 2024, the applicant has completed the following:

- Submitted building permit plans for the hotel and conference center, and
- Pulled a grading permit and commenced grading on the site.

Although there have been updates to the Development Code since the approval of the Project Amendments, staff has not identified any new Development Code amendments that affect the project.

Staff believes that the applicants are diligently working on a significant portion of the project and that the findings for the Time Extension can be made.

Tentative Map Time Extensions

While the Final Map for the underlying land division has been completed, the applicants have not finalized the condominium plan for the fourplex or the mixed-use buildings.

Development Code Section 18.96.140 (Expiration of Approved Tentative Map) states that the approved Tentative Map or Vesting Tentative Map is valid for 24 months after its effective date. At the end of that time, the approval shall expire and become void unless a Final Map has been filed with the Town Engineer in compliance with Chapter 18.98 (Parcel Maps and Final Maps), and the map is recorded within 90 days of the expiration date; or an extension of time has occurred in compliance with Section 18.96.150. A Tentative Map approval shall be deemed to have expired if a Final Map has not been recorded within the time limits established by this Section within an extension of time approved in compliance with Section 18.96.150. Expiration of an approved Tentative Map or Vesting Tentative Map shall terminate all proceedings.

When a subdivision has not been completed through the recording of a Parcel or Final Map within the time limits set by the Development Code, time extensions may be granted. The extension request is required to be filed with the Town prior to the date of expiration of the Map or a previous extension.

In accordance with Section 18.96.150, the Commission may grant an extension of up to six years to the initial time limit, provided that the total of all extensions shall not exceed six years (not including the State-mandated legislative extensions), only if all the following findings can be made:

1. There have been no changes to the provisions of the General Plan, any applicable Specific Plan, or this Development Code applicable to the project since the approval of the Tentative Map causing the subdivision to become inconsistent with the General Plan or any applicable Specific Plan, or to not comply with any applicable provision of this Development Code;
2. There have been no changes in the character of the site or its surroundings that affect how the policies of the General Plan or other standards of this Development Code apply to the project, causing the proposed subdivision to become inconsistent with the General Plan or any applicable Specific Plan, or to not comply with any applicable provision of this Development Code; and
3. There have been no changes to the capacities of community resources, including but not limited to, water supply, sewage treatment or disposal facilities, roads or schools so that there is no longer sufficient remaining capacity to serve the project.

The 2019 approval of the Village at Gray's Crossing and the subsequent hotel and car wash project amendments in 2024 included a number of conditions of approval that were required to ensure consistency with the 2025 General Plan, the Gray's Crossing Specific Plan, and the Development Code. All of the previously approved conditions are included by reference in draft Resolution 2025-14. As noted in the *General Plan Consistency* section, no new policies or programs were adopted for the Gray's Crossing Specific Plan in the 2040 General Plan and the original 2019 project approval and the subsequent 2024 Project Amendments for the hotel and car wash found the proposed project to be consistent with the Gray's Crossing Specific Plan.

The Development Code has been amended since 2024; however, these amendments do not necessitate any changes to the previous Tentative Map conditions of approval. Other than the construction completed as part of this project, no changes to the site or capacity of community resources have been identified that would impact this project. All applicable special districts, utility companies, and Town departments with an interest in this application have been notified. No objections were filed and no new concerns were raised. The project will be required to be consistent with the requirements and conditions of approval of the 2019 and 2024 project approvals.

Subdivision Map Act

Similar to the aforementioned Development Code time limitations, Section 66453.5(c) of the Subdivision Map Act allows the Commission to extend the life of a Tentative Map to a maximum of six years. The applicants have requested one two-year time extension, which is within the cumulative time extension allowed under the Subdivision Map Act. If the Commission denies the subdivider's application for an extension, the subdivider may appeal to the Town Council within 15 days following the Commission's denial.

Special Districts and Utilities: All applicable special districts, utility companies, and Town departments with an interest in this application have been notified. No objections were filed and all conditions of approval that were imposed by other agencies previously continue to apply to the project. The project will be required to be in compliance with all utility and special agency requirements.

Environmental Review: Staff recommends that the Planning Commission find the Time Extension exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines, which states that where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Public Communication: The public hearing notice was published in the Sierra Sun on October 10, 2025 and mailed on September 23, 2025 to all affected property owners within 500 feet of the project site, as shown on the latest current tax roll of Nevada County. No public comments have been submitted prior to publication of the staff report.

Staff Summary and Recommendation: Staff recommends approval of the two-year time extension for the Village at Gray's Crossing as allowed under the Development Code time extension limits. A two-year time extension would extend the expiration date for the project to March 12, 2028. The building permits would be required to be finalized by March 12, 2030.

The conditions of approval from Planning Commission Resolutions 2019-17, 2021-12, and 2023-20 (Village at Gray's Crossing) and Planning Commission Resolution 2024-02 (hotel and conference center), and Town Council Resolution 2024-12 (car wash) will still apply to the project. No changes to the project have been proposed by the applicant, and the project is consistent with the 2040 General Plan. With incorporation of the recommended conditions of approval and recommended findings, it is staff's opinion that the required findings to approve the Time Extension can be made.

Alternative Actions: Actions that the Planning Commission may take as an alternative to the recommended action include:

1. Continue the public hearing to a date and time certain.
2. The Planning Commission may request additional information from the applicant and/or staff (if new information is presented at the next meeting, the public portion of the hearing must be reopened on the new information submitted).
3. Find that an exemption to CEQA is not suitable and require the preparation of an Initial Study in accordance with CEQA.
4. Land Use Permits
 - a. Approve the Time Extension subject to adding, modifying or eliminating any provision or condition of approval of the project, only if necessary in order to achieve the required findings.

- b. Deny the Time Extension on the basis that one or more of the required findings cannot be made.

Attachments:

1. Planning Commission Resolution 2025-14, approving a two-year Time Extension for the Village at Gray's Crossing Project Amendment.
2. Applicant Justification Letter