Date: **August 25, 2026**

Honorable Mayor and Council Members:

Author and title: Yumie Dahn, Principal Planner

Title: **Truckee Railyard Hotel Appeal (Planning Application 2026-00000055)**

Jen Callaway, Town Manager

Recommended Action: That the Town Council adopt Resolution 2026-46 thereby taking the following actions:

1) Uphold the decision of the Planning Commission in approving the Truckee Railyard Hotel;
2) Deny the appeal of the Planning Commission's decision to approve the Truckee Railyard Hotel;
3) Determine the project to be exempt from further environmental review pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15183 and Public Resources Code 21166; and
4) Approve the Truckee Railyard Hotel Development Permit, Tentative Map, Minor Exception, and Zoning Clearances, based on the findings and subject to the conditions of approval.

Executive Summary: On May 19, 2026, the Planning Commission approved the Truckee Railyard Hotel Development Permit, Tentative Map, Minor Exception, and Zoning Clearances (Planning Application 2024-00000086) in the Downtown Extension District of the Railyard Master Plan, located at 10108 Truckee Way (APN 019-421-001). On May 28, 2026, the appellant filed a timely appeal of the Commission's approval of the project. The appellant has challenged the findings of consistency with the Railyard Master Plan's Maximum Allowed Development, development standards, and design guidelines. The appellant also stated that the project does not adequately address traffic, parking, circulation, and shading impacts on existing historic buildings. The appellants are requesting that the Town Council overturn the Commission's approval of the project.

Discussion:

Appeal Process: In accordance with Development Code Chapter 18.140 (Appeals), any determination or action by a Town decision maker can be appealed and Planning Commission decisions are appealable to the Town Council. The decision of the Council shall be final on all matters unless an appeal is filed with the Superior Court of the County of Nevada within 30 days after the decision of the Council. At the hearing, the appeal body may consider any issue involving the matter being appealed, in addition to the specific grounds for appeal. In accordance with Section 18.140.030.E (Filing and Processing of Appeals, Action), the appeal body may, by resolution, affirm, affirm in part, or reverse the action, the decision, or determination of the original review authority. When reviewing the appeal, the appeal body may:

(a) Deny the permit or entitlement, even though the appeal only requested relaxation or elimination of one or more of the conditions imposed on the permit or entitlement; or

(b) Impose additional conditions that may address other issues or concerns than the original subject of the appeal.

The appellant and other interested parties shall not present new evidence or testimony at the appeal hearing unless the party can demonstrate, to the satisfaction of the appeal body, that new information:

(a) Was not previously available to the party; or

(b) The party could not have participated in the review process because they could not have known about the review process.

If new or different evidence is presented on appeal, the Town Council, may, but shall not be required to, refer the matter to the original review authority for further consideration.

What information is provided during consideration of an appeal?

In addition to the appellant's submittal requesting the Town Council overturn the Planning Commission's decision, the Town Council will receive a copy of the original application submittal and the Planning Commission staff reports reviewed during consideration of the project. The Town Council will be reviewing the Truckee Railyard Hotel project without consideration of the Commission's previous action—as if the project is being heard for the first time; this process is called a *de novo* review (Latin for "from the new"). Accordingly, the Council will need to make a required series of findings in order to approve or deny the project, in addition to making a decision to approve or deny the appeal.

In order to approve the application on the same terms as the Planning Commission, thereby denying the appeal, the Council will need to make the findings set forth in draft Resolution 2026-46 (Attachment #1) and outlined below. Should the Council wish to grant the appeal, the Council will need to amend the existing findings in support of the appeal.

Project Summary: The applicant is requesting a new approximately 81,408 s.f. mixed use project with hotel, residential units, restaurant and bar, fitness/wellness center, and meeting space, located at 10108 Truckee Way (APN 019-421-001). The applicant is requesting a **Development Permit** to construct 15,000 s.f. or more of gross floor area in the Railyard Master Plan Area; a **Tentative Map** to subdivide 17 for-sale multi-family residential units, nonresidential uses, and common area; a **Minor Exception** for additional height of five feet to accommodate mechanical appurtenances; and **Zoning Clearances** to establish the hotel and residential uses in the Downtown Extension (DE) District of the Railyard Master Plan Area

Location/Setting: The project site is located on the western end of the Railyard Master Plan area, directly to the east of the historic downtown on the southwestern corner of the of the Church Street and Truckee Way Roundabout (10108 Truckee Way; APN 019-421-001; See Figure 1) in the Downtown Extension (DE) District of the Railyard Master Plan. The Community Methodist Church and a mixed-use office and residential use are located to the west, single-family residential uses are to the north, and the Union Pacific Railroad is located to the south. Vacant property in the Railyard is located to the east and a large rock formation is located on the northwestern portion of the property. An existing shed structure exists on the northwestern corner of the building that was recently re-categorized to a Category "D" (Nonessential) historic building. Figure shows the vicinity, Figure shows the existing shed on site, and Figure 3 shows the existing site from Donner Pass Road.



Figure 1: Vicinity Map


Figure 2: Existing Shed


Figure 3: Existing Site

Project Site Information:

General Plan Designation:	Plan Area
Railyard Master Plan Area District:	Downtown Extension
Parcel Size:	0.95 acres
Utilities:	Public Water/Sewer

Background: Over the course of an over 20-year planning effort, the Town adopted the Truckee Railyard Master Plan in 2009 which was subsequently amended in November 2016 and renamed to the Truckee Railyard Mixed-Use Development Master Plan. The November 2016 plan, the Truckee Railyard Mixed-Use Development Master Plan (Railyard Master Plan or Master Plan; Attachment #6), serves as the regulatory document for all development within the Railyard Master Plan area. The primary goals of the Master Plan encourage a vibrant mixed-use development that offers diverse commercial and residential uses and an enjoyable public realm with a strong sense of place that complements Truckee's unique mountain character. The Railyard Master Plan seeks to redevelop the Railyard area and to strengthen and expand but not mimic the historic downtown.

In addition to the Master Plan, the Town Council also approved a Development Agreement with the master developer at the time, Truckee Development Associates, LLC (Attachment #7). The Development Agreement is a contract between the Town and the original developer, Truckee Development Associates (TDA), where additional public benefit was provided in exchange for set development terms. While the Development Agreement is in effect, the rights and requirements of the Development Agreement are

passed along to new property owners as properties are sold and transferred. Use of a Development Agreement is commonly requested by developers of large projects to create surety in timing/land use application processing, fees, development standards, affordable housing/infrastructure requirements, etc. The Town cannot require use of a Development Agreement; it must be requested by the developer and the terms are negotiated between the Town and developer with final adoption by the Town Council. The Development Agreement includes a Parking Management Plan, Affordable Housing Agreement, and Streetscape Plan which are the governing standards for these requirements. The Development Agreement is anticipated to expire at the end of 2027.

Since adoption of the Railyard Master Plan, five projects have been approved:

1) The Truckee Artist Lofts, a four-story 77-unit affordable housing, 3,600 s.f. of ground floor retail, and 22 on-site parking spaces (Approved in 2016, originally; amendment was approved in 2018).
2) A 12,130 s.f. three-screen movie theater with performing arts component, meeting hall, and bar and drinking establishment (Approved in 2019).
3) A 35,000 s.f. grocery store was approved in the balloon track (Approved in 2017).
4) The Old Lumberyard Phase 1 (previously called "The Crossing") which included redevelopment of the Truckee-Tahoe Lumber Company downtown site and sheds into a 21,439 s.f. commercial development with an 18,000 s.f. outdoor plaza. (Approved in 2021). A portion of this project is located in the Railyard Master Plan area.
5) The Tahoe Truckee Community Foundation was approved to occupy the ground floor of the Artist Lofts (Approved in 2025).
6) Mobility Hub, which includes a 900 s.f. climate-controlled transit passenger waiting facility and driver breakroom, bus stops with shelters, 42 parking spaces, streetscape and landscape improvement, and other passenger amenities (Approved in 2025).

Project Description: The applicant is proposing the following project at 10108 Truckee Way (APN 019-421-001) :

- 60 hotel units ranging from 282 s.f. to 634 s.f. (2 one-bed hotel units, 33 double queen hotel units, and 25 king hotel units);
- 17 for-sale (individual ownership) multifamily residential units with "Transient rental, multifamily dwellings" as an allowed use.
    - 2 one-bedroom units that are 712 s.f. and 716 s.f.; average unit size: 714 s.f.
    - 12 two-bedroom units that range from 1,521 s.f. to 1,639 s.f.; average unit size: 1,562 s.f.
    - 3 three-bedroom units are 1,565 s.f. to 1,933 s.f.; average unit size: 1,806 s.f.
- 5,216 square feet of food and beverage space, consisting of a 3,488 square foot ground floor restaurant and kitchen, and a 1,684 square foot rooftop bar, warming kitchen and back of house/service space. Approximately 1,435 s.f. of outdoor dining area. 50% of the anticipated business for the food and beverage portion of the project is anticipated to be from the public and 50% from hotel guests;
- 2,449 square feet dedicated meeting and event space on the ground floor. 25% of the anticipated business for the meeting and event space portion of the project is anticipated to be from the public and 75% from hotel guests;
- 2,113 square feet fitness center (639 s.f.) and wellness space (1,474 s.f.) on the ground floor. 25% of the anticipated business for the fitness and wellness portion of the project is anticipated to be from the public and 75% from hotel guests;
- 812 square feet of retail space on Truckee Way 50% of the anticipated business is anticipated to be from the public and 50% from hotel guests;
- Rooftop pool, spa and terrace, with rooftop event space;
- 19 on-site covered parking spaces (17 non-ADA and 2 ADA spaces), 17 of which will be dedicated to the multifamily residential units;
- Outdoor event and plaza spaces on the southwest corner of the property and within the project

site.

- Subdivision to create one hotel lot and one residential lot, 15 separate residential condominium units, and one common area condominium space.
- Demolition of the existing Category “D” (Nonessential) shed on site.

Figures 4 to 7 show the proposed floor plans and Figures 8 to 11 are the elevations and exterior of the proposed project. Attachment #1, Exhibit D provides the full set up of plans and Attachment #2 includes additional information from the applicant.



Figure 4: Ground/First Floor + Partial Site Plan

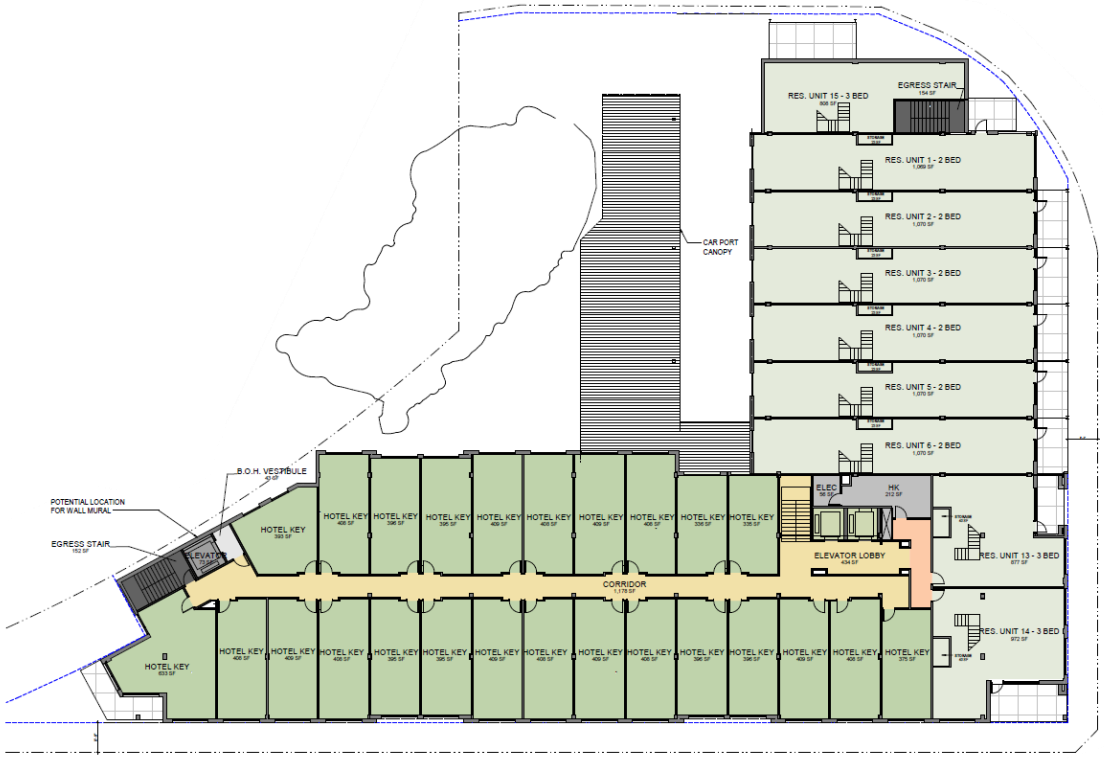


Figure 5: Second Floor

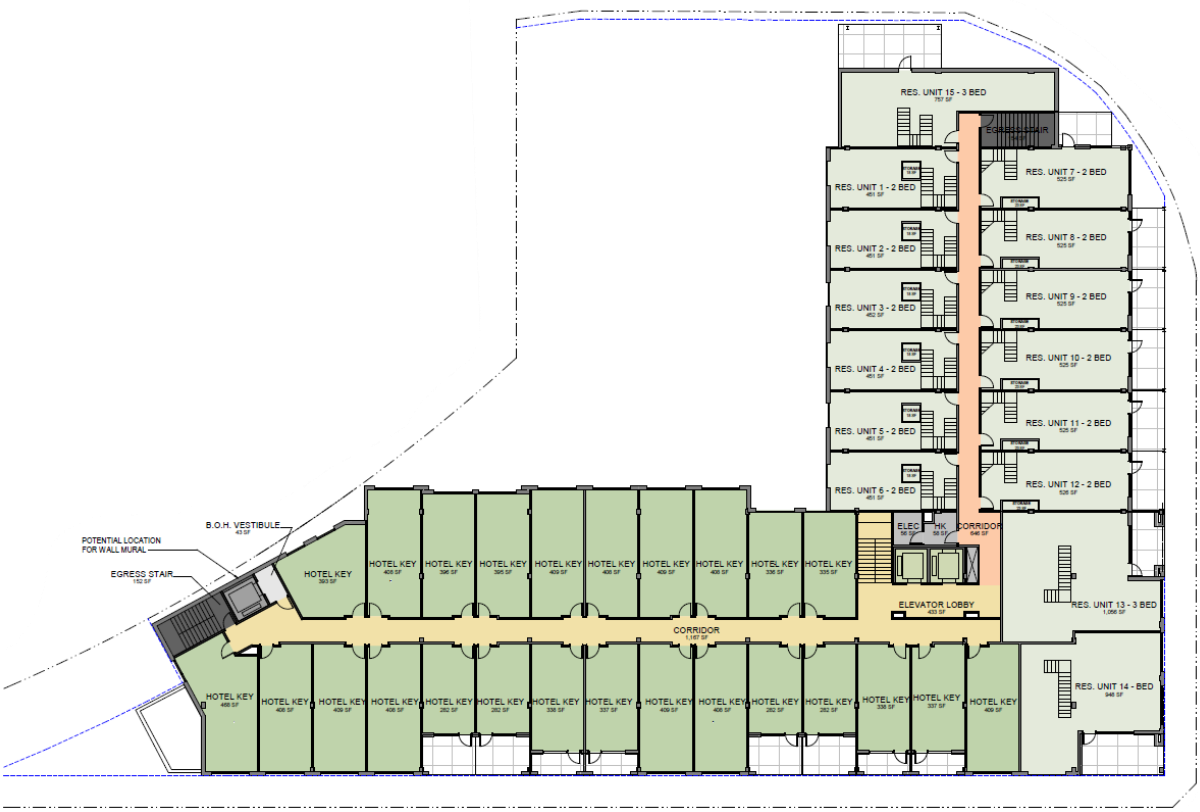


Figure 6: Third Floor

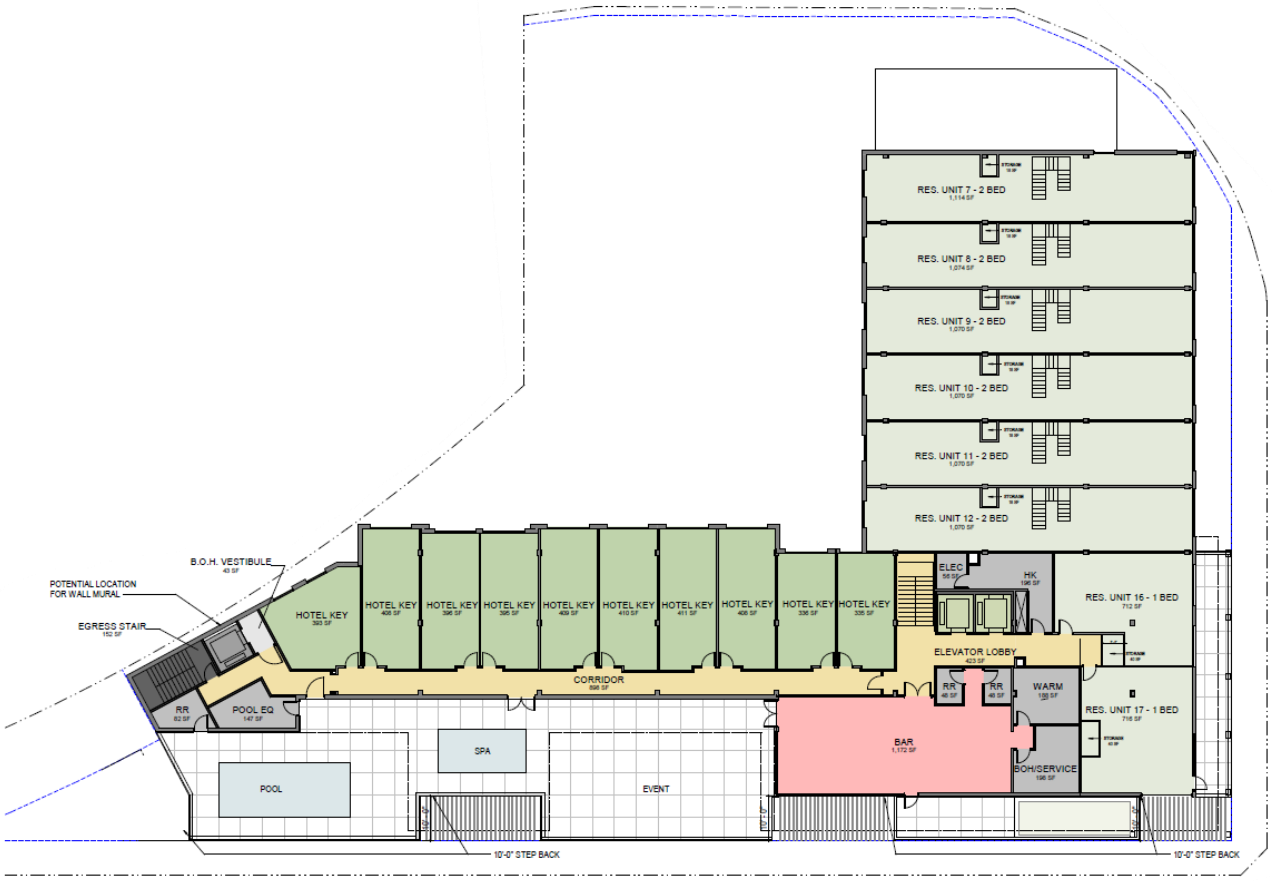


Figure 7: Fourth Floor



Figure 8: South Elevation



Figure 9: East Elevation



Figure 10: North Side



Figure 11: West Side

The Planning Commission initially reviewed this project at its January 20, 2026 meeting and continued the hearing to allow the applicant the opportunity to make changes to the design and ground floor uses

and provide additional information on the parking management plan. The proposed project before the Council at this meeting is the revised project that was reviewed by the Planning Commission at its May 19, 2026 meeting. The Planning Commission staff reports, resolution, minutes, and written public comment can be found at the following links:

January 20, 2026 Planning Commission meeting

- Staff report: https://portal.laserfiche.com/Portal/ElectronicFile.aspx?docid=59914100&repo=r-6a91ddbc
- Minutes: https://portal.laserfiche.com/Portal/ElectronicFile.aspx?docid=59940865&repo=r-6a91ddbc

May 19, 2026 Planning Commission meeting

- Staff report: https://portal.laserfiche.com/Portal/DocView.aspx?id=59944598&repo=r-6a91ddbc
- Draft Minutes: https://portal.laserfiche.com/Portal/DocView.aspx?id=59963357&repo=r-6a91ddbc
- Resolution 2026-03: https://portal.laserfiche.com/Portal/DocView.aspx?id=59950080&repo=r-6a91ddbc

The main discussion topics addressed in the January 20, 2026 Planning Commission staff report included the parking and the building design. Other topics included the multifamily residential units, transient rentals (also called short-term rentals), site design/streetscape plan, and the requested Minor Exception to allow five additional feet in height for mechanical appurtenances, and event spaces. The May 19, 2026 Planning Commission staff report described the changes to the project, including the addition of two residential units, retail space on Truckee Way, the parking management plan and Condition of Approval No. 36 (incorporating an offsite parking site in the parking management plan), and the building design.

Table 1 below summarizes the changes to the project program between the January and May iterations.

Table 1: Summary of Proposed Program Changes from the January 2026 Planning Commission Review to the May 2026 Planning Commission Review

Feature	**January 20, 2026 Plans**	**May 19, 2026 Review (version under consideration by the Town Council)**	**Notes**
Hotel Units	60	60	No change
Residential Units	15	17	2 additional units 2 one-bedroom units (712 s.f. and 716 s.f.) replaced 1,368 s.f. two-bedroom unit) 1 new three-bedroom unit (1,565 s.f.)
Ground Floor Restaurant Space	3,488 s.f.	3,488 s.f.	No change.
Rooftop bar	1,684 s.f.	1,684 s.f.	No change.
Meeting and event space	2,449 s.f.	2,195 s.f.	254 s.f. smaller
Wellness Center	2,292 s.f.	1,474 s.f.	Combined, 179 s.f. smaller
Fitness Center		639 s.f.	

Retail	None	812 s.f. on Truckee Way)	812 s.f. increase (none previously proposed)
On-site parking	17 (15 non-ADA and 2 ADA spaces)	19 (17 non-ADA and 2 ADA spaces)	2 spaces increase
Total Square Feet	79,709 s.f.	81,408 s.f.	1,699 s.f. larger, primarily attributed to the two new residential units

Land Use Approvals: The applicant is requesting the following land use approvals:

- *Development Permit:* The applicant is requesting Development Permit approval to allow for non-residential building gross floor area over 15,000 s.f. in the Downtown Extension District of the Railyard Master Plan area. In reviewing Development Permit applications, the focus is on site layout and building design to ensure the best utilization of a site as well as compatibility with surrounding properties. The Town Council's role is to consider how the proposed building design, site design, and materials reflect the Railyard Master Plan architectural design principles and guidelines. The Town Council may approve a Development Permit, with or without conditions, only if all the required findings can be made.
- *Tentative Map:* The purpose of Tentative Maps is to review and evaluate the proposed map for compliance and consistency with applicable provisions of the Railyard Master Plan, Development Code and the Subdivision Map Act. If the Tentative Map is approved by the Town Council, the applicant can then submit a Final Map application in order to create the technical documents necessary for recordation. In this case, the applicant is requesting a Tentative Map to create condominium units for one large airspace for the nonresidential uses, 17 residential units, and common areas. The hotel units will not be separately condominiumized. The Tentative Map is only proposing the creation of air space units through condominiumization. The Town Council may approve a Tentative Map, with or without conditions, only if all the required findings can be made.
- *Minor Exception:* A Minor Exception is a process that is specific to the Railyard Master Plan area. Minor Exceptions are required for specific project proposals that comply with the land uses defined within Chapter 5 (Development Standards and Guidelines) of the Railyard Master Plan for each applicable District, but do not meet all of the development standards outlined in Chapter 5. A Minor Exception gives permission to vary from the Development Standards found in Chapter 5, thereby allowing a more flexible approach to reviewing the project. The Town Council may approve a Minor Exception, with or without conditions, only if all the required findings can be made.
- *Zoning Clearances:* Zoning Clearances are required to establish the "hotel" and "multifamily residential, individual ownership" uses within the Downtown Extension District of the Railyard Master Plan. Additionally, the applicant is requesting to allow "transient rentals, multifamily dwellings" in the project. As part of the Zoning Clearance application, the review authority will consider if the application is consistent with the content, purpose, and intent of the Master Plan. Typically, Zoning Clearances are reviewed by the Community Development Director. However, since the Zoning Clearance is associated with the Development Permit and Tentative Map, all concurrent permits are reviewed by the highest review authority, which is the Town Council, in this case. The Planning Commission may approve a Zoning Clearance, with or without conditions, only if all the required findings can be made.

Project Analysis: Below, staff has provided analysis on the project in front of the Town Council, which is the version the Planning Commission reviewed at its May 19, 2026 meeting. Typically, staff relies on the analysis provided in the previous Planning Commission staff report(s) analysis in appeal projects; however due to the complexities of the changes that have been incorporated into the project during the

Planning Commission review process, this staff report provides a comprehensive analysis of the current project aid in a more streamlined Town Council review.

General Plan Consistency
The Railyard Master Plan area and project site are subject to a Development Agreement that vests the area with the requirements and policies in effect at the time of execution. The Development Agreement was executed in August 2017, prior to adoption of the 2040 General Plan and the Downtown Truckee Plan and is therefore subject to the 2025 General Plan and the Downtown Truckee Specific Plan. The project site is designated as Downtown Specific Plan Area in the 2025 General Plan. This land use designation includes commercial, industrial, public, residential, and mixed-use commercial and residential uses. The General Plan and Specific Plan seek to enhance the desirability of the Downtown area as a "destination attraction" and develop the old mill site (the Railyard) as a pedestrian-oriented mixed use infill development, including both local- and tourist-serving commercial uses, as well as residences, and public uses. The Downtown is intended to be a community focal point that offers a diversity of reasons to visit, including shopping, services, community events, entertainment, and recreation, as well as public uses like parks and plazas. The General Plan and Downtown Specific Plan both rely on goals and policies of the Railyard Master Plan to implement the vision of the area.

A hotel use with associated event, fitness and wellness, and restaurant spaces and residential uses are consistent with the expectations of the 2025 General Plan and Downtown Truckee Plan.

Railyard Master Plan/Development Agreement/Development Code Consistency
Overall, staff believes that the proposed Development Permit, Tentative Map, Minor Exception, and Zoning Clearances are consistent with the Railyard Master Plan and applicable Development Code requirements, with incorporation of conditions of approval.

To ensure compliance with the Railyard Master Plan Environmental Impact Report (EIR), and to provide a threshold for development within the Master Plan Area, the Railyard Master Plan included a Maximum Allowable Development (MAD) which limits the amount of development allowed in each district by use. There are four different options for the MAD in the Downtown Extension (DE) District, however, all iterations allow for a 60-room condo hotel and up to 285 residential units. See Table 2 for a breakdown of the MAD options. All options also include allowances for retail and service or office uses. The uses listed within the MAD are intended to generally represent the type of uses anticipated within the Railyard Mixed Use Development. For example, the proposed 60-unit hotel is not proposed to be a condominium hotel; however, staff believes that the 60-unit standard hotel meets the intent of the MAD.

In counting the MAD, staff assumed that hotel uses would be the primary users of the restaurant and bar, fitness and wellness space, and meeting spaces; however, there is also an assumption that some of these areas will be available to the public. Staff supports the applicant's estimates which assume that the public will account for approximately 50% of the business for the restaurant and bar uses (50% of 5,216 s.f. = 2,608 s.f.), 25% for the meeting and event spaces, both indoor and outdoor (25% of 3,630 s.f. = 908 s.f.), 25% for the fitness and wellness space (2,113 s.f. x 25% = 254 s.f.), 50% for the retail space (812 s.f. x 50% = 406 s.f.. Using these calculations, staff believes that the project is consistent with the MAD, in any option. Only the Artist Lofts, which consists of 77 residential units and 3,735 s.f. of retail/office space, has been issued building permits. For reference, the MAD is tracked based on issuance of building permits, which means that multiple projects could be approved where, when combined, the MAD would be exceeded. This means if this 60-unit hotel project is approved by the Town Council, a future 60-unit hotel project could be approved as well. The first project that receives building permit issuance would be entitled to construct the hotel.

Table 2: Maximum Allowed Development Options

Use	Option 1	Option 2	Option 1b	Option 2b
Residential Units	220	257	220	257
Live/Work Units	15	-	15	-
Work/Live Units	50	28	50	28
Retail (sf)	65,000	65,000	80,000	80,000
Office (sf)	10,000	32,500	10,000	32,500
Movie Theater (seats)	750	750	750	750
Condo Hotel (rooms)	60	60	60	60
Grocery Store (sf)	35,000	35,000	20,000	20,000
Civic/Community Building (sf)	25,000	25,000	25,000	25,000

Hotels and multifamily residential dwellings, including transient rentals in multifamily residential dwellings, are permitted uses within the Downtown Extension (DE) District of the Railyard Master Plan. Further, the specifics of the restaurant and bar, health/fitness use, and outdoor plaza will be required to be reviewed as part of a future land use entitlement once the operator is established. The uses are only being discussed as part of this project to reflect the potential parking requirements and impact to the Maximum Allowed Development (MAD) identified in the Railyard Master Plan. Typical conditions of approval for landscaping, exterior lighting, bike parking, etc. have been incorporated into staff's recommendation (See Attachment #1). The applicant is requesting a Minor Exception to allow an additional five feet to the 50-foot maximum height standard to accommodate the additional space necessary for the elevators. This Minor Exception request is discussed below.

Please note that the applicant has identified conceptual sign locations for the project. However, the applicant is not proposing signage at this time and a future sign plan will be required for the project as indicated in Condition of Approval. No. 61. Staff notes that the current conceptual signage plan is inconsistent with the existing sign code and appears to extend into existing easements and is not approvable as proposed. The future sign plan will be required to resolve these concerns, in addition to providing detailed information on the design of each sign.

Staff Note: The appellant's application states that the project is not consistent with the MAD, streetwall articulation standard, and solar exposure standards. Staff's response to these comments are provided in the "Specifics of the Appeal" section of this staff report.

Project Considerations:

In order to ensure consistency with the Railyard Master Plan and Development Code, staff has identified a number of topics for consideration and recommended conditions of approval below. Among the list of topics is parking and building design which are highlighted as the two major discussion topics for this project. The details of the appeal application and staff's responses are provided in a separate section "Specifics of the Appeal" below.

- Parking (Major Discussion Topic 1): The Railyard Master Plan Development Agreement includes a Parking Management Plan (PMP) which governs the parking requirements for the area, including new development and changes to or expansions of a land use or structure. The intent of the PMP is to ensure a common shared pool of sufficient but not excessive parking facilities is provided for all uses in the Railyard. Residential and hotel uses have clearly defined parking generation calculations and residential uses are required to provide a minimum of 50% of the required residential parking onsite, except in special circumstances where the project would provide substantial benefit to the community. Other development is subject to a calculation of 3.0

spaces per 1,000 s.f. of development permitted or conditionally permitted in Table 5-1 of the Master Plan. The Parking Management Plan states that “parking requirements for the following uses shall be determined by the applicable land use permit for each use: outdoor commercial recreation, parks and playgrounds, private recreational facilities, schools, and sports facilities/outdoor public assembly.”

Table 3 shows the parking demand generated by the project. For areas of the restaurant, bar, fitness/health facility, retail, and outdoor areas that will be available to the public, the proportions indicated by the applicant team described in the Maximum Allowed Development section of this staff report have been used. Additionally, staff notes that the outdoor plaza generation numbers were based on the Development Code requirements for public assembly uses without fixed seats. However, the PMP notes that parking generation numbers for outdoor public assembly uses are determined by the review authority of each land use entitlement.

Table 3: Parking Requirements

Use	**Units/Square Feet**	**Parking requirement**	**Parking Demand**
Residential 1 BR	2 units	1 space per 1BR	2
Residential 2 BR	12 units	1.5 spaces per 2BR	18
Residential 3 BR	3 units	2 spaces per 3BR	6
Hotel	60 units	1 spaces per hotel unit	60.0
Restaurant/bar (public portion)	2,586	3.0 spaces per 1,000 square feet of development	7.8
Fitness/meeting rooms (public portion)	1,077		3.2
Retail on Truckee Way and Donner Pass Road in the hotel lobby(public portion)	522		1.6
Outdoor dining areas (public portion)	1,327.3		8.5
Outdoor plaza (public portion)	717.5	1 per 50 sf (per Development Code)	14.4
		Total	123

The original developers of the Railyard installed infrastructure, including 396 parking spaces, within the public right-of-way. As part of the PMP, these public parking spaces are part of a public parking pool that is shared among the entirety of the Railyard Master Plan. Use of this parking pool and allocation of the parking spaces to meet project demand requirements are available to developers in the Railyard on a first-come-first-serve basis as new buildings and uses are constructed and/or established. Thus far, only the Artist Lofts has been constructed and has used the parking spaces in the Parking District “bank.” The Old Lumberyard (previously called The Crossing) and the Town’s Mobility Hub have constructed parking onsite. No other projects have used the parking pool since no other projects have been constructed; however, future projects will have access to the pool. If all parking spaces in the pool are taken, future developers could be required to either construct onsite parking or amend the PMP. Additionally, once the Development Agreement expires, the allowances of State Assembly Bill 2097 (2022) would expand to apply to nonresidential uses located in the Downtown Extension District of the Railyard

Master Plan Area. AB 2097 prohibits the application of minimum automobile parking requirements for most projects (excluding hotel projects) located within a half-mile radius of a major transit stop (Truckee Train Depot). This means future projects reviewed in the DE District will likely not be required to address minimum parking requirements and new parking may not be developed in the Railyard Master Plan by private property owners.

The project proposes 19 parking spaces (four compact spaces) on the ground floor of the building. Due to the mix of bedroom counts for the project 26 residential parking spaces are required. Because the PMP requires 50% of the residential parking to be located on site, 13 of the 26 required residential parking spaces are required to be onsite. The applicant has indicated that each residential unit will be allocated an onsite parking space; Condition of Approval No. 35 is included to require 17 onsite parking spaces dedicated to the residential uses. CC&Rs identifying that these parking spaces are dedicated to the residential uses is required to be submitted for review and approval (Condition of Approval No. 71). Staff also notes that the PMP requires residential parking to be unbundled, meaning the parking spaces and residential units are separated (Condition of Approval No. 35). Regardless, 17 of the spaces are required to be dedicated for use by the residential units, even if one or more units opts out of payment for the parking space.

The applicant proposes to rely on the public Parking District to address the remaining parking demand for the hotel, the additional residential parking requirements, public use of the restaurant and bar, public use of the fitness and wellness use, public use of the meeting room, public use of the retail space and public use of the outdoor plaza. With 19 onsite parking spaces, 104 parking spaces in the Parking District would be used. Additionally, the proposed driveway encroachment on the east side of the property would also remove a parking space from the Parking District, which would reduce the overall parking count in the district. Once approved, the Railyard Master Plan Tracking Matrix, on file with the Community Development Department, would be updated to indicate the use of these 104 parking spaces and removal of one parking space. If approved and building permits are issued, 197 parking spaces would remain in the bank for all future buildout of the Plan Area.

The applicant is proposing a valet service to address parking needs for any users, guests, or residents of the project. In general, a valet service is a paid or complimentary service provided by the project where a user drops off their vehicle at a location, an attendant receives the vehicle and parks the vehicle either onsite or offsite and retrieves the customer's vehicle once requested by the user. The PMP supports the use of a valet parking program, as follows:

> *Valet parking can be offered by businesses for the convenience of their customers. This type of service is often provided by hotels, restaurants, hospitals, movie theaters, shopping centers, and museums. While valet parking may be considered a luxury service, it can also benefit those with mobility limitations, families with kids, and late-night visitors who feel uncomfortable walking to a parked car in the dark. It is also a tool for a more efficient use of existing parking supply. Valets can store hundreds of cars in parking facilities that are either under-utilized at certain hours or otherwise unavailable to the public (e.g. private parking facilities). Valets can also park vehicles in a much denser configuration. Ideally, valet parking fees should be in the same range as metered on-street parking to make it accessible to a wider range of people.*

While the PMP supports a shared parking concept, it does not contemplate how a valet service with an overnight commercial use would be implemented using the Parking District. Staff believes that the valet service described in the PMP anticipated use of private parking rather than the

spaces in the Parking District. However, the PMP does not preclude the use of the Parking District for valet service. Regardless, staff has concerns about the use of the Parking District for valet service. The parking areas adjacent to the Railyard may not be used at capacity at this time; however, once the Railyard is built out, staff foresees potential conflict and potential impacts to Town services (i.e., public works, code enforcement, etc.). Additionally, during peak periods such as Truckee Thursdays or other community events or during snow events, staff sees challenges in securing parking for all hotel users and residents, which could lead to impacts to surrounding neighbors. Staff has discussed with the applicant the complexities of relying on the Parking District for overnight hotel users and has recommended that a dedicated nearby offsite parking area be incorporated into the project to accommodate overnight guests. However, the applicant believes that the parking program will meet the needs of the project.

Currently, the Parking District does not have a permit pathway for overnight nonresidential parking. The Public Works Department presented revisions to the Municipal Code Section 10.18 (Parking Regulations) to the Town Council on April 7, 2026. The Council adopted changes to create a pathway to allow overnight valet parking and residential parking permits through a separate resolution. The specifics of the overnight valet parking requirements are expected to be reviewed by the Town Council in September 2026. Staff anticipates that a recommendation of 40 overnight valet parking passes will be forwarded to the Town Council for consideration based on existing infrastructure and operations of the parking areas. Regardless of how many passes are authorized by the Council, the valet parking passes would not create a guarantee of overnight parking since a designated overnight parking area would be shared by the residential permit passholders as well. Day time users would also have access to these areas, subject to typical hours and payment. While parking may seem in abundance now, when the Railyard Master Plan area builds out and AB 2097 is implemented, parking will become more challenging, particularly during snow removal operations. In general, it is staff's opinion that the sole reliance on the Parking District for overnight hotel parking will create impacts to surrounding areas and will impact Town operations and services.

The applicant's March 27, 2026 submittal included a draft parking management plan (Attachment #3). Key highlights from the PMP include the following:

a. The project is proposing 19 onsite parking spaces (17 spaces for each residential units and 2 ADA parking spaces). This is an increase from 17 onsite parking spaces from the previous submittal.
b. The PMP requested 69 total overnight valet parking permits to serve the 60 hotel units and the remaining parking required for the residential units that are not already being provided onsite.
c. Valet Operations and Tracking: The anticipated valet program will use a ticketless SMS/app-based system (e.g., SMS Valet, Summon), which electronically assigns vehicles to specific stalls in the Parking District. This technology is already deployed at other hospitality projects including MOLLIE Aspen, where guests text for vehicle retrieval with an expected turnaround of 10–15 minutes. This approach ensures accurate stall assignment, real-time tracking, and efficient retrieval.
d. Turnaround Times and Staffing: Based on these systems, retrieval times will average 5–10 minutes, even during peak periods. Additional staff can be scheduled based on demand during Truckee Thursdays, winter weekends, and holidays. No chase cars are anticipated to be used. The chosen ticketless SMS/app-based system will be managed such that requests are made in advance with sufficient time to retrieve cars.

e. Payment of Parking District Facilities: All vehicles will pay prevailing public rates, either directly through our program or via centralized billing added to a guest folio. Staff will be trained to ensure
f. that no public parking stall is being utilized by a Project guest without appropriate payment.
g. Snow Removal and Overnight Parking: We will coordinate with the Parking District authorities to respect overnight restrictions and snow management needs. Comparable programs in Jackson, Whistler, and Breckenridge demonstrate that hotels can successfully relocate or re-stage cars during snow operations without disrupting municipal plowing. We understand from the Deputy Public Works Director that the current operating procedure within the parking area south of Donner Pass Road is to perform snow removal operations on a "flip-flop" basis, where the north side of the lot is maintained one night and the south side of the lot is maintained on opposite nights. Staff will be trained to move vehicles as necessary to accommodate these procedures and, as mentioned, will coordinate with the Parking District authorities to ensure smooth snow management.
h. High-Demand Events: During special events such as Truckee Thursdays, our valet may operate on a reservation only basis with additional attendants and, potentially, overflow agreements with nearby private lots – based on specific circumstances. This mirrors strategies used in other resort towns to manage exceptional surges.
i. Employee and Shuttle Programs: To further reduce pressure on the Parking District, hotel employees and guests will be incentivized to use any available public shuttle programs (including TART) and other forms of public transportation for transport in and around Truckee and nearby destinations.
j. The applicant is proposing that valet vehicles will not be parked on street in parallel parking areas that front other nearby businesses. Parallel parking spaces that front the project site would be used for valet parking for up to one hour.
k. The applicant is not proposing use of a follow car for valet services.
l. The project proposes making the valet parking mandatory for guests of the hotel and residents.
m. A Parking Manager is proposed as the main contact for parking-related issues.
n. The project proposes to explore financial contribution to the Truckee Thursday transit system and the airport shuttle.
o. The applicant is proposing to explore incentives such as using the airport shuttle, internal shuttle or car service, and discounted room rates.

Staff believes that the Parking Management Plan, as drafted by the applicant, has not fully addressed concerns related to parking in both quantity and in management. Currently, Condition of Approval No. 36 requires that the valet service plan, parking management plan, and incentive program be submitted to the Community Development Director and Public Works Director for review and approval. These plans are required to provide a detailed valet service and parking management plan that expands on the applicant's conceptual plan. The Parking Management Plan cites the use of potential offsite private parking lots pending land use approvals as an alternative to address parking demand; however, specific sites have not been included in the project description. A designated offsite parking area would address potential questions related to where vehicles will be stored and how impacts to neighboring properties will be minimized. To ensure these questions will be answered, Condition of Approval No. 36 also requires identification of an appropriate site with property owner permission and securing appropriate land use entitlements, including any applicable environmental review, for an offsite private overnight and overflow parking site for a portion of the parking needed for the hotel prior to building permit issuance.

Staff's original recommendation timeline was to require securing the offsite parking area prior to building permit submittal to ensure that unnecessary cost were expended pursuing construction of the hotel if the condition cannot be achieved, but the Planning Commission modified the condition to shift the timeline to prior to occupancy of the hotel, which is reflected in Resolution 2026-46. The Planning Commission was comfortable with deferring the condition to prior to issuance with the applicant's acknowledgement that they are proceeding with a building permit submittal application at their own risk. Staff notes that approval of land use entitlements is not guaranteed; it would be the applicant's responsibility to ensure that all needs of existing uses and the hotel use are addressed and propose a program that functions effectively and meets Town requirements to ensure a practical parking plan. Designation of an offsite parking area will require a new project application or a project amendment if there is an underlying project where the offsite parking is identified. A project amendment will re-open any existing land use entitlement on that site for review under the requirements in effect at the time of the requested amendment.

Recommended Condition of Approval No. 36 is written to identify the minimum standards required for the offsite parking for the hotel project, which, if met, would not require reopening the hotel project entitlements to include the offsite parking area. As written, the minimum standards can be exceeded with approval by the Public Works Director and Community Development Director; however, if other changes to the project are proposed or if the minimum standards cannot be achieved for the offsite parking area, a project amendment to this Railyard Hotel entitlement may be required. Staff believes that the minimum number of offsite parking spaces should be equal to the difference between the required hotel parking demand and the number of valet parking passes allowed for a hotel in the Railyard Master Plan Area in the Parking District. For example, if 60 parking spaces are required for the hotel use and 40 valet parking permits are available in the Parking District for use by a hotel in the Railyard Master Plan Area, 20 parking spaces will be required to be provided offsite. On a private lot, these spaces may be allowed to be reconfigured for tandem parking to allow additional parking consistent with other typical private valet parking lots subject to an adequate parking management plan. Staff notes that the 40 valet parking permits do not guarantee parking availability.

The Town Council may discuss whether other parking quantities are more appropriate, if the timing of the required entitlements for the offsite project should be modified, or if the construction of any new parking spaces can be allowed after occupancy of the hotel, triggered at a later date. Staff has identified the following minimum criteria for the offsite parking area Planning application:

- The property owner of the parking site shall be the designated applicant and signer for the Planning application and shall be responsible for the conditions of approval. The agreement between the offsite parking area property owner and the Railyard Hotel property owner shall be included in the initial application for the request.
- The offsite parking area shall not be approved as a standalone surface parking area. If a vacant site is identified as the offsite parking area, a new use and structure will be required to be proposed as part of the land use entitlement. If the offsite parking is located within the Railyard Master Plan area, the new structure and use shall be consistent with the intent of the Railyard Master Plan design guidelines and shall have building frontage that fully shields the offsite parking area from the public right-of-way. Timelines for construction of the new use and structure shall be identified and shall ensure operation prior to occupancy of the hotel.
- The offsite parking lot shall be improved or constructed consistent with the approved land use entitlements prior to occupancy of the Railyard Hotel.
- The offsite parking site shall have a dedicated area to accommodate a minimum number of parking spaces equal to the difference between the parking spaces required by the

hotel component of the Railyard Hotel project and the number of parking passes that may be utilized by the Town's Parking District by a future Town Valet Permit Program. (For example, if 60 parking spaces are required for the hotel use and 40 valet parking permits are available in the Parking District for use by a hotel in the Railyard Master Plan Area, 20 parking spaces will be required to be provided offsite). If the difference is zero or there are more valet permits available than required for the hotel, the offsite parking spaces are not required; however, an offsite parking area may be voluntarily pursued consistent with this condition, except for the minimum number of spaces. The parking spaces shall be consistent with the parking and circulation dimension standards of the Development Code.

- The property owner of the offsite parking area shall acknowledge that they are waiving the use of the Assembly Bill 2097 (2022) which prohibits local jurisdictions from imposing minimum parking requirements for most uses within a half-mile of a major transit stop. Since this bill does not apply to hotel uses, the offsite parking area property will be associated with the hotel use in perpetuity unless an alternative offsite parking area is identified through a new land use entitlement.
- A parking demand analysis for the designated offsite parking project site shall be required for the offsite parking site. If an existing use is established on the site, the parking demand analysis shall determine the actual use of the parking area at different times during the year, during expected hours of operation of the hotel valet parking. As part of the land use entitlements, the impacts on the existing or primary use will be analyzed.
- A parking management plan shall be required to be reviewed and approved by the Public Works Director prior to building permit issuance of the offsite parking area or prior to building permit issuance for the hotel, if no building or grading permit is required. The parking management plan shall include, but is not limited to, how and when the use of the parking spaces will be triggered, hours of use, the proposed parking configuration, circulation, how the parking will be reserved and secured, prioritization of parking areas and the Parking District, when the parking will be moved offsite, etc. The parking management shall be reviewed in conjunction with the parking management plan for the Railyard Hotel and annual review shall be required at the expense of the applicant. Methods to reduce the impact on the primary use(s) and reduce vehicle trips (both by guests and valet attendants) shall be included unless adequately addressed in the Railyard Hotel parking management plan. Tandem parking within private lots to accommodate additional vehicles beyond the minimum parking spaces in the same designated area may be approved as part of the parking management plan.
- The application shall include a description of anticipated snow removal operations for the offsite parking area.

To summarize, the condition, as drafted, requires the following:

1. The applicant is required to identify and entitle the offsite parking area prior to building permit issuance of the hotel. The applicant would be required to acknowledge and document that any efforts or funds spent on the construction documents are being pursued at the applicant's risk.

2. The offsite parking is required to be constructed prior to occupancy of the hotel. This will ensure that all components of the hotel project will be addressed upon opening of the hotel use. Staff considered other alternatives and timelines understanding that the Railyard Master Plan area is not fully built out; however, the Town does not have mechanisms other than the building permit to ensure that this condition will be met in a timely manner.

3. The project is only required to provide offsite parking if the Council approves fewer than 60 valet parking permits. Additional offsite parking would not be required if the Council approves 60 or more valet parking permits. If the Council believes that an offsite parking area for overflow parking is necessary to reduce parking impacts to the area, the Council can consider a minimum number of offsite parking spaces required in all cases.

Staff asks that the Council consider these parameters, along with all other requirements for the offsite parking, and determine if modifications to this condition should be incorporated.

In addition to the comments related to parking locations, staff has provided comments on the proposed draft Parking Management Plan in Attachment #4. In general, staff believes that the PMP should be further refined and details should be incorporated to create an adequate PMP with effective Transportation Demand Management (TDM) programs to truly reduce vehicle use. Staff's comments include the following:

- Staff anticipates recommending 40 valet parking permit passes in the Parking Permit Guidelines as part of the Parking District resolution that will go to Council in September. Even if the 40-permit quantity was increased, valet parking spaces are not guaranteed. Overnight parking would be available on a first-come-first-serve basis and may be used by residential permit users.
- Staff does not support the nine additional valet parking spaces to serve the residential uses. Residential parking permits would be available consistent with other residential projects. Management of those vehicles would be at the discretion of the operator.
- The PMP states that valet parking is mandatory; however, staff believes this would be challenging to require and enforce.
- If the intent of the PMP is to implement TDM programs to reduce dependence on vehicles and the Parking District, then quantifiable reductions and numbers should be assigned to each strategy, along with an enforcement mechanism
- A designated person shall be specifically identified by the PMP and management of parking should be included in their job description. A contact person shall be available 24 hours a day and a secondary person identified as well including all contact information, including phone and email.
- If funding is proposed as a strategy to reduce vehicle use, specific amounts should be committed based on actual needs and impacts. A direct relationship between the contribution and the trip and parking demand reduction should be provided.
- Use of an onsite dedicated car service and airport shuttle would be the most impactful strategy to reducing the need for vehicles for hotel users. However, if shuttles are proposed, dedicated onsite parking spaces should be incorporated into the project.
- Incorporation of an e-bicycle share would be an additional way of reducing the need for vehicles. The Town's pilot BCycle program is in its last year and the future of the ongoing e-bicycle share program is unknown.
- Many of the incentives identified in the PMP are not actual incentives. For example, providing information on bus schedules, TART Connect, trails, and bike rental locations are informational only and do not incentivize use of alternative transportation.
- Other identified incentives, such as the discounted room rate or local business discounts, are undefined and unclear.
- With a hotel, it is presumed that there will be employees that need to stay overnight or during overnight hours (10 PM-5 AM) and would need to use the overnight parking. Ensure that this is contemplated in the PMP.
- There should be some consideration into how snow will impact these timelines. Walking to vehicles when the roads/sidewalks have not been cleared, clearing off snow, removing berms from behind vehicles could create challenges.

Staff has incorporated a requirement in Condition of Approval No. 36 requiring that the applicant address the Town's April 28, 2026 comments on the March 27, 2026 Parking Management Plan in the final PMP that is required prior to building permit issuance. As written, Condition of Approval No. 36 is proposed to be reviewed at the staff-level, by the Public Works Director. The Town Council should consider if the proposed PMP with recommended Condition of Approval No. 36, including the requirement to identify and entitle an offsite parking area, adequately addresses the concerns related to parking or if additional refinement of the PMP is necessary. The parking plan is one of the major areas of concern for staff that could have potential lasting impacts to the

surrounding neighborhood and Town services and operation. The Town Council may wish to consider if there are additional concerns that should be addressed in the parking management plan or if review of the proposed valet service plan, parking management plan, and incentive program should be brought back to the Planning Commission or the Town Council for additional review. Staff also notes that the most impactful tool suggested in the PMP was the potential use of an onsite dedicated car service and airport shuttle. As incorporated by the Planning Commission, the Condition of Approval No. 36 also requires the applicant to incorporate a shuttle service to and from the Reno-Tahoe International Airport and Truckee-Tahoe Airport, a hotel-provided car service, and financial incentives for guests and employees as a strategy for transportation demand management for review and approval by the Public Works Director as part of the Parking Management Plan. Additionally, to ensure proper disclosure is provided to future property owners regarding potential parking deficiencies, staff recommends Condition of Approval No. 42 which requires recordation of a disclosure that provides information regarding the Town having a Downtown Parking District, which restricts parking overnight and is not guaranteed to be available for long-term residential or hotel parking.

Staff Note: The appellant's application has also stated that the Parking Management Plan is inconsistent with the Railyard Master Plan. Staff's response to these comments are provided in the "Specifics of the Appeal" section of this staff report.

The applicant is also proposing a loading zone in the parking area of the hotel for deliveries and for guest drop-off and valet services. Use of the public right-of-way for valet services (i.e., exchanging vehicles between owners and attendants) is prohibited, which is reiterated in Condition of Approval No. 38. The PMP defers to the Development Code requirements for loading and unloading spaces, which requires 1 loading space for the first 20,000 s.f. of service (hotel) space plus additional as required by the review authority and one loading space for the first 10,000 s.f. of commercial space and an additional loading space for each additional 10,000 s.f. The following loading spaces quantities apply:

- Hotel (72,850 s.f.)
    - At least one loading space is required.
    - The review authority may require additional loading spaces if necessary. If the Commission believed using the same generation calculation for the remainder of the hotel (62,850 s.f.) is appropriate, at least 2.6 loading spaces would be required.
- Public areas of the restaurant, bar, health/fitness, and meeting space (6,893 s.f.)
    - One loading space, rounded up from 0.7, is required.

A loading space is required to be at least 15 feet in width, 25 feet in length, with 14 feet of vertical clearance. The proposed loading area is approximately 20 feet in width, 33 feet in length in the parking area, adjacent to the trash enclosures. Additionally, there is a loading area for hotel guest drop off that can be used for loading when no other option is available. Condition of Approval No. 38 prohibits loading in the right-of-way and that deliveries and pick-ups are required to be managed to reduce conflicts with the solid waste service. The Planning Commission also incorporated changes to Condition of Approval No. 38 (Loading Spaces) requiring that the applicant work with the adjacent property owners to identify an artistic solution to mitigate noise and provide screening between the solid waste enclosure and the adjacent public assembly use to the west. This change has been incorporated into Town Council Resolution 2026-46.

- Building Design (Major Discussion Topic 2): The project is subject to Chapter 5 of the Railyard Master Plan (Development Standards and Guidelines), including Section 5.5.2, which provides design guidelines for the Downtown Extension District. The Master Plan states that buildings in the DE District are intended to be designed to complement the existing main street mixed

commercial character with additional emphasis on vertical mixed use. The Master Plan supports development of larger scale buildings with greater density that extend the scale and character of Commercial Row into the Railyard. Buildings in the DE District are expected to provide a contemporary interpretation of commercial buildings found in Commercial Row and Truckee's unique mountain town character. Attachment #8 is the list of relevant Railyard Master Plan design guidelines that staff provided to the applicant as part of the review process.

Early in the project review process, before Planning Commission's first review, staff recommended that the applicant consider other ways to break up the block size of the building and reduce the mass and scale of the structure, particularly on the west side of the building, closest to the historic district. Material differentiations for the residential wing were also recommended to help break up the building mass. The applicant considered these recommendations and did not make any additional changes finding that the 10-foot setback with exposed mass timber columns on the southwestern portion of the building and other 10-foot setbacks on the south elevation met the intent of the Railyard Master Plan.

As part of the first Planning Commission review, the Planning Commission had concerns that the project did not completely address the design guidelines and was not consistent with the overall intent of the guidelines. The following comments were provided at the first Planning Commission meeting:

- In general, the Planning Commission found the project, as currently designed, "monolithic". They said it was a block-length building that was explicitly discouraged in the Railyard Master Plan.
- While patterns are included in the building design, the design is too repetitive.
- Incorporate the design guidelines into all elevations, including the back (northwest) wall, with greater emphasis on the south and east elevations.
- Including additional design features would help break up the facades that are greater than 50 feet in width.
- Find ways to make the street level floor more distinguishable than the upper floors.
- Provide transition from the historic district to the Railyard.
- In addition to these comments related to consistency with the design guidelines, the Planning Commission also specifically requested that the applicant step back the upper levels above the first floor on the southwest corner and look at ways to use material changes to create a smaller appearing building.

Based on this feedback from the Planning Commission, the applicant made the following modifications:

- Divided a two-bedroom unit on the third floor into two one-bedroom units and added one three-bedroom unit on the second floor and one three-bedroom unit on the third floor along Church Street. The additional residential units added mass to the rear of the building. The total residential unit count increased from 15 units to 17 units.
- Added two small retail spaces, totaling 455 s.f., on the south side of the building along Donner Pass Road in the hotel lobby and wellness space.
- Added an 812 s.f. retail space on the northeast side of the building along Truckee Way. Removed the mechanical equipment yard on the northeast corner of the building and expanded the back-of-house area to accommodate the mechanical equipment.
- Removed the roofing over the decks on the southwest corner of the building. As part of the May 8, 2026 submittal, the applicant revised the design again to remove the third-floor deck

and reduce the size of the southwestern hotel room by 165 s.f. Figure 5 shows the three different iterations submitted to the Town.

- Material changes:
  - Removed vertical battens on the ground floor to create a change in material from the base to the upper floor. As part of the May 8, 2026 submittal, the applicant darkened the ground floor material to create further differentiation from the upper floors.
  - Replaced vertical wood siding with formed metal siding on east and west elevations primarily and elevator tower on the south
- Added awnings at the ground floor on the south (6) and east (4) elevations. The awnings would not be allowed to project into any easements.
- Added four new approximately 72 s.f. balconies on the south side of the third floor.
- Increased transparency on the ground floor and added additional vertical slatting to reduce the transparency on the upper floors.
- Removed the roof overhang on the east elevation and replaced it with a parapet.

Staff believes the most responsive changes to the revised project are the modifications to the southwestern corner of the building and the addition of the retail space on the northeast side of the building. The revised project splits a previous two-bedroom unit on the fourth floor into two one-bedroom units (712 s.f. and 716 s.f.). One new two-story three-bedroom unit (1,567 s.f.) have been added to the rear of the building on the second and third floor. The introduction of smaller one-bedroom residential units is supported to create diversity in unit types; however, the additional mass related to the additional two-story three-bedroom residential unit appears to be contrary to the Planning Commission's primary direction to reduce the perceived size of the building. Additionally, staff does not believe that the residential use on the second and third floors of the rear of the building responds to the Planning Commission's goal of creating ground floor activity, as the applicant stated in their resubmittal.

It is staff's opinion that some of the changes are subtle and may not address all design concerns, as noted below:

- *Northeast corner:* The removal of the mechanical yard on the northeast side and addition of retail directly addresses concerns related to the northwestern corner. However, the corner is still primarily back-of-house.

- *North elevation:* The project revision adds massing on the north elevation with addition of two new residential units, when reduction of the project size was recommended.

- *West elevation:* The removal of the third-floor balcony and the roofing over the second-floor balcony, and the reduction of the third floor hotel from 633 s.f. to 468 s.f. (165 s.f. reduction) on the southwestern corner, adjacent to the plaza, appears to reduce the mass of this corner when looking east. While the removal of the third-floor balcony, roofing, and revised square footage of the hotel room has reduced the massing of this section of the building, the main bulk of the building remains the same.

- *East elevation:* The roof overhang was removed over the residential units. Most of the larger commercial buildings in the historic downtown do not have overhangs and have parapet roofs. However, staff notes that the roof overhang provided relief to the overall building that may have been beneficial.

- *South elevation:* As noted in the "Material changes" bullet below, the changes to the wood façade has created the appearance of smaller windows on the upper floors. The actual glazing does not appear to be reduced substantially. The addition of the awnings and entrance changes are very subtle and do not appear to meaningfully break up the façade or impact the architecture.

- *The back of the building (north and west elevations):* It does not appear that changes were made to incorporate more design or thoughtfulness to these elevations, other than use of metal instead of wood siding.

- *Material changes:* The revision includes new metal, removal of battens at the base, darkening the materials at the ground floor, and changes to the wood façade on the south elevation to create the appearance of smaller windows. Staff notes that the wood façade changes on the south elevation have differentiated the ground floor from the upper floors, though that change does not seem to carry over to the east elevation, and the repetitive design and large facades still exist.

Though the building remains a block-sized building, the applicant has incorporated components to the southwest corner and northeast corner that are more consistent with the intent of the Railyard Master Plan design guidelines. Additionally, the use of an outdoor plaza and outdoor dining area on the west side of the south elevation creates a visual break from the historic downtown and helps denote that a new neighborhood or area of Truckee begins. Incorporation of a pedestrian connection between the plaza and Church Street, near the rock, would also help strengthen the transition from the two-story historic buildings and the Railyard. The use of wood siding, mass timber framing, and metal are consistent with the Railyard Master Plan design guidelines, which support the use of historically used building materials such as wood and metal. Staff believes that the project generally meets the intent of the Railyard Master Plan design guidelines though there are concerns about the long facades, building mass/transition, and lack of variation in materials. Staff recommends that the Town Council discuss whether the design meets the intent of the design guidelines, including the following concepts:

- Is the project a new interpretation of traditional building styles? New design that draws upon the Town's railroad/industrial/utilitarian working-class history is preferred.
- Does the project create patterns should be created along the street by the repetition of similarly-sized building elements.
- Since the building includes facades greater than 50 feet in width, does the project include changes in design features to suggest traditional building widths? Changes in facade material, window design, facade height, decorative details, or the addition of a patio restaurant are examples of techniques that may be considered.
- Do all street elevations provide visual interest to pedestrians?
- Block size buildings are discouraged; is this a block size building? Does the building provide a transition in building mass and scale between the DE District and existing historic properties to the west? Potential methods include transition of building heights, multiple buildings per block, architecture based on simple forms that appear to have "grown together", patio and rooftop restaurants.
- Are the rectangular forms vertically oriented?
- Is the street level floor clearly distinguishable from the upper floors? The first floor should be predominantly transparent glass with upper floors that should be perceived as being more solid than the lower floor?
- Does the project provide recessed entryways that reflect the pattern of Commercial Row?

- Does the project use simple box and rectangle shapes at the core of the design, with additions that appear “tacked-on” is typical of Truckee buildings?
- Are the materials reflective of Truckee’s history?

As part of the Planning Commission’s review, the Planning Commission incorporated the following two changes to the building design that have been incorporated into Town Council Resolution 2026-46:

- The Planning Commission required that the applicant remove the cantilevered feature of the balcony on the southwest corner of the building; the balcony feature may remain but it cannot be cantilevered (Figure 12).
- The Planning Commission required that the applicant submit alternative design options for consideration for the center module clad in dark wood siding on the south elevation, where the meeting room is designated, to create variation and differentiation from the other similar modules on the south elevation. The Community Development Director would be responsible for identifying the preferred design (Figure 13).



Figure 12: Cantilevered Feature to be Modified



Figure 13: Center Module to be Revisited

Since the review by the Planning Commission, staff noticed that the solar exposure diagram provided by the applicant was not updated to reflect the revised design. The applicant provided an updated diagram where it was noted that a small portion of the fourth-floor space encroached beyond the solar exposure plane. In order to address this deviation, staff is recommending a modification to Condition of Approval No. 49 requiring that the project demonstrate compliance with the solar exposure standard prior to building permit issuance. The applicant has provided an updated diagram that shows how a portion of the fourth floor would be reduced to meet the requirement for the solar exposure plane (See Figure 14). The project elevations would be required to be modified to ensure compliance with this standard. Since the Town Council’s review

is a *de novo* review, the Town Council has the option to review this new condition as part of the project or to refer the matter back to the Planning Commission for consideration.

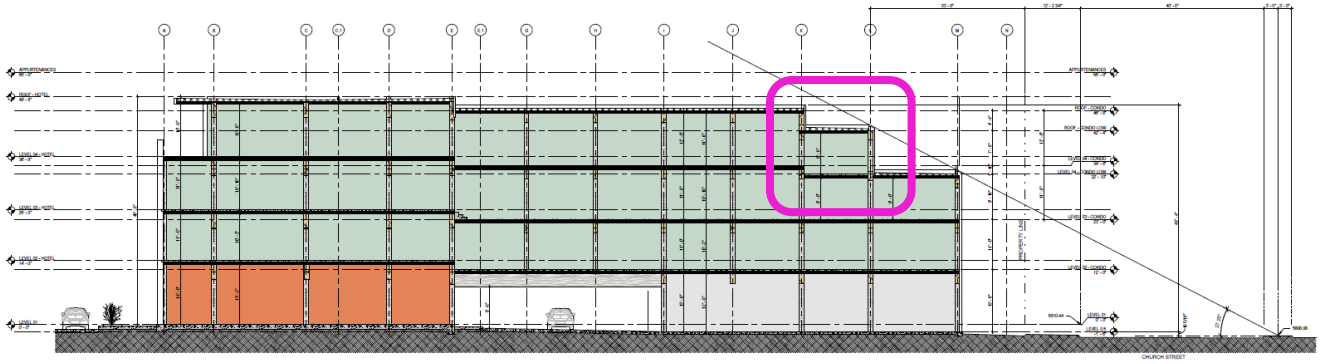


Figure 14: Updated Solar Exposure Diagram

Additionally, as part of the re-review of the project, staff noted that the eastern elevation on Truckee Way is required to have a stepback of at least 10 feet for any height above 40 feet or above three-stories. The northern portion of the Truckee Way frontage has a height of 49'-4". The fourth floor of this portion of the eastern frontage should be set back an additional two feet to meet the stepback standard. Similar to the solar exposure standard requirement, staff is recommending modification to Condition of Approval No. 49 requiring that the project demonstrate compliance with the streetwall height standard prior to building permit issuance. The project elevations would be required to be modified to ensure compliance with this standard. The applicants have stated that they would be able to meet this condition. As noted above, since the Town Council's review is a *de novo* review, the Town Council has the option to review this new condition as part of the project or to refer the matter back to the Planning Commission for consideration.

- Minor Exception: The Railyard Master Plan allows for review of Minor Exceptions for project proposals that comply with the land uses defined in the Railyard Master Plan, but do not meet all of the development standards. The Railyard Master Plan does not provide specific parameters or maximums for flexibility. The Town Council's primary role in this matter is to determine that despite conflict with specific Development Standards, the proposed development achieves the overall design objectives of the Design Guidelines and would not impair the design and architectural integrity or the character of Downtown Truckee. Further, it is the Town Council's role to determine that the approval of the Minor Exception application is necessary to allow for high-quality design, architecture, and landscaping that would otherwise not be permitted.

  The applicant is requesting a five-foot height increase above the maximum height limit of 50 feet for two mechanical appurtenances for the elevator overruns (see

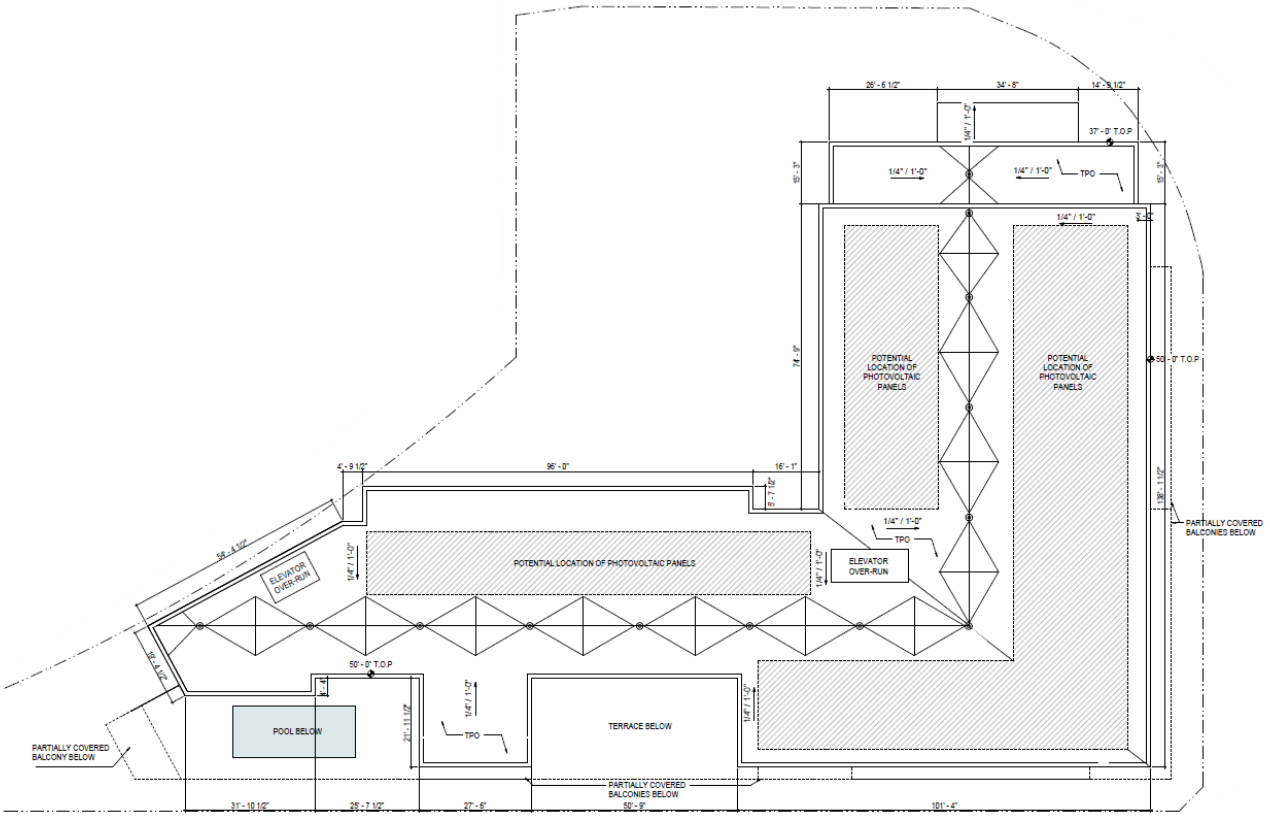


Figure 5 and Figure 26), which are the safety spaces above the top floor.

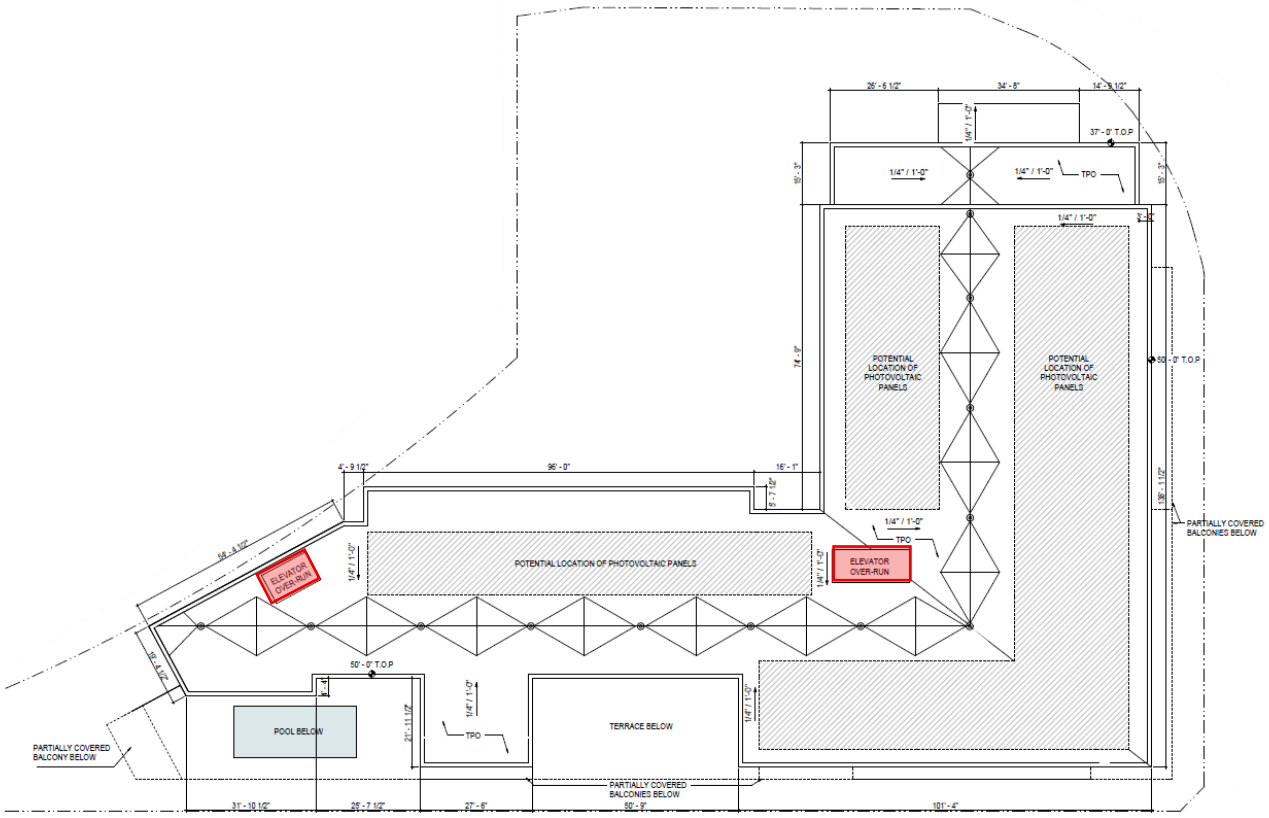


Figure 15: Roof Plan with Roof Appurtenances Highlighted

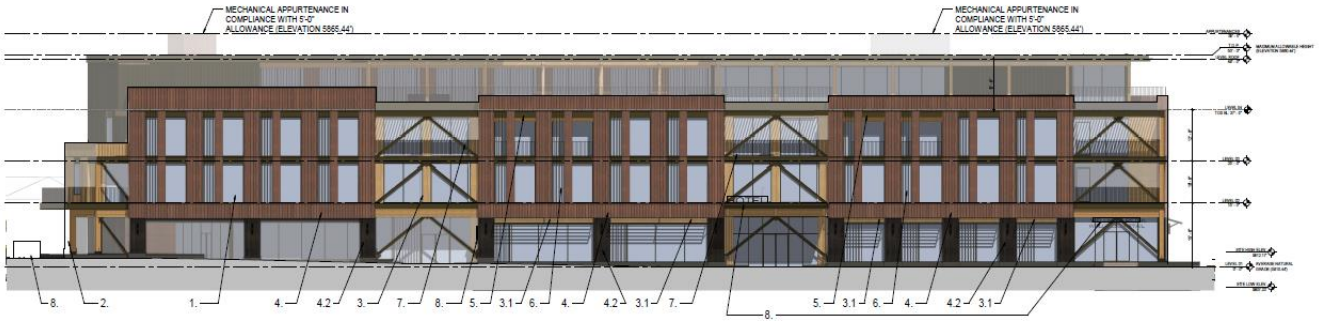


Figure 26: South Elevation with Roof Appurtenances

The western elevator is located approximately 50.5 feet from the front edge of the roof and the eastern elevator is located approximately 55.5 feet from the front of the roof. The eastern elevator is also located approximately 64 feet from the edge of the roofline on the eastern side, along Truckee Way. The western elevator is located on the far western side of the building.

The applicant states that the eastern elevator would not be visible until approximately 450 feet from the sidewalk elevation south of the building (See Figure 7). While the line-of-sight study was not completed to the east or for the western elevator, staff believes that the finding would be similar. The elevator overruns would likely only be visible from very far away or from higher floors on surrounding buildings. Staff believes that the increase in height is minor in nature and does not detrimentally impact the design of the structure. However, the Town Council may wish to discuss if the incorporation of the additional height supports a high quality design.

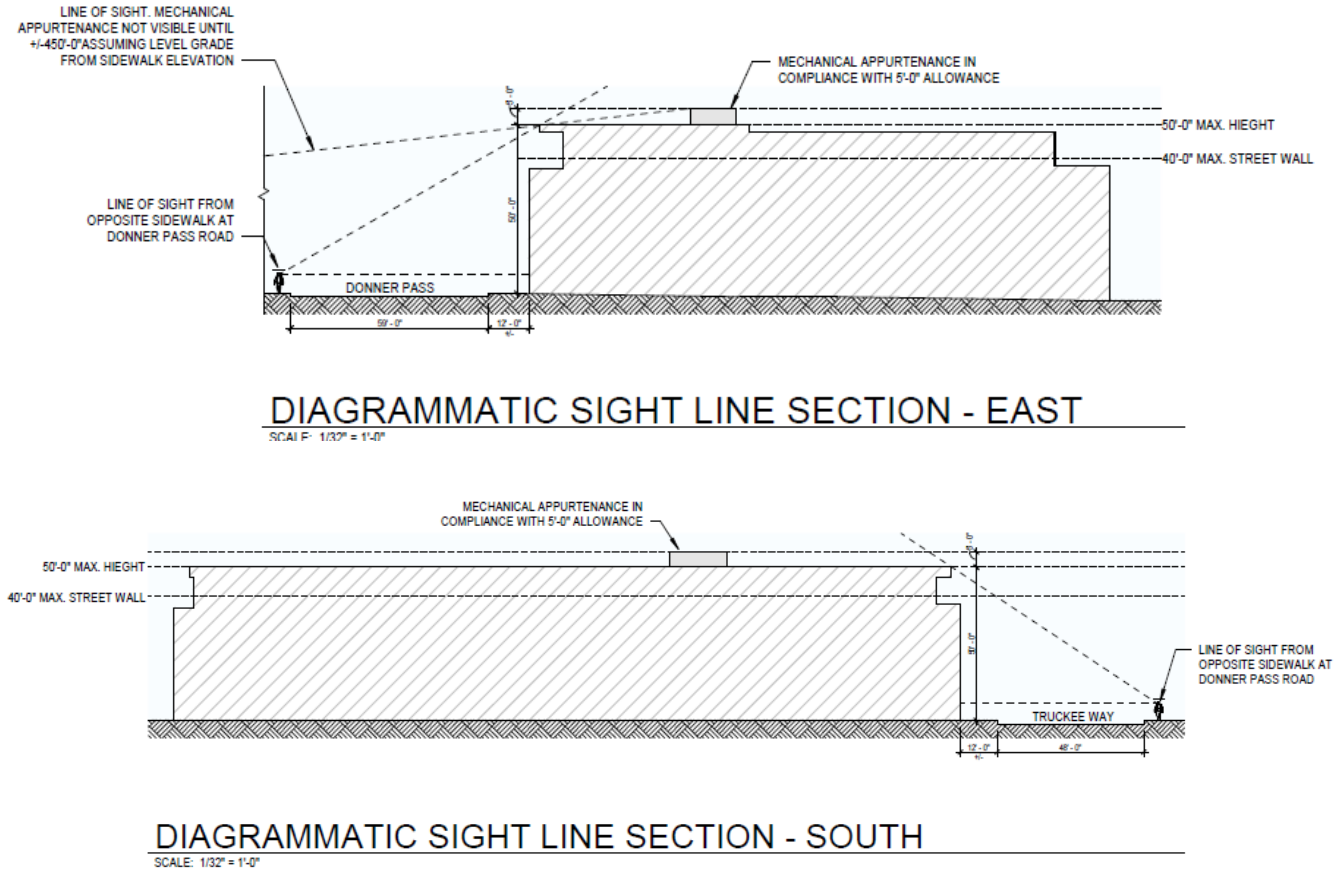


Figure 17: Sight Lines for the Mechanical Appurtenances

- Site Design/Streetscape Plan – Driveways: The Railyard Master Plan is subject to Development Code Section 18.48.080 (Driveways and Site Access), which allows only one driveway encroachment for each parcel two acres or less unless the Community Development Director and Town Engineer find that more than one driveway encroachment is necessary to accommodate the type of use for the development or more improved site distance and the additional driveway encroachment will not be detriment to traffic flow on the street(s).

  The project proposes two driveway encroachments in which the ground-floor parking area can be accessed off Truckee Way or Church Street, but exiting can only occur off of Church Street. The driveway off Truckee Way is a one-way access. Limited exiting on the Truckee Way driveway is anticipated to accommodate the trash collection service.

  The Community Development Director and Town Engineer has reviewed the proposed driveway encroachments and determined that the proposed driveway is appropriate due to the parcel configuration. The use of two encroachments would not be detrimental to traffic flow on the street. Users of the site will still exit onto the lower volume street which will reduce potential conflict. If users enter from Church Street, the parking area will function as a parking lot with only one point of entrance/exit.

  When vehicles exit onto Church Street, there is potential that vehicle headlights may shine into the historic residential structures on the north side of Church Street. The Historic Design Guidelines do not support the installation of taller solid fences on the residential properties, which might have helped mitigate this potential issue. However, the raised porch/first floor features of the two residential buildings directly across the street may reduce the impact of headlights from the hotel. Staff notes that between Truckee Way and Church Street, Church Street is considered the lower volume street and entrance and exit from this street is more desirable from a traffic standpoint and the Town's standards typically require use of the lower volume streets.

- Site Design/Streetscape Plan – Streetscape Plan: As part of the Development Agreement, the Streetscape Plan was adopted to address details such as street furniture, gateway locations, street character, and pedestrian connections. The Streetscape Plan illustrates the intended pedestrian environments, street views, public gathering opportunities, circulation corridors, and provides a more refined framework for future developers to use in coordination with project conceptualization/development. The streetscape plan will inform future development and drive building design to connect with the streetscape vision.

  The Streetscape Plan identifies the southwestern corner of the project site property for a plaza/square with public art and open space/park near the rock (see Figure 18). Staff recommended that the applicant "Consider a pedestrian walkway from the plaza through the site to Church Street, by the rock. The walkway could be open only during business hours to manage use of the area. This walkway would be more consistent with the intent of the Streetscape Plan. Additionally, consider how public art could be accommodated in this space in the future. While not required, you may also want to consider if public art could be accommodated in or near the mechanical yard on the northeast corner of the building."

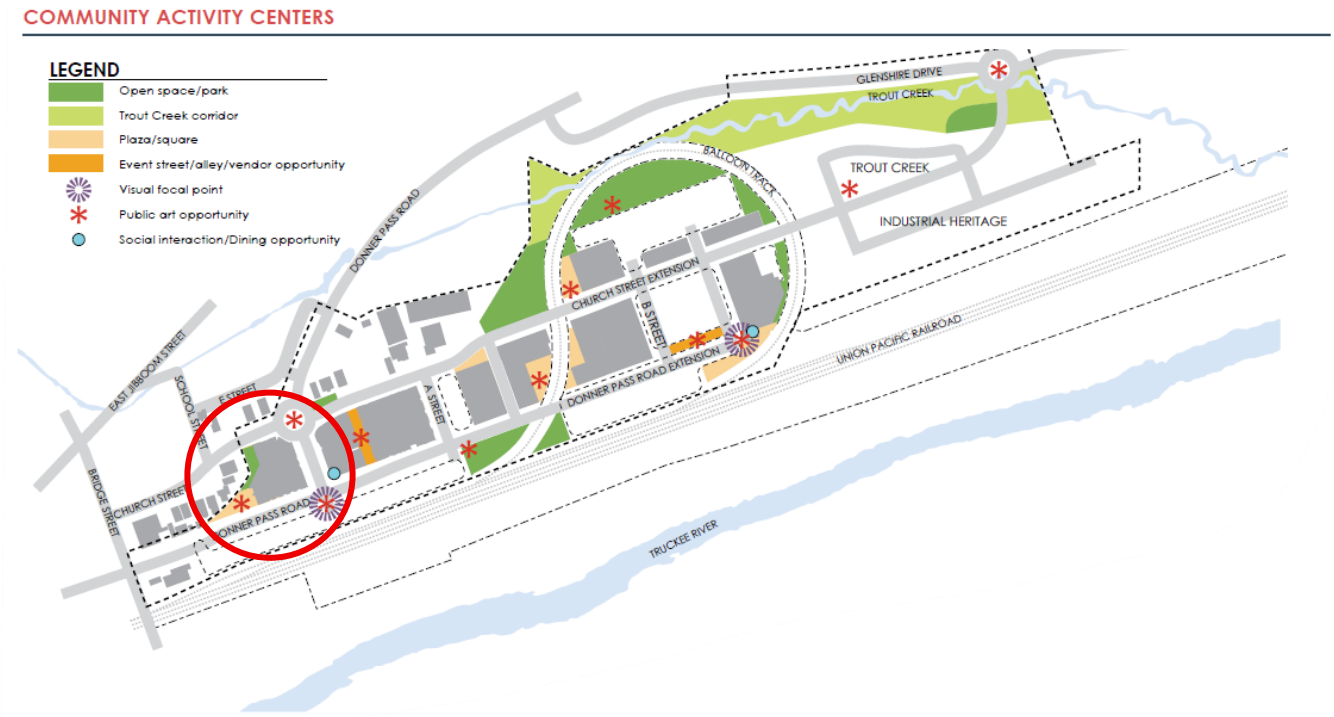


Figure 18: Streetscape Plan

The applicant reviewed staff's recommendation and stated that "[g]iven the overall constraints of the site and development code requirements (including, but not limited to, trash, onsite parking, snow removal, landscaping and location of the existing rock formation), a pedestrian walkway from the plaza through the site to Church Street is not feasible without materially diminishing anticipated uses/density, site operability, and the overall value of the site to the broader Railyard. In particular, great effort was made to create a north-south walkway adjacent to the rock connecting the trash facilities and delivery zone to a main entrance of the Project. This walkway is critical to operational flow and must be available for use by Project employs and guests at all necessary times. Allowing pedestrian use of this walkway would severely impact the Project." See Figure 19 for proposed site plan.

However, the applicant noted that they are interested in public art. They have noted that they anticipate that public art will be located in the outdoor plaza space and are open to consideration of public art in or around the north elevation as long as it would not impact the operations of the mechanical facilities. The Planning Commission incorporated changes to Condition of Approval No. 50 which required public art on the north elevation adjacent to or on the exterior wall of the mechanical room, which would be reviewed through a Zoning Clearance at the staff-level.

The Town Council may wish to consider if a condition should be applied that requires access from the outdoor plaza to the rock, if public access to the rock through the restaurant or hotel lobby, or if allowing public access to the rock from Church Street would be appropriate. If public access from the outdoor plaza to the rock is applied, modification to the site plan would be required. Other than this open space and access to the rock, staff believes the project is consistent with the Streetscape Plan. The Council may wish to discuss if this inconsistency with the Streetscape Plan is appropriate in the context of the entire design.

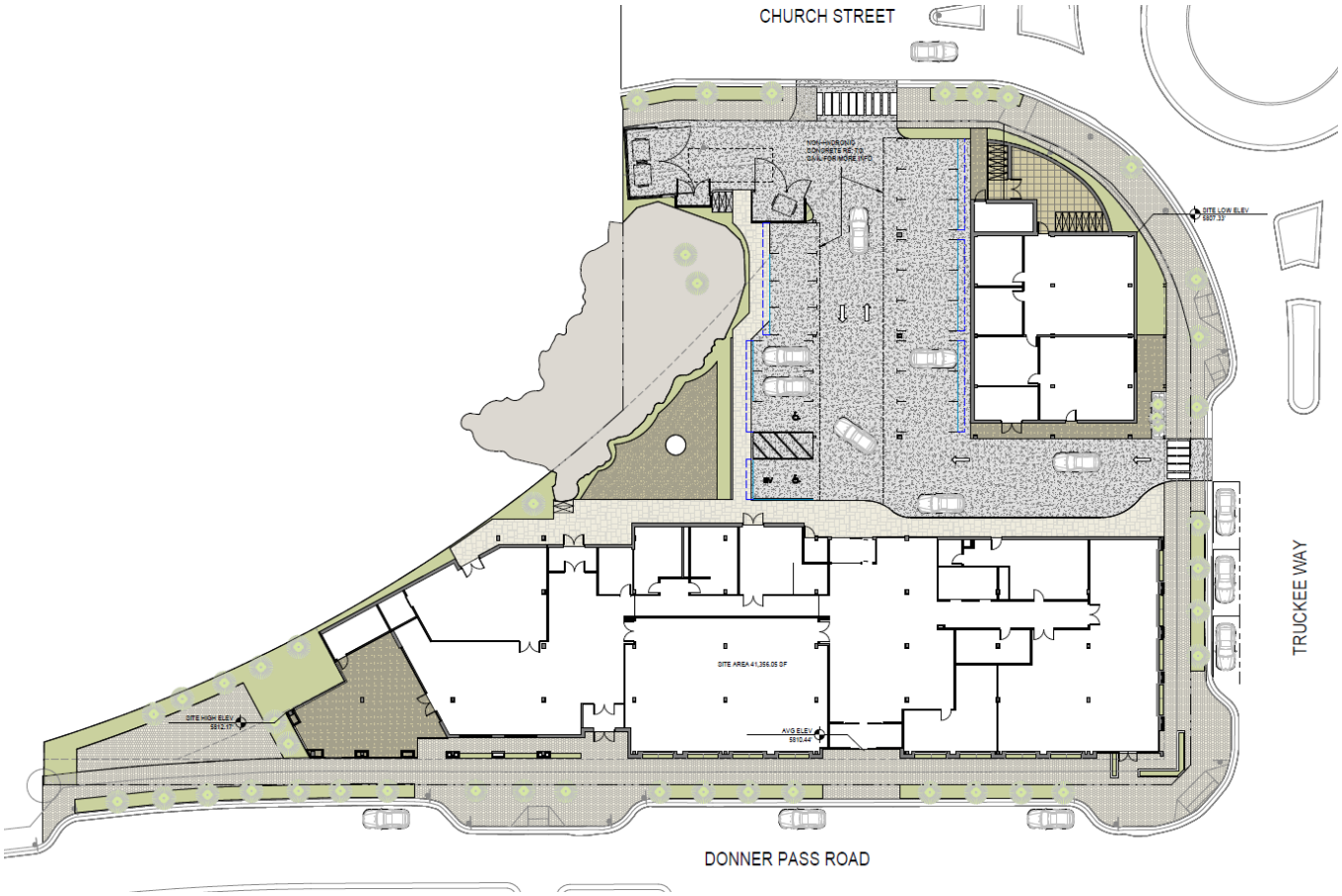


Figure 19: Site Plan

- Property Management: The applicant is proposing 17 multifamily residential units all located in the northeastern wing of the building. “Multi-family dwellings, individual ownership, 11 and more units” are permitted use within the DE District. The proposed residential units will share the lobby and elevator access but will have separate entrances to their units. The majority of the units will be accessed on the third floor in a separate internal corridor. Units #13 and #14 will be accessed on the second floor and Units #16 and #17 will be accessed on the fourth floor. The applicant is also proposing a Tentative Map which will subdivide each of the air spaces of the units into condominium units that can be sold to individuals. The residential units are anticipated to have access to the amenities on site and will also be comprehensively managed with the hotel. In order to ensure compatibility between the nonresidential uses and residential uses, staff is proposing Condition of Approval No. 41 which requires the nonresidential and residential uses share a property management company under one comprehensive property management agreement. The property management agreement is required to be submitted for review by the Community Development Director prior to building permit final. Additionally, Covenants, Conditions, and Restrictions (CC&Rs) are required to be recorded concurrently with the final map and condominium plan to ensure the maintenance and formalize use of the property for both the nonresidential and the residential users are clearly articulated.

Staff Note: The appellant’s application has also identified the single comprehensive property management agreement as a concern. Staff’s response to these comments are provided in the “Specifics of the Appeal” section of this staff report.

- Event Spaces: The applicant is proposing outdoor dining areas and an outdoor plaza. While the specifics of these outdoor spaces are unknown and will be required to be reviewed under a future land use permit, staff notes that the Town's Noise Ordinances (Chapter 18.44 and Chapter 9.20) would apply to the project. Staff has included conditions of approval prohibiting use of the outdoor seating areas after 10 PM and before 7 AM and prohibition of outdoor amplified noise at all times, which are consistent with the requirements of the Noise Ordinance. Outdoor amplified noise would also include noise from the interior of the building that can be heard outside. If ongoing verifiable complaints are received related to noise, then a noise study could be required to identify the maximum volumes and decibels allowed to ensure compliance with the noise standards. Staff also notes that both the residential uses and the proposed use would be managed by the same property management company, who will be motivated to ensure the uses are compatible. As noted previously, Condition of Approval No. 41 requires a property management company that manages both the nonresidential and residential components of the project. Additionally, the Planning Commission required that the applicant designate a 24/7 liaison to receive and address noise complaints (Condition of Approval No. 63) and encouraged the applicant to work with the adjacent property owners to the west to install a six-foot tall fence along the shared property line (Condition of Approval No. 53). These modifications have been incorporated into Town Council Resolution 2026-46.

- Affordable Housing Requirements: Affordable housing within the Railyard Master Plan area is subject to the Truckee Railyard Mixed-Use Development Master Plan Affordable Housing Plan contained within the Railyard Development Agreement. All projects within the Railyard Master Plan are required to comply with Development Code Chapters 18.214 (Inclusionary Housing) and 18.216 (Workforce Housing) as they existed on November 28, 2016, with some modifications.

  With the proposed nonresidential uses and residential uses, the project is subject to the requirements for workforce housing and inclusionary housing.

  - *Workforce Housing Requirement:* The intent of the workforce housing requirements is to mitigate the impacts caused by nonresidential development project on the additional demand for affordable housing. Workforce housing requirements are calculated based on the number of full-time equivalent employees that are generated by the project. The employee generation calculation is typically based on the use and size of the project. For commercial uses (retail, service, office and restaurant), the Development Code calculates one full-time equivalent employee (FTEE) per 500 s.f. of gross floor area. The Development Code does not have a specific FTEE calculation for Visitor Lodging (hotel). The FTEE calculation for this use is "as determined by review authority based upon comparison with similar businesses." The applicant has proposed using 0.33 FTEE per hotel room consistent with the approvals Coburn Crossing Springhill Suites and Hotel Avery (expired entitlements). No other information was provided by the applicant. The Planning Commission may wish to determine if additional background information is necessary or if relying on past approvals is sufficient. Staff notes that the Coburn Crossing Springhill Suites does not include ongoing valet service; employee generation from the valet service may not have been contemplated in the FTEE calculation.

    The number of workforce housing units that are required to be constructed by the project is based on the quantity of FTEEs generated by the project. Projects that generate less than seven FTEE are exempt from workforce housing requirements; projects that generate seven or more but less than 20 FTEE are required to provide in-lieu fees; projects that generate 20 or more but less than 40 FTEE are required to construct one workforce housing unit for each 14 FTEE; an projects that generate 40 or more FTEE, the project is required to construct one workforce housing unit for each seven FTEE.

Under the Development Agreement, for both ownership and rental inclusionary units, the developer shall provide a range of affordability that does not exceed an average of 110% of the Area Median Income and the average dwelling unit size shall not exceed 1,500 s.f. The current requirements that require a deed restriction with two components including requiring housing for employees of the nonresidential tenants of the project did not exist in the 2016 Development Code.

The project's affordable housing plan indicates that there is 10,524 s.f. of commercial uses, excluding the hotel uses. This includes the circulation areas and commercial areas not directly associated with the hotel rooms. Based on the square footage of these uses, 21.1 FTEEs are generated for the commercial square footage. If the 0.33 FTEE calculation is accepted by the Town Council, then 60 hotel units would generate 19.8 FTEE. Combined, 40.9 FTEEs are generated by all nonresidential uses in the project. Since the project generates greater than 40 FTEEs, the project is required to construct one workforce housing unit for each 7 FTEE; 5.8 workforce housing units are required.

- *Inclusionary Housing Requirement:* The purpose of the inclusionary housing requirement is to mitigate impacts caused by these development projects on the additional demand for more affordable housing and rising land prices for limited supply of available residential land. Fifteen percent (15%) of all new dwelling units in a residential development are required to be affordable units. Under the Development Agreement, for both ownership and rental inclusionary units, the developer shall provide a range of affordability that does not exceed an average of 110% of the Area Median Income and the average dwelling unit size shall not exceed 1,500 s.f.

  For the 17 multifamily residential units proposed, 2.6 inclusionary housing units are required.

- *Total Affordable Housing Requirement/Artist Lofts Affordable Housing Credit:* The inclusionary and workforce housing have the same restriction requirements. Therefore, the final calculations can be combined. Therefore, for this project, 8.4 affordable housing units are required.

  The Development Agreement allows affordable housing requirements to be fulfilled through use of any existing affordable housing credits from the Artist Lofts:

  > *Credit for 71 affordable units shall be granted to Truckee Development Associates, LLC, or its successor in interest at the time the Truckee Artist Lofts building permit is issued. These 71 units shall be available to use as credit for required inclusionary and/or workforce housing requirements for other projects needing to satisfy their affordable housing, requirement. The Town shall maintain a database of approved projects, their respective inclusionary and/or workforce housing contribution and transfers and the review authority shall only approve use of credits if credits are available.*

  The Old Lumberyard was not required to provide affordable housing due to the replacement of an existing nonresidential use with the same or fewer employee generation. The Mobility Hub was also exempt from requirements due to the size of the building. Since no other projects have been constructed, 70.5 affordable housing credits remain available for the project, removing the 0.5 workforce housing units required for the commercial square footage in the Artist Lofts. In the applicant's affordable housing plan, the applicant has stated that 8.4

affordable housing credits from the Artist Lofts will be used to fulfill the project's affordable housing requirements. Alternatively, the Railyard Master Plan allows for payment of in-lieu fees to address fractions of affordable units. Condition of Approval No. 45 includes the option to address the affordable housing requirements wholly through the bank (nine credits) or through a combination of eight credits from the bank and payment of a 40% affordable housing in-lieu fee. The Town will track the use of these credits. With use of nine credits, 62.1 credits will remain.

As noted in the discussion above, the following conditions of approval were modified by the Planning Commission and incorporated in Town Council Resolution 2026-46:

- Condition of Approval No. 36a (Parking Management): The timeline for securing the offsite parking space was changed to "prior to building permit issuance" instead of "prior to building permit submittal. Additionally, the applicant is required to acknowledge that they are voluntarily submitting a building permit application without guarantee of approval of the offsite parking area.
- Condition of Approval No. 36b (Parking Management Plan): The Planning Commission incorporated a requirement that the project incorporate a shuttle service to and from the Reno-Tahoe International Airport, a hotel-provided car service, and financial incentives for guests and employees as strategies for transportation demand management for review by the Public Works Director.
- Condition of Approval No. 38 (Loading Spaces): The Planning Commission incorporated a requirement that the applicant work with the adjacent property owner to identify an artistic solution to mitigate noise and provide screening between the solid waste enclosure and the adjacent public assembly use to the west.
- Condition of Approval No 49 (Building Design): The Planning Commission required that the applicant remove the cantilevered feature of the balcony on the southwest corner of the building; the balcony feature may remain but it cannot be cantilevered. Additionally, the Planning Commission required that the applicant submit alternative design options for the center module clad in dark wood siding on the south elevation, where the meeting room is designated, to create variation and differentiation from the other similar modules on the south elevation.
- Condition of Approval No. 50 (Public Art): The Planning Commission required public art to be installed on the ground floor of the north elevation adjacent to or on the exterior wall of the mechanical room.
- Condition of Approval No. 53 (Fences): The Planning Commission encouraged the applicant to work with the adjacent property owners to the west to install a six-foot tall fence along the shared property line.
- Condition of Approval No. 63 (Noise): The Planning Commission required a designated 24/7 liaison to receive and address noise complaints from adjacent property owners and neighbors.

<u>Specifics of the Appeal:</u>
On May 28, 2026, the appellant submitted a timely appeal of the Planning Commission's action to approve the Truckee Railyard Hotel application. Below, the primary issues of the appeal application have been identified with staff responses. Staff notes that the appellant's points have been summarized for the staff report, but the actual appellant's application submittal can be found in Attachment #5.

Comment #1: Railyard Master Plan Maximum Allowed Development (MAD)

The proposed project does not appear to meet the Railyard Master Plan Maximum Allowable Development (MAD) requirements. The appellant agrees that the proposed 60 hotel units meet the intent of the MAD. However, the appellant believes that the 17 proposed residential condominium units should also be considered condominimum hotel units and should not be considered multifamily residential units.

If the 17 proposed residential units are considered condominium hotel units, then the proposed project exceeds the 60-condo hotel MAD limit of the Railyard Master Plan.

To support this argument, the applicant notes the following:

- The 17 proposed residential units are proposed to be condominiumized, share the lobby, elevator access, and amenities with the hotel, and will be comprehensively managed with the hotel.
- The appellant notes that Condition of Approval No. 41 requires the hotel and residential units to share a property management company and property management agreement.
- The appellant also notes that the one common area condominium space is proposed as well.
- The project is approved under one Development Permit with one site plan, grading, drainage, and utility plan, and one stormwater and erosion plan.
- The appellant believes that the proposed residential units will function operationally as a hotel condominium hotel unit, not permanent workforce or long-term residential housing.

Staff Response: The 17 residential condominium units are consistent with the Railyard Master Plan MAD. The MAD allows for up to 220 residential units, 15 live/work units, and 50 work/live units or 257 residential units and 28 work/live units, depending on which option is ultimately developed, in the Downtown Extension (DE) District of the Railyard Master Plan area, in which the Railyard Hotel project is proposed. Additionally, Table 5-1 (Allowed Land Uses and Permit Requirements) of the Railyard Master Plan allows for "Multi-family dwellings, individual ownership, 11 and more units" and "Transient rental, multi-family dwellings" as permitted uses in the DE District. Thus far, only the Artist Lofts, which includes 77 residential units, has been constructed. Either 143 residential units or 180 residential units are remaining under the two MAD options in the DE District. The 17 residential units proposed in the Railyard Hotel is consistent with the MAD.

Based on the definitions for each term, staff believes that the proposed use of the 17 units aligns with the definition of "Dwelling, Multi-Family" with the allowance for "transient rental." The following definitions were in effect at the time the Development Agreement was adopted:

- Dwelling: One or more habitable rooms, that are designed, used, and/ or intended to be used as an independent living space with cooking, sleeping, and sanitary facilities provided within the dwelling unit for the exclusive use of one or more people maintaining a household. All habitable areas for the dwelling unit shall have interior access to and from each other from within the building except for detached living areas. A dwelling includes other types of dwelling units in which sleeping accommodations are provided but sanitary facilities and/ or cooking facilities are shared by occupants of two or more dwellings including dwellings in a co-housing building or development and single room occupancy units.
- Dwelling, Multi-Family: One or more buildings or a portion of a building or buildings used and/ or designed as residences for two or more families living independently of each other. Includes: buildings under one ownership with two or more dwelling units on one parcel that share a common wall or common floor/ ceiling, or; senior citizen multi- family housing; apartments above commercial space in commercial zoning districts; and condominiums.
- Hotels and Motels: Facilities with six or more guestrooms or suites, provided with or without meals or kitchen facilities, rented to the general public for overnight or other temporary lodging (less than 30 days). Hotels provide access to most guest rooms from an interior walkway. Motels provide access to most guest rooms from an exterior walkway. Also includes lodging units for recreational developments in the Recreation zoning district; ownership of such lodging units may include timeshares and undivided interest units. Also includes accessory guest facilities such as swimming pools, tennis courts, indoor athletic facilities, accessory retail uses, etc.
- Transient Rental: The rental of single-family or individual multi-family dwellings for overnight or vacation lodging.

As noted above, condominiumized units are included in the definition for multifamily dwellings and the Railyard Master Plan allows multi-family dwellings to be used as transient rentals. This means that the property owner(s) can choose either to rent each unit for overnight use for vacation lodging, to reside in or long-term rent their units for greater than 30 days. Use of a hotel unit on a long-term basis (greater 30 days or more) is prohibited per the definition of "hotels and motels. Because the units can be used for longer-term stays, the 17 units cannot be defined as a hotel use.

Further, the 17 residential units are being reviewed against residential standards, including the following:

- Parking: The Development Agreement includes the Railyard Parking Management Plan (PMP) which outlines the specific parking requirements for all uses, including residential and hotel uses, within the Railyard Master Plan area. Table 4 shows how parking calculations differ based on the residential or hotel use designation.

  Table 4: Comparison of Parking Requirements

Use	**Parking requirement**	**Calculation for 17 units**
Residential	1.0 space per studio residential unit 1.0 space per 1-bedroom residential unit 1.5 spaces per 2-bedroom residential unit 2.0 spaces per 3-bedrrom residential unit	2 1-bedrooom units: 2 spaces 12 2-bedroom units: 18 spaces 3 3-bedroom units: 6 spaces Total: 26 spaces
Hotel*	1 space per hotel room or unit	17 spaces

  * Hotel calculation provided for comparison purposes

  Additionally, the Railyard Master Plan requires "A minimum of fifty (50) percent of the required residential parking shall be located on- site. The review authority may approve an alternative to allow for less than fifty percent for a specific project (if the project is allowed within the subject zoning district and is generally consistent with the Master Plan) if one or more of the following findings can be made…" The applicant did not request an exception and the 26 parking spaces were included in the requirements for the project. The applicant also included 17 onsite parking spaces, one for each residential unit on site, which exceeded the 50% onsite parking requirement for residential units. The public Parking District provides the majority of the parking for the project, including nine residential parking spaces and the nonresidential parking spaces. Condition of Approval No. 36 also includes additional requirements for the hotel-related offsite parking. The 17 residential units comply with the residential parking standards.

- Affordable Housing: The Railyard Master Plan Development Agreement has different affordable housing requirements for residential units and for nonresidential uses. For residential units, 15% of all residential units are required to be affordable (also called inclusionary housing units). For nonresidential units, affordable housing requirements are based on anticipated full-time employee equivalent generation. For hotel units, the review authority may determine the appropriate calculation for full-time employee equivalent (FTEE); historically, the Town has used a 0.33 FTEE per hotel room. Based on the FTEE generation, the Development Agreement applies a sliding scale of required affordable housing. Table 5 shows how affordable housing calculations differ based on the residential or hotel use designation.

  Table 5: Comparison of Affordable Housing Requirements

Use	Affordable housing requirement	Calculation for 17 units
Residential	15% of all residential units shall be affordable	17 x 15% = 2.6 affordable housing units Nonresidential square footage and 60 hotel unit: 5.8 workforce housing units Total required: 8.4 affordable housing units
Hotel*	0.33 FTEE/room Less than 7 FTEE: Exempt 7 or more, but less than 20 FTEE: In-lieu fee equivalent to FTEE divided by 28 20 or more, but less than 40 FTEE: one workforce housing unit for each 14 FTEE 40 or more FTEE: one workforce housing unit for each 7 FTEE	Combined with all nonresidential square footage and 60 hotel units: ○ Commercial: 10,291 s.f. /500 s.f. = 20.6 FTEE ○ Hotel: 60 units x 0.33 = 19.8 FTEE ○ 17 additional hotel units: 17 units x 0.33 = 5.6 FTEE ○ Total: 46 FTEE ○ 46 FTEE / 7 = 6.6 workforce housing units required Total required: 6.6 affordable housing units.

* Hotel calculation provided for comparison purposes

The applicant is addressing the affordable housing requirements through the Artist Lofts affordable housing bank and no actual new affordable housing units are proposed. Regardless, the project complies with the affordable housing requirements for the 17 residential units.

- Kitchens: Although the proposed floor plans do not show details, as part of the building permit submittal full kitchens and separate living areas for each of 17 residential units would be required to meet the Town's definition of "dwelling."

As noted by the appellant, the applicant is requesting to condominimize each unit to allow for individual ownership of each unit. Further, the applicant is also requesting the option to transient rent or "short-term rent" these units as allowed under Table 5-1.

As described in the January 20, 2026 Planning Commission staff report, "Transient rental" is defined as "[t]he rental of single-family or individual multifamily dwellings for overnight or vacation lodging." "Transient rentals" are more commonly called "short-term rentals" (STR), which are defined by the Town's Municipal Code as residential units rented 30 nights or less, typically advertised as vacation rentals.

The Town adopted an updated STR Program that went into effect on January 1, 2021 which prohibited STRs in multifamily residential projects, implemented a cap on how many STRs may be permitted in Truckee, required a one-year cooling off period after sale of a unit, and public safety requirements such as noise restrictions,solid waste requirements, parking standards, and occupancy limits. However, as noted previously, the Railyard Master Plan area is subject to a Development Agreement which vests the property with the requirements in place at the time of execution of the Development Agreement. The Development Agreement went into effect on August 24, 2017, before the updated STR ordinance went into effect. Only the requirements in effect in 2017 can apply to the project. However, Section 3.3.2 of the Development Agreement states the following:

> *Regulation for Health and Safety. Notwithstanding any other provision of this Agreement to the contrary, Town shall have the right to apply Town Regulations adopted by Town after the*

Adoption Date, if such application (i) is otherwise lawful, (ii) is required to protect against a demonstrated physical health and safety risk, and (ii) Town determines that a failure to do so would place existing or future occupants or users of the Project, or any portion thereof, or the immediate community, in a condition dangerous to their health or safety.

The Town Attorney has reviewed the Development Agreement and the request to allow STRs in multifamily residential units in the DE district of the Railyard Master Plan and has determined that while the public safety components of the STR rental ordinance (Town of Truckee Municipal Code Sections 5.02.040 and 5.02.050.B-F) apply to the project today, the prohibition of STRs in multifamily residential units, the cooling off period, and cap do not apply in the Railyard Master Plan area under the current Development Agreement. The project would be required to acquire a STR certificate for each multifamily residential unit that opts to short-term rent and pay transient occupancy tax, as was required prior to adoption of the Development Agreement.

Since adoption of the STR ordinance, staff has been working to update all Town documents to be consistent with the STR ordinance. Once the Development Agreement expires at the end of 2027, the Town has the option to consider amendments to the STR uses in the Railyard Master Plan area. Staff has informed the applicant that amendments to the Railyard Master Plan are anticipated once the Development Agreement expires. While the details of the amendments have not been specified, there is a possibility that the Town may consider prohibiting STRs in multifamily residential units in the Railyard Master Plan, consistent with the requirements that apply to the rest of Truckee. If this occurs, staff believes that the provisions of the STR ordinance (Chapter 5.02) could apply to the project. Condition of Approval No. 44 is included in the resolution to address this potential occurrence:

Short-Term Rentals (STR): Prior to the short-term rental (transient rental) of any of the multifamily residential dwellings, the property owner of each such unit shall obtain a transient occupancy registration certificate. The owner and/or operator of such unit shall pay transient occupancy tax in compliance with Chapter 3.24 of the Truckee Municipal Code. Each dwelling operated as a short-term rental shall comply with Town of Truckee Municipal Code Sections 5.02.040 and 5.02.050.B–F, as may be amended, and the owners and operators of such dwellings shall comply with all other legally applicable provisions of Chapter 5.02 of the Truckee Municipal Code, if any. Nothing in this condition is intended to, nor shall it be construed to, require the developer or any owner of a multifamily residential unit within the project to waive, concede, or impair any vested right or any other rights, claims, or defenses they may possess.

While the Development Agreement is in effect, the project is allowed to short-term rent each unit. However, the owners of each individual unit are not obligated to short-term rent their unit and each unit can be used as a primary residence or a second home. The project is not required to serve as permanent residential or long-term housing. Affordable housing requirements, which often restrict usage to primary residential use, are being met through the Railyard Master Plan Affordable Housing Plan, which allows use of the Artist Lofts affordable housing bank. No restrictions are required to be applied to any of the units in the project.

The Railyard Master Plan does not contain a strict requirement to separate shared uses within a mixed-use project. In fact, the Railyard Master Plan seeks to create a mix of uses that share spaces and functionality. A shared lobby or a shared elevator are not prohibited. However, staff notes that the Council may require a separate elevator and access to serve the residential units to create a clear separation in uses. Separate elevator access was specifically suggested to the applicant previously by staff, but the change was not incorporated into the current iteration.

Staff understands that the allowance for short-term rentals creates a gray area that may allow the residential units to function similarly to a commercial use. The updated short-term rental ordinance seeks to create stricter boundaries on multifamily residential projects and was created to avoid such potential confusion and conflict; however, the project is not currently subject to the updated short-term rental requirements. The Railyard Master Plan Development Agreement creates a unique

circumstance for this project. Condition of Approval No. 41 which requires that the nonresidential and residential uses share a property management company is intended to create seamless management between the two uses and to ensure shared responsibility and motivation to reduce conflict among both users. The Council may choose to remove or modify this condition if there is concern about the shared property management company.

Processing mixed use projects under one Planning application is typical practice and separate site plans and grading, drainage, and utility plans and one erosion and stormwater plan are not required. The project proposed is one mixed-use project which includes a hotel, residential units, and nonresidential floor area. The Railyard Master Plan Section 10.4.a.(1) considers the Railyard Hotel a "Large Project" that consists of 15,000 s.f. or more of gross floor area or twenty or more residential units. This project contains over 80,000 s.f. of gross floor area.

Comment #2: Development Standards – Streetwall Articulation

The appellant states that the project fails to comply with the mandatory streetwall articulation standards of the Railyard Master Plan. The appellant states that the proposed building elevations along Donner Pass Road (south elevation) and the proposed building elevations along Truckee Way (east elevation) do not meet the street articulation standards. No specifics on the stated inconsistency were provided.

Staff Response: The Railyard Master Plan defines "streetwalls" as "building elevations that coincide with a public right-of-way or pedestrian walk where customer access to a structure is available. Streetwalls define the public realm and are therefore more regulated than the elevations that coincide with other lot lines." Additionally, the Master Plan requires that the streetwall height of each block shall vary in height (Table 5-2, S5). The block shall be calculated in 100' segments as shown in Figure 5-3 (see Figure 20 below). The variance shall be 20% of the maximum street wall height within each 100-foot segment (e.g., if the maximum streetwall height along a 100-foot frontage is 40 ft., at least 20 ft. of the frontage shall have a maximum streetwall height of 32 ft.).

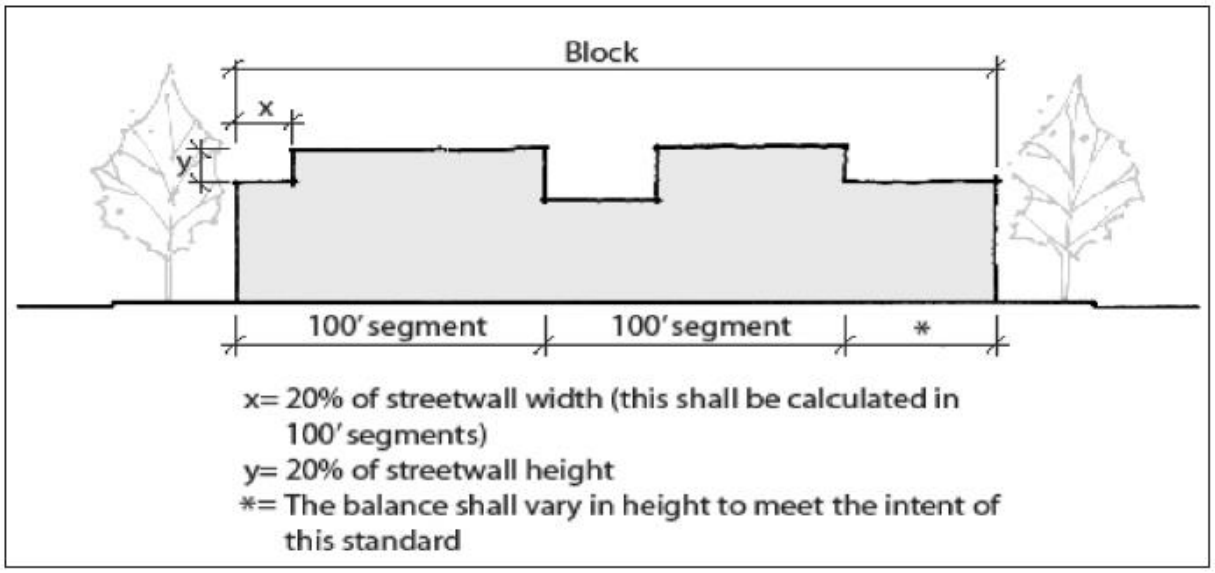


Figure 20: Streetwall Articulation Diagram from the Railyard Master Plan (Figure 5-3)

In reviewing the project, staff determined that both the Truckee Way (east) and Donner Pass Road (south) elevations are considered streetwalls. Customer access is not available on the north side of the building, along Church Street. Figures 21 and 22 show the streetwall articulation diagrams for the south and east elevations. Tables 6 and 7 summarize the requirements.

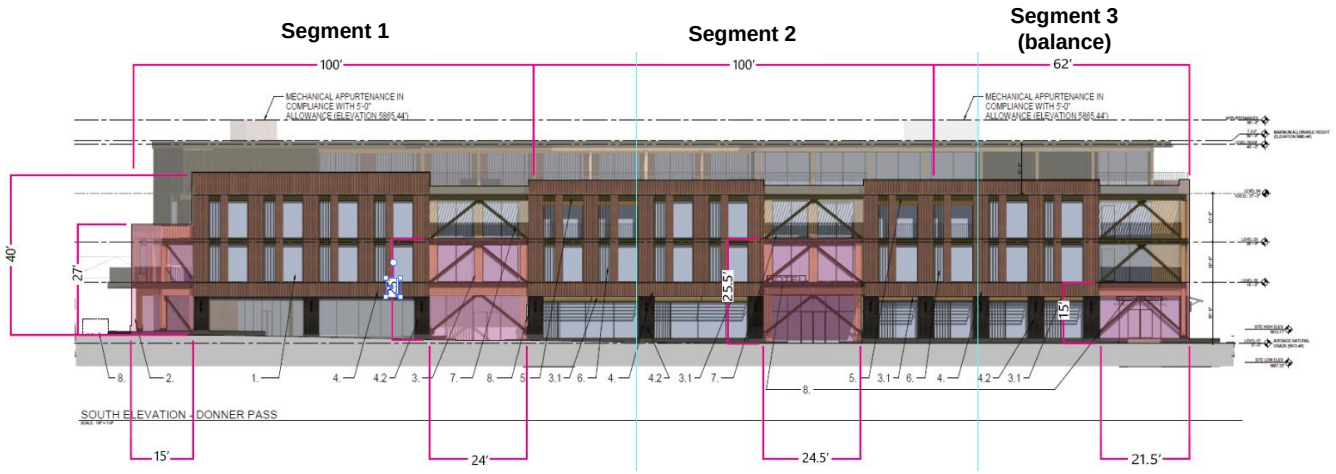


Figure 21: South Elevation Streetwall Articulation Diagram

Table 6: South Elevation Streetwall Articulation Summary

Segment	Dimensions	Required streetwall articulation	Proposed streetwall articulation
1	100' total width x: 20% x 100' = 20' y: 20% x 40' = 8'	Minimum 20' width Maximum 32' height (40' - 32')	39' width (15' + 24') 27' and 25' height
2	100' total width x: 20% x 100' = 20' y: 20% x 40' = 8'	Minimum 20' width Maximum 32' height (40' - 32')	24.5' width 25.5' height
3 (balance)	62' x: 20% x 62' = 12.4' y: 20% x 40' = 8'	Minimum 12.4' width Maximum 32' height (40' - 32')	21.5' width 15' height



Figure 22: East Elevation Streetwall Articulation Diagram

Table 7: East Elevation Streetwall Articulation Summary

Segment	Dimensions	Required streetwall articulation	Proposed streetwall articulation
1	100' total width x: 20% x 100' = 20' y: 20% x 40' = 8'	Minimum 20' width Maximum 32' height (40' - 32')	27.5' width (12.5' + 15') 14.5' height
2 (balance)	84' total width x: 20% x 84' = 16.8' y: 20% x 37' = 7.4'	Minimum 16.8' width Maximum 29.6' height (37' - 7.4')	23.5' width (16.5' + 7') 28' height

Based on staff's review of the two elevations, staff believes the project is consistent with the streetwall articulation standard. Staff notes that the northern portion of the east elevation (the right side), required some interpretation of the intent of the standard in identifying the location of the streetwall. The privacy walls between each balcony serve as the main streetwall but staff recognized the entirety of the balcony area as the streetwall in the calculation. Overall, staff believes the overhangs and variety of height that break up the streetwall has been achieved. If the Council does not believe that the intent of the streetwall articulation standard has been met, the Council may wish to determine if findings for compliance with the Railyard Master Plan development standards can be made or if conditions of approval can be incorporated or modified to ensure consistency with the standard.

Comment #3: Development Standards – Solar Exposure Standard

The appellant stated that the solar exposure standard is required to ensure that the shadowing effect of the proposed building did not go past the entire sidewalk and the existing houses. The appellant believes that the solar analysis shows that the proposed project almost completely covers the nearby historic structures. The appellant states that the diagram in Figure 5-4 "shows the intent of the proposed project to not impact existing structures with shadowing effect, or at least not cover them almost entirely." The appellant believes that the proposed project creates significant shading and winter safety concerns that will affect the surrounding street and properties.

Staff Response: The Railyard Master Plan Table 5-2 (Railyard Master Plan General Development Standards) includes S10 (Solar Exposure) which states that "[a] minimum solar access plane of 27.25 degrees measured from the centerline of each east-west street's northerly sidewalk shall be provided. See Figure 5-4." See Figure 23 for the Railyard Master Plan Figure 5-4 (Solar Access Diagram):

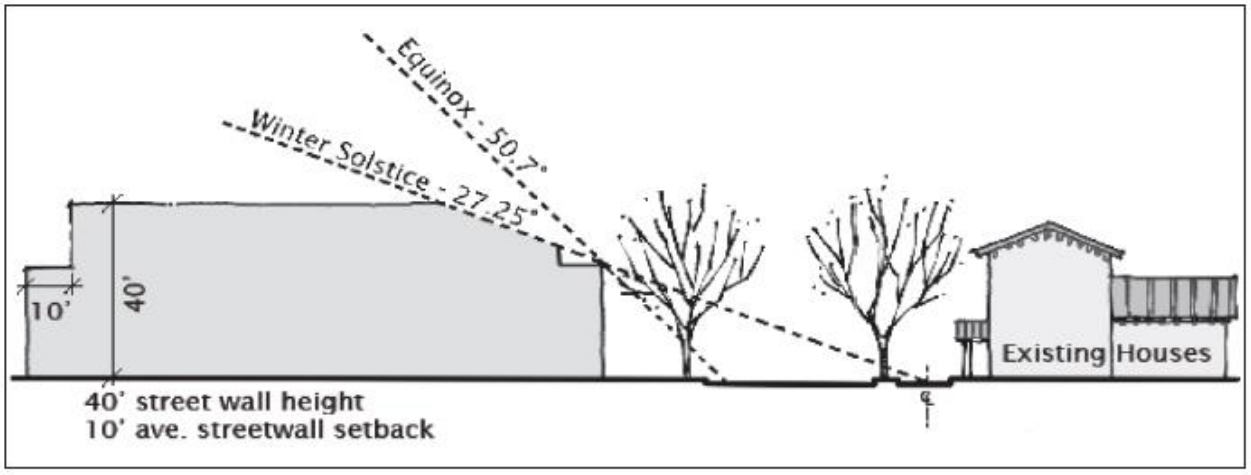


Figure 23: Railyard Master Plan Solar Access Diagram (Figure 5-4 of the Railyard Master Plan)

The solar exposure standard only requires that the project comply with the 27.25-degree plane measured from the centerline of the east-west sidewalk of the northern sidewalk of the project (Church Street, in this case).

As noted previously in the *Building Design* subsection of the "Railyard Master Plan/Development Agreement/Development Code Consistency" section of this staff report, the design reviewed by the Planning Commission did not comply with the solar exposure standard. The diagram was not updated between the January and May iterations of the project and did not accurately reflect the updated building design. However, the applicant has stated that they will be able to meet the standard requirements with minor design modifications to the north elevation. The applicant has provided an exhibit (Figure 24) that shows how the project will comply.

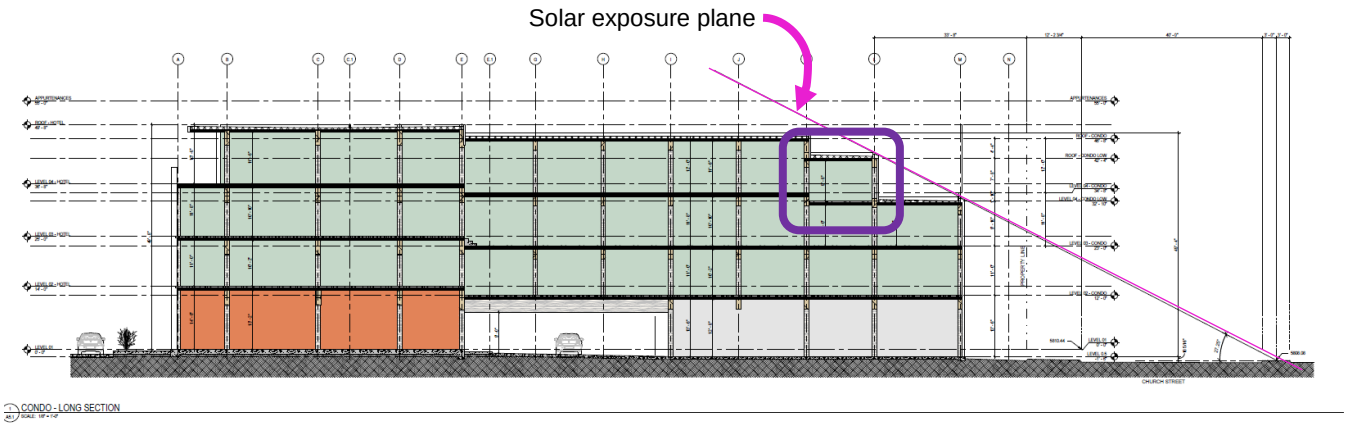


Figure 24: Updated Solar Exposure Diagram

Staff notes that the solar exposure standard does not prohibit shadowing of nearby properties or roads, as discussed by the appellant. The Railyard Master Plan Table 9-2 (Implementation Measures and Action Items) requires a sun/shade analysis to aid in "optimizing solar exposure for the reduction of energy consumption, and to create pleasant streetscapes and functional projects. The analysis shall indicate seasonal sun exposure on streets, sidewalks, public places, and adjacent structures and shall ensure that the proposed project design considers the impact of microclimates on the functional of spaces, consistent with this Master Plan." While no specific standards or directives are required as part of this sun/shade analysis, the Council may discuss if additional design features or considerations should be required in response to the provided sun/shade analysis.

Comment #4: Development Standards – Parking Management Plan

The appellant stated that Chapter 7 and 9 of the Railyard Master Plan requires preparation of a Parking Management Plan (PMP). The appellant stated that a final Parking Management Plan was not provided to the Planning Commission. The Planning Commission approved the proposed project without a PMP which is inconsistent with the Railyard Master Plan mandatory requirements. Overall, the appellant is concerned that without a final PMP, the project does not address cumulative traffic impacts associated with increased visitor occupancy and vehicle trips.

Staff Response: Chapter 7 of the Railyard Master Plan requires the following:

Parking design shall comply with existing parking policies within the DTSP [Downtown Truckee Specific Plan] except where otherwise noted in this Master Plan or the separate Railyard Parking

Management Strategy. For applicable policies see DTSP Chapter 3.E, Guiding Parking Policies (S35).

Additionally, the Railyard Master Plan requires the following action item:

7.1: Prepare a Parking Management Plan for the Railyard that details parking standards and includes an implementation plan by phase or district. The Management Plan should also provide for incorporating parking in the Master Plan Area into the existing Downtown Commercial Core Parking Management Program. Public Parking within the railroad right of way shall be made available for use by the Downtown Parking Management Program at no land cost to the Parking District.

Chapter 9 of the Railyard Master Plan Item 10 in Table 9-2 (Implementation Measures and Action Items) requires the following:

Parking Management Plan. Prepare a Parking Management Plan for the Railyard that details parking standards and includes an implementation plan by phase or district. The Management Plan should also provide for incorporating parking in the Master Plan Area into the existing Downtown Commercial Core Parking Management Program. Public parking within the railroad right of way will be available for use by the Downtown Parking Management Program at no cost to the Parking District.

Within Exhibit B (Town and Owner Commitments) of the Railyard Master Plan Development Agreement includes Item 10 (Parking Management Plan):

The Owner or Owner's designee shall plan for, design, dedicate land and construct, at no cost to Town, the necessary Phase 1 parking improvements to implement the approved Railyard Parking Management Plan dated June 2017 (see Exhibit B5, Railyard Parking Management Plan), and Artists' Lofts conditions of approval, prior to issuance of Final Occupancy for the Artists' Lofts. The Town will modify existing parking regulations to incorporate the Railyard Master Plan Area into the Downtown Parking District consistent with the Parking Management Plan, provided modifications are consistent with the Railyard Parking Management Plan. Owner will not oppose these regulatory amendments. The Town will administer and operate the Downtown Parking District in accordance with the Railyard Parking Management Plan. The Town will use various areas within the Railyard (including but not limited to UPRR right-of-way) as part of the Parking District at no cost to the Town. The Town will provide parking meters at no cost to Owner for all parking within railroad and roadway right of ways that are included as part of such public parking. The Owner shall also construct parking for each specific land use in accordance with the Parking Management Plan. Permanent snow storage easement areas shall not overlap with parking required to fulfill the requirements of the Parking Management Plan. The free and 2- hour parking spaces that are currently located in the Beacon Lot and along the section of Donner Pass Road that will be realigned, shall be relocated into the Railyard Master Plan area, and shall not be available to count towards the parking supply associated with new development in the Master Plan.

The Railyard Parking Management Plan is intended to reflect only an initial concept for how Railyard parking will be constructed and operated. All provisions of the Railyard Parking Management Plan are subject to revision by the Town of Truckee, with the exception of the parking generation standards in Section II. B. 4.a. Nothing in this Exhibit B or in any other provision of this Agreement shall be deemed' to vest Owner with any rights regarding parking or the Railyard Parking Management Plan, with the exception of the parking generation standards in Section II. B.4.a. of the Railyard Parking Management Plan.

Additionally, the Railyard Parking Management Plan (PMP) is incorporated into the Development Agreement as Exhibit 5. This document specifically states that the Parking Management Plan was

created to satisfy Action Item 7.1 and Implementation Measure 10, as required by the Master Plan. The document states the following:

The PMP provides parking policies and standards for the Truckee Railyard Mixed-Use Development MP area in Chapter II. Chapter III of the PMP includes modifications to current Downtown Parking District operations and management strategies that will ensure seamless integration of Railyard parking administration. Additional strategies to further the success of PMP implementation and the Downtown Parking District are included in Chapter IV. The requirements in Chapters 7 and 9 of the Railyard Master Plan have been fulfilled through the Development Agreement.

As stated in the adopted Development Agreement, Chapters 7 and 9 of the Railyard Master Plan have been fulfilled through the development of the Railyard Mixed Use Development Parking Management Plan (Exhibit 5B of the Railyard Development Agreement). Individual parking management plans for each project are not required.

For the Railyard Hotel project, staff believes a parking management plan is necessary to make the findings for approval of the project. Specifically, Finding 6.a for the Development Permit requires that the subject site is adequate in size and shape to accommodate the use and all fences and walls, landscaping, loading, parking, yards, and other features required by this Master Plan. Staff believes that a parking management plan is necessary to ensure that the hotel parking can be adequately addressed. Condition of Approval No. 36 requires a final project-specific parking management plan to ensure that parking for the hotel is addressed by the developer. The condition includes a number of questions and requirements that would be reviewed by staff to ensure a comprehensive plan. If the Council believes changes should be made to this condition (e.g., additional conditions to the parking management plan or review by the Planning Commission or the Town Council), the Council may incorporate revisions to the conditions of approval.

Findings: Due to the appeal, the Council is now the final decision maker on the Truckee Railyard Hotel project. While the Planning Commission made findings to approve the project in May, the Council will need to make its own findings to approve, modify or deny the project. The enclosed Resolution includes findings in support of approval of the project and denial of the appeal. Should the Council find merit in the appeal and wish to modify or deny the project, Town staff will prepare a revised Resolution and/or revised findings and will return at a future Council meeting with the modified documents.

The Town Council may approve or conditionally approve the requested entitlements only if all of all of the following findings can be made:

1. The proposed development is:
   a. Allowed by Chapter 5 (Development Standards and Guidelines) within the applicable District with the approval of a Minor Exception; complies with all applicable provisions of this Master Plan, the Development Code, the Municipal Code, and the Public Improvement and Engineering Standards (except as modified by this Master Plan).
   b. Within the Maximum Allowed Development area defined in Chapter 5.
   c. Consistent with the goals and policies of this Master Plan, the General Plan, the Downtown Specific Plan, the Trails and Bikeways Master Plan, and the Particulate Matter Air Quality Management Plan.
2. The proposed development achieves the overall design objectives of the Design Guidelines, and would not impair the District design and architectural integrity or the character of Downtown Truckee.
3. The Development Permit, Tentative Map, Minor Exception, and Zoning Clearance approval is in compliance with the requirements of the California Environmental Quality Act (CEQA) and there would be no potential significant adverse effects upon environmental quality and natural resources that would not be properly mitigated and monitored, unless a Statement of Overriding Considerations is adopted.

4. There are adequate provisions for public and emergency vehicle access, fire protection, sanitation, water, and public utilities to ensure that the proposed development would not be detrimental to public health and safety. Adequate provisions shall mean that distribution and collection facilities and other infrastructure are installed at the time of development and in operation prior to occupancy of buildings and the land, and all development fees have been paid prior to occupancy of buildings and the land.
5. The proposed development and subdivision are consistent with all applicable regulations of the Nevada County Department of Environmental Health and the Truckee Fire Protection District for the transport, use, and disposal of hazardous materials.
6. The subject site is adequate is:
    a. Adequate in size and shape to accommodate the use and all fences and walls, landscaping, loading, parking, yards, and other features required by this Master Plan.
    b. Served by streets adequate in width and pavement type to carry the quantity and type of traffic generated by the proposed development, or that such streets will be in service prior to occupancy of the proposed development. (*Unique Development Permit Finding)*
7. Despite conflict with specific Development Standards, the proposed development achieves the overall design objectives of the Design Guidelines, and would not impair the design and architectural integrity or the character of Downtown Truckee. In fact, approval of the Minor Exception application is necessary to allow for high-quality design, architecture, and landscaping. (*Unique Minor Exception Finding)*
8. The proposed subdivision, together with the provisions for its design and improvement, is consistent with all applicable provisions of the Subdivision Map Act, the General Plan, any applicable Specific Plan and/or Master Plan, the Development Code, the Trails Master Plan, the Particulate Matter Air Quality Management Plan, and the Public Improvements and Engineering Standards. *(Unique Tentative Map Finding)*
9. The site is physically suitable for the type and density/intensity of development being proposed. *(Unique Tentative Map Finding)*
10. There are adequate provisions for public and emergency vehicle access, sanitation, water, and public utilities and services to ensure that the proposed development would not be detrimental to the public health and safety. Adequate provisions shall mean there is available capacity in community sewer and/or water systems serving the subdivision or the subdivision will be served by on-site septic systems and/or private wells that comply with Nevada County Environmental Health Department regulations; distribution and collection facilities for sewer and water and other infrastructure are installed to lot boundaries; and recreation development fees are paid prior to map recordation. *(Unique Tentative Map Finding)*
11. The subdivision will not be detrimental to the public health, safety, or welfare of the Town, or injurious to the property or improvements in the vicinity in which the property is located. *(Unique Tentative Map Finding)*
12. The proposed subdivision, together with the provisions for its design and improvement, will not conflict with easements, acquired by the public at large for access through or use of, property within the proposed subdivision unless alternate easements for access or use will be provided and the alternate easements will be substantially equivalent to ones previously acquired by the public. *(Unique Tentative Map Finding)*
13. The discharge of sewage from the proposed subdivision into the community sewer system will comply with the requirements prescribed by the Lahontan Regional Water Quality Control Board. *(Unique Tentative Map Finding)*

Environmental Review: The Town certified the Railyard Master Plan Final Environmental Impact Report (SCH #2007122092) in July 2009 and an Environmental Impact Report (EIR) Addendum was prepared in conjunction with the Truckee Artist Lofts application (2016-00000132) and accepted into the Railyard permanent record on May 10, 2015. The project is consistent with the Maximum Allowed Development allowed under the Railyard Master Plan. Further, a hotel use at this location was discussed during the Railyard Master Plan visioning process. Staff recommends that no further environmental review is required pursuant to CEQA Guidelines Section 15183 (Projects Consistent with a Community Plan, General Plan or Zoning), and Public Resources Code Section 21166.

Staff Recommendation: The Railyard Master Plan identified the Downtown Extension District as a physical extension of the commercial shops, restaurants, and lodging existing along Commercial Row with greater density and modern interpretation of Truckee's history. Development from west to east was contemplated through a conceptual phasing plan to support extension of the historic downtown. Although this development pattern has not come to fruition, a hotel at the Donner Pass Rad/Truckee Way/Church Street intersection would create a new link to the Artist Lofts and start to infill a missing connection. The Downtown Extension District is intended to be developed with the most intensity of the three districts. Overall, the proposed uses at this key location are consistent with the Railyard Master Plan Maximum Allowed Development and a 60-room hotel was visioned on this site during the Railyard Master Plan development process.

Staff continues to believe that a robust parking plan with offsite hotel parking are necessary to reduce impacts on the Parking District and the neighborhood. However, staff believes with incorporation of the condition of approval requiring a robust parking management plan with a measurable Transportation Demand Management strategy and requirement of an offsite parking lot for overflow parking, the parking impacts could be mitigated.

Additionally, the applicant has worked with the Town to address design concerns and has added a ground floor retail use to generate pedestrian activity. Overall, staff believes that, with incorporation of the conditions of the approval, the project is consistent with the general intent of the Railyard Master Plan. Staff recommends that the Town Council consider the comprehensive project and the Railyard Master Plan design guidelines and determine if the project is consistent with the Railyard Master Plan.

Staff recommends that the Town Council adopt Resolution 2026-46, upholding the Planning Commission's decision, denying the appeal of the Railyard Hotel project, approving the Railyard Hotel Development Permit, Tentative Map, Minor Exception, and Zoning Clearances. The project will be required to implement the mitigation measures adopted as part of the Railyard Master Plan Environmental Impact Report. All mitigation measures have been incorporated into the conditions of approval for this project.

Alternative Actions: Actions that the Town Council may take as an alternative to the recommended action include:

1. Continue the public hearing to a date and time certain.
   The Town Council may request additional information from staff. If new information is presented at the next meeting, the public portion of the hearing must be reopened on the new information submitted. If new or different evidence is presented on appeal, the Council may, but shall not be required to, refer the matter to the original review authority for further consideration.
2. Land Use Permits
   a. Add, delete or modify the proposed conditions of approval
   b. Deny the project on the basis that all of the required findings cannot be made.

Priority:

☐	Enhanced Communication	☐	Climate and Greenhouse Gas Reduction	☐	Housing
☐	Infrastructure Investment	☐	Emergency and Wildfire Preparedness	☒	Core Service

Fiscal Impact: The cost of submitting this appeal is paid for by the appellant through a fixed-fee application. However, the cost of processing the appeal has surpassed the amount of the fixed fee, which includes preparation of the staff report, public noticing for the hearing and staff's attendance at the hearing. Because the fixed-fee application has not been adequate to cover the Town's expense to process the appeal, the remaining costs are borne by the Town's General Fund, through the Planning Division. If the appeal is granted, the Town Council may authorize the refund of the appeal fees.

Public Communication: The public hearing notice was published in the *Sierra Sun* on August 14, 2026 and mailed on August 10, 2026 to all property owners within the 500 feet of the project site, as shown on the latest current tax roll of Nevada County.

Attachments:

Attachment 1: Draft Resolution 2026-46 – Upholding the Planning Commission decision and denying the appeal of the Truckee Railyard Hotel Development Permit, Tentative Map, Minor Exception, and Zoning Clearances

- Exhibit A: Conditions of Approval
- Exhibit B: Findings
- Exhibit C: Plans, including Tentative Map

Attachment 2: Applicant justification and additional submittal materials

Attachment 3: March 27, 2026 Revised Draft Parking Management Plan

Attachment 4: Staff comments on revised Parking Management Plan

Attachment 5: Appellant appeal submittal

Attachment 6: Applicable Railyard Master Plan
https://www.townoftruckee.gov/DocumentCenter/View/2624/Railyard-Master-Plan---Amended-4-8-2025-PDF?bidId=

Attachment 7: Railyard Master Plan Development Agreement
https://www.townoftruckee.gov/DocumentCenter/View/3761

Attachment 8: Relevant Railyard Master Plan Design Guideline provided to applicant