

PLANNING COMMISSION STAFF REPORT

Meeting Date: February 21, 2023

To: Town of Truckee Planning Commission

From: Yumie Dahn, Senior Planner

RE: Application No. 2023-00000002/EXT (Truckee-Tahoe Lumber Company Redevelopment - "The Crossing" Time Extension); Owner/Applicant: Andrew Cross, CF Holding Company LLC; Agent: Lynette Dias, Urban Planning Partners; 10242 Church Street and 10322 Trout Creek (APNs 019-030-008 and 019-030-051)

Approved by: Denyelle Nishimori, Community Development Director

Recommended Action: That the Planning Commission adopt Resolution No. 2023-01, taking the following actions:

- 1) Determining the application exempt from the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15061(b)(3); and
- 2) Approving the one-year Time Extension based on the recommended findings and subject to the recommended conditions of approval.

Project Summary: The applicant is requesting approval of a one-year Time Extension to the previously approved Truckee-Tahoe Lumber Company Redevelopment (also called "The Crossing") which proposed to redevelop and reuse two lumber storage buildings on the existing Truckee-Tahoe Lumber Company (TTLC) site in the Railyard Master Plan area, located at 10242 Church Street and 10322 Trout Creek Road (APNs 019-030-008 and 019-030-051). The applicant was approved for Development Permits, a Planned Development, Minor Exceptions, and a Comprehensive Sign Program to demolish the existing 4,758 s.f. TTLC office/retail building located on the south side of 10242 Church Street; remove the outdoor lumber storage shelving units, redevelop the North and West Sheds, including addition of a second floor to the North Shed for a total of 21,439 s.f.; develop 66 onsite parking spaces; and develop an 18,000 s.f. outdoor plaza/gathering area.

Planning Commission's Role: The Planning Commission's role is to review the progress on the project and ensure the two findings for a Time Extension can be made. Further, the Planning Commission should review the project to ensure it remains consistent with any standards that have changed in the Development Code. Details on these topics can be found in the "Development Code Consistency" section of this staff report.

Location/Setting: The project site is located in the downtown, partially in the Railyard Master Plan area, west of the balloon track and south of Trout Creek, where the previous Truckee-Tahoe Lumber Company was located. Adjacent uses include Trout Creek to the north, the Sierra Pacific Power Company substation to the northwest and west, residential uses to the north across Trout Creek, and Home Concepts Design Center to the southwest (10242 Church Street and 10322 Trout Creek; APNs 019-030-008 and 019-030-051)

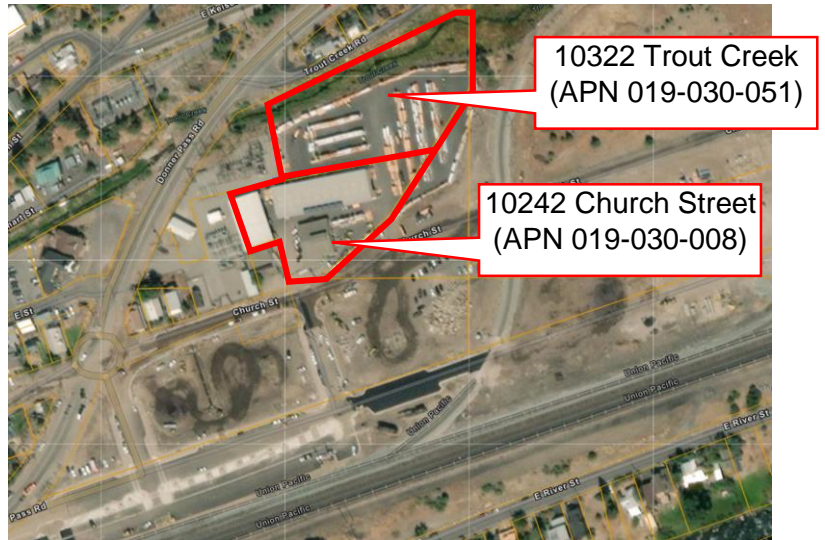


Figure 1: Vicinity Map

Project Site Information:

General Plan Designation:	Downtown Specific Plan Area
Railyard Master Plan Area:	Downtown Extension
Zoning District:	Downtown Master Plan Public Facilities
Parcel Sizes:	3.46 acres (1.31 acres and 2.15 acres)
Project Boundary Size:	1.7 acres (not including snow storage area)

Note: The southerly parcel is located in the Downtown Extension district of the Railyard Master Plan and the northerly parcel is located in the Public Facilities zoning district of the Development Code. Therefore, each parcel is being reviewed under the standards of the applicable Railyard Master Plan standards or Development Code standards. Figure 2 shows the zoning and Figure 3 shows the Railyard Master Plan Districts.

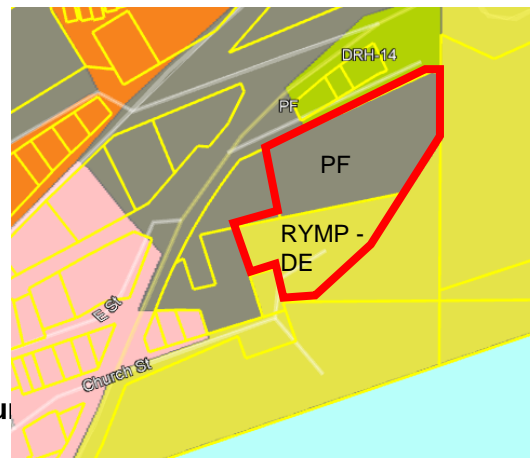


Figure 2: Zoning Map

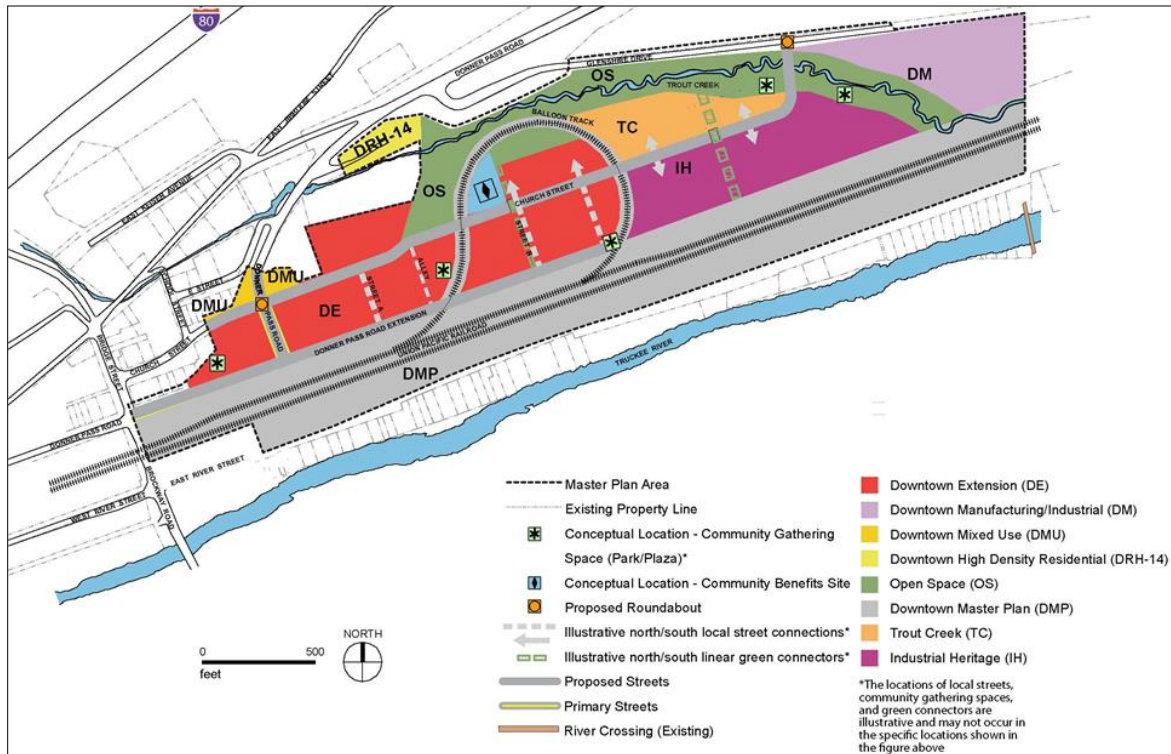


Figure 3: Railyard Master Plan Districts

Discussion/Analysis:

Background

The Town has worked on redevelopment of the Railyard site to strengthen and expand the downtown for the past 20+ years. The Town created a 2006 conceptual Railyard Master Plan, adopted the 2009 Truckee Railyard Master Plan, and adopted the 2016 amended Master Plan. The 2016 plan, the Truckee Railyard Mixed-Use Development Master Plan (<https://www.townoftruckee.com/home/showdocument?id=14779>), 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 uses and an enjoyable public realm with a strong sense of place that complements Truckee's unique mountain character. It should also be noted that the Railyard Master Plan was written to accommodate the existing Truckee-Tahoe Lumber Company on the site indefinitely without precluding its future redevelopment in a manner consistent within the Master Plan.

Thus far, only one project has been constructed – the Truckee Artist Lofts, a four-story 77-unit affordable housing, 3,600 s.f. of ground floor retail, and 25 on-site covered parking spaces. A 35,000 s.f. grocery store was approved in 2017 and a 12,130 s.f. three-screen movie theater was approved in 2019. Neither project was constructed and both entitlements have expired.

In addition to the Master Plan, the Town Council also approved a Development Agreement with the master developer, Truckee Development Associates, LLC, of the Railyard Master Plan (<http://laserfiche.townoftruckee.com/WebLink/DocView.aspx?id=59514805&dbid=0&repo=TRUCKEE>).

The Development Agreement is a contract between the Town and the developer, Truckee Development Associates(TDA), where additional public benefit was provided in exchange for set development terms. 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 proposed project is reviewed for consistency with the Parking Management Plan and Affordable Housing Agreement of the Railyard Master Plan Development Agreement rather than the standard requirements of the Development Code. The Development Agreement also vests the property with the standards that were in place at the time of adoption by the Town.

Project Description

The applicant is proposing to demolish the existing 4,758 s.f. Truckee-Tahoe Lumber Company (TTLC) office/retail building located on the south side of 10242 Church Street, remove the outdoor lumber storage shelving units, redevelop the North and West Sheds, including adding a second floor to the North Shed for commercial uses and site, and developing 66 onsite parking spaces and an 18,000 s.f. outdoor plaza/gathering place, as summarized in Table 1:

Table 1: Existing and Proposed Floor Area

Structure	Existing (sq. ft.)	Proposed (sq. ft)	Difference (sq. ft)
North Shed	11,887	14,872	+2,985
West Shed	6,567	6,567	0
TTLC Office/Retail	4,758	0	-4,758
Total	23,212	21,439	-1,773

The North Shed is proposed to be renovated, including an addition of a 6,850 s.f. second floor. It is proposed to contain commercial space suitable for general office, retail, and food and beverage use. The configuration of the building will allow up to 17 individual business lease areas. The applicant is also proposing to renovate the West Shed for an eventual single 6,560 s.f. commercial space, likely a restaurant. An 18,000 s.f. plaza/community gathering place is also proposed with a mix of hard and soft scape, seating, fire pit, lawn area, public art, and a small stage to serve the future uses and serve as an informal gathering place. Any potential events in this area would be required to be approved through a Temporary Use Permit or through a permanent land use entitlement for an event space. A permanent event space was not requested by the developers. All future uses for the project would be required to go through additional land use approvals to establish the initial use. Figure 4 shows the site plan and Figures 5 and 6 show renderings of the proposed building

This project is located on an approximately 1.7-acre portion of the 3.5-acre site. Future development Phase 2 of the project site is anticipated but the specifics have not been provided. Any future development will require additional approvals and CEQA review.

The Planning Commission approved the following land use permits in Resolution 2021-01 in January 2021: 1) **Development Permit** to redevelop and change the use for 15,000 s.f. or more of gross floor area in the Railyard Master Plan Area; 2) **Development Permit** to disturb 26,000 s.f. or more of the site in the Public Facilities zoning district; 3) **Minor Exception** to the Railyard Master Plan standards for front setbacks and streetwall articulation; 4) **Planned Development** to allow for commercial uses within the Public Facilities zoning district; and 5) **Comprehensive Sign Program** for a monument sign on a multi-tenant site.

January 19, 2021 staff report link:

<https://portal.laserfiche.com/Portal/DocView.aspx?id=59514951&repo=r-6a91ddbc>

Planning Commission Resolution 2021-01, original approval for the Truckee-Tahoe Lumber Company Redevelopment – “The Crossing”:

<https://portal.laserfiche.com/Portal/DocView.aspx?id=59522032&repo=r-6a91ddbc>

Since approval of the project, the applicant has completed the Letter of Map Revision (LOMR) which modified the FEMA floodplain line to reflect the changes to the floodplain caused by the Town’s Trout Creek restoration work. The finalization of the LOMR was required as Condition of Approval No. 33 of Resolution

It has been two years since the land use permits were approved and the land use entitlement were in effect until February 1, 2023. The applicants filed the Time Extension request on January 3, 2023, requesting a one-year time extension for the project approvals to allow adequate time to obtain a building permit and exercise the land use, as required.





Figure 5: Rendering of proposed project – Bird’s eye view of the North Shed



Figure 6: Rendering of proposed project – West Shed (sign not proposed)

General Plan Consistency

The Truckee-Tahoe Lumber Company Redevelopment was approved under the 2025 General Plan, which remains in effect at this time. No changes are proposed to the approved project, and no new General Plan policies have been adopted since approval of the project. It is staff’s opinion that the project remains consistent with the adopted 2025 General Plan.

There have been no changes in the character of the site or its surroundings that affect how the policies of the General Plan and Development Code apply to the project. Additionally, all applicable special districts,

utility companies, and Town departments with an interest in this application have been notified. No objections were filed and no new concerns were raised.

Development Code Consistency

Staff reviewed the Time Extension application for consistency with the relevant Development Code standards, as discussed below.

Time Extensions

Time extensions may be granted by the review authority to extend the time to establish an approved use, as identified in Development Code Section 18.84.055 (Time Extensions). The extension request is required to be filed with the Town in advance of the expiration date. The burden of proof is on the applicant to establish, with substantial evidence, why the permit should be extended.

The review authority may impose conditions on the approved extension deemed reasonable and necessary to ensure that the approval will remain in compliance with the findings for the applicable land use permit and to bring the project into compliance with the General Plan and Development Code.

In accordance with Section 18.84.055, the Commission may grant an extension of up to two years to the initial time limit, only if all the following findings can be made:

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

The Code identifies that the entitlement for the first phase of development shall not be deemed exercised until the permittee has obtained all necessary building permits for the first phase and has diligently pursued construction. Diligent pursuit requires, at a minimum, the completion of the installation of foundations for all structures in the first phase of the project.

The applicant has requested a one-year time extension for the land use entitlements, consistent with the Development Code time extension limits, and believes the findings can be made to support this request. Based on staff's understanding of the Time Extension request, staff believes the applicant has made a good faith effort to effectuate the land use entitlements by pursuing building permit issuance. As noted above, staff recommends a one-year time extension, as requested by the applicant, to allow the applicant additional time to complete the work that is required to establish the use, consistent with the requirements of Section 18.84.055.

The southern parcel, 10242 Church Street (APN 019-030-008), is subject to the Railyard Master Plan and Development Agreement, which includes a specific parking management plan and affordable housing plan, and no amendments were made to these documents since the original approval. The Development Agreement vests the area within the Railyard Master Plan with the Development Code that was in effect at the time of execution of the Development Agreement, which was the August 11, 2017 Development Code. Staff believes that the 10242 Church Street (APN 019-030-008) project is consistent with these documents. The northern parcel, 10322 Trout Creek Road (APN 019-030-051), is located outside of the area governed by the Railyard Master Plan and Development Agreement and is subject to the Development Code.

The northern parcel, since it is located outside of the Railyard Master Plan area, is subject to the Development Code. Recently, the Development Code was amended to state that required parking, required landscaping, and required site improvements are prohibited within easements unless the easement is amended to allow the improvements in perpetuity or all entities with an interest in the easement provide written consent for the improvements to remain in place in perpetuity. In order to ensure consistency with

the Development Code, staff is recommending modifying Condition of Approval 63 of Resolution 2021-01 to state the following:

Prior to building permit issuance, the applicant shall provide evidence that any existing projections or encroachments into easements are not exacerbated by new structures, including extensions of roof eaves or building footprint/foundation modifications. No new required site improvements, including required landscaping, required parking, or other required site improvements, shall be located in easements unless 1) the easement is amended, with the consent of all entities with an interest in the easement, to clarify that the parking, landscaping, and/or other improvement can remain in place in perpetuity notwithstanding any other provision of the easement; or 2) all entities with an interest in the easement provide written consent for the parking, landscaping, and/or other improvements to remain in place in perpetuity, which such consent is absolute, irrevocable, permanent, supersedes the easement to the extent it is inconsistent with the easement, and is recorded in the official records of Nevada County.

With inclusion of this change to this condition, staff believes that the project is consistent with the current Development Code.

Special Districts and Utilities

All applicable special districts, utility companies, and Town departments with an interest in this application have been notified. No objections were filed and all conditions of approval have been incorporated. The project will be required to be in compliance with all utility and special agency requirements.

The Truckee Fire Protection District noted that the project is subject to the new defensible space requirements for Zone 0 and a vegetation management plan will be required to address the creation and maintenance of defensible space around the project area. Condition No. 75 of Resolution 2021-01 is proposed to be modified as follows:

As determined by the Community Development Director in coordination with the District Fire Marshal, the project shall comply with all applicable Truckee Fire Protection District ordinances and requirements related to the construction or installation of physical infrastructure, facilities, and improvements and the payment of mitigation fees for the construction of facilities and the purchase of equipment. These ordinances and requirements may include, but not be limited to, roads and driveways, installation of fire hydrants and extinguishers, minimum fire flow, fire department access and safety, automatic sprinkler and alarm system for the building, driveway and width, and paving specifications, wildland fire protection, compliance with defensible space requirements for Zone 0, vegetation management plan to address the creation and maintenance of defensible space around the project area, and payment of fire mitigation fees. The physical infrastructure, facilities, and improvements shall be installed at the time of development and completed prior to temporary occupancy of buildings and the land, and the mitigation fees shall be paid in accordance with adopted Council rules for administration of the mitigation fee program. The project must also have Fire Protection Water in accordance with Section 507 of the Fire Code and Fire Apparatus access in accordance with Section 503 of the Fire Code.

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

Public Communication: The public hearing notice was published in the Sierra Sun on February 10, 2023 and mailed on February 1, 2023 to all affected property owners within 500 feet of the project site, as shown on the latest current tax roll of Nevada County.

Staff Summary and Recommendation: Staff recommends approval of a one-year time extension for the Truckee-Tahoe Lumber Company Redevelopment (The Crossing), as allowed under the Development Code time extension limits. A one-year time extension would extend the expiration date for the project to February 1, 2024. The building permit would be required to be finalized by February 1, 2026.

All relevant conditions of approval from the previous approval have been incorporated into draft Planning Commission Resolution 2023-01, and amendments to the conditions of approval have been proposed to address any Development Code standards that have been amended since the time of the original project approval to ensure the project's ongoing consistency with the Development Code. No changes to the project have been proposed by the applicant, and the project remains consistent with the 2025 General Plan. With incorporation of the recommended conditions of approval and recommended findings, it is staff's opinion that the required findings to approve the Time Extension can be made.

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

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

Attachments:

1. Draft Planning Commission Resolution 2023-01, approving a one-year Time Extension for the Truckee-Tahoe Lumber Company Redevelopment – “The Crossing”
2. Applicant Justification Letter