



PLANNING COMMISSION STAFF REPORT

Meeting Date: January 20, 2026

To: Town of Truckee Planning Commission

From: Yumie Dahn, Principal Planner

RE: Truckee Railyard Hotel (Planning Application #2024-00000086; 10108 Truckee Way; APN 019-421-001)

Approved by: Denyelle Nishimori, Community Development Director

Recommended Action: That the Planning Commission adopt Resolution 2026-03, taking the following actions:

- 1) 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; an
- 2) Approve the Development Permit, Tentative Map, Minor Exception, and Zoning Clearances based on the recommended findings and subject to the recommended conditions of approval.

Project Summary: 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 15 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, located at 10108 Truckee Way (APN 019-421-001).

Planning Commission's Role: The Planning Commission's role is to review the proposed project and determine consistency with the Railyard Master Plan, the Railyard Master Plan Development Agreement and associated Affordable Housing Plan, Parking Management Plan, and Streetscape Plan, applicable Development Code requirements, the 2025 General Plan, and Downtown Specific Plan.

Major Discussion Topics: To help aid the Planning Commission's discussion, staff has identified two main areas of concern for the Planning Commission's consideration, parking and design, which are discussed in further detail in the "Discussion/Analysis" section of this staff report. The Planning Commission should consider the following two major questions as part of its review:

1. Parking – Will the proposed parking plan, particularly the reliance on the Parking District for overnight valet service, meet the needs of the residents, guests, and customers of the project? Will the project create negative impacts to the surrounding uses?
2. Design – Do the building and site designs meet the intent of the Railyard Master Plan Design Guidelines? Are there potential changes that would make the project more consistent with the design guidelines?

As part of the discussion, the Planning Commission may consider incorporating new conditions of approval to the project or modifying the proposed conditions of approval, in addition to the other typical alternative actions that are available to the Planning Commission.

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 is to the north, and the Union Pacific Railroad 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 2 shows the existing site. Figure 3 shows the existing shed.



Figure 1: Vicinity Map



Figure 2: 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

Discussion/Analysis:

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 #3), 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



Figure 3: Existing Shed

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 #4). 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 project is requesting to construct a four-story, 79,743 s.f. mixed-use building at 10108 Truckee Way (APN 019-421-001), in the Railyard Master Plan Area. The following features are proposed as part of the project:

- 60 hotel units (two units with one bed; 33 units with double queens; and 25 units with a king bed), ranging from 335 sf to 634 s.f.;
- 15 for-sale (individual ownership) multifamily residential units with "Transient rental, multifamily dwellings" as an allowed use. Of the 15 units, 13 of the units are proposed to be two-bedroom units and two are proposed to be three-bedroom units (Residential Units #13 and 14). All but one unit is two stories. Residential Unit #15 is on the fourth floor only.
 - The two-bedroom units range from 1,368 s.f. to 1,599 s.f..
 - The three-bedroom units are 1,920 s.f. and 1,933 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 1,728 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 food and beverage portion of the project is anticipated to be from the public and 75% from hotel guests;

- 2,292 square feet fitness center and wellness space on the ground floor. 25% of the anticipated business for the food and beverage portion of the project is anticipated to be from the public and 75% from hotel guests;
- Rooftop pool, spa and terrace, with rooftop event space;
- 17 on-site covered parking spaces (15 non-ADA and 2 ADA spaces), 15 of which will be dedicated to the multifamily residential units; and
- Outdoor event and plaza spaces on the southwest corner of the property and within the project site.

Additionally, the following items are also proposed by the applicant:

- 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.

Attachment #1 includes the proposed plans and Attachment #2 includes additional applicant materials.

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 Planning Commission’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 Planning Commission 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 Planning Commission, 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, 15 residential units, and common areas. The hotel units will not be separately condominiumized. The Tentative Map is only proposing the creation of air space through condominiumization. The Planning Commission 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 Planning Commission 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 Planning Commission, in this case. The Planning Commission may approve a Zoning Clearance, with or without conditions, only if all the required findings can be made.

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.

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. 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 as many as 285 residential units. See Table 1 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 6,479 s.f. = 1,620 s.f.), and 25% for the fitness and wellness space (2,292 s.f. x 25% = 573 s.f.). Using these calculations, staff believes that the project is consistent with the MAD, in any option. Table 1 shows the

MAD options. 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 Planning Commission, 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 1: 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. The project complies with the MAD, setback standards, streetwall height standards, streetwall articulation, site coverage requirements, and solar exposure. 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 appear to extend into existing easements and are 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.

Planning Commission Discussion Topics

The following analysis is provided to assist the Commission review of the project. These discussion topics are based on potential areas of concerns staff has identified during the review of the project:

Multifamily Residential Units/Tentative Map

The applicant is proposing 15 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 Railyard Master Plan also notes that “Where regulations from the Development Code apply to future development of the Railyard Master Plan Area, the regulations are incorporated in this plan either directly or by reference.” Because of this provision in the Railyard Master Plan, only the specific requirements outlined in the Railyard Master Plan apply to this project. Typical multifamily residential requirements such as private outdoor amenities (decks, balconies, patios) or laundry facility

requirements are not identified specifically in the Railyard Master Plan and therefore do not apply to this project. However, as noted below in the “Design” section of this staff report, this project is subject to the design guidelines of the Railyard Master Plan.

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 Unit #15 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 of 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.

Transient Rentals (Short-Term Rentals)

Currently, the Railyard Master Plan allows “Transient rental, multi-family dwellings” as a permitted use in the DE District. “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 in 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, trash 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, consistent with the requirements that apply to the rest of Truckee and will be proposed in other Specific and Master Plan Areas. If this occurs, staff believes that the provisions of the STR ordinance (Chapter 5.02) would apply to the project. Potential scenarios are as follows, if amendments are adopted to prohibit STRs in multifamily residential dwellings in the Railyard Master Plan:

- If the permit is not exercised within the time period required by the land use entitlement, and a Time Extension is requested per Development Code Section 18.84.050 (Time Limits and Phasing), the standards in effect at the time of submittal of a complete application would be applied to the project. A condition of approval could be applied to the Time Extension prohibiting STRs in multifamily residential units to be consistent with the existing requirements.
- If the use has been established in the allowed timeframe and the units are sold or transferred, the multifamily residential units would be subject to the requirements of the STR ordinance in effect at the time of the transfer.
- If a Project Amendment to the underlying land use permit is requested, the project is required to be reviewed for consistency with the regulations in effect at the time the Project Amendment application is deemed complete. The STR use may be required to be removed as part of a request for a Project Amendment.
- If, at any time, a unit is not short-term rented for a period of 180 days, the allowances for STR may be revoked through a public hearing process in front of the original review authority.

The applicant has been informed of the potential changes to the Development Agreement. Condition of Approval No. 44 has been included to ensure all parties understand the requirements for short-term rental and the potential for future changes to the Railyard Master Plan.

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 2 shows the parking demand generated by the project. For areas of the restaurant, bar, fitness/health facility, 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 is based on the applicable land use permit.

Table 2: Project Parking Demand

Use	Units/Square Feet	Parking requirement	Parking Demand
Residential 2 BR	13 units	1.5 spaces per 2BR	19.5
Residential 3 BR	2 units	2 spaces per 3BR	4.0
Hotel	60 units	1 spaces per hotel unit	60.0
Restaurant/bar (public portion)	3,609.2	3.0 spaces per 1,000 square feet of development	10.8
Fitness use and meeting rooms (public portions)	1,185.3		3.6
Outdoor dining areas (public portion)	1,327.3		4.0
Outdoor plaza (public portion)	717.5	1 per 50 sf (per Development Code)	14.4
Total			116.2

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 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 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 apply to parcels 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 may not be required to address minimum parking requirements and new parking may not be created in the Railyard Master Plan.

The project proposes 17 parking spaces (four compact spaces) on the ground floor of the building. Due to the mix of three-bedroom units and two-bedroom units, 24 residential parking spaces are required. Twelve of the 24 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 15 onsite parking spaces dedicated to the residential uses. CC&Rs identifying that these parking spaces are dedicated to the residential use 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, 15 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 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, and public use of the outdoor plaza. With 17 onsite parking spaces, 99 parking spaces in the Parking District would be used. Once approved, the Railyard Master Plan Tracking Matrix would be updated to indicate the use of these 99 parking spaces.

If approved and building permits are issued, 200 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. While the PMP concept is a shared parking concept, staff does not believe it contemplated how a valet service would be implemented using the Parking District. Staff has discussed with the applicant the complexities of relying on the Parking District for overnight users for the hotel and residences and has recommended that a dedicated nearby offsite parking area should be incorporated into the project to accommodate overnight guests. However, the applicant believes that the parking program will meet the needs of the project.

The Parking District is considered public parking and reserved parking is prohibited. There are approximately 130 total spaces designated as "Paid/Overnight Parking" within the Downtown Parking District (see Figure 4). Of the 130 "Paid/Overnight Parking" spaces, approximately 82 spaces are located directly across from Truckee Artist Lofts on the southside of Donner Pass Road, approximately 20 spaces are in the "Jax Lot" located on the northside of West River Street, and approximately 28 spaces located on the southside of Donner Pass Road in the "Brickelltown Character Area" (more specifically in front of "The Band" public art sculpture). It should be noted that the number of "Paid/Overnight" parking spaces is not finite and may be increased (or decreased) by the Town based on current usage as well as current and future demands on the Parking District from adjacent land uses. From November 1 to April 30, there is no parking allowed on street between 2 AM and 4 AM except in the "Paid/Overnight Parking" spaces.

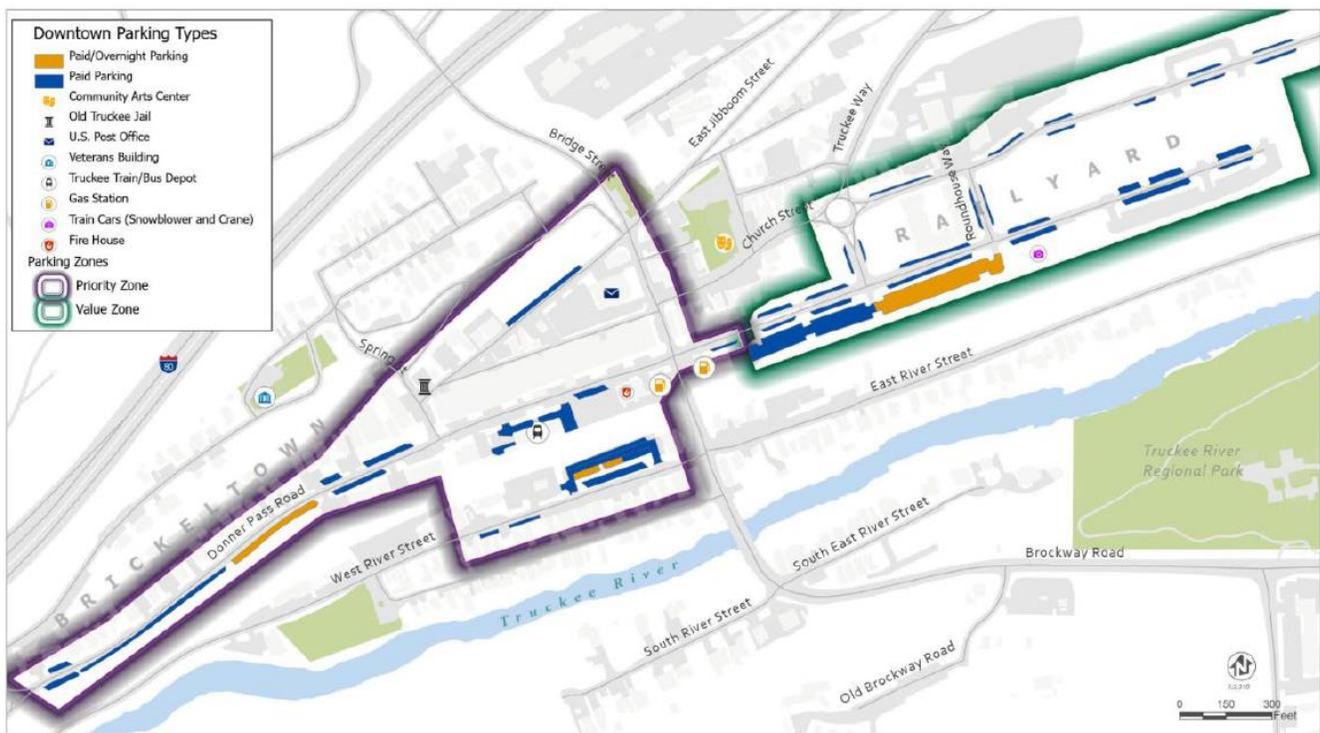


Figure 4: Downtown Parking Map

According to the Truckee Police Department, who issues residential permits on behalf of the Town, there are approximately 50 active residential permits that have been issued that are associated with 80 "overnight/paid parking" spaces in the Truckee Artist Lofts lot/zone, leaving approximately 30 spaces available for utilization by the broader Downtown Parking District. At this time the residential permits are

only designated for Artist Lofts residents and the program has not been expanded to other residents in the Downtown.

In the 2019 Parking Action Plan (Attachment #5), the Council adopted management practices and policies, including high-level snow removal practices within the Parking District. This document identifies the current operating procedure within the parking area south of Donner Pass Road in the Railyard Master Plan Area. Snow removal operations occur 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. These and all operations are described on the parking lot signage, where it is clear what days of the week each side of the lot is available overnight at any given time.

Based on this information, the applicant is proposing use of a valet service for all guests and patrons of the project (see Attachment #2 for applicant submittal information; valet information can be found in the document titled “Second Responsive Submittal for Entitlements”). The applicant has provided the following description of the proposed valet program:

- **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.
- **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.
- **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 that no public parking stall is being utilized by a Project guest without appropriate payment.
- **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.
- **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.
- **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.

Staff notes that the applicant assumes that of the existing 130 overnight parking spaces dispersed throughout Downtown Truckee, since 50 residential permits are allocated to the Artist Lofts, 80 overnight

parking spaces remain. However, overnight parking is not limited to residents of the Artist Lofts and are often used by other residents in the Downtown or other users. There is no guarantee of 80 overnight parking spaces on any given night. Further, the overnight parking is dispersed throughout the District and retrieval within 5-10 minutes with or without use of a chase vehicle, even in optimal weather, would be challenging if the vehicle is parked in locations as far as Brickelltown or West River Street. Use of overflow agreements with adjacent private property owners would be required to be reviewed and approved by the Planning Division and may require additional land use entitlements or project amendments for the underlying property.

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.

Staff believes that the valet service described in the PMP anticipated use of private parking rather than 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 fully used at this time; however, once the Railyard is built out, staff foresees potential conflict and potential implications for 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. 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 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, including specifics to the following questions:

- How many valet service employees will be on staff at any point?
- Where will the valet service be conducted?
- Will a follow car be used? If so, where will it be parked?
- How will the locations of the vehicles be tracked?
- How will the paid parking be tracked and paid?
- How will parking be managed during peak events such as Truckee Thursdays?
- What are the potential solutions if there is no parking available?
- How will the hotel track when to move vehicles due to time limits and snow removal operations?
- How will the hotel address the potential impacts to guests and residents in the event vehicles have to be towed?
- How will alternative transportation be incentivized? What programs and financial incentives will be provided by the property management?
- What are the enforcement mechanisms? Will there be penalties for noncompliance?
- How will neighbor complaints be received, monitored, and resolved?
- How will the valet program be updated or revised in the event of failure?

If overflow parking is proposed in adjacent existing or new private parking lots, the applicant would be required to return to the Town with a request for a Project Amendment, which is articulated in Condition of Approval No. 36. Adjacent parking lots are dedicated for other uses and a review of a shared parking agreement would be required to ensure that parking impacts are not being shifted elsewhere.

As written, Condition of Approval No. 36 is proposed to be reviewed at the staff-level. The parking plan is one of the major areas of concern for staff that could have potential lasting impacts to the surrounding neighborhood. The Planning Commission may wish to consider if there are additional concerns that should be addressed into 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 for additional review. Overall, staff believes a valet service where there is no dedicated private parking area and no dedicated long-term overnight parking will likely not be successful in the long-term. The overnight parking is in limited supply, is not entirely adjacent to the project site and requires management to ensure parking is paid for and vehicles are moved regularly. 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.

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.)
 - o At least one loading space is required.
 - o 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.)
 - o 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 nine feet in width, 78 feet in length, with approximately 11 feet of vertical clearance, located at the hotel entrance in the parking area. However, as noted in the applicant's project material, the one-way travel way is approximately 23.5 feet wide. A typical one-way driveway width is required to have a minimum width of 12 feet. Based on this, the loading area could be considered 11.5 feet in width, which is less than the minimum required 15 feet in width. Staff is recommending Condition of Approval No. 38 which requires working on the design to expand the width of the loading area to 15 feet and ensure that the vertical clearance of the loading area is a least 14 feet. Staff believes this additional vertical clearance may be needed for the solid waste service from Tahoe Truckee Sierra Disposal. The Planning Commission may also wish to consider if using the loading space for both commercial loading and unloading and for guest valet services is appropriate or if additional space(s) would be needed.

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 #6 is the list of relevant Railyard Master Plan design guidelines that staff provided to the applicant as part of the review process.

The applicant's initial design included curved corners, light-colored material, glass railings, and horizontal forms (see Figure 5). Staff noted concerns about the location of this particular design as the first transitional step to the Railyard Master Plan area from the historic downtown and provided the following guidance:

The Railyard Master Plan supports modern design that draws upon the Town's railroad/industrial/utilitarian working-class history as well as modern interpretation of design elements that are reminiscent of the downtown. The Master Plan states that buildings in the Downtown Extension District should use patterns and forms reflective of buildings that exist in the historic Downtown Core. The Master Plan encourages simple rectangular building forms that are deeper than they are wide, vertically oriented facades, upper floors that are more solid than the lower floor, recessed entries, changes of material to break up the façade, and architectural features that create visual interest. Block size buildings are discouraged. Incorporation of the development standards outlined in this letter, particularly the streetwall standards, as well as thoughtful material changes may help reduce the mass of the building.

[...]

The proposed design is funky and unique but is not consistent with the Master Plan's guidance to reflect Truckee's history. The curved corners, light materials, and glass railings are features that are not found in the historic downtown; the uniqueness of the design creates an abrupt transition and may be more appropriate farther east within the Railyard.

[...]

Further, Truckee Way is considered a primary street and the roundabout is considered a gateway feature to the Railyard Master Plan Area. The mechanical yard on the northeastern corner of the building and the lack of customer entrances on the east side of the building create areas of inactivity that are not appropriate for a primary street and gateway corner. A more active presence at these locations would be desirable.



Figure 5: Initial Design

The applicant worked on revisions and submitted a modified design that removed the curved forms, glass railings, and included warmer colors and materials. (see).



Figure 6: Current Design

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. Material differentiations for the residential wing was 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 (See Figure 7) and other 10-foot setbacks on the south elevation met the intent of the Railyard Master Plan.



Figure 7: Timber Columns on West Side

Though the building remains a block-sized building and does not highlight the northwest corner at the roundabout, staff believes that the current project design and materials are closer to the intent of the design guidelines compared to the initial design. The required streetwall articulation and setbacks for the fourth floor help reduce the overall scale of the building and the façade breaks help create a sense of rhythm. 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. If future public art is proposed on the northeast corner, as is discussed in the “Site Design/Streetscape Plan” section below, staff believes that will help address the concerns related to the gateway entrance to the Railyard. Staff recommends that the Planning Commission discuss whether the design meets the intent of the design guidelines, including the following concepts (See Attachment #4 for a list of relevant Railyard Master Plan Design Guidelines):

- 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?

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 Engineering 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 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.

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 be connected 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 8). 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.”

COMMUNITY ACTIVITY CENTERS

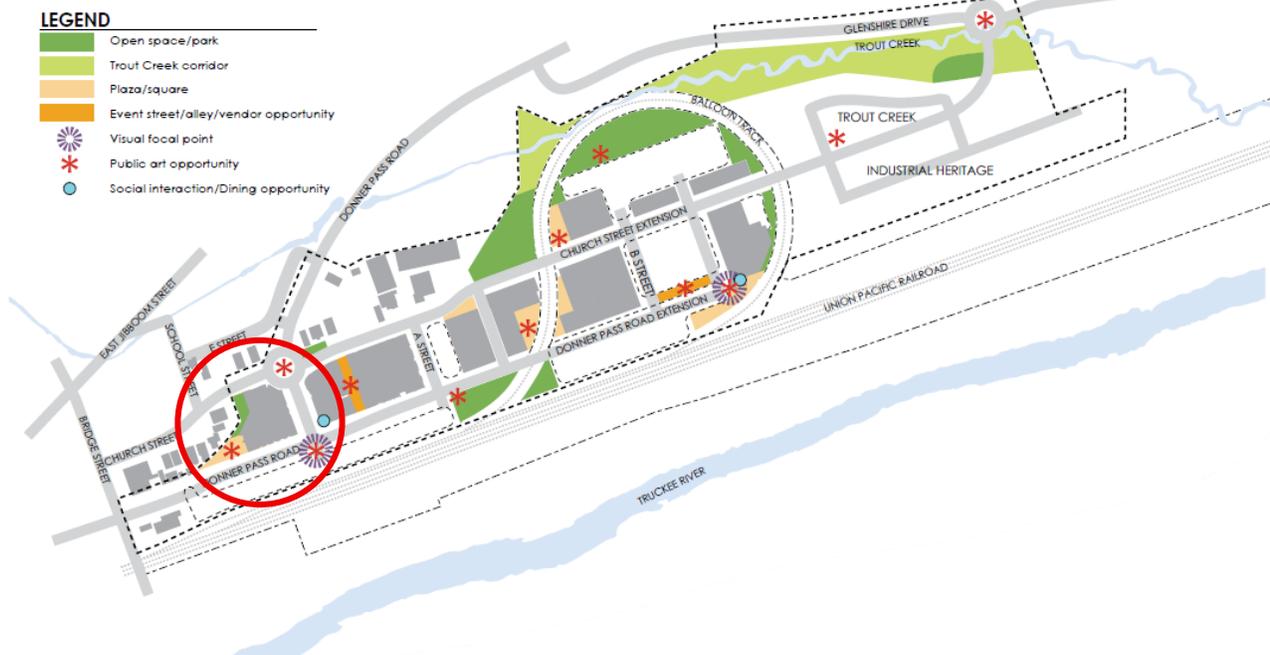


Figure 8: Streetscape Plan

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 9 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 mechanical yard as long as it would not impact the operations of the mechanical facilities. Condition of Approval No. 50 is added to ensure that any art installed as part of the project would be reviewed by the Planning Commission as a separate project. Alternatively, the Planning Commission may wish to discuss if it would be appropriate to allow public art to be reviewed by the Community Development Director under a separate Zoning Clearance.

The Planning Commission 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.

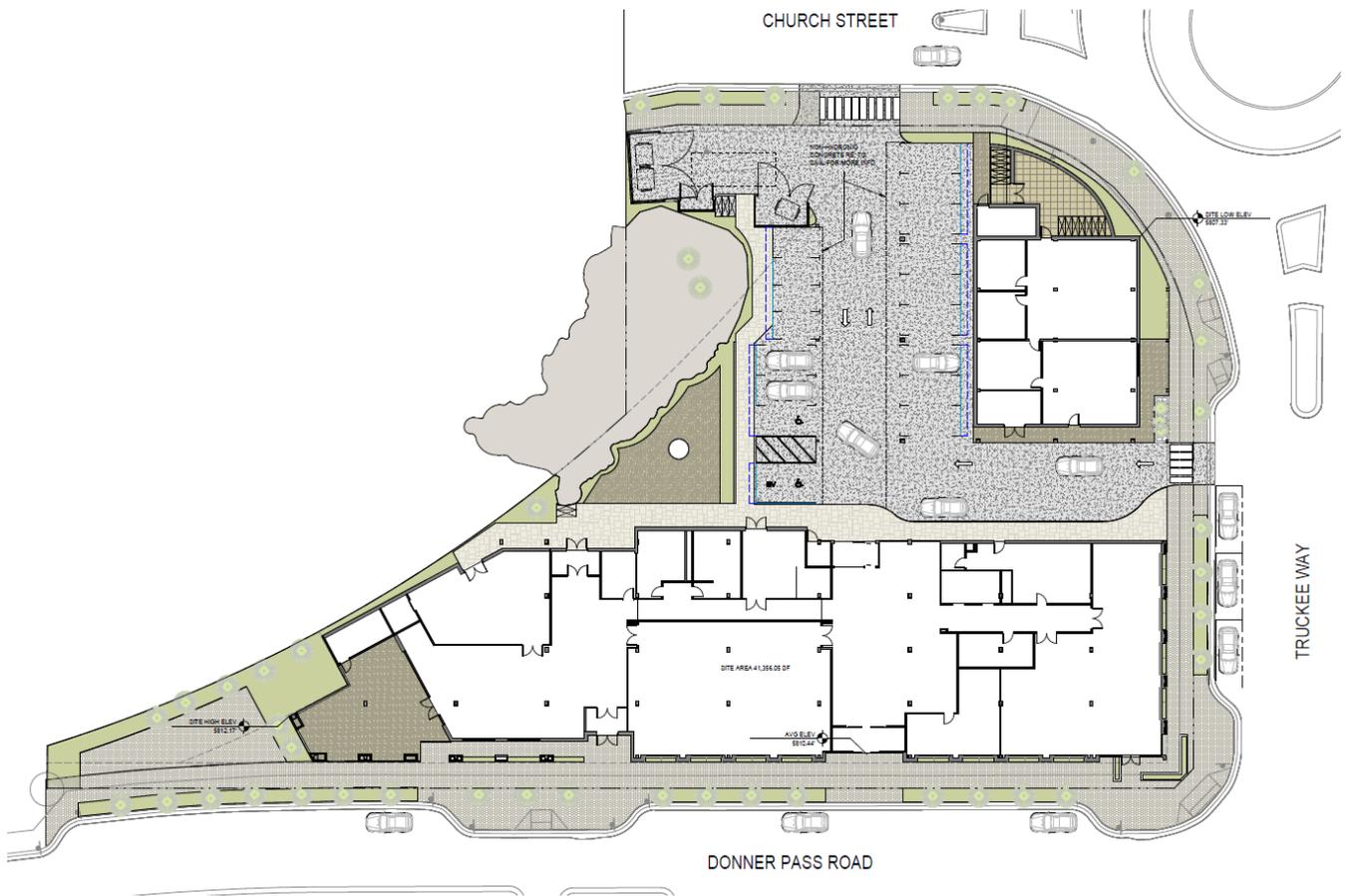


Figure 9: Site Plan

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 Planning Commission'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 Planning Commission's role to determine that the approval of the Minor Exception application is

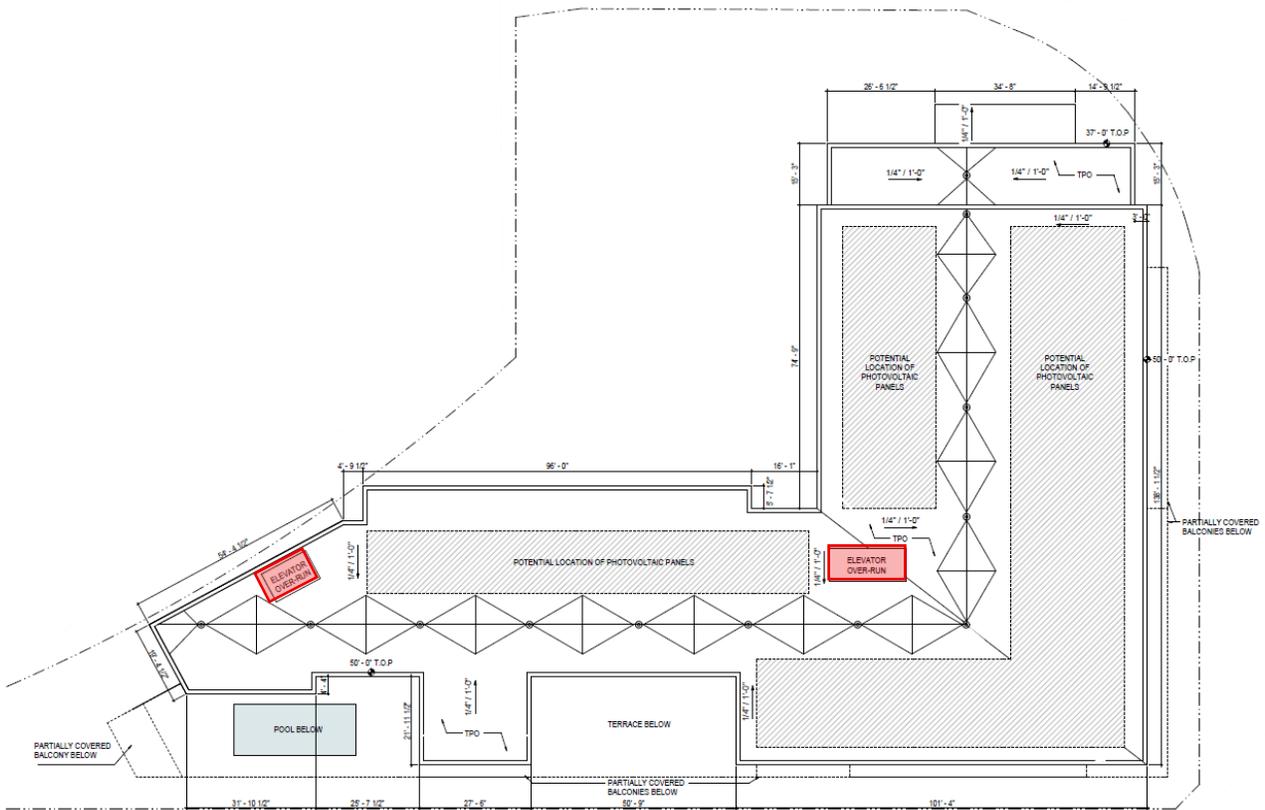


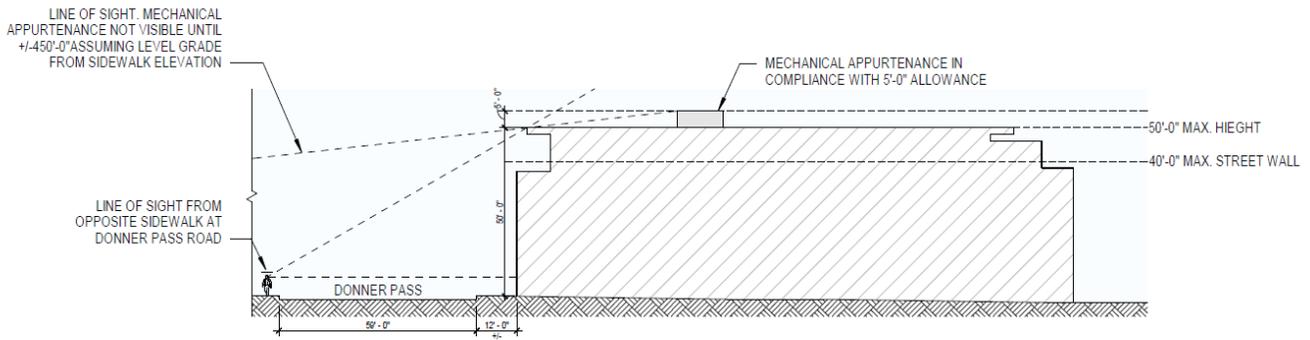
Figure 10: Roof Plan with Roof Appurtenances Highlighted



Figure 11: South Elevation with Roof Appurtenances

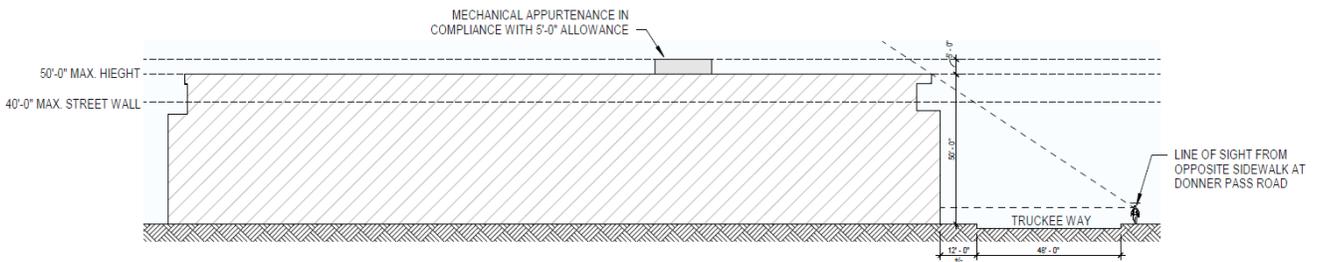
The western elevator is located approximately 50.5 feet from the front edge of the roof and the eastern elevator is located approximately 55.5 feet from the front of the roof. The eastern elevator is also located approximately 64 feet from the edge of the roofline on the eastern side, along Truckee Way. 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 12). 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.



DIAGRAMMATIC SIGHT LINE SECTION - EAST

SCALE: 1/32" = 1'-0"



DIAGRAMMATIC SIGHT LINE SECTION - SOUTH

SCALE: 1/32" = 1'-0"

Figure 12: Sight Lines for the Mechanical Appurtenances

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 and the tenant/property owner, 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 owner, 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.

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 9,957 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, 19.9 FTEEs are generated for the commercial square footage. If the 0.33 FTEE calculation is accepted by the Planning Commission, then 60 hotel units would generate 19.8 FTEE. Combined, 39.7 FTEEs are generated by all nonresidential uses in the project. Since the project is generates less than 40 FTEEs, the project is required to construct one workforce housing unit for each 14 FTEE; 2.8 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 15 multifamily residential units proposed, 2.3 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, 5.1 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, 71 affordable housing credits remain available for the project. In the applicant's affordable housing plan, the applicant has stated that six 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 (six credits) or through a combination of five credits from the bank and payment of a 10% affordable housing in-lieu fee. The Town will track the use of these credits. With use of six credits, 65 credits will remain.

Special Districts and Utilities: All applicable special districts, utility companies, and Town departments with an interest in this application have been notified. All conditions of approval were included within Draft Resolution No. 2026-03.

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.

Public Communication: The public hearing notice was published in the *Sierra Sun* on January 9, 2026 and mailed on January 6, 2026 to all property owners within 500 feet of the project site, as shown on the latest current tax roll of Nevada County. The applicant updated the onsite sign on January 9, 2026 indicating a notice of public hearing.

Staff Summary and 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's main concerns are in the operations of the parking plan and the design of the building. While the PMP allows for valet service, staff believes the valet service as proposed, which does not include dedicated overnight parking, will have increasingly more challenges as the Railyard continues to development. Concurrently identifying a nearby location for dedicated parking for the overnight guests, at the minimum, would ensure that the parking plan will function appropriately.

While there is potential to consider reductions in mass and scale and an alternative parking plan, staff believes that, with incorporation of the recommended conditions of approval, the project is overall consistent with the intent of the Railyard Master Plan.

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. 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.
3. Find that the application is not consistent with the Railyard Master Plan and require additional environmental review.

Attachments:

Attachment 1: Planning Commission Resolution 2026-03

Exhibit A: Approved Minor Exception

Exhibit B: Conditions of Approval

Exhibit C: Findings

Exhibit D: Truckee Railyard Hotel – Approved Plan Set, including Approved Tentative Map

Attachment 2: Applicant Justification Letter and Additional Submittal Materials

Attachment 3: Applicable Railyard Master Plan

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

Attachment 4: Railyard Master Plan Development Agreement

<https://www.townoftruckee.gov/DocumentCenter/View/3761>

Attachment 5: 2019 Parking Action Plan

<https://www.townoftruckee.gov/DocumentCenter/View/3318/Downtown-Truckee-Parking-Action-Plan-PDF?bidId=>

Attachment 6: Relevant Railyard Master Plan Design Guideline provided to applicant