

PLANNING COMMISSION STAFF REPORT

Meeting Date: December 19, 2023

To: Town of Truckee Planning Commission

From: Yumie Dahn, Senior Planner

RE: Application No. 2023-00000121/EXT (Village at Gray's Crossing Time Extension #2; Assessor's Parcel Numbers 043-050-025 to -027, 043-060-009 to -027, and 043-070-008 to -021 (10003, 10012, 10020, 10036, 10073, 10105, 10151, 10162, 10202, 10204, and 10222 Edwin Way and 10019, 10026, 10027, 10033, 10038, 10041, 10046, 10047, 10053, 10054, 10061, 10069, 10076, 10077, 10084, 10085, 10089, 10096, 10097, 10102, 10109, 10117, 10125, and 10131 Jake's Way); Owner: John Abbate, North Valley Real Estate Partners, Inc.; Agent: Martin Wood, SCO Planning & Engineering

Approved by: Jenna Gatto, Town Planner

Recommended Action: That the Planning Commission adopt Resolution No. 2023-20, approving a second two-year Time Extension for the previously approved Village at Gray's Crossing and determining the project exempt from further environmental review pursuant to Section 15061(b)(3) of the California Environmental Quality Act.

Project Summary: The applicants are requesting a second two-year time extension for the previously approved The Village at Gray's Crossing, a mixed-use project. The Village at Gray's Crossing was approved by the Planning Commission on August 20, 2019 and the effective date of the approval was September 3, 2019. The project approval expired on September 3, 2021. A two-year time extension was approved by the Planning Commission on November 16, 2021 which extended the project approvals until September 3, 2023.

In order to move forward with the project, the applicants are requesting a second two-year Time Extension for the following land use approvals on Assessor's Parcel Numbers 043-050-025 to -027, 043-060-009 to -027, and 043-070-008 to -021 (old Assessor's Parcel Numbers 043-050-021, 043-060-001, 043-060-002, 043-060-004 to 043-060-008, and 043-070-001 to 043-070-003, -005, and -007; old addresses 10212, 10120, 10105, 10131, 10153, 10057, 10009, 10002 Edwin Way; 10149 Annie's Loop, 11763 Henness Road):

- Development Permits to construct new structures that contain 7,500 s.f. or more of total gross floor area, specifically a 129-unit hotel (83,371 s.f.) with 4,989 s.f. conference center and pool, 17,192 s.f. of commercial space in five buildings, 21 residential units above the commercial spaces, one residential fourplex, and 24 townhomes; to disturb 26,000 s.f. or more of the site including realignment of the Class I trail on the eastern portion of the property, transit shelter, and landscape berming; and to establish "Hotel," "Live/work quarters," "attached residential," and "parks and playgrounds." The commercial uses within the five mixed-use buildings have not been established and will require subsequent land use approvals.
- Tentative Map for a condominium plan for commercial and residential tenant spaces in the mixed-use buildings and fourplex
- Comprehensive Sign Program for a multi-tenant site with a hotel with conference center and commercial uses.

Building permits have been issued for the 24 townhomes and fourplex as those were effectuated under the prior land use approvals. Building permits for five mixed-use buildings have been reviewed and are in process. The applicant has submitted a separate application to amend the design and site layout for the hotel and conference room, which is currently in process with the Planning Division (Application 2023-00000078).

Planning Commission's Role: Planning Commission's role is to review the requested Time Extension and ensure that the project is consistent with the requirements of the current Development Code, Specific Plan, and 2040 General Plan.

Location/Setting: The project site is located in the Prosser area, east of State Route 89N between Prosser Dam Road and Henness Road along Edwin Way. Adjacent uses include the Fairway Townhomes on Annie's Loop to the north, Henness Flats apartments to the south, and the Gray's Crossing golf course and single-family residential homes to the east (see Figure 1; Assessor's Parcel Numbers 043-050-025 to -027, 043-060-009 to -027, and 043-070-008 to -021 (old Assessor's Parcel Numbers 043-050-021, 043-060-001, 043-060-002, 043-060-004 to 043-060-008, and 043-070-001 to 043-070-003, -005, and -007) 10003, 10012, 10020, 10036, 10073, 10105, 10151, 10162, 10202, 10204, and 10222 Edwin Way and 10019, 10026, 10027, 10033, 10038, 10041, 10046, 10047, 10053, 10054, 10061, 10069, 10076, 10077, 10084, 10085, 10089, 10096, 10097, 10102, 10109, 10117, 10125, and 10131 Jake's Way (old addresses 10212, 10120, 10105, 10131, 10153, 10057, 10009, 10002 Edwin Way; 10149 Annie's Loop, 11763 Henness Road):

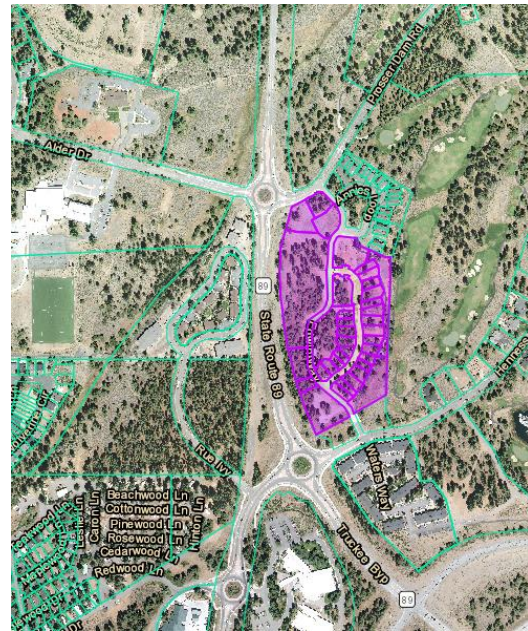


Figure 1: Vicinity Map

Project Site Information:

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

Discussion/Analysis:

Background

The Village at Gray's Crossing has a history that dates back to 2004. The Planning Commission originally reviewed the most recent iteration in July and August 2019. The applicants proposed the following:

- An 83,371 s.f. 129-room hotel with 4,989 s.f. conference center, pool, and outdoor lounge area
- One eight-pump gas station with 2,788 s.f. convenience store and 756 s.f. car wash
- Three Commercial buildings with five residential units above (called "neighborhood commercial" on the applicant team's site plan; considered live/work by the Gray's Crossing Specific Plan)
 - Commercial square footage (retail assumed) for each building: 2,460 s.f.
 - Five residential units in each building: Two 530 s.f. one-bedroom units and three 660 s.f. one bedroom units.
- Two Commercial Buildings with three residential units above. (called "live/work units" on the applicant team's site plan; considered live/work by the Gray's Crossing Specific Plan)
 - Commercial square footage (retail assumed) for each building: 4,906 s.f.

- Three residential units in each building: Three 1,569 s.f. two bedroom units
- 24 attached single-family residential units:
 - Four Townhome A buildings (Two units within each building) – Two four-bedroom 2,738 s.f. attached units with 615 s.f. garages
 - Four Townhome B buildings (Two units within each building) – One 2,738 s.f. four-bedroom attached unit with 575 s.f. garage and one four-bedroom 2,802 s.f. with 615 s.f. garage
 - Five Townhome C buildings (Two units within each building) – Two three-bedroom 1,984 s.f. with 575 s.f. garages
- One fourplex:
 - Two two-bedroom 1,435 s.f. units
 - Two two-bedroom 1,461 s.f. units
- 250 parking spaces

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

As identified in Condition of Approval No. 2 of Planning Commission Resolution 2019-17, the effective date of the original approval for the Village at Gray's Crossing project was September 2, 2019. In accordance with the Development Code, the land use entitlements expire two years later (on September 2, 2021) unless the permit has been exercised. The applicant filed a Time Extension application with the Town on August 22, 2021 and the Planning Commission approved the first Time Extension on November 16, 2021 in Resolution 2021-12 which extended the approval to September 2, 2023. The applicants filed the second Time Extension application on September 1, 2023. Approval by the Town is now required to extend the land use entitlement.

Since the original approval, the applicant has completed construction of right-of-way infrastructure improvements, recorded the Final Map for the Village at Gray's Crossing, and applied for building permits for the townhomes, fourplex, and mixed-use buildings. Building permits for three townhomes have been finalized and a number of the townhomes and the fourplex are under construction.

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

July 16, 2019 Planning Commission (initial meeting)

- Staff report:
<https://app.laserfiche.com/laserfiche/DocView.aspx?repo=r-6a91ddbc&customerId=140032387&id=59395727>
- Minutes
<https://app.laserfiche.com/laserfiche/DocView.aspx?repo=r-6a91ddbc&customerId=140032387&id=59403675>

August 20, 2019 Planning Commission (continued meeting with action)

- Staff report:
<https://app.laserfiche.com/laserfiche/DocView.aspx?repo=r-6a91ddbc&customerId=140032387&id=59402030#?openmode=PDF>
- Minutes:
<https://app.laserfiche.com/laserfiche/DocView.aspx?repo=r->

[6a91ddbc&customerId=140032387&id=59413330](https://app.laserfiche.com/laserfiche/DocView.aspx?repo=r-6a91ddbc&customerId=140032387&id=59413330)

- Resolution 2019-17:
<https://app.laserfiche.com/laserfiche/DocView.aspx?repo=r-6a91ddbc&customerId=140032387&id=59403640>

November 16, 2021 Planning Commission (first Time Extension)

- Staff report:
<https://portal.laserfiche.com/Portal/DocView.aspx?id=59549712&repo=r-6a91ddbc>
- Minutes:
<https://portal.laserfiche.com/Portal/DocView.aspx?id=59577725&repo=r-6a91ddbc>
- Resolution 2021-12:
<https://portal.laserfiche.com/Portal/DocView.aspx?id=59578004&repo=r-6a91ddbc>

Time Extension Request

The applicant is requesting a second two-year Time Extension (See Attachment #2 for the Applicant Justification Letter). The justification letter identifies the efforts and financial investment that have been made to implement the project, including construction of a street and trail, submittal of building permit applications for the townhomes, fourplex, and mixed-use buildings, and completion of three townhomes with additional townhomes and the fourplex under construction. No changes to the project have been requested. The approved site plan for the project is shown below, with the full set of plans provided in the approved Resolution 2019-17.

General Plan Consistency

The Village at Gray's Crossing and the first Time Extension were approved under the 2025 General Plan. Since then, the 2040 General Plan was adopted in May 2023. The currently requested Time Extension is required to be reviewed for consistency under the 2040 General Plan. No new policies or programs were adopted for the Gray's Crossing Specific Plan in the 2040 General Plan. The 2040 General Plan directs the Town to "Continue to implement the Gray's Crossing Specific Plan until built out." In 2019, the proposed project was found to be consistent with the Gray's Crossing Specific Plan and extension of the land use entitlement will allow for the project to be implemented as identified in the Specific Plan.



Figure 2: Original approved project

Development Code Consistency

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

Time Extensions for Land Use Entitlements

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

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

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

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

The applicant has completed the following:

- Public improvements (trail and road);
- Obtained an easement for the bus pull out on Henness Road;
- Recorded the Final Map for the land division;
- Obtained building permits for all 24 townhomes, completed construction on three townhome units, with a number of other townhomes under construction;
- Obtained building permits for the fourplex, which is currently under construction; and
- Submitted building permits for the mixed-use buildings.

Since the project was originally approved and extended the first time, the Town adopted modifications to the Development Code to require the following:

Required parking, required landscaping, and required site improvements shall be prohibited within easements unless either: (i) 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 improvements can remain in place in perpetuity notwithstanding any other provision of the easement; or (ii) 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.

In order to comply with this requirement, the applicants have worked with other agencies with an interest in the easements on the property to ensure that they understand these requirements. A new Condition of Approval No. 79 is added to the underlying approval (Condition of Approval No. 3.D of Resolution

2023-20) to ensure that these easement agreements are recorded on the applicable properties prior to building permit issuance.

The project is required to comply with the Development Code in effect at the time of the Time Extension request, so imposition of these changes is required.

With incorporation of these changes to the previously approved conditions of approval, staff believes that the project is consistent with the Development Code and the findings for the Time Extension for the land use entitlements can be made.

Tentative Map Time Extensions

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

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

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

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

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

The 2019 approval included a number of conditions of approval that were required to ensure consistency with the 2025 General Plan, the Gray's Crossing Specific Plan, and the Development Code. All of the previously approved conditions are included by reference in draft Resolution 2023-20. The 2040 General Plan was adopted in May 2023 and the Gray's Crossing Specific Plan have not been modified since the approval of the project. The Development Code has been amended several times since 2019; however, these amendments do not necessitate any changes to the previous Tentative Map conditions of approval.

Other than the site improvements completed as part of this project, no changes to the site or capacity of community resources have been identified that would impact this project. All applicable special districts, utility companies, and Town departments with an interest in this application have been notified. No objections were filed and no new concerns were raised. All of the relevant conditions of approval have been incorporated into the recommended conditions of approval in draft Resolution 2023-20.

Subdivision Map Act

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

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

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

Public Communication: The public hearing notice was published in the Sierra Sun on December 8, 2023 and mailed on December 4, 2023 to all affected property owners within 500 feet of the project site, as shown on the latest current tax roll of Nevada County. Two public comments have been received prior to publication of the staff report:

1. Catharine Allor – Believes additional environmental analysis is required, particularly for future changes to the Village at Gray's Crossing project.
2. Megan Boone – Concerned about development-related traffic, air, noise, and light pollution, and litter.

All public comments for this item can be found at the following link:

<https://app.laserfiche.com/laserfiche/Browse.aspx?repo=r-6a91ddbc&customerId=140032387#?id=59652970>

Staff Summary and Recommendation: Staff recommends approval of a second two-year time extension for the Village at Gray's Crossing as allowed under the Development Code time extension limits. A two-year time extension would extend the expiration date for the project to September 2, 2025. The building permits would be required to be finalized by September 2, 2027.

All relevant conditions of approval from the previous approval have been incorporated into draft Planning Commission Resolution 2023-20, 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 is consistent with the 2040 General Plan. With incorporation of the recommended conditions of approval and recommended findings, it is staff's opinion that the required findings to approve the Time Extension can be made.

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

1. Continue the public hearing to a date and time certain.

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 2023-20, approving a second two-year Time Extension for the Village at Gray's Crossing.
2. Applicant Justification Letter