



Date: August 22, 2023

Honorable Mayor and Council Members:

Author and title: Yumie Dahn, Senior Planner

Title: **Public Hearing to Consider Development Code Updates for the Objective Design Standards; Ordinance 2023-10 (Objective Design Standards)**

Jen Callaway, Town Manager

Recommended Action: Conduct a public hearing, introduce Ordinance 2023-10, taking the following actions:

1. Amending the Truckee Municipal Code, Title 18 Development Code for Objective Design Standards; and
2. Determine the amendments to be exempt from the California Environmental Quality Act (CEQA) because the adoption of this ordinance is not a "project" pursuant to Sections 15060(c)(2) and 15060(c)(3) of Title 14 of the California Code of Regulations, and because under Section 15061(b)(3) of the State CEQA Guidelines, the amendments are exempt from the requirements of CEQA because it can be seen with certainty that the provisions contained herein would not have the potential for causing a significant effect on the environment.

Discussion: In response to California's housing crisis, several State laws have been enacted with the intent to stimulate housing production by streamlining permit processes. Many of the State laws encumber local jurisdictions' ability to deny or reduce the density of housing projects based on discretionary or subjective guidelines. The new legislation affects development and decision-making in Truckee and requires the Town to change the way it processes housing development applications. To this end, the Town's 2019-2027 Housing Element includes Program H-1.9, which directs the Town to "develop objective design standards for multi-family residential projects and continue public outreach on creation and implementation of these standards" and the Town's 2040 General Plan includes Action LU-9.B (Objective Design Standards) which requires development of objective design standards for residential and nonresidential uses. Objective design standards are specific measurable elements of a site or building design that are required where no interpretation or value judgement can be applied. These standards would be applied the same regardless of who reviews the project.

Many of the Town's development standards need to be amended to ensure that they are objective and enforceable. In addition, new standards need to be created to fill in any gaps in the Town's current design standards, including those that will convey the Town's unique character and climate. The purpose of these proposed amendments is to create clear standards for the development community in order to streamline the permitting process for housing projects and provide certainty to applicants, decision makers, residents, and the public while meeting community aesthetic goals. The development of these objective design standards is focused on standards for residential projects; standards for nonresidential projects will be considered at a future date. The proposed standards are expected to be consistently reviewed and audited to ensure that they are serving the needs of the community and are in line with current trends.

In May 2021, with grant funding, the Town hired a consultant, Design Workshop, to conduct an audit of existing Development Code requirements to identify key elements and chapters of each document that should be reviewed for potential modification and to develop new standards for multi-family residential projects. A community survey was released from November 5, 2021 to December 3, 2021 to gain insight into the community's priorities and values related to design. Design Workshop created a draft of the objective design standards based on the Town's existing design guidelines, direction in the Innovate Gateway strategy, and the information gathered from the survey. Then, the Town reached out to local architects to engage with them on the draft language and made edits based on their feedback.

On June 1, 2023, the Town released the draft Development Code language, along with a summary sheet and FAQs. The link to the draft language was e-notified through the Town's website to various groups interested in the "Development Code", "Affordable Housing", "General Plan Updates" and "Workshops."

The link was also emailed to MAP and CATT directly and local architects. Staff also presented the item at the Historic Preservation Advisory Commission on June 14, 2023. At the June 20, 2023 Planning Commission, the Town held an informational workshop which included discussion and questions from the Planning Commission (the link to the memo for this workshop can be found in Attachment #2, with the minutes found in Attachment #3). The workshop included information on the purpose of the objective design standards, how the objective design standards would apply, the outreach process, and an overview of the proposed changes. At the meeting, the Planning Commission assigned themselves a deadline to provide comments on the proposed Development Code changes to staff.

July 18, 2023 Planning Commission Hearing

After the workshop, staff reviewed the comments from the Planning Commission, as well as public comment, and incorporated proposed changes as appropriate. At the July 18, 2023 Planning Commission hearing, the following amendments were proposed (link to the Planning Commission staff report can be found in Attachment #4):

Article II – Zoning Districts and Allowable Land Uses

- Chapter 18.06 – Establishment of Zoning Districts, Adoption of Zoning Map
- Chapter 18.08 – Residential Zoning Districts
- Chapter 18.12 – Commercial and Manufacturing Zoning Districts
- Chapter 18.16 – Special Purpose Zoning Districts
- Chapter 18.24 – Design Guidelines
- Chapter 18.25 - Objective Design Standards (New section, same as above)

Summary of proposed changes:

- Removing discretionary review for single-family dwellings greater than 7,500 s.f. or greater than 26,000 s.f. of site disturbance.
- Removed "half-story."
- Adding references to the new Objective Design Standards Ordinance in the land use tables for multi-family residential projects.
- Updated the Design Guidelines as needed.
- Created a new chapter for objective design standards, which also describes the flexible design review process option.

Article III – Site Planning and General Development Standards

- Section 18.30.050 – Drainage and Storm Water Runoff
- Section 18.30.070 – Fences, Walls, and Hedges

- Section 18.30.080 – Grading and Vegetation Removal
- Section 18.30.090 – Height Measurement and Height Limit Exceptions
- Section 18.30.120 – Setback Requirements and Exceptions
- Chapter 18.36 – Hillside Development Standards
- Section 18.38.050 – Donner Lake Development Standards
- Chapter 18.40 – Landscape Standards
- Chapter 18.46 – Open Space/Cluster Requirements
- Section 18.58.025 – Accessory Dwelling Units
- Section 18.58.140 – Mixed-Use Development
- Section 18.58.180 – Multi-Family Residential Projects (proposed deletion)

Summary of proposed changes:

- Open space and clustering requirements, including wetland standards.
- Added specific materials allowed for fences for projects using the objective design standards
- Removing discretionary review for single-family dwellings for site disturbance.
- Revised the height measurement standard.
- Remove discretionary review of height increases for single-family dwellings.
- Created specific criteria for additions to legal, nonconforming single-family residential dwellings and removed the requirement for a land use permit.
- Prohibited development on hillsides with greater than 30% slope.
- Added standards for ADUs in the -HP Overlay District

Article IV – Land Use and Development Permit Procedures

- Chapter 18.72 – Zoning Clearance
- Chapter 18.74 – Development Permit
- Chapter 18.79 – Streamlined Residential Review

Summary of proposed changes:

New permit procedure for reviewing projects under the Objective Design Standards.

Article VII – Housing

- Chapter 18.214 – Inclusionary Housing
- Chapter 18.216 – Workforce Housing

Summary of proposed changes:

- Removed the option for discretionary review of an alternative equivalent affordable housing plan
- Added additional standards for design of affordable housing units.

Article VIII – Development Code Definitions

- Definition – Development Envelope
- Definition – Site Disturbance
- Definition – Story

Summary of proposed changes:

- Added definition of “Site Disturbance,” which was pulled from the “Development Envelope.”

- Removed “Half-Story.”

At the July meeting, the Planning Commission reviewed the revised draft Development Code language, public comment, and recommended additional changes to the proposed amendments. The following provides a summary of the proposed amendments as presented and recommended approval of the proposed objective design standards with the following minor modifications:

- Incorporate a standard to limit additions of legal non-conforming single-family dwellings in side yard setbacks to up to one additional story or 12 feet (Section 18.30.120.F.7.c);
- Minor clarifying edits to the Design Guidelines (Chapter 18.24) and Hillside Development Standards (Section 18.36.040);
- Allow rooftop decks on single-family residential dwellings, except on the top floor, and on multi-family residential;
- Remove the requirement limiting the quantity of roof types allowed on a building, under Section 18.25.060.E.1.c (Multi-Family Massing and Articulation, Roofs and Rooflines);
- Under Section 18.25.080.B.3.a (Multi-Family Colors and Materials, Exterior Cladding Materials), change the sentence “Brick may be applied to the ground floor of the structure and shall comprise up to 50% of the building façade” to “Brick may be applied to the ground floor of the structure up to a maximum of 50% of the building façade”; and
- Add a tangent line in the figure depicting Curvilinear Lot Frontages.
- Grammatical copy edits and minor edits to ensure clarity and consistency between the Design Guidelines and Objective Designs Standards.

Other than the minor grammatical copy edits, the changes above have been noted in blue highlight in the Planning Commission Resolution 2023-12, which is linked in Attachment #6. The link to the draft minutes for the meeting can be found in Attachment #5. All of these changes have been incorporated into Ordinance 2023-10 (Attachment #1).

Additionally, the Planning Commission discussed the proposed language requiring a maximum multi-family residential unit size of 1,000 s.f. for mixed use projects (Section 18.25.120.C.5). One Planning Commissioner expressed concern that this 1,000 s.f. maximum average living area was limiting. Staff noted that this 1,000 s.f. maximum average living size was intended to allow for a mixture of sizes – for every 1,500 s.f. unit, a 500 s.f. unit could be proposed or if a 3,000 s.f. unit is desired, a greater number of smaller units is required, etc. This standard was based on an Innovate Gateway policy that was specifically identified for mixed use projects. The Council may wish to discuss whether the 1,000 s.f. maximum average living size is appropriate.

Additional Clarifying Amendments

In reviewing the proposed Code language again, staff noted a couple of instances where additional clarifying language would be helpful in the implementation of these amendments. Staff is proposing the changes below for Council review. These changes are incorporated into draft Ordinance 2023-10 and shown in **green highlight**.

Objective Design Standards Section 18.25.060 (Multi-Family Massing and Articulation)

Staff recommends that the Council consider new language to limit the number of housing units allowed per building. This proposed limit was not reviewed by the Planning Commission; however, staff has identified that this was an oversight in the creation of these standards. The massing of a building, which is one of the most important components of the objective design standards, is intrinsically related to the amount of units that are proposed within one building. Staff is recommending that the Town Council incorporate a 30-unit limit within a single building. This means that if the density of a site can accommodate it, a project may have multiple buildings with 30 units but would not be allowed to have greater than 30 units in a single building. This requirement would not apply to any of the Master Plan or

Specific Plan areas. Staff believes the 30-unit maximum per building will provide a simple way to ensure that a building's massing is broken up and to ensure that there are breaks in the streetwall along any pedestrian frontage. For reference, Frishman Hollow II includes two 30-unit buildings and Coburn Crossing has four buildings with 25 units.

Objective Design Standards Section 18.25.080 (Multi-Family Colors and Materials)

Staff re-read Section 18.25.080 (Multi-Family Colors and Materials) and found that there was room for clarification. Staff is proposing a slight reorganization of the subsection related to inappropriate colors. Staff is also proposing one minor content change to include "white and light beige" as a specified bright color that is not allowed as primary building façade color outside of the historic district.

Staff also notes that the current code amendments do not include a list of "appropriate primary building elevations colors," only inappropriate colors are listed. In the past, the Town has encouraged applicants to use more earthtone colors or darker muted colors as the primary base color with some accent colors. The current proposed language does not specify that. If more direction on ensuring that specific colors are used as base colors for buildings, staff recommends that the Council discuss what types of colors would be appropriate as the primary color on the building elevations for incorporation into the ordinance. For reference, Frishman Hollow I is primarily brown with red accents, Frishman Hollow II is primarily a darker gray with red accents, Coburn Crossing has varying colors for each building, but with browns and grays as the primary color with blue, green, and beige as the accent colors, the Artist Lofts is primarily white and brown with orange and gray accents, and Coldstream Commons have buildings that are blue, green, beige, with brown and gray accents. Under the current language, most of these buildings would be consistent with the color requirements, except Artist Lofts (white), one of the buildings in Coburn Crossing (light beige), and one of the buildings in Coldstream Commons (light beige).

Height (Section 18.30.090)

Staff is proposing some clarifying language to the proposed height measurement standard. The currently proposed height measure is as follows:

Height measurement. The height limit for buildings and structures established by Article II or other provisions of this code shall be measured as the difference between the point of lowest natural grade along an exterior wall of the building or building segment pursuant to Section 18.30.090.C, and the elevation of the highest point of the building.

Staff is proposing to add language to the Height Measurement standard (Section 18.30.090) to clarify that where cantilevered or other floor area (e.g., living area, garage, storage) exists, an imaginary vertical line shall extend down to natural grade and shall be considered an exterior wall for purposes of determining the lowest natural grade along an exterior wall.

Maximum Site Disturbance for Single-Family Residential Uses (Section 18.30.080.D)

Staff is proposing additional language under the Maximum Site Disturbance for Single-Family Residential Uses section (Section 18.30.080.D) which would exempt single-family residential sites that are consistent with the maximum site disturbance standards of this section from Development Permit review (Chapter 18.74).

Maximum Gross Floor Area for Single-Family Residential Uses (Section 18.08.070)

Similar to the clarification for site disturbance, staff is also proposing language under the Maximum Gross Floor Area for Single-Family Residential Uses section (Section 18.080.070) which would exempt single-family residential sites that are consistent with the requirements of the maximum square footages of this section and the Residential Accessory Uses and Accessory Structures section (Section 18.058.220) from Development Permit review (Chapter 18.74).

Definition of “Disturbance”

Staff is also proposing a minor clarification to add a term for “Disturbance” in the Definitions chapter (Chapter 18.220). This definition will reference the “Site Disturbance” definition; both terms will have the same definition.

Priority:

<input type="checkbox"/>	Enhanced Communication	<input type="checkbox"/>	Climate and Greenhouse Gas Reduction	<input checked="" type="checkbox"/>	Housing
<input type="checkbox"/>	Infrastructure Investment	<input type="checkbox"/>	Emergency and Wildfire Preparedness	<input checked="" type="checkbox"/>	Core Service

Fiscal Impact: The cost of the consultant and administration of the grant is covered by the \$65,000 LEAP grant from the State. As of the last invoice from the consultant, approximately \$3,659.15 remains on their contract. Planning staff hours have been used to manage the consultant, public engagement process, and present planning document revisions to the Town’s Commissions and Council. Approximately \$10,000 of staff time has been expended thus far. Future administration of the Development Code requirements will be borne by the applicant through the ongoing implementation of the Town fee schedule.

Public Communication: Draft Objective Design Standards Development Code language was published on the website, e-notified, and directly emailed to stakeholders on June 1, 2023. A workshop was held during the June 20, 2023 Planning Commission hearing. The Planning Commission reviewed the language and forwarded a recommendation of approval to the Town Council at its July 18, 2023 meeting where the Council hearing date was presented.

In addition to the standard noticing requirement for Council agendas, a legal notice was published in the *Sierra Sun* on Friday, August 11, 2023. The hearing date with a link to the staff report was also provided on the Town website five days prior to the Council hearing.

Attachments:

1. Ordinance 2023-10 – Objective Design Standards Development Code Amendments
2. Link: [June 20, 2023 Planning Commission Memo](#)
3. Link: [June 20, 2023 Planning Commission Workshop Minutes](#)
4. Link: [July 18, 2023 Planning Commission Staff Report](#)
5. Link: [July 18, 2023 Planning Commission Draft Minutes](#)
6. Link: [Planning Commission Resolution 2023-12](#)