



PLANNING COMMISSION STAFF REPORT

Meeting Date: December 17, 2024

To: Town of Truckee Planning Commission

From: Laura Dabe, Associate Planner
Chantal Birnberg, Associate Planner
Yumie Dahn, Principal Planner

RE: 2040 General Plan Implementation—Development Code Amendments (Mixed-Use Zoning Districts, By Right Housing and Cleanup Amendments), Zoning Map Amendments, General Plan Land Use Map Cleanup Amendments, and Amendments to Zoning District Names

Approved by: Denyelle Nishimori, Community Development Director

Recommended Action: That the Planning Commission adopt Resolution 2024-13, taking the following actions:



- 1) Recommending the amendments to be exempt from 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; and
- 2) Recommending approval to the Town Council of the following General Plan Implementation actions:
 - 1) 2024 Development Code amendments for mixed-use zoning districts, by right housing and cleanup amendments; 2) Zoning map amendments; and 3) General Plan clean-up amendments.

Project Summary: The Town of Truckee is proposing to amend the Development Code to ensure consistency with the 2040 General Plan, which was adopted on May 9, 2023. Amendments to the Town’s zoning maps, cleanup amendments to the General Plan land use map, and amendments to the zoning district names are also proposed. This is the first round of cleanups and amendments proposed as part of the 2040 General Plan implementation process. Additionally, the creation of a by right housing ordinance is proposed to ensure compliance with the 2019-2027 Housing Element.

The Planning Commission reviewed proposed amendments at its October 29, 2024 meeting and continued the hearing to a date and time certain to allow staff time to respond to a number of Commission comments. The October 2024 meeting information is available on the Town of Truckee website using the following link: <https://www.townoftruckee.gov/Calendar.aspx?EID=1516&month=10&year=2024&day=29&calType=0>.

Changes which have been made to the draft Development Code amendments since the October 29, 2024 Planning Commission review are discussed below.

Discussion/Analysis:

Background

On October 29, 2024, the Planning Commission reviewed proposed amendments for General Plan implementation. Draft Planning Commission Resolution 2024-13 included amendments related to two

discussion topics and 32 cleanup amendment topics that staff presented for Commission review, amendments to the zoning maps, cleanup amendments to the General Plan land use map, and amendments to the zoning district names, as discussed below:

Development Code Discussion Topics:

1. Mixed Use Zoning Districts (Chapter 18.14)
2. By Right Housing (Chapter 18.217)

Development Code Clean-up Amendments:

1. Zoning Districts (Chapter 18.06, Table 2-1)
2. Calculations—Rounding (Section 18.03.020.C)
3. Purposes of Residential Zoning Districts (Section 18.08.020)
4. Allowed Uses and Permit Requirements for Residential Zoning Districts (Section 18.08.030, Table 2-2)
5. Minimum and Maximum Density (Section 18.08.050)
6. Purposes of Commercial and Manufacturing Zoning Districts (Section 18.12.020)
7. Allowed Uses and Permit Requirements for Commercial and Manufacturing Zoning Districts (Section 18.12.030, Table 2-7)
8. Allowed Uses and Permit Requirements for Downtown Commercial and Manufacturing Zoning Districts (Section 18.12.030, Table 2-8)
9. Commercial and Manufacturing District General Development Standards (Section 18.12.040, Table 2-9)
10. Floor Area Ratio Criteria (Section 18.12.050)
11. Mixed Use Component (Section 18.12.060)
12. Downtown Commercial District Development Standards (Section 18.12.070)
13. Purposes of Special Purpose Zoning Districts (Section 18.16.020)
14. Special Purpose District Land Uses and Permit Requirements (Section 18.16.030)
15. Allowed Uses and Permit Requirements for Special Purpose Districts (Section 18.16.030, Table 2-10; renumbered to Table 2-12)
16. Special Purpose District General Development Standards (Section 18.16.040, Table 2-11; renumbered to Table 2-13)
17. DMP (Downtown Master Plan) District Development Standards (Section 18.16.080)
18. Historic Preservation (-HP) Overlay District (Section 18.20.40)
19. Design Guidelines for Specific Land Uses (Section 18.24.110)
20. Residential Mixed-Use Development (Section 18.25.120)
21. Multifamily Residential Projects within Downtown Visitor Lodging (DVL) Zoning District (Section 18.25.130)
22. Screening and Buffer (Section 18.30.110)
23. Open Space Standards (Section 18.46.050)
24. Signs (Chapter 18.54)
25. Bed and Breakfast Inns (Section 18.58.070)
26. Drive In and Drive Through Facilities (Section 18.58.110)
27. Mixed-Use Development (Section 18.58.140)
28. Wireless Communications Facilities (18.58.270.C)
29. Inclusionary Housing (Chapter 18.214)
30. Definitions/Glossary (Chapter 18.220)
31. Throughout Development Code: Update all “Downtown Specific Plan” references to “Downtown Truckee Plan.”
32. Throughout Development Code: Names and abbreviations for all residential, rural residential, downtown residential, and Downtown Mixed Use zoning districts will be updated to be consistent with the land use and density designations identified in the 2040 General Plan.

Zoning Map Amendments

1. Update the zoning map to ensure zoning is consistent with the 2040 General Plan land use designations.
2. Names and abbreviations for all residential, rural residential, downtown residential, and Downtown Mixed Use zoning districts will be updated to be consistent with the land use and density designations identified in the 2040 General Plan.

General Plan Clean-up Amendments

1. General Plan Land Use Diagram (Figure LU-2) Clean-up Amendments
2. General Plan Roadway Noise Contours Map (Figure SN-8) Clean-up Amendment

October 29, 2024 Planning Commission Review

Following is a summary of the Commission's comments based on its review of the draft amendments on October 29, 2024:

- 1) Mixed Use Zoning Districts
 - Research methods and proportions of land uses other jurisdictions use to require mixed use.
 - Add animal raising and keeping of household pets to allowed uses in NMU zoning district. Modify the definition as needed to allow household pets but limit other types of animals.
 - With the exception of food and beverage distribution, consider allowing other manufacturing uses in the NMU zoning district with approval of a Use Permit or Minor Use Permit; review master use table and flag manufacturing uses which would be inappropriate; create Code language to address potential conflicts between manufacturing uses and adjacent residential uses.
 - Add "Medical Services—Hospital" to allowed uses in the CMU zoning district.
- 2) Clean-Up Amendments
 - Update Table 2-1 to identify that the RL (Low Density Residential) zoning district is consistent with the General Plan land use designations as described in Section 18.08.030.B.
 - FAR definition should be revised to clarify that it FAR is measured from the "exterior of the exterior wall."

Following the October hearing, staff met with the hospital to discuss their interests with the Development Code updates in terms of the "Medical Services—Hospital" use in the Gateway area. During those discussions, the hospital clarified that their interest is in retaining the existing hospital facilities allowed use in the CN and CG zoned parcels within the hospital campus area to allow for the construction of emergency facilities to support the existing hospital (such as emergency public water and wastewater storage, which is required under State law), rather than allowing new hospital facility uses outside the campus area in the CMU zoning district. Based on that feedback, staff proposes the following edits:

- Add a new definition for "Medical services – Hospital emergency facilities" to address the need for future emergency facilities that are ancillary to the hospital.
- Add "Medical services – Hospital emergency facilities" to Table 2-7 as a permitted use in the CN and CG zoning districts.
- Edit Table 2-7 to retain "Medical services – Hospitals" as a conditionally allowed use in the CN and CG zoning districts with approval of a Use Permit and add a new footnote restricting this use to parcels within the hospital campus.
- Retain Public (Hospital/Office) land use designation consistency with CG and CN zoning districts in Table 2-1 and Sections 18.12.020.A and B.

Development Code Discussion Topics

Staff proposes the following discussion topics related to the Mixed Use Zoning Districts (Chapter 18.14), a new Development Code chapter proposed to implement the new General Plan mixed use land use designations: Corridor Mixed Use (CMU) and Neighborhood Mixed Use (NMU).

Allowed Uses in Neighborhood Mixed Use (NMU) Zoning District

As noted during the discussion at the October 29, 2024 Commission meeting, the Neighborhood Mixed Use General Plan Land Use Designation was designed to support the creation of mixed-use centers in residential neighborhoods that will increase the availability of local services and reduce vehicle trips. Following is the language from the General Plan related to the NMU land use designation:

Neighborhood Mixed Use

The Neighborhood Mixed Use land use designation allows neighborhood-serving commercial uses, such as restaurants, offices, and small retail, as well as multi-family residential. This designation requires mixed-use development and allows horizontal mixed use and vertical mixed use. The designation supports the development of mixed-use centers in residential neighborhoods to increase local services and reduce vehicle trips.

Density and Intensity Standards¹

- ▶ 6–8 dwelling units per acre
- ▶ Maximum FAR 0.8 (0.6 FAR Base + 0.2 FAR Incentive)*

The following goal and policy also apply to the NMU land use designation:

- Goal LU-3 (Commercial and Mixed-Use Development): Create vibrant mixed-use corridors, support commercial centers, and provide neighborhood services to reduce traffic and greenhouse gas emissions while minimizing land use conflicts.
- Policy LU-3 (Neighborhood Centers): Support development of neighborhood centers, specifically at Donner Lake, in Tahoe Donner, and in Glenshire, by requiring applications for new commercial development to demonstrate an ability to provide goods and services to nearby residents (e.g., daycare services, coworking spaces, neighborhood commercial).

Based on the General Plan's direction, staff's key considerations for identifying appropriate nonresidential uses for the NMU zoning district were to allow "neighborhood commercial uses" such as restaurant, offices, and small retail and minimize land use conflicts that would result from being proximate to residential uses.

As a starting point in creating a list of appropriate uses, staff began by reviewing the current uses that are allowed in the CN (Neighborhood Commercial) zoning district. This is the current zoning for a number of properties that are located within the NMU land use designation. The CN zoning district is applied to areas appropriate for retail sales, offices and services serving the daily needs of nearby residents. This district may also accommodate mixed-use developments with residential and commercial uses. The development standards and permit requirements of the CN district are intended to create a pedestrian-oriented environment. Many of the areas which are part of the NMU land use designation were previously

zoned CN due to the fact that they are located within existing residential neighborhoods at Donner Lake and in Glenshire. The CN zoning district allows a wide variety of commercial uses including retail and service commercial uses. The only current manufacturing use that is allowed in the CN zoning district is “Recycling—Reverse vending machines.” The reason why manufacturing uses are limited in the CN zoning district is because these commercially zoned properties are located in close proximity to residences and have the potential to create significant impacts (noise, dust, odors, vibrations, vehicle trips, etc.). Further, these uses do not encourage pedestrian activity or serve the neighborhood directly. Some manufacturing uses could be appropriate in the NMU zoning district if they proposed a commercial component, consistent with the current Development Code allowances for accessory uses. For example, a bakery could serve the surrounding neighborhood if retail sales were the primary use and food production was an accessory use. This would be consistent with the General Plan goal of providing neighborhood-serving commercial uses while allowing flexibility for a certain amount of non-commercial uses on the site, and it would be allowed under the Town’s current allowances for accessory uses.

In compiling the proposed list of uses, staff also reviewed the allowed uses in other zoning districts for comparison, including the DMU (Downtown Mixed Use) zoning district. The DMU zoning district is applied to areas in the Downtown Study Area appropriate for a combination of retail sales, offices, services, lodging and residential land uses. The development standards and permit requirements of the DMU district are intended to create a pedestrian-oriented mixed-use environment. A limited number of manufacturing uses are allowed in the DMU zoning district, including two permitted uses (“Printing and publishing” and “Structural clay and pottery products”) and five conditionally allowed uses (“Beverage production and food production,” “Food and beverage distribution,” “Handcraft industries, small scale manufacturing” and “Manufacturing makerspace,” which are allowed with approval of a Use Permit by the Planning Commission, and “Recycling—small collection facility,” which is allowed with approval of a Minor Use Permit by the Zoning Administrator).

Although there are similarities between the DMU and NMU zoning districts in terms of being mixed-use zoning districts that include a mixture of residential and non-residential uses, staff notes that there are also a number of significant differences between these areas of Truckee. The Downtown area has historically been a center for commercial activity in addition to including properties that have been used for more intensive land uses over the years (some of which are currently zoned Downtown Manufacturing). The NMU zoning district, by contrast, includes areas which have historically been residential neighborhoods with a small amount of neighborhood-serving commercial uses. Staff believes that caution should be exercised in introducing new types of land uses (especially manufacturing uses) into these neighborhoods and that any new uses should be thoughtfully considered in terms of their compatibility with the surrounding uses and their consistency with the 2040 General Plan land use designation.

At the October Planning Commission hearing, the Commission discussed the possibility of adding manufacturing uses to the allowed uses in the NMU zoning district. Staff did not originally propose to include these types of industrial uses because, as discussed above, these areas have not historically been locations where manufacturing uses were allowed or deemed appropriate. In keeping with the purpose of zoning to provide separation between incompatible uses and reduce potential conflicts between land uses, the Town’s current zoning standards allow manufacturing uses in the Manufacturing zoning districts and prohibit them in most other zoning districts due to the fact that industrial uses are generally not believed to be compatible with uses such as residential neighborhoods.

The Development Code provides existing flexibility to allow these types of manufacturing uses in non-industrial areas through a variety of options, including accessory uses, home occupations, and work/live and work/live units, as discussed below:

- **Accessory Uses:** Under the accessory use provisions of Section 18.58.040, up to 25 percent of the floor area within a business may be allocated to a use that would not otherwise be allowed under the zoning, provided that the accessory use is customarily related to and a common feature of the primary use. An example of this would be a coffee shop in a commercial zone (a permitted use) which has a coffee bean roasting component as an accessory use (a food production use which would not otherwise be an allowed use in a commercial zoning district). By limiting the size of the accessory use, the majority of the business remains consistent with the purpose and intent of the zoning district, and any potential impacts from the accessory use are reduced by limiting the amount of floor space which is dedicated to the accessory use. This has proven to be a successful way to provide flexibility for businesses which are seeking the ability to accommodate business models which include some non-allowed uses without negatively impacting the adjacent properties.
- **Home Occupations:** The Development Code also provides flexibility in terms of allowing non-residential uses within residential neighborhoods through a Home Occupation Permit. The home occupation standards include limitations on the size of the business and on the number of vehicle trips per day that are allowed, as well as size and number of employees. Additionally, a number of prohibitions apply to Home Occupation Permits, including the following: activities conducted and equipment or material used which would change the fire safety or occupancy classifications of the premises; uses which employ the storage of pesticides or explosive, flammable or hazardous materials; and uses which would create dust, electrical interference, fumes, gas, glare, light, noise, odor, smoke, toxic/hazardous materials, vibration or other hazards or nuisances. The purpose of these standards is to ensure that by approving a non-residential use within a residential neighborhood, the Town is not creating impacts that would negatively impact the adjacent residents. Having a resident of the property operating the home occupation business helps ensure that impacts on neighboring properties are minimized.
- **Live/Work and Work/Live Units:** The Town also has existing flexibility for residents who would like to operate an onsite business through the live/work or work/live allowances. Development Code Section 18.58.130 identifies that these units are intended to be occupied by business operators who wish to live in the same structure that contains the commercial activity or industry. A live/work unit is intended to function predominantly as living space with incidental accommodations for work-related activities that are beyond the scope of a home occupation. A work/live unit is intended to function predominantly as work space with incidental residential accommodations. The minimum floor area of a live/work unit is 500 square feet and up to 60 percent of the floor area may be residential space; the minimum floor area in a work/live unit is 750 square feet and up to 40 percent of the floor area may be residential. In both cases, an onsite resident is the operator of the business, which helps to address impacts of the non-residential use, similar to the Home Occupation Permit.

Based on past experience, staff has found that successfully addressing these types of impacts can be challenging. With the above options, the size of the non-residential use is limited, which in turn limits the potential impacts of the use on the surrounding properties. Additionally, in the case of a home occupation or work/live unit, a resident lives on the property and operates the business, which ensures that the business operator is part of the neighborhood and has an interest in addressing potential impacts on the neighboring properties. All of these options have proven successful at providing flexibility in cases where a specific use might not otherwise be allowed to operate in a residential area, but with parameters in place to ensure that any impacts that are created are minimized.

Even with the above requirements in place that attempt to minimize impacts of incompatible uses, staff has found that conflicts still occur. The Code Compliance Division has received a number of complaints

from residential properties that are located adjacent to manufacturing zoned parcels or home occupation uses. According to the Town's Code Enforcement Officers, these complaints are most frequently related to impacts from noise, trash and exterior lighting. Noise impacts in particular are challenging to proactively address through a project's conditions of approval because future operations of a specific business are difficult to predict. For example, an attempt could be made to reduce noise impacts by requiring a manufacturing use to take place within an enclosed structure, but if doors or windows are opened while the use is taking place, the success of this mitigation measure would be undermined. Due to the extensive amount of variation that can exist among different business models for uses within the same use category, anticipating all the possible impacts of future non-residential uses and identifying appropriate mitigation measures to address the array of potential impacts can be challenging, and failure to adequately address those impacts would likely result in an increase in Code Compliance complaints.

Manufacturing Uses

Following the October Planning Commission hearing, staff reviewed the master use table to identify if there are manufacturing uses which could be appropriate as permitted or conditionally allowed uses within a residential area. Below is an excerpt from the table showing the manufacturing uses that are currently allowed in non-residential zoning districts (a full version of the table is available online at <https://www.townoftruckee.gov/269/Development-Code>):

Master Table - Allowed Uses and Permit Requirements													
LAND USE (1)	PERMIT REQUIREMENT BY DISTRICT												
	(2) CN	CG	CH	CS	M	DMU	DC	DM	OS	RC	REC	PF	DRR
MANUFACTURING, INDUSTRIAL & PROCESSING USES													
Aggregate processing and batch plants					UP								
Beverage production and food production		UP		UP	P	UP (11)	UP	UP					
Chemical products					UP			UP					
Clothing products					P			P					
Concrete, gypsum, and plaster products					UP			UP					
Electrical and electronic equipment, instruments					P			P					
Food and beverage distribution		UP		UP	P	UP (11)	UP	UP					
Furniture and fixtures manufacturing				UP	P			P					
Glass products					P		UP	P					
Handcraft industries, small-scale manufacturing					P	UP (11)	UP	P					
Laundries and dry cleaning plants					P			P					
Lumber and wood products					P			P					
Machinery manufacturing					P			P					
Makerspace, Manufacturing					P	UP (11)	UP	P					
Metal fabrication, machine, and welding shops					P			P					
Motor vehicles and transportation equipment					UP			P					
Paper products					UP			P					
Paving and roofing materials					UP			UP					
Pharmaceuticals					P			P					
Plastics and rubber products					UP			UP					
Printing and publishing		P		P	P	P (11)	P	P					
Recycling - Composting					UP			P				UP	
Recycling - Large collection facility					P			P				UP	
Recycling - Reverse vending machines	P	P	UP	P	P	P (11)	P	P				UP	
Recycling - Scrap and dismantling yards					UP								
Recycling - Small collection facility		MUP		MUP	P	MUP (11)	MUP	P				UP	
Stone and cut stone products					P			P					
Structural clay and pottery products					P	P (11)	P	P					
Textile and leather products					P			P					
Warehousing, wholesaling and distribution					P			P					

As shown above, manufacturing uses are primarily allowed in the M (Manufacturing) and DM (Downtown Manufacturing) zoning districts. A limited number of manufacturing uses are allowed in the commercial zoning districts, including DMU (Downtown Mixed Use), Downtown Commercial (DC), CG (General Commercial) and CS (Service Commercial). Most of the manufacturing uses in these zoning districts require approval of a Use Permit by the Planning Commission. The purpose of the Use Permit is to review land use activities which may be desirable in an applicable zoning district and compatible with adjacent

land uses, but whose effects on a site and surroundings cannot be determined before being proposed for a particular location.

In determining whether these uses would be “desirable” in the NMU zoning district, there are several factors to consider. One is General Plan consistency. As discussed above, the purpose of the NMU zoning district is to create mixed-use centers with neighborhood-serving commercial uses, and manufacturing uses are not consistent with this goal because they are not commercial uses and do not serve the surrounding neighborhood.

Another factor to consider is nuisance mitigation. Industrial uses typically involve impacts (such as noise, odors and vehicle trips) which could negatively affect neighboring residents. In other jurisdictions, manufacturing or industrial activities are prohibited within mixed-use projects. In San Luis Obispo, for example, the following uses and activities are not allowed within any mixed-use development:

- Major vehicle/equipment repair (e.g., body or mechanical work, including boats and recreational vehicles, vehicle detailing and painting, upholstery, or any similar use);
- Storage of flammable liquids or hazardous materials beyond that normally associated with a residential use;
- Manufacturing or industrial activities, including but not limited to welding, machining, or any open flame work; or
- Any other activity or use, as determined by the review authority, to be incompatible with residential activities and/or to have the possibility of affecting the health or safety of mixed-use development residents due to the potential for the use to create dust, glare, heat, noise, noxious gases, odor, smoke, traffic, vibration, or other impacts, or would be hazardous because of materials, processes, products, or wastes.

Within Truckee’s manufacturing areas, some residential uses are allowed in proximity to industrial uses. The purpose of allowing residential units in these areas is to facilitate the construction of workforce housing that is located near uses which generate the need for employees. When housing is constructed within an established industrial area, there is an understanding that there could be inherent conflicts between the residential and industrial uses. Typically a notification to prospective residential tenants is required as part of lease agreements in these areas to provide notice of the potential impacts of the nearby industrial uses. This scenario is different than introducing manufacturing uses into areas of the Town where industrial uses have not historically been allowed. The NMU land use designation includes pockets of neighborhood-serving commercial uses within established residential neighborhoods. Introducing industrial uses into these areas would represent a significant shift in how uses have been viewed in terms of the compatibility of industrial uses in non-industrial areas, in particular in relation to existing residential neighborhoods.

The Commission discussed the possibility of addressing the impacts of industrial uses through the building permit process. Staff does not believe that the building permit process would be the appropriate avenue to address these impacts, as the impacts are related to the land use rather than the building construction. While some impacts could potentially be mitigated through construction requirements, it is difficult to anticipate what the impacts of particular business operations will be due to the variation among the uses that can fall within a particular definition in the Development Code. For example, the “Furniture and Fixtures Manufacturing” definition includes the production of a wide variety of furniture, appliances, and household furnishings, as well as wood and cabinet shops. This definition covers a broad range of uses, from a small one-person wood shop to a large production facility. If this use were to be added as an allowed use in the NMU zoning district, any use which falls within that Development Code definition would be allowed to operate, and there would not be a way to restrict the size or type of business that

would be allowed. Anticipating the potential impacts that need to be mitigated would be difficult due to the wide ranges of production facilities that would be allowed.

The Development Code does not currently have specific standards in place to address nuisance mitigation between residential and industrial uses. These types of issues have historically been addressed by separating these types of non-compatible uses through zoning. The Town has existing requirements for screening and buffering between non-residential and residential land uses, including between neighborhood commercial and residential uses. Development Code Section 18.30.110.B requires setbacks, screening and landscaping when a non-residential development in the CN zoning district adjoins a residential zoning district. The purpose of these standards is to address potential incompatibility issues between different zoning districts. However, these standards do not apply to uses within a single zoning district, which would be the case if manufacturing uses were to be allowed within the NMU zoning district, and they also do not address the impacts of an industrial development on a residential use, which are likely to be more significant than a commercial use.

If there is interest in introducing industrial uses into areas of the town where they have not historically been allowed, staff believes that this change would require a more focused public process and targeted community outreach/notification due to the fact that these uses were not envisioned within the NMU land use designation as part of the General Plan process, and neighboring property owners should have an opportunity to weigh in on whether it is appropriate to allow more intensive uses in these areas than what was previously allowed under the CN zoning district. Additional language would need to be added to the Development Code to address the potential conflicts between these uses and existing residential uses. At a minimum, activities which have the possibility of affecting the health or safety of residents due to the potential for the use to create dust, glare, heat, noise, noxious gases, odor, smoke, traffic, vibration, or other impacts, or would be hazardous because of materials, processes, products, or waste, should be prohibited. These prohibitions would likely preclude many industrial uses because of the impacts those uses typically create.

After reviewing the possibility of adding manufacturing uses to the allowed uses in the NMU zoning district, it is staff's opinion that allowing these types of uses would not be consistent with the General Plan goals and vision for the NMU zoning district. Allowing manufacturing uses in this zoning district would not achieve the goal of creating mixed-use centers with neighborhood-serving commercial uses. Additionally, staff does not believe these uses would be appropriate because they would introduce new impacts into neighborhoods where manufacturing uses have historically not been allowed. Mitigating these impacts would be challenging, and if limitations were placed on these industrial uses to ensure that the impacts are addressed, the necessary restrictions and prohibitions would likely make many of the manufacturing uses infeasible.

Staff believes that the existing allowances for accessory uses, home occupations and work/live units already provide flexibility for uses that are not otherwise allowed in the zoning district to operate. The accessory use provisions allow a primary commercial use in the NMU zone to have an accessory manufacturing use, and the work/live unit standards provide a path for a resident to operate a business from the property where they live that exceeds the allowances of a home occupation permit. From staff's perspective, maintaining the focus on neighborhood-serving commercial uses in the NMU zoning district is necessary to achieving the goals and vision that were established in the General Plan for these areas of Truckee.

Minimum Commercial Requirements in NMU and CMU Zoning Districts

As proposed at the October meeting, the mixed-use zoning district standards included a requirement for more than one-third of the floor area in a mixed-use project in the CMU zoning district to be dedicated to commercial uses, and for at least half of the floor area in a mixed-use project in the NMU zoning district

to be dedicated to commercial uses. The purpose of requiring a certain amount of commercial floor area in these zoning districts was to ensure that future projects provide an appropriate balance between residential and non-residential uses.

The proposed amount of required commercial floor area was lower in CMU because the Gateway area has been identified as an appropriate location for higher-density residential housing. There is a greater emphasis in the Gateway area on developing more residential uses due to the fact that the area already has a lot of existing commercial development. Since the goal is to incentivize more residential development, the proposed commercial requirement was smaller.

The NMU zoning district is intended to provide neighborhood-serving commercial uses which could reduce the need for vehicle trips into town from these neighborhoods, consistent with Town Council priorities related to Vehicle Miles Traveled (VMT) reduction. A higher commercial requirement in NMU was proposed to support the goal of providing more neighborhood-serving commercial uses in areas where there is already a lot of existing residential development.

At the October meeting, the Commission expressed interest in reviewing other possible options to address the commercial requirement and requested that staff complete research into what other jurisdictions require to achieve the desired mix of uses within a mixed-use project.

A “housing development project” as defined in Senate Bill 330 includes mixed-use developments consisting of residential and nonresidential uses with at least two-thirds of the square footage designated for residential use. In identifying an appropriate mix of uses within the NMU and CMU zoning districts, staff proposed to require at least 50 percent commercial floor area in a mixed-use project in NMU and at least one-third commercial floor area in a mixed-use project in CMU.

Staff reviewed standards for mixed-use projects in other jurisdictions and compiled the following summary related to commercial requirements:

- **Rancho Cordova:** Predominant Use Standards – Residential \geq 50% of combined building sf; Commercial \geq 50% of ground floor building sf; Office greater \geq 50% of combined building sf.
- **Alameda County:** Commercial uses required along street frontage in areas specified “for continuous pedestrian-oriented shopping areas” with residential units allowed above ground floor commercial uses or behind a commercial building that fronts the street, with a minimum ground floor commercial space requirement of 50%.
- **Sonoma County:** Minimum 20% commercial requirement (up to 80% of a mixed-use project may be residential); first 50 feet of the ground floor area is reserved for commercial uses.
- **Lake Elsinor:** In CMU zoning district, predominant use is commercial (>50% net lot size). In RMU, predominant use is residential (>70% net lot size).
- **Mammoth Lakes:** Applies to projects with more than one use in a building or site; pedestrian entrances directly accessible from public right-of-way required for ground floor uses; nonresidential and residential uses required to have separate exterior entrances, elevators and lobbies; setbacks and open space required for residential uses; restrictions on operation of a commercial use, activity, or process that create fumes, noxious odor, dust, smoke, gas, noise, or vibrations that may be detrimental to any other uses and occupants on the same property.
- **San Gabriel:** Multifamily residential uses only permitted on second and third floors above ground floor commercial or office uses; ground floor MFR allowed in mixed-use projects on parcels in excess of 3 acres.

- **Riverside:** In Neighborhood Mixed Use, the minimum commercial space is 10% or 1,000 sf (whichever is less); in Village Mixed Use, the minimum commercial is 40% of the ground floor; in Urban Mixed Use, the minimum commercial requirement is 80%.
- **City of Redondo:** Residential allowed on second floor or higher of structures with commercial uses on the lower levels or behind street-facing commercial or mixed-use structures; offices may occupy up to 50% of lineal frontage of building; in mixed use zone, minimum commercial floor area ratio of 0.3 FAR (maximum commercial floor area = all floor area exceeding 0.7 FAR required to be residential); commercial buildings limited to 2 stories and mixed-use buildings limited to 3 stories.
- **Beverly Hills:** Ground floor a mixed-use development must contain commercial uses in areas directly adjacent to a public street; residential uses not permitted within 40 feet of depth from any street-facing property line of the ground floor.
- **Los Angeles:** “Mixed Use Project” is defined as a project which combines one or more commercial uses with multiple dwelling units in a single building or unified development. A minimum of 35% of the ground floor building frontage abutting a public commercially zoned street must be designed to accommodate commercial uses to a minimum depth of 25 feet. Commercial projects are limited to 35 feet in height and 1.5 FAR; mixed-use projects are limited to 45 feet in height and a 2.0 FAR.
- **San Luis Obispo:** Mixed-use projects require a combination of residential uses with any other use or multiple uses allowed in the applicable zone. In the Downtown Core and C-D zone, residential units shall not occupy ground floor space; in all other zones, residential units shall not occupy more than 50% of the ground floor space within the first 50 feet of floor area measured from building face toward rear of property and no more than 30% of the building frontage may be occupied by residential uses.
- **City of Antioch:** At least 30 percent of the linear frontage on a major arterial shall be designed to accommodate pedestrian-oriented, neighborhood-serving commercial uses; the minimum interior depth of these spaces shall be 25 feet.

Based on this research, there are a number of different ways that jurisdictions address the minimum commercial requirements in mixed-use projects. These include requiring a minimum percentage of the overall floor area of the project to be commercial (ranging from 10% or 1,000 square feet, whichever is less, to 80%), prohibiting residential uses on the ground floor of buildings, and requiring commercial uses along street frontages with a minimum depth for the ground-floor commercial tenant spaces.

The Town has existing standards for commercial development on the ground floor of buildings and requirements for the amount of building facades that are required along street frontages. The Downtown Truckee Plan requires that parcels in the Downtown Mixed-Use designation with frontages on Donner Pass Road, Jibboom Street, and West River Street must have commercial uses on the ground floor on a minimum of 50 percent of the property frontage and the minimum depth of the commercial uses is required to be 30 feet. Within the Railyard Master Plan Area, primary streets require ground floor retail/commercial uses that provide a social and transparent walking edge, including retail shops, entertainment, restaurants and cultural activities. The Objective Design Standards in Development Code Chapter 18.25 require that street-facing buildings must be located along at least 50 percent of the property frontage for the project. If there is interest in creating standards for ground floor commercial uses within the NMU and CMU zoning districts, these existing standards could provide some possible options to consider.

Staff believes that having minimum commercial requirements is important to achieving the purpose and vision the NMU and CMU land use designations which was established through the General Plan process. Prohibiting residential uses on the ground floor of buildings or requiring commercial uses along street frontages would be options in terms of requirements for mixed use projects within these areas; however, it is staff's opinion that requiring a minimum amount of commercial floor area provides more flexibility in terms of how these projects are designed while ensuring that the mix of uses is consistent with the General Plan vision for these land use designations. Requiring a minimum of 50 percent commercial uses in the NMU zoning district would support the purpose of the land use designation in terms of creating neighborhood-serving commercial centers, and requiring a minimum of one-third commercial uses in the CMU zoning district would allow for mixed-use projects with more residential density in an area of the Town where a significant amount of commercial services already exists. Staff requests that the Commission consider these options and provide a recommendation to the Town Council based on its determination regarding which approach would best achieve the General Plan vision for the NMU and CMU land use designations.

Development Code Clean-up Amendments

Staff proposes the following edits to the cleanup amendments that were previously proposed to ensure General Plan consistency, based on feedback from the Commission:

1. Zoning Districts (Chapter 18.06, Table 2-1)
 - Update table to identify that the RL (Low Density Residential) zoning district is consistent with the Very Low Residential and Low Density Residential land use designations, and the RM (Medium Density Residential) zoning district is consistent with the Medium Density Residential land use designation.
2. Definitions/Glossary (Chapter 18.220)
 - Update “Floor Area Ratio” definition. Per the Commission recommendation, the definition was revised to clarify that FAR is measured from the “exterior of exterior wall.”
 - For consistency, staff also recommends updating the Gross Floor Area definition to reflect the same language.

Proposed amendments are shown in Exhibit A of Draft Planning Commission Resolution 2024-13 (Attachment #1).

Next Steps

Following this Planning Commission hearing, the Commission's recommendations will be forwarded to the Town Council for consideration at their meeting on January 14, 2025.

Environmental Review: The proposed Development Code amendments were assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the environmental regulations of the Town. The amendments are not subject to 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. Moreover, 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.

Public Communication: In addition to the standard noticing of the agenda, a display ad was published in the *Sierra Sun* on December 6, 2024.

Attachments:

1. Planning Commission Resolution 2024-13 (Draft)

- Exhibit A – Development Code Amendments
- Exhibit B – Zoning Map Amendments
- Exhibit C – Amended General Plan Land Use Diagram (Figure LU-2)
- Exhibit D – Amended General Plan Roadway Noise Contours Diagram (Figure SN-8)
- Exhibit E – Amendments to Zoning District Names and Abbreviations
- Exhibit F – By Right Housing Sites