



To: Town of Truckee Planning Commission

From: Yumie Dahn, Principal Planner

RE: 2040 General Plan Implementation—Development Code Amendments for Deed-Restricted Housing Incentives

Approved by: Denyelle Nishimori, Community Development Director

Recommended Action: That the Planning Commission adopt Resolution 2025-15, 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 Development Code Amendments to create a Deed-Restricted Housing Incentives ordinance and related clean-up amendments.

Project Summary: The Town of Truckee is proposing to amend the Development Code to implement the 2040 General Plan, which was adopted on May 9, 2023, and further the Town’s housing goals. The proposed Development Code amendments seeks to implement 2040 General Plan Action LU-2.B (**Town of Truckee Workforce and Affordable Housing Density Bonus**), which, directs the Town to “create a Town of Truckee-specific Workforce and Affordable Housing density bonus program that offers additional housing density and financial incentives for the creation of workforce and affordable housing units in targeted infill areas that meet the affordability needs of Truckee’s local workforce, particularly those who would otherwise be unable to afford housing within Truckee. Identify specific criteria to participate in this program.” Other amendments are proposed throughout the Development Code to help support the creation of the new housing incentives. The adoption of this Development Code amendment is intended to provide nonmonetary incentives to developers of deed-restricted housing projects. The Town Council will also be considering monetary incentives through the Homegrown Housing program (previously known as the Deed Restrictions for New Development Program) that may be used in conjunction with the proposed nonmonetary Development Code incentives.

Discussion/Analysis:

Background

Draft Planning Commission Resolution 2025-15 includes amendments to the following chapters:

1. Chapter 18.213 – Deed-Restricted Housing Incentives

2. Chapter 18.25 – Objective Design Standards, specifically Section 18.25.105 (Design Standards for Projects in the Historic Preservation (-HP) Overlay District)
3. Chapter 18.78 – Planned Developments

Additional related clean-up amendments are proposed in the following chapters:

1. Chapter 18.58 – Standards for Specific Land Uses, specifically Section 18.58.140 – Mixed-Use Developments
2. Chapter 18.72 – Zoning Clearance
3. Chapter 18.74 – Development Permits
4. Chapter 18.77 – Historic Design Review
5. Chapter 18.79 – Streamlined Residential Review
6. Chapter 18.210 – Affordable Housing Controls
7. Chapter 18.214 – Inclusionary Housing, specifically Section 18.214.050.A – Location of Inclusionary Requirements)
8. Chapter 18.216 – Workforce Housing

Deed-Restricted Housing Incentive Program

In 2022, Town Council adopted a goal to deed restrict 10% of Truckee’s housing stock by 2032, an estimated 1,500 units of deed restricted housing based on Truckee 2040 General Plan projections for 2032 build out. Deed restrictions are widely recognized among peer visitor destination communities as the most effective tool to ensure that housing units are preserved and available to house full-time residents and members of the workforce at a variety of low-, moderate-, and middle-income levels who otherwise would struggle to find and afford housing, due to the upward market pressure caused by the demand for vacation homes. Additionally, developing sufficient stock (i.e. 10%) of deed restricted units will effectively result in a secondary housing market of deed-restricted housing units that tend to be more affordable than un-restricted units.

The Town of Truckee has relied on several housing programs and policies that support the preservation and creation of housing that serve the local workforce, including the Inclusionary and Workforce Housing Ordinances, the Accessory Dwelling Unit ordinance and associated programs (grants, loans, master plans), the Truckee Home Access Program, the Deed Restrictions for New Development Program, Lease to Locals, and Rooted Renters. A total of 798 units have been deed-restricted, which accounts for 5.7% of the existing housing stock.

In order to add to the library of existing housing programs and policies to achieve the Town’s housing goals, the Planning Division and Housing Division are working in conjunction to create monetary and nonmonetary incentives for deed-restricted housing units under a joint effort branded as “Homegrown Housing.” The Housing Division is focused on creating monetary incentives and the Planning Division is focused on nonmonetary incentives in the context of creating a streamlined and more flexible review process in the Development Code. “Deed-restricted housing units” in this program may include the traditional affordable housing that is affordable to up to 120% AMI for with the possibility for higher incomes up to 180% AMI to accommodate a different sector of the community. The goal of the housing incentive program is to target the creation of housing units that are not otherwise required or supported by existing Town housing policies or State law. Ultimately, the Town Council will determine the details of the future deed restriction and the affordability and use requirements to be eligible for the housing incentives.

In addition to supporting the creation of housing, the General Plan directs the Town to “[r]equire all new development to incorporate high-quality site design, architecture, and planning to enhance the overall quality of the built environment in Truckee and create a visually interesting and aesthetically pleasing town environment.” With this policy in mind, the Town Council directed staff to incorporate minimum

design standards in the incentive program to balance the need for housing with the desire to maintain the Town's community character.

The Town Council provided direction to staff on the nonmonetary incentives (Development Code changes) at its June 10, 2025 and September 9, 2025 meeting and direction on monetary incentives was provided at its September 9, 2025 meeting. Staff reports and minutes can be found in the attachments.

Council's direction at the June meeting included the following:

- The program should be flexible but predictable.
- Minimum objective design standards could be included.
- Planned Developments should still be offered where a project does not meet the Town's development standards.
- Support for a higher AML cap and should include seniors.
- The school district employment boundary is appropriate.
- Program should support for-rent and for-purchase-products.
- Larger projects should be reviewed by the Planning Commission.
- Create a new Development Code chapter.

At the September meeting, Council provided the following direction related to Development Code amendments:

- General Plan process is where we discussed appropriate density.
- State Density Bonus Law is not necessarily creating projects that are meeting the community's needs.
- Make the balconies, decks, patios, and storage useable and livable.
- Consider a cap on the number of studios constructed.
- Generally supportive of exempting projects from the inclusionary housing requirements.
- Reconsider the percentage of deed-restricted units thresholds for eligibility to the program.

As noted in the Town Council staff reports, staff also researched programs in other jurisdictions, reviewed past Planned Development and State Density Bonus projects, reached out to developers and designers in the region to get their feedback on potential incentives, and conducted three targeted engagement events with stakeholders. Based on the overall feedback provided, staff has created a draft Development Code chapter for the nonmonetary incentives. Other amendments are proposed to help implement the incentive program and clean-up amendments are also proposed to help clarify other housing policies and programs.

Staff notes that the only way to fully understand the impact of this program is through implementation. As part of the drafting process, staff considered past projects and conversations, but accounting for future projects ideas, and nuances is challenging. The proposed amendments will be reviewed and monitored to determine its effectiveness, deficiencies, or opportunities and staff anticipates that amendments will be required in the future.

Development Code Amendments

The following Development Code Amendments are proposed:

1. Chapter 18.213 – Deed-Restricted Housing Incentives – A new chapter was created for the incentive program.
2. Chapter 18.25 – Objective Design Standards – Basic historic design standards were created and incorporated into the existing Objective Design Standards chapter. This new section (Section 18.25.105 – Design Standards for Projects in the Historic Preservation (-HP) Overlay District is referenced in the Deed-Restricted Housing Incentives for projects in the historic district.

3. Chapter 18.78 – Planned Developments – The Project Mandatory Findings were revised to include deed-restricted housing incentive projects, clarify language for existing Project Mandatory Features, remove the exemption for a Project Mandatory Feature, and clarify that a Planned Development should not be used in conjunction with the State Density Bonus Law.

Chapter 18.213 – Deed-Restricted Housing Incentives

A new chapter, Chapter 18.213 (Deed-Restricted Housing Incentives) is proposed in Article VII – Housing of the Development Code. This is the primary change under consideration and where all the eligibility requirements for the deed-restricted housing program are located and all the incentives are identified. The section is structured in four parts, as described below:

1. **Applicability:** The Development Code Chapter applies to all residential and mixed-use zoning districts, including Manufacturing. Since the Development Code does not apply to Specific or Master Plans, the areas in the Railyard and Hilltop Master Plans and Gray’s Crossing, Coldstream, and Joerger Ranch Specific Plans are not eligible for the Development Code incentives. These areas could be eligible for the funding program if they fall within the adopted funding program boundaries and meet the general requirements of the program. Changes to the plan areas could be made at the direction of the Council; however changes in areas with active Development Agreements (Coldstream and Railyard) could not be made until the respective Development Agreement expires.
2. **Review Process:** A revised review process is proposed where smaller projects are reviewed at the staff-level, medium projects are reviewed at the staff-level with additional requirements for public outreach, and larger projects reviewed at the Planning Commission level. Time extensions for all projects regardless of original review authority are proposed to be reviewed at the staff-level.
3. **Eligibility Requirements:** In order to be eligible for the incentives, the project is required to meet minimum requirements, including the following:
 - a. **Affordability/Use Restriction:** In order to be eligible, projects are required to meet affordability and use restrictions. Affordability will be based on income thresholds adopted by resolution by the Town Council. Tentatively, the affordability will be aligned with the existing Homegrown Housing program which is restricted to households with incomes up to 180% Area Median Income (AMI) and full-time residents that work within the boundaries of the Tahoe Truckee Unified School District. The maximum rent is typically restricted to rents that are affordable to households up to 120% AMI.
 - b. **Minimum Density:** Projects are required to meet the minimum density. Where no density is defined for mixed-use zoning districts, up to four dwelling units per acre is proposed.
 - c. **Percentage of deed-restricted units:** At least 50% of the residential units in a project are required to be deed-restricted to be eligible for the program. If a mixed-use project only has one residential unit, the residential unit is required to be deed-restricted.
 - d. **Development standards:** The project is required to be consistent with all development standards in the Development Code unless modified by the Chapter.
 - e. **Unit types:** The Town Council provided general direction to consider limitations on the number of studio units in a project to ensure diversity in unit types. Staff is recommending that studio units should make up a maximum of 15% of the deed-restricted units in a

project. Minimum proportions for one-bedroom and two-bedroom units were also considered but are not proposed. The 15% maximum is based on draft information indicating that the unmet demand for studio units in Truckee is approximately 16%.

- f. **Objective Design Standards:** Minimum objective design standards related to massing, articulation, roof types, materials, and colors are identified. The requirements are substantially pared down and simplified from the standard objective design standards. The standards for private balconies, decks, and patios and storage areas are unchanged from the regular objective design standards, with the exception of allowances for considering semi-private areas of a shared exterior walkway as a balcony, deck, or patio. Common outdoor recreational amenities and outdoor areas have been waived from the requirements. Staff recommends that the Commission consider if other alternatives to these standards could be considered. Both of these features could be reduced or modified through a Planned Development process, which is described in the *Chapter 18.78 – Planned Development* section of this staff report.

Commission Question:

Private balconies, decks, and patios

Private outdoor areas like balconies and decks increase the quality of life of residents, provide an area for temporary storage or an area for pets, and offers aesthetic benefits to a building's architecture. Council members have indicated that they believe that these areas are important, however they are often identified as costly by developers. Does Commission believe that there are other alternatives to the private balconies, decks, and patios standards that would be meet the needs of the residents but may provide financial relief to developers or are these spaces important to the overall success of a project? Some ideas that have been considered include requiring meaningful outdoor spaces/amenities that were otherwise exempted (e.g., larger barbecue areas, rooftop decks, play areas) or require only a portion of the units to have private space with larger common balconies or decks (e.g., 20% of the units are required to have private decks, or all studio units are required to have private decks, and common balconies are required all floors).

Commission Question:

Storage areas

Often, storage areas are overlooked when planning residential projects. The Town's standard requirement is to provide 40 s.f. of storage area outside of bedrooms per unit. The length and width is required to be a minimum of two feet and the height a minimum of five feet six inches. Storage areas may be located in each unit, as a separate private storage space, or as a combination of both. Additionally, the Town requires long-term enclosed bicycle parking spaces at a rate of one per residential unit. Are there other alternatives that would meet these same needs for residents? Some examples may be:

- Long-term bicycle parking requirements can be waived if the storage area is consolidated in one location (or vice versa). Staff notes that flexibility in the long-term bicycle requirements is not part of an allowed incentive as currently drafted.
- Storage area requirements can be waived if fully enclosed parking is provided for the unit. Staff notes that storage in garages can impede the parking functionality for which the garage is intended.
- Storage area minimums can be reduced.

g. Historic Design Standards: As part of this update, new historic design standards were created as a baseline for any project in the historic district, including deed-restricted housing incentive projects. More information on this topic is provided in the “Chapter 18.25 – Objective Design Standards” discussion below. Any project in the Historic Preservation Overlay District would be required to meet the Historic Design Standards in conjunction with the minimum objective design standards related to massing, articulation, materials, colors, private outdoor space, and storage.

4. Incentives: The following incentives are provided for projects that meet the eligibility criteria.

a. Inclusionary/Workforce Housing Requirements: All deed-restricted housing incentive projects are exempt from inclusionary and workforce housing requirements. While staff believes that integrating affordable housing units in projects throughout town creates stronger and more diverse neighborhoods, the purpose of this exemption is to support the stated purpose of this ordinance – to encourage housing that is not otherwise supported or required by existing policies. Units deed-restricted for lower Area Median Income (AMI) could be incentivized through the Homegrown Housing funding component. Staff also notes that this requirement, and any component of this ordinance, could be revisited.

b. Density Bonus: A density bonus of 10% (or at least one unit) is provided to all deed-restricted housing incentive projects, except in the CMU zoning district on the north side of Donner Pass Road from Frates Road to the I-80 off-ramp/McIver Roundabout where the density can go up to 24 dwelling unit per acre (instead of 18 dwelling units per acre).

c. Parking Quantity: A reduced parking calculation is provided for deed-restricted housing incentive projects, including a reduced 10% guest parking requirement. Staff recommends that the Commission consider if one parking space per studio and one-bedroom unit is sufficient.

Commission Question:

Parking quantity

The Town’s standard requirements for residential parking is 1.5 spaces per studio and one-bedroom unit, 2 spaces per two- or more bedroom units. Guest parking in the amount of 25% of the total required parking is also required.

The State’s Density Bonus Law requires 1 space for each studio or one-bedroom unit, 1.5 spaces for each two- or three- bedroom unit, or 2.5 spaces for four or more bedrooms. No guest parking is required.

The proposed language requires 1 space per studio or one-bedroom unit, 2 spaces per each two- or three-bedroom units, or 2.5 spaces for units with four or more bedrooms. Guest parking in the amount of 10% of the total required parking is also required.

Commission may wish to consider if 1 space per one-bedroom unit is appropriate. Staff considered 1.5 spaces per one-bedroom unit but was unsure if this would disincentivize the creation of one-bedroom units over studio units.

d. Additional incentives. Additional incentives are provided to deed-restricted housing incentive projects based on the percentage of deed-restricted units provided in the project. Incentives are divided into Tier 1 and Tier 2 incentives. For projects that are on sites 0.5

acres or smaller, a higher proportion of Tier 2 incentives are provided to the project due to the greater amount of site constraints that often occur on smaller sites. Tier 1 incentives include FAR and height increases, waiver of fully enclosed garage parking requirements for deed-restricted units, and allowances for tandem or on-street parking. Tier 2 incentives include waivers of some landscaping requirements, reduction in open space and setback requirements, and increases in site coverage requirements.

Staff notes that while the nonmonetary incentives are being drafted with the monetary incentives in mind, the two incentives can be used separately. For example, if a project does not meet the minimum requirements for percentage of deed restrictions (Item 3.b above) but is willing to deed-restrict a unit in a larger project, the applicant could request Homegrown Housing funding for the one unit without relying on the Development Code chapter. The standard Development Code requirements, including the objective design standards, would apply to the project. Any requirements in the Homegrown Housing funding program would also be applied.

Proposed amendments are shown in Exhibit A of Draft Planning Commission Resolution 2025-15 (Attachment #1). The amendments related to this discussion topic are in the new Chapter 18.213 (Deed-Restricted Housing Incentives).

Chapter 18.25.105 – Design Standards for Projects in the Historic Preservation (-HP Overlay District)

Chapter 18.25 (Objective Design Standards) was adopted in 2023 to create design standards for multifamily residential projects. Minor objective design standards for accessory dwelling units on properties with historic resources were also created. However, historic objective design standards that considered more character-defining features or compatibility with existing historic resources were not adopted at that time. Staff anticipates a larger effort to create historic objective design standards in the future; however, to ensure that the current project applicants for deed-restricted housing projects have a clear understanding of design expectations in the Historic Preservation (-HP) Overlay District, staff drafted minimum historic design standards. In drafting this language for the deed-restricted housing incentive program, staff determined that, at the minimum, these standards should also apply to all multifamily residential projects in the historic district. These standards should only be considered as a first-step in creating the more robust historic design standards for all projects in the historic district, including nonresidential projects and single-family dwellings. If historic design standards are adopted, the standards would be layered with the existing objective design standards that apply to all multifamily residential standards.

This new section focuses on general historic design standards that apply to all projects, modifications to existing historic resources (both attached and detached additions), and new construction or modifications to non-historic structures or sites. In creating the draft, staff reviewed the Historic Design Guidelines and considered past Historic Preservation Advisory Commission (HPAC) recommendations on projects and tried to incorporate this information into the standards. Staff's primary focus was on compatibility of structures with the surrounding context, materials, and windows. For reference purposes, a link to the Historic Design Guidelines can be found in Attachment #3.

For deed-restricted residential projects, if a project is consistent with all objective historic design standards, the project would qualify for a streamlined staff-level review process without HPAC review. For projects not using the deed-restricted housing incentive process, staff is proposing that multifamily residential projects would be required to be in compliance with the standards and would go through Historic Design Review to ensure consistency with the intent of the Historic Design Guidelines. Alternatively, projects that are not using the deed-restricted housing incentive process can go through a flexible design review consistent with the Town's current review process which relies on the Historic

Design Guidelines and HPAC's review. The format of the review may change when the more robust historic design standards process occurs. Table 1 shows how design requirements apply across different housing project types:

Table 1: Design Review Requirements

Project Type	Multifamily residential projects outside of the historic district	Multifamily residential projects in the historic district	Mixed-use projects where less than 2/3 of the floor area is residential	Deed-restricted multifamily housing incentive projects outside of the historic district (includes any mixed-use project that meets the criteria)	Deed-restricted multifamily residential projects in the historic district (includes any mixed-use project that meets the criteria)
Objective Design Review	Objective design standards	Objective design standards	None	Minimum objective design standards (a pared down version of the objective design standards)	Minimum objective design standards (a pared-down version of the objective design standards)
Objective Historic Design Requirements	None.	Historic design standards HPAC review still required	None.	No historic design review.	Historic design standards
Flexible Approach Paths	Voluntary flexible design review available where use of the Design Guidelines are applied.	Voluntary flexible design review available where use of the Design Guidelines can be used. HPAC review is required and Historic Design Guidelines are applied.	Flexible design review is required. The Design Guidelines are applied. If the project is in the historic district, HPAC review and the Historic Design Guidelines apply.	None.	None.

The historic design standards outline requirements for materials, windows, doors, roofs, decks, retaining walls and fences, and exterior lights for all projects in the -HP Overlay District. Additionally, a few key requirements related to compatibility and complex are described below:

- Section 18.525.105.B (Modifications to existing historic resources): This section requires maintaining the historic resource as the dominant form by identifying location, size, and height requirements for attached and detached additions to existing historic resources.
- Section 18.25.105.C.1 (Massing of new construction or nonhistoric structures): This section limits the square footage of new structures or modified existing nonhistoric structures on parcels 0.5 acres in size to 120% or less of the median of the square footages of historic structures that are within 250 feet of the project property. Square footages would be based on building records as the primary source of information and assessor records as the secondary source of information. This standard was included to maintain the size and scale of the buildings in the same character area.
- Section 18.25.105.C.2.a (Setbacks for new construction or nonhistoric structures): This section requires that the front setback for new structures shall be 20% of the average of the distance of the front setback of structures within 250 feet on either side of the property. This standard was included to maintain the rhythm of the frontages of the character area.

The Historic Preservation Advisory Commission (HPAC) reviewed the proposed historic design standards at its November 12, 2025 meeting. See Attachment #4 for the staff report and draft minutes. At the meeting, the HPAC recommended the following edits:

- Prohibit stone veneer in the historic district
- Require a minimum slope of 6:12 for gable roofs
- Remove the color green as an allowed color for roofs
- Noted that wood shingles are not Wildland Urban Interface appropriate
- Prohibit removal of character-defining architectural features on historic resources

HPAC's suggested changes have been incorporated in the draft Development Code language. The HPAC also wanted to preserve a pathway for subjective review for applicants that may not meet the requirements of the historic design standards. Staff notes that a subjective pathway continues to be available for all multifamily residential projects, except for projects that are pursuing the deed-restricted housing incentives. For deed-restricted housing projects, a subjective review for projects in the historic district is not currently proposed. Additionally, HPAC expressed strong interest in continuing work on expanding the historic design standards, including standards for single-family dwellings.

Proposed amendments are shown in Exhibit A of Draft Planning Commission Resolution 2025-15 (Attachment #1). The amendments related to this discussion topic are in the new Chapter 18.25 (Objective Design Standards).

Chapter 18.78 – Planned Development

The Town Council's direction was to provide predictability and flexibility for these projects. The proposed Deed-Restricted Housing Incentives ordinance provides an avenue for streamlined review of deed-restricted projects with clear areas where flexibility in the standards is provided. Staff believes that the areas where development standards have been reduced in the new ordinance are the areas where flexibility can be provided. These are also the areas where flexibility has typically been requested in past Planned Development and Density Bonus projects. However, staff believes that the amount of flexibility in terms of quantity of incentives or amount of deviation from the standard would be appropriate to consider on a case-by-case basis through a Planned Development.

The purpose of a Planned Development is to allow consideration of innovation in site planning that more effectively responds to the site than the standard requirements. A project approved under a Planned Development is intended to be of greater quality than a typical project. The findings that are needed for a Planned Development purposefully hold the project to a higher standard. The requirement for a Project Mandatory Feature (such as affordable housing, LEED certification, etc.) is intended to be a baseline public benefit threshold that allows entry into the consideration for a Planned Development. In general, the selected Project Mandatory Feature is not intended to be the only feature that is of greater benefit to the community.

Under the proposed amendments, a new Project Mandatory Feature is proposed to accommodate a project with deed-restricted residential unit, as follows:

1. The project has five or more residential units and the residential floor area is equal to or greater than half of the floor area of the project;
2. 100% of the residential units are deed-restricted;
3. The project is consistent with the requirements of Chapter 18.213 (Deed-Restricted Housing Incentives) and is only requesting consideration of one or more of the following:

- a. Alternatives to the requirements of Section 18.213.040.L.4.c (Balconies, decks, and patios);
- b. Alternatives to Section 18.213.040.L.4.e (Storage);
- c. A greater number of incentives than allowed under Section 18.213.050.F Tables 7-1 and 7-2; and/or
- d. A change to the flexibility within each incentive (e.g., the amount of front setback reduction or site coverage increase).

When drafting this Planned Development amendment, staff wanted to find a way to encourage use of the Deed-Restricted Housing Incentives as drafted. If the Planned Development process was too broad, staff was concerned that it would undermine the purpose of the ordinance and drive use of the Planned Development without consideration for the streamlined ordinance.

Staff's reasoning in requiring five or more residential units in a primarily residential project and 100% deed-restricted units as baseline thresholds was to ensure that the number of units that are deed-restricted is substantial enough to warrant consideration of further deviations than what is already allowed. Planned Development projects are expected to be held to a higher standard than the baseline requirements of the Development Code. Further, staff believes that limiting the deviations only to the standards for balconies, decks, and patios, storage, and the listed incentives provide more clarity to a future applicant. As noted previously, these listed incentives, including the private outdoor space, are also the main standards where deviations are requested. Staff recommends that the Planning Commission consider the criteria and identify if other criteria should be incorporated. If a project does not meet the deed-restricted housing incentive Planned Development criteria, other mandatory features can be incorporated, including the affordable housing minimums or the public amenity.

Commission Question:
Planned Development

- Five or more residential units: As drafted, minimum density standards are required for all deed-restricted housing incentive projects, even if the project is requesting a Planned Development. Should there be a minimum residential unit standard?
 1. Example 1: If a project on a 0.25-acre site in the CMU zoning district is proposed, it would be required to provide at least one residential unit and up to 7 units. Should the project, with one residential unit that is deed-restricted be eligible for a Planned Development?
 2. Example 2: Similarly, if a project on a 0.5-acre site in the RM, 6-12 zoning district is proposed, it would be required to provide three residential units and up to seven residential units. Should the project, if proposing less than the maximum, be eligible for a Planned Development?
- Should the 100% deed restriction requirement be modified?
 - o In the examples, above, if six units are proposed, all six units would be required to be deed-restricted.
 - o If a minimum unit count is not required, then one unit in Example 1 and three units in Example 2 would be required to be proposed and deed-restricted to be eligible for the Planned Development.
 - o If a residential project with 20 units is proposed, a Planned Development would only be a possibility if all 20 units are deed-restricted.

Proposed amendments are shown in Exhibit A of Draft Planning Commission Resolution 2025-15 (Attachment #1). The amendments related to this discussion topic are in the Chapter 18.78 (Planned Developments).

Related Development Code Clean-up Amendments

In the course of drafting the proposed deed-restricted housing incentives, staff identified areas where updates are required in other sections of the Development Code to ensure consistency with the new chapter. Staff also noted additional clean-up amendments to provide clarifying language to housing policies and requirements:

1. Section 18.58.140 – Mixed-Use Developments – Clarify multifamily residential project requirements that are not subject to the objective design standards and re-include accidentally removed language on the mixed-use component proportions for projects in the Manufacturing (M) zoning district.
2. Chapter 18.72 – Zoning Clearance – Minor clean ups and insert reference to the “Deed-Restricted Housing Incentives” review process
3. Chapter 18.74 – Development Permits – Insert reference to the “Deed-Restricted Housing Incentives” review process
4. Chapter 18.77 – Historic Design Review – Exempt Deed-Restricted Housing Incentive projects from Historic Design Review
5. Chapter 18.79 – Streamlined Residential Review – Clarify that use of the objective design standards and Streamlined Residential Review is required for State Density Bonus projects.
6. Chapter 18.210 – Affordable Housing Controls
 - a. Update the definition of Above Moderate Income Household to align with the definition of “Affordable Sales Price.”
 - b. Clarify that sale of affordable housing units to non-qualifying households is required to be consistent with the requirements of the deed restriction,
 - c. Update the “Affordable Housing Agreement” to “Affordable Housing or Workforce Housing Agreement” to align with the Workforce Housing Ordinance
7. Chapter 18.214 – Inclusionary Housing – Require offsite inclusionary housing requirements to be reviewed under an Alternative Equivalent Proposal. It is unclear under the existing language how the offsite requirements would be applied given that the ordinance requires 15% of all new dwelling units in a residential development project shall be affordable.
8. Chapter 18.216 – Workforce Housing
 - a. Clarify the purpose of the Workforce Housing Ordinance,
 - b. Require offsite workforce housing requirements to be reviewed under an Alternative Equivalent Proposal
 - c. Clarify that the goal is to further housing goals for Truckee rather than the Truckee region, which is undefined.
 - d. Modify the FAR incentives for projects in the Manufacturing (M) zoning district and General Commercial (CG) zoning districts
 - e. Remove allowances that are not consistent with other Town policies and reference the State Density Bonus Law Development Code Section (Chapter 18.212 – Density Bonuses, Incentives, and Concessions) for pathways for other incentives and concessions.

Next Steps

Following this Planning Commission hearing, the Commission’s recommendations will be forwarded to the Town Council for consideration in early 2026.

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 November 7, 2025.

Attachments:

1. Planning Commission Resolution 2025-15 (Draft)
 - Exhibit A – Development Code Amendments (the new Deed-Restricted Housing Incentives Chapter is in Article VII and starts on Page VII-34.
2. Town Council meetings:
 - June 10, 2025 Council Meeting
 - Staff Report:
<https://portal.laserfiche.com/Portal/DocView.aspx?id=59841445&repo=r-6a91ddbc>
 - Minutes:
<https://portal.laserfiche.com/Portal/DocView.aspx?id=59850040&repo=r-6a91ddbc>
 - September 9, 2025 Council Meeting
 - Staff Report:
<https://portal.laserfiche.com/Portal/DocView.aspx?id=59877163&repo=r-6a91ddbc>
 - Minutes:
<https://portal.laserfiche.com/Portal/DocView.aspx?id=59884216&repo=r-6a91ddbc>
3. Historic Design Guidelines: <https://www.townoftruckee.gov/336/Historic-Design-Guidelines>
4. November 12, 2025 HPAC:
 - Staff Report:
<https://portal.laserfiche.com/Portal/ElectronicFile.aspx?docid=59895047&repo=r-6a91ddbc>
 - Draft Minutes:
<https://portal.laserfiche.com/Portal/DocView.aspx?id=59897114&repo=r-6a91ddbc>