

Town Council

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Hilary Hobbs, Assistant to the Town Manager

October 22, 2024

County of Placer Board of Supervisors
Clerk of the Board of Supervisors
County Administrative Center
175 Fulweiler Avenue
Auburn, CA 95603

RE: Town of Truckee Comments on Village at Palisades Tahoe Specific Plan (formerly Village at Squaw Valley Specific Plan), General Plan Amendment, Rezone, Large Lot Vesting Tentative Subdivision Map, Development Agreement, Water Supply Assessment, Environmental Impact Report (SCH # 2012102023) (PSPA 20110385) (Gustafson)

Dear Chair Jones, Vice Chair Gore and Supervisors Landon, Holmes and Gustafson:

Thank you for the opportunity to comment on the proposed Village at Palisades Tahoe Specific Plan application. The multiple years of planning efforts, including engaging in robust community dialog and working through complex land use issues, have resulted in many positive plan changes supportive of community vision for the Olympic Valley and beyond. The Town's comment letter builds on our previous comments about the connectedness of our region and the lens by which we make decisions. Our hope is that our collective land use decisions enhance our unique mountain landscape, strengthen community and balance competing interests. Addressing local workforce housing needs, mobility and how we move throughout the region, use of natural resources and so much more requires working together beyond jurisdictional boundaries. Placer County has already taken many positive steps to improve the Truckee Tahoe Region and the actions taken with the Palisades at Tahoe Specific Plan are an additional opportunity to support our uniquely special region.

General Comments

Creating and maintaining a destination mountain resort that integrates seamlessly with its natural environment, embodies a comprehensive approach to community planning and builds on a transformative vision of a vibrant, all-season resort requires consideration of regional context that extends beyond jurisdictional boundaries. The ability to fulfill the Village at Palisades Tahoe Specific Plan vision of a sustainable mountain resort, largely depends on the success of regional collaboration. At a regional level we share in the positive benefits of new investment in Olympic Valley, while we equally share in the impacts. These impacts cross jurisdictional boundaries and in several areas, are acutely felt by the Truckee community. Our goal in providing comments is to elevate the interconnectedness of the Truckee-Tahoe region and the importance of reviewing the Village at Palisades Tahoe Draft Specific Plan and

associated land use entitlements in the context of the region in addition to the Eastern Placer County context.

Transportation

Following the submission of the Town's letter to the Placer County Planning Commission, Town staff had the opportunity to discuss some of our concerns with Placer County Department of Public Works staff to gain a better understanding of the project and the Development Agreement terms. The Town of Truckee and Placer County have both made significant efforts (often in partnership) to improve the safety and accessibility of our regional transportation systems and to promote alternative transportation modes, including transit and trail planning and implementation. Many of the edits to the Final Environmental Impact Report (FEIR) mitigation measures and additional requirements outlined in the Development Agreement will increase the project's responsibilities towards achieving regional transportation goals. However, given the magnitude and scope of the Project, we want to highlight a few specific and continued concerns.

- The project will increase Vehicle Miles of Travel (VMT) in the area, and although not applicable to this project in terms of CEQA review, would exceed the Town and presumably Placer County's current VMT significance thresholds. We believe Placer County shares the Town's—as well as the State and Tahoe Basin's—goal of reducing VMT locally and regionally, as demonstrated by many of the County's goals, plans, and programs. As such, we strongly encourage Placer County to look at additional ways this project can contribute its fair share to minimizing VMT growth in the area, and north of the project site in particular, through increased on-site housing; improved management of skier arrival and departure times; and improved transit services and facilities.
- We appreciate the revised FEIR's additional details and requirements associated with the requirement to form a Zone of Benefit or CFD for ongoing transit funding, but recommend that the Development Agreement further specify that the assessment amount be calculated not only based on the peak period 30 minute headways and the 2016 Systems Plans Update for the Tahoe Truckee Area Regional Transit (TART), but all current Placer transit-related initiatives, including the draft updated TART Systems plan, the SR 89 and SR 267 corridor plan (including dedicated transit lanes on Olympic Valley Road), and ongoing operation of TART Connect, the continuation of which will be necessary to provide a truly accessible transit system.
- The Town appreciates the inclusion of the required Traffic Management and Parking Plan (TMPP) in the Development Agreement, the requirement for ongoing monitoring, and the ability for Placer County to withhold certificates of occupancy if the requirements are not met. We support the inclusion of the "Traffic Threshold" that determines when the additional management would be triggered and understand these same thresholds (average daily traffic thresholds on Olympic Valley, queuing on the northbound left turn lane of SR 89, or Level of Service "F" at SR 89/Olympic Valley Road) will be used to evaluate the effectiveness of the various strategies. These performance thresholds will not only be necessary to measure success but for Placer County to have the authority to withhold certificates of occupancy and to require the additional "trip reduction measures" identified in the Development Agreement.

Housing

In 2016, the Town previously expressed concerns related to workforce housing impacts that would result from full buildout of the Specific Plan. Eight years later, it is clear that our region's housing challenges have gotten substantially worse, that the many collaborative efforts by our region's partnerships have yet to make substantial headway on this issue and there remains today a housing crisis across all income levels.

In our prior comments, we stated that though challenging for many, the Truckee-Tahoe region could generally support housing for full-time, local employees; however, we also acknowledged the region was becoming increasingly less suited toward meeting the housing demand generated by lower-wage, seasonal employees. Due to worsening conditions within the region, we can no longer confidently state that the region can support its full-time employee housing demand and we believe the project should be required to provide more housing for the demand which will be generated by both the full-time and seasonal workforce. The Town recognizes that not all future employees will look for housing in Truckee; however, we expect a significant number will do so based on past and current demographic trends. For example, Palisades Tahoe is the highest user of the Town's Lease to Locals housing program. In the long-term, Truckee simply cannot accommodate this demand.

In light of Placer County's 2021 decision to remove prior workforce housing requirements for lodging uses, the Town applauds the incorporation of required workforce housing within the proposed Development Agreement. As you know, approval of a Development Agreement is a legislative act and the request gives the County significantly greater latitude and leverage in seeking public benefits which result from approval of the project. Even though a project nexus is not required to seek public benefits through approval of a Development Agreement, there is clearly a nexus in requiring greater workforce housing for the project.

According to the staff report, the project will generate 574 new full-time equivalent employees which constitutes the aggregation of both full-time and seasonal employees. Based on staff's review of the staff report and the EIR, it is unclear how this number was arrived at as all prior documentation stated that there would be an increase of 1,325 full-time and seasonal employees (574 full-time employees and 751 seasonal employees). Assuming the latest figure of 574 new employees is correct, the housing proposal would leave a shortfall of housing for 287 employees who would presumably seek housing outside of Olympic Valley and likely into a market with increasingly fewer options.

While the Town applauds the Development Agreement's efforts on workforce housing, the housing needs in this region dictate that greater efforts to accommodate a higher number of the total workforce must be made before this project is supported by the County. It is evident that the region outside of Truckee provides even fewer options for housing these new employees. Therefore, hundreds of future resort employees seeking housing will create further pressure on a region already in a crisis. As an example, in reviewing details of the Town's housing programs and employers served, employees from Palisades are already our top employee base served in the Lease to Locals program, equating to 12% of all of the employees housed within the program. Regardless of where future employees choose to live within the region, they will undoubtedly be met with extremely limited and unattainable housing options and under the current proposal, will exacerbate our collective transportation and housing challenges.

Lastly, we encourage the County to require a broader range of housing types (additional 1- and 2-bedroom apartments to supplement the proposed dormitory and studio units) to meet

a wider range of housing needs for employees. We believe the proposed small studio units and dormitory style housing will only serve a portion of the employee demographic anticipated from the project and that a mix of housing types will better serve the project's future employees and will provide much needed housing for families within the region.

In closing, the Town strongly urges the County to commit to making positive steps toward improving the region's housing needs rather than approving a project which will clearly exacerbate the problem.

Wildfire-Related Regional Public Safety Impacts

In addition, the Town wanted to highlight some anticipated public safety impacts related to the proposed development. These impacts take into consideration the information provided in the Revised Final EIR, Master Response sections 3.1.7 "Wildfire Risk as a Changed Condition" and 3.1.8 "Wildfire Evacuation" and have been separated into two categories, evacuations and sheltering, and emergency service resources.

- **Evacuations and Sheltering.** Increasing population and road congestion during the summer months on Highway 89, one of the primary egress and ingress routes for the region, would exacerbate already lengthy evacuation times. Increases in visitorship would also likely increase Truckee summer population levels, possibly impacting no-notice evacuation events within the Town.

While not included in the REIR Master Response discussion, wildfire evacuation often requires temporary emergency sheltering. Currently, the region lacks sufficient resources to shelter large populations. With the proposed development, regardless of abilities to implement a shelter-in-place strategy, a wildfire resulting in the evacuation of Olympic Valley would likely exceed shelter capabilities within Placer County municipalities. Resultingly, emergency management officials would likely turn to Truckee for assistance, reducing already limited shelter options in the Town which may also be undergoing evacuation warnings and/or orders for a wildfire impacting Olympic Valley, or may experience separate emergencies impacting Truckee.

- **Emergency Service Resources.** Increases in population, infrastructure, and housing will require additional fire suppression and law enforcement resources during wildfire events. Although the robust mutual aid system in California (as mentioned in Section 3.1.8) will eventually result in additional resources, it can take hours to days before a region can return to normal resource levels. The information in the Master Response stating that high wildfire-risk weather forecasts result in the activation and pre-positioning of additional firefighter resources does not reflect periods where regional and statewide resources are drawn down due to fire activity, which is not abnormal during peak fire season. Currently, a wildfire event threatening Olympic Valley would quickly exceed Olympic Valley Fire, North Tahoe, and Truckee regional resources collectively, and would draw down resources that would likely also be needed to (1) protect other areas that a fire in this area would likely threaten, and (2) continue other 9-1-1 calls for service, including in the Town of Truckee. Additional funding assigned specifically to increase fire and law enforcement staffing levels for Olympic Valley during increased significant fire potential conditions (i.e. weather, regional resource draw-down) could help reduce this impact. Additionally, an increase in calls for service to provide day-to-day emergency services from Law Enforcement, Fire, and Emergency Medical Services, would likely draw down resources, impacting response times for the region.

Hospital and Medical Services

As the Tahoe-Truckee region grows, so will demand for emergency and routine medical care. With Tahoe Forest Health System being the closest healthcare system serving the project area, there should be consideration of existing and projected healthcare facility demand, including availability and accessibility of emergency care in the context of project impacts. Implementation of the Village at Palisades Tahoe Specific Plan will generate new full-time (year-round and seasonal) and part-time (primarily seasonal) employees, and a “tourist-based transient population” that will generate new demand for health care services. It is unclear how this demand will be met or what impacts may or may not be created. Opportunities for physical growth of the Hospital campus are limited and expansions have not been discussed on a regional level. Furthermore, increased congestion impacts cause delays in medical workers being able to physically get to the hospital center to provide medical services. This creates significant concern and potential for impacted ability to provide essential services.

Regional Cumulative Impacts

The opportunity is now to consider the Village at Palisades Tahoe application in a regional context. Although we support efforts made to address employee housing, transportation/transit impacts, environmental enhancements and more, Truckee experiences regional impacts from current Village at Palisades Tahoe operations which will increase with planned year-round uses. Truckee is one of two primary gateways to the Olympic Valley and the first impression should be one of seamless coordination. If impacts are only considered up to the Placer County boundary, there is a missed opportunity to make meaningful improvements within the Truckee-Tahoe Region. We ask that the Planning Commission and Board of Supervisors consider the points that we raise before making a final decision.

We appreciate the opportunity to provide comments on this regionally-significant land use application but also want to acknowledge that Town staff has not had sufficient time to thoroughly review the volumes of reports, plans, and agreements that were part of the most recent Planning Commission staff report. Therefore, our comments are based on what we were able to review within the short time period between now and the staff report publication on Wednesday, August 29, 2024.

Should you have any questions or need clarification related to any of our concerns, please contact Town Manager, Jennifer Callaway at (530) 582-2901 or jcallaway@townoftruckee.com.

Sincerely,

David Polivy
Mayor, Town of Truckee

Jennifer Callaway
Truckee Town Manager

CC: Patrick Dobbs, Senior Planner

Attachment: September 3, 2024 Town of Truckee Comments on Village at Palisades Tahoe, including prior Town Comments dated November 10, 2016 and July 15, 2015