



Date: September 8, 2026

Honorable Mayor and Council Members:

Author and title: Carissa Binkley, Economic Vitality Program Analyst II

Title: **River Revitalization Steering Committee (R2SC) Update, Acceptance of the 10855 West River Street Lessons Learned Memorandum, and Recommendation for 10257 West River Street**

Jen Callaway, Town Manager

Recommended Action:

That Town Council (1) receive an update on the River Revitalization Steering Committee (R2SC) and the Catalyst Projects; (2) accept the Design Workshop memorandum titled "10855 West River Street Catalyst Project – Lessons Learned," as an appendix to the previously adopted R3 Playbook; and (3) Receive the R2SC Ad Hoc Committee's recommendation regarding the eastern portion of 10257 West River Street

Executive Summary:

In 2024, Town Council approved three Catalyst Projects to advance the R3 Playbook (Attachment 1) vision for a revitalized Truckee River corridor and allocated staff and consultant time to support each Catalyst Project.

As the Catalyst Project work progressed, staff sought Council direction on several corridor-wide questions. On April 7, 2026, Council directed staff to reconvene R2SC as an ad-hoc advisory group (attachment 2), and R2SC met on April 27, 2026 (attachment 3).

Additionally, Council directed that the remaining Catalyst Project work stay within its current time and resource allocation, and that this work proceed without delaying or disrupting the Economic Vitality Strategic Plan process.

At the April 27, 2026 meeting, R2SC reached three recommendations: it supported Planned Development as a near-term tool to address zoning barriers; it directed that the remaining catalyst project consultant time for 10855 West River Street be used to prepare a lessons-learned memorandum rather than focus on a single parcel; and it recommended that the eastern portion of 10257 West River Street parcel, beside DEWBEYÚMUWE? Park, remain undeveloped open space or an extension of the park.

The resulting Design Workshop memorandum (Attachment 4) captures the barriers and opportunities identified through the 10855 West River Street work and offers conceptual guidance for future planning.

This report asks Council to receive the update, accept the memorandum as an appendix to the R3 Playbook (as supporting material, without modifying the Playbook itself), and accept the R2SC recommendation regarding the eastern end of 10257 West River Street.

Discussion:

Background: In 2024, following a public Request for Interest and recommendation from the R2SC, Town Council approved three Catalyst Projects to demonstrate early, visible progress toward a revitalized Truckee River corridor: 10603 East River Street (Mark Tanner Construction), 10855 West River Street (Truckee River Partners),

and 10331 West River Street (Old Trestle). Consistent with the R3 Playbook (Attachment 1), these projects were intended to create early successes within a five-year timeline, leverage the nearly \$47 million the Town has already invested in riverfront improvements, and foster positive relations with property owners to encourage revitalization.

Project Area - Catalyst Sites

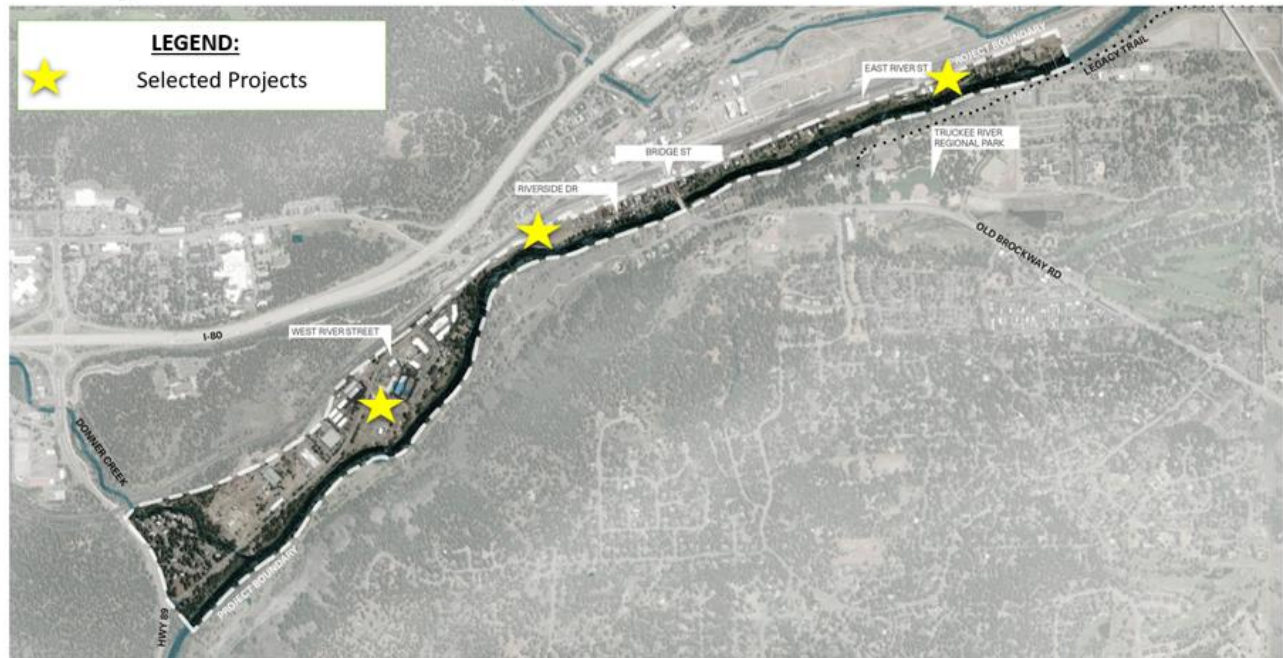


Exhibit 1: Catalyst Site Locations

Since approval, staff and consultants have advanced conceptual planning, feasibility analysis, and entitlement-related work. Staff initially set the scope of each catalyst intentionally broad, to provide flexibility for how the catalyst effort could support moving each project forward, knowing that success would not mean working on every potential component.

Staff returned to Council on April 7, 2026, and following Council direction, reconvened R2SC as an ad-hoc committee on April 27, 2026, to help prioritize the remaining effort and to weigh in on broader corridor land-use questions.

At the April 7 meeting, Council directed that R2SC, as an ad-hoc advisory group, be charged with the following:

- Receive progress updates on each Catalyst Project
- Provide input and review of a catalyst land-use concept
- Review and provide input on potential future uses of the eastern portion of the Town-owned 10257 West River Street parcel
- Provide direction on whether the Catalyst Project focus area should remain limited to the currently approved sites or be expanded.

April 27 R2SC Recommendations:

At its April 27 meeting, the R2SC provided recommendations on three items:

- **Two-phase land-use approach.** Two common constraints were identified as hurdles for catalyst project revitalization: first, exclusively residential zoning Downtown High Density Residential which permits 12-24 dwelling units per acre limits the ability to establish non-residential or mixed uses; and second, Development Code standards governing legal nonconforming use make adaptive reuse and the transition to R3 Playbook implementation difficult, because change to a nonconforming use can trigger a requirement to bring the entire site into current-code conformance.

Staff proposed a two-phase approach. In the near term, existing zoning would be retained while individual projects gain flexibility through a Planned Development application, which allows site-specific deviations from the base zoning in exchange for a Council-approved development plan – giving property owners a path to mixed-use without a full rezoning. In the longer term, the affected parcels would be rezoned to mixed-use districts consistent with the General Plan and R3 Playbook, providing certainty that a case-by-case Planned Development process would not.

- **R2SC Recommendation:** The R2SC supported Planned Development as an option to address the zoning barriers facing the Catalyst Projects.



Exhibit 2: 10257 West River Street

- **10257 West River Street.** The R2SC considered potential future uses, including residential or mixed-use activation, of the eastern portion of the Town-owned 10257 West River Street parcel (i.e. the woodchipped area east of DEWBEYÚMUWE? Park).
 - **R2SC Recommendation:** The Committee recommended that this undeveloped eastern portion remain open space or an extension of the park, concluding that housing or commercial development would be inappropriate and that "less is more" for this site.

- **Next steps:** Staff recommend that Town Council receive R2SC's recommendation and consider planning for potential improvements (e.g. consideration of design/ landscaping options) in future workplan and budget prioritization discussions.
- **Prioritization of remaining 10855 West River Street effort.** With Town-funded consultant time for 10855 nearly depleted, staff asked whether to focus the remaining effort on the street-facing parcel (10855 West River Street) or on riverfront restoration (10925 West River Street).
 - **R2SC Recommendation:** Rather than direct the remaining consultant time to a single parcel or project, the R2SC recommended it be used to prepare a "lessons learned" memorandum summarizing the work completed and the barriers identified, intended to become an appendix to the R3 Playbook. The Committee also discussed the floodplain setback as a recurring barrier to revitalization and acknowledged that a review of the setback standard could be added to a future Council work plan.

10855 West River Street Catalyst Update – Truckee River Partners

Lessons Learned Memorandum

Following the April meeting, Design Workshop completed the Lessons Learned Memorandum (Attachment 4). Catalyst project work evaluated adaptive reuse of the existing buildings, longer-term mixed-use redevelopment of 10855 and the adjacent 10925 West River Street parcel, potential floodplain and riparian restoration, and river-access and community-space opportunities. It weighed zoning constraints under the current DRH-24 designation against the Riverfront Mixed Use General Plan designation and the R3 Playbook vision, along with frontage and utility obligations, parking and circulation, and financial feasibility.

The memorandum's central finding is that a stand-alone adaptive-reuse project at 10855 is difficult to justify financially: the incremental value it would create does not clearly offset rehabilitation costs, lost rental income during construction, and potentially significant frontage and utility-undergrounding obligations. In other words, the cost of rehabilitating the existing buildings, combined with revenue lost while tenants are displaced and the expense of required public-frontage and undergrounding improvements, exceeds the added value the finished project would generate on its own. Its recommended path is to establish a clear land-use framework early with permanent rezoning as the long-term tool, with Planned Development available as an optional near-term step while determining public-improvement obligations up front and planning 10855 and 10925 as a coordinated, phased redevelopment. The memorandum also identifies a modified floodplain setback as a way to pair river restoration with feasible redevelopment and suggests evaluating whether corridor-serving public improvements could be addressed through a future Town capital project for West River Street.

The memorandum is a lessons-learned and conceptual planning document. Some of the identified hurdles to revitalization while real, are acknowledged to be standard development practices, such as frontage and utility-undergrounding typically being an obligation of the developer. Floodplain setbacks were identified in the R3 Playbook as a potential barrier to revitalization, and the memo confirms they are a development hurdle for this project.

Accepting the memo as an appendix incorporates it as supporting material to the R3 Playbook without replacing the previously adopted Playbook.

Anticipated Next Steps

The property owner group expects to continue working with staff to pursue river restoration. They have also stated their intent to hire Design Workshop directly to advance this work. Advancing this work depends in part on a modified floodplain setback from the Town, as discussed in the Lessons Learned memorandum, which the owner group is hoping to see considered.

Additional Catalyst Project Status Updates

10603 East River Street – Mark Tanner Construction

Meetings with the property owner continue at a deliberate pace to ensure thoughtful and efficient use of the Town-funded resources (consultant and staff time). The owner is exploring a potential partnership with neighboring property owners, as well as relocation of his office and redevelopment of the catalyst parcel to celebrate the river.

10331 West River Street – Old Trestle

This project continues to move forward through an iterative review process. A planning application has been submitted for a restaurant adjacent to the park, and staff are working with the applicant to advance it through entitlement. Additionally, a communications consultant is under contract with the Town and public communications for this project are expected to kick off soon as part of the Catalyst Project work.

Priority:

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Enhanced Communication
Infrastructure Investment

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☐

Climate and Greenhouse Gas Reduction
Emergency and Wildfire Preparedness

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☐

Housing
Core Service

Fiscal Impact: None

Public Communication: Agenda posting.

Attachments:

Attachment 1: [R3 Playbook](#) staff report:

<https://portal.laserfiche.com/Portal/DocView.aspx?id=59881204&repo=r-6a91ddbc>

Attachment 2: [April 7, 2026 R2SC Update Staff Report to Town Council:](#)

<https://portal.laserfiche.com/Portal/DocView.aspx?id=59934946&repo=r-6a91ddbc>

Attachment 3: [April 27, 2026 R2SC Agenda Packet:](#)

<https://portal.laserfiche.com/Portal/DocView.aspx?id=59939963&repo=r-6a91ddbc>

Attachment 4: 10855 West River Street Catalyst Project – Lessons Learned