

WEST RIVER SITE REDEVELOPMENT FEASIBILITY STUDY

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TABLE OF CONTENTS

EXECUTIVE SUMMARY	a
1 PROJECT OVERVIEW	1
2 SITE ASSESSMENT	5
3 COMMUNITY OUTREACH	15
4 MARKET OVERVIEW	19
5 PLAN ALTERNATIVES	23
6 SUMMARY CONSTRUCTION COST COMPARISON	41
7 IMPLEMENTATION	43
A APPENDIX A - STATEMENTS OF PROBABLE CONSTRUCTION COST	A-1
B APPENDIX B - PRO-FORMA ANALYSES	B-1
C APPENDIX C - ENVIRONMENTAL CHECKLIST	C-1
D APPENDIX D - POTENTIAL BENEFITS TO TARGETED INCOME GROUP	D-1

FIGURES

Figure 1: Areawide Context Map	3
Figure 2: Alternative 1 Conceptual Plan	25
Figure 3: Illustration of Alternative 1	26
Figure 4: Site Cross Section of Existing Conditions	27
Figure 5: Alternative 1 Site Cross Section	27
Figure 6: Floor Plan of the Restaurant Building	30
Figure 7: East Elevation of the Restaurant Building	31
Figure 8: South Elevation of the Restaurant Building (facing river)	31
Figure 9: Alternative 2 Conceptual Plan	33
Figure 10: Illustration of Alternative 2	34
Figure 11: Site Cross Section of Existing Conditions	35
Figure 12: Alternative 2 Site Cross Section	35
Figure 13: Figure-ground Plan of Site Neighborhood	36
Figure 14: Buildings along West River Street - Conceptual North Elevation	37
Figure 15: Buildings along West River Street - Conceptual South Elevation	37

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EXECUTIVE SUMMARY

PURPOSE OF THE STUDY

The purpose of the West River Site Redevelopment Feasibility Study is to determine the appropriate mix of open space and supportive development on the 1.42-acre parcel of land located at 10257 West River Street in downtown Truckee, California. The intent is that the study serve as a guiding document for the future improvement of the Town-owned property through a public-private partnership between the Town and a developer. As such, this document does not represent a final approved plan for the property. Rather, it represents a vision of the physical features that the community would like to see as the Town embarks on a negotiated process to improve the site. It is possible that some features of the plan may change as the Town engages a development partner to improve the property and the goals of that partner are also considered. However, this plan serves as a key point of departure in that process and defines the Town's expectations, both physically and financially, to potential future development partners. As the development process proceeds, there will be additional opportunity for community engagement in refining the plan.

SITE LOCATION

The West River Site lies south of the Historic Downtown Truckee commercial area along the Truckee River. This unique site is the only centrally-located, Town-owned property situated on the Truckee River. The site is also strategically located along the West River Street corridor, which is an important access route to central Truckee from North Lake Tahoe, Squaw Valley, and Interstate 80. Currently an underutilized industrial area, the West River Street corridor has the potential to become an important revitalized district of downtown Truckee. It is envisioned that the site can play an important role as a catalyst in this revitalization effort.

PROJECT GOALS

Prior to commencing the study, the Town of Truckee defined eight key planning goals to guide the process, including:

- Redevelop and reuse the site
- Celebrate the Truckee River as a public asset
- Provide a catalyst for overall improvement of the West River Street corridor as a gateway to central Truckee
- Integrate public uses into the site
- Provide public access to the Truckee River
- Assure a positive transition between the site and its surroundings
- Establish the site as a western gateway to downtown
- Assure improvements are sustainable and energy efficient

PLANNING PROCESS

The West River Site Redevelopment Feasibility Study is the result of numerous meetings and discussions with the community, along with input from a Technical Advisory Committee (TAC) comprised of technical staff from the Town of Truckee, a representative of the Mountain Area Preservation Foundation, local engineers and architects, and other interested individuals. Input was also provided by State and federal agencies with jurisdictional interests in the site and its environs.

The work process began in July 2010 with a background analysis of the existing site, including its infrastructure, market potential, regulatory factors, and historical elements relevant to the site and its re-use. This analysis was summarized in a memorandum entitled *Existing Conditions and Market Overview*, dated August 31, 2010. Following this analysis, alternative site re-use scenarios were prepared and analyzed resulting in two alternatives for re-use of the site which are summarized in this document.

COMMUNITY OUTREACH

Broad-based engagement of the Truckee community was an important component of the planning process for this study. Two Community Workshops were held at key work process milestones to give the general public an opportunity to provide direct input into the use of the property and the plan configuration.

Community Workshop #1 was held in the Truckee Town Council Chambers on September 15, 2010. A site visit was hosted by the consultant team and Town staff prior to this workshop, with approximately 25 community members in attendance. Following the site visit, attendance at the workshop expanded to approximately 50 attendees, who participated in a direct hands-on design exercise. The attendees randomly sat at seven tables. Each of the seven groups of approximately five to eight attendees developed goals and plan ideas for site improvements. Each group recommended how open space on the site should be configured, suggested where program elements within the open space should be placed, and defined locations and uses of buildings, if any. The results of the design exercise were used by the consultant team to document two alternative plans for review with the community in a subsequent community workshop.

Community Workshop #2 was held on November 17, 2010, also in the Council Chambers, with approximately 30 community members in attendance. The conceptual plan alternatives, based on input received at Workshop #1, were presented and discussed with the attendees from the community. In general, the community received both alternatives positively, with minimal changes requested. Both resulting alternatives are documented in this report.

PLAN ALTERNATIVES

The two conceptual plan alternatives were prepared based on differing market, financial, cost, and urban design assumptions. Both alternatives, however, are based on common design principles that were derived from all seven of the design teams participating in Community Workshop #1.

- Alternative 1 assumes that all improvements are limited only to the 1.42-acre site that is currently owned by the Town of Truckee and adjacent public rights-of-way. This alternative assumes that parking is accommodated on-site and/or on the adjacent right-of-way only.
- Alternative 2 assumes a broader vision for an area larger than the 1.42-acre Town-owned site and also assumes up to 100% of the parking could be located off-site in areas with close proximity to the project site.

These alternatives are conceptual in nature, to illustrate the range of development that might be considered for the site. They should not be considered definitive in terms of the specific site configuration, architectural style, or types or quantities of development that will ultimately occur. The alternatives should set the tone for the Town's expectations about future development of the site; however, the Town will look to any future developer partner(s) to fine-tune the design and programming of the site to best achieve Town and private development objectives. For example, initial feedback from a knowledgeable local restaurant operator indicated that maximizing the size of the proposed restaurant's outside deck seating area beyond the square footage shown in the Alternatives may be desirable from a restaurant operator standpoint and beneficial from a financial feasibility standpoint.

ALTERNATIVE 1 – OPEN SPACE WITH RESTAURANT

Alternative 1 is limited to site improvements that can be accommodated exclusively on the 1.42-acre site and surrounding public right-of-way that is currently owned by the Town. Major site elements include a large, central open space that is oriented to (and steps down toward) the river, a destination restaurant and associated parking, and a flexible-use plaza. The entire area is planned with a variety of spaces that will allow flexibility of use in all seasons, including potential wintertime activities such as ice skating, fire pits, children’s short-course tubing and sledding, and ice-sculpture festivals. A continuous 15-foot wide pedestrian zone along West River Street is improved with a sidewalk, street trees, and lighting.

The primary public open space on the site is envisioned as a multi-use park that is +/- 5 feet lower in elevation than the street. It includes a central seating area that terraces down in elevation so that views to the river are opened up to the greatest extent possible. Other internal spaces provide picnic areas, active recreation lawns, and opportunities for public art, as well as a myriad of other potential uses as identified in the community workshops.

The public open space is surrounded by the restaurant, outdoor dining terrace, flexible-use plaza, and an entry plaza. The restaurant (the most commonly suggested use at Community Workshop #1 aside from open space) is located on the western edge of the site overlooking both the river and the public open space. Approximately 50% of the required parking for the restaurant is provided in a parking lot adjacent to the restaurant building along West River Street. The flexible-use plaza, conceptually nicknamed the “Sundial Plaza” for the sundial illustrated on the plan, is located to the east of the parking lot at street grade and can be used as flex space for public events, as well as serve as overflow parking space, when needed. The northeast corner of the site, along West River Street, provides an Entry Plaza with an overhead trellis structure to create a defined pedestrian entrance to the open space.

To the south along the Mill Street right-of-way, a “Pump House Plaza” has been identified to enable access to the historic pump house at the riverside below. This historic feature provides an opportunity for an interpretive center or exhibit. A public walkway is envisioned to meander along the river bank, connecting the pump house to the restaurant deck on the west and potentially extending further to the west if that property becomes available. The river bank below the pathway offers an opportunity for riparian restoration. The plan also accommodates the addition of a future pedestrian/bicycle bridge to span the Truckee River, connecting with the future Legacy Trail on the south river bank.

West River Street has been expanded to include left-turn lanes, which offers an opportunity for a planted median near the Entry Plaza. On-street parking has been included along the south West River Street curb, where possible. Gateway “portals” have been located on West River Street, just west of the site, to announce the public space and entry to central Truckee along this corridor.

Alternative 1 Statistical Summary

Site Area (including pump house area): +/- 70,000 sf

Open Space: +/- 41,000 sf

(excluding West River Street sidewalks)

Restaurant:

- Indoor: 5,000 gross square feet
- Outdoor: 1,200 gross square feet

Parking:

- On-site - dedicated spaces: 23 spaces
- On-site - plaza/overflow: +/- 22 spaces
- On-street - within 225 feet of site: 19 spaces

Note: 43 spaces required by Truckee Development Code for a restaurant of this type and size.

Alternative 1 Conceptual Plan



ALTERNATIVE 2 – OPEN SPACE WITH MIXED-USE

Alternative 2 differs from Alternative 1 in that it reflects the future vision for both the site and the immediately surrounding area, which enables more of the West River Site to be improved with other uses besides parking. Opportunity sites are indicated on the north side of West River Street, which have been illustrated to show the intent of buildable sites along the street with parking located behind, adjacent to the rail lines. Limited restaurant parking, for drop-off and disabled patrons, remains on-site adjacent to the restaurant building and on-street parking spaces are provided along the south West River Street curb, similar to Alternative 1. In addition, the cabinet shop property to the west of the site is identified as a potential opportunity site due to its close proximity to, and visual impact upon, the site.

As expressed in Community Workshop #1, this alternative proposes additional buildings along the West River Street right-of-way in order to create a street edge and, like Alternative 1, define a pedestrian zone. These two-story mixed-use buildings extend the existing development pattern and building scale from the east along West River Street, and provide retail spaces on the ground floor with offices on the second level. The buildings also provide a visual and acoustic buffer from West River Street traffic and the railroad. A terrace on the south side of the buildings accommodates outdoor seating and pedestrian circulation overlooking the public open space and river.

The plan for the open space in Alternative 2 is similar to alternative 1 as it is based on the same design principles expressed by the Community. However, it should be noted that the total area of open space is slightly larger due to the area of the building footprints being less than that occupied by parking in Alternative 1.

With most of the public parking located across West River Street, streetscape improvements are of great importance to enable safe pedestrian crossings. Three crosswalks have been spaced approximately 200 feet apart, which will also calm traffic and provide a safer and more comfortable pedestrian experience.

Alternative 2 Statistical Summary

Site Area (including pump house area): +/- 70,000 sf

Open Space: +/- 45,000 sf
(excluding West River Street sidewalks)

Restaurant:

- Indoor: 5,000 gross square feet
- Outdoor: 1,200 gross square feet

Mixed-use along West River Street:

- Retail / Café: 6,700 gross square feet
- Office (above): 6,700 gross square feet

Parking (shown on plan):

- On-site - disabled / drop-off only: 5 spaces
- On-street - within 225 feet of site: 17 spaces
- North of West River Street: 160 spaces

Note: Total parking shown on the plan (182 spaces) exceeds total required for restaurant and mixed-use (89 spaces) by the Town of Truckee Development Code.

Alternative 2 Conceptual Plan



CONSTRUCTION COST COMPARISON

Conceptual statements of probable construction cost have been prepared for each of the two conceptual alternative plans. A summary of the major cost components is as follows:

Component	Alternative 1	Alternative 2
Street Improvements	\$269,000	\$246,000
Mobilization, Site Preparation and Earthwork	\$632,000	\$632,000
Site Improvements	\$2,184,000	\$2,161,000
Utilities and Infrastructure	\$228,000	\$254,000
Buildings	\$1,281,000	\$3,760,000
TOTAL	\$4,600,000	\$7,100,000

A contingency equal to 25% of the total estimated cost has been included in the Conceptual Statement of Probable Construction Cost. This amount is an industry standard for projects in an early conceptual phase of design and is subsequently reduced in size as the project design is finalized. The contingency is included to offset unforeseen design changes, engineering requirements or site conditions that are unknown at the time of the estimate preparation.

ENVIRONMENTAL FINDINGS (BOTH ALTERNATIVES)

An Environmental Checklist, completed in accordance with the California Environmental Quality Act (CEQA), was prepared for the project. Pursuant to the CEQA checklist, a project must review several environmental factors for potential impacts. An impact is considered significant if it cannot be mitigated by the proposed project. While the initial checklist indicates that the impacts are likely to be less than significant, due to the conceptual nature of the project, two environmental factors – Geology/Soils and Transportation/Traffic – were determined to have potential impacts, depending on the final project and potential changes to background environmental conditions. Therefore, for this project, it will be required that a qualified geologic engineer prepare a site evaluation and soils report of the property prior to any future project approvals. A detailed traffic analysis will also be required to determine the potential impacts to the current local traffic and circulation patterns.

IMPLEMENTATION

The West River Site improvement project is well positioned for implementation through a public-private partnership. Public investments will likely be necessary in order to make the private development feasible under current economic conditions. The public investments would leverage considerable private investment with the intention of spurring additional private investment on other properties in the West River Street corridor.

PUBLIC IMPROVEMENTS

Under current economic conditions, it is estimated the Town will need to invest approximately \$3.0 or \$2.8 million in public improvements for Alternatives 1 and 2, respectively, in order to fully improve the site open space elements and to complete the improvements on adjacent streets. Due to the complexities of existing site conditions and the quality of improvements desired by the community, it is highly unlikely that a development partner could be expected to fund more than a very modest portion of the site improvements. Potential funding sources for investments in public improvements include Redevelopment Agency funds, development impact fees, and State and federal grants.

DEVELOPER ATTRACTION AND DEAL STRUCTURING

Under current economic conditions, subsidy for the private development on the site will also likely be required. The Town may wish to do this in order to ensure that the development that is put in place at the site will fully meet the Town's objectives for the type and quality of development at the site, with an eye towards the long-term benefits to the Town, such as increasing the catalyst effect of the site beyond what could be accomplished without assistance from public investments. It is estimated that required subsidy may be approximately \$150,000 to \$200,000 for Alternative 1 and approximately \$500,000 to

\$700,000 for Alternative 2. As discussed in the main body of this document, the Town should be open to the possibility that a restaurant operator would also be interested in developing and owning the building, instead of renting the restaurant space from a developer as modeled in the feasibility pro-formas. This type of development scenario may prove more financially attractive under current and/or future economic conditions, which could change the need for public investment in the private development under Alternatives 1 and 2. These approximate amounts may decrease as economic conditions improve over time. Potential sources of public fund subsidies invested into the development may include discounting the price charged to the developer for the land, and investment of Truckee Redevelopment Agency funds.

Because of the small scale of the development project, the Town's developer partner will likely be a locally-based developer or a developer who already has interests in the Truckee/Tahoe area. The Town can conduct outreach to potential developers by publicizing the project in local media and conducting direct outreach to developers who have undertaken similar projects in the area. A strong partnership between a successful restaurant operator and a developer will likely be key to successfully attracting a destination restaurant to the site. The Town can facilitate this process by creating opportunities for developers and restaurant operators to connect, including hosting informational meetings and maintaining and sharing lists of those who express interest in the site.

The public fund subsidies that would be needed to make private development on the site feasible under current market conditions could potentially be repaid over time. The Town should explore options to structure an agreement with a developer to ensure that the Town can benefit from the anticipated increase in the value of the site over time.

1

PROJECT OVERVIEW

PURPOSE OF THE STUDY

The purpose of the West River Site Redevelopment Feasibility Study is to determine the appropriate mix of open space and supportive development on the 1.42-acre parcel of land located at 10257 West River Street in downtown Truckee, California. The intent is that the study serves as a guiding document for the future improvement of the Town-owned property through a public-private partnership between the Town and a developer. As such, this document does not represent a final approved plan for the property. Rather, it represents a vision of the physical features that the community would like to see as the Town embarks on a negotiated process to improve the site. It is possible that some features of the plan may change as the Town engages a development partner to improve the property and the goals of that partner are also considered. However, this plan serves as a key point of departure in that process and defines the Town's expectations, both physically and financially, to potential future development partners. As the development process proceeds, there will be additional opportunity for community engagement in refining the plan.

PROJECT GOALS

Prior to commencing the study, the Town of Truckee defined eight key planning goals to guide the process, including:

- Re-develop and re-use the site
- Celebrate the Truckee River as a public asset
- Provide a catalyst for overall improvement of gateway corridor
- Integrate public uses into the site
- Provide public access to the Truckee River
- Assure a positive transition between the site and its surroundings
- Establish the site as a western gateway to downtown
- Assure improvements are sustainable and energy efficient.

PLANNING PROCESS

The West River Site Redevelopment Feasibility Study is the result of numerous meetings and discussions with the community, and input from a Technical Advisory Committee (TAC) comprised of technical staff from the Town of Truckee, a representative of the Mountain Area Preservation Foundation, local engineers and architects, and other interested individuals. The study is also the result of recommendations based on the experience of a multi-discipline consultant team, which was led by BMS Design Group and included several firms providing expertise in the disciplines of urban design, land use planning, landscape architecture, economics, architecture, traffic engineering, civil engineering, and environmental analysis.

The consultant team reviewed existing site specific and general Town plans and policies, analyzed market conditions, conducted several site visits, and analyzed existing conditions based on land use, urban form, transportation, circulation, and utilities. An *Existing Conditions and Market Overview Memorandum*, dated August 31, 2010, documents the key physical conditions of the site area as well as the market conditions, plans and policies that affect future opportunities for improvements to the site.

Over the period from September through November, 2010, the consultant team, working with Town staff, conducted two Community Workshops to gain input regarding community desires for the use and design of the site. (See Section 3 of this document for a more complete discussion of these workshops.) Two alternatives for improvements to the site were prepared based on the input received from these workshops and from subsequent review and discussion with Town staff and the TAC. These two alternatives are the subject of this report:

- Alternative 1 assumes that all improvements are limited only to the 1.42-acre site that is currently owned by the Town of Truckee. This alternative assumes that parking is accommodated on-site and/or on the adjacent right-of-way only.
- Alternative 2 assumes a broader vision for an area larger than the 1.42-acre Town-owned site and also assumes up to 100% of the parking could be located off-site in areas with close proximity to the project site.

SITE LOCATION

The West River Site lies south of the Historic Downtown Truckee commercial area along the Truckee River. This unique site is the only centrally-located, Town-owned property situated on the Truckee River. The site is also strategically located along the West River Street corridor, which is an important access route to central Truckee from North Lake Tahoe, Squaw Valley, and Interstate 80. Currently an underutilized industrial area, the West River Street corridor has the potential to become an important revitalized district of downtown Truckee. It is envisioned that the site can play an important role as a catalyst in this revitalization effort.

Figure 1: Areawide Context Map



2

SITE ASSESSMENT

This section provides a summary of the existing conditions of the site, including its historic and current uses, traffic and circulation conditions, utilities and infrastructure, and key Town policies relevant to the use of the property. It is based on a review of existing available data and discussions with Town staff, representatives from state, regional, and federal agencies, and private utilities with jurisdictional interest in the area, and on observations of the consultant team.

HISTORICAL BACKGROUND

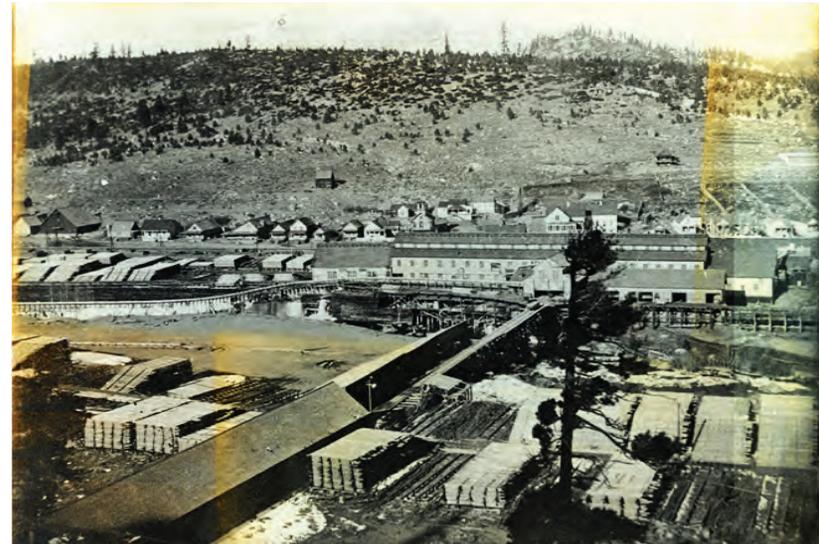
Prior to the 19th century, the West River Site was a naturally terraced embankment with a floodplain similar to the existing condition seen today on the south bank of the Truckee River. In the 19th century, the site was filled with soil and a major lumber mill, the Truckee Lumber Company, operated on the site. At that time, Mill Street (the eastern boundary of the site) extended south over the Truckee River on a bridge. More recently, the site was utilized as a maintenance yard by Nevada County. After the Town of Truckee was incorporated in 1993, the site was acquired by the Town, and all buildings on the site were demolished. The site is currently vacant except for the presence of a small amount of temporary environmental remediation equipment.



Top: The project site viewed toward the east from the western property line.

EXISTING CONDITIONS

Most of the site is flat, except for the steep southern edge along the river and the southeast corner, which slopes gently toward the existing Riverside Drive neighborhood. Along the Truckee River bank, access to the river is difficult to impossible. The Truckee River bank, significantly modified from its natural contours and eroding, falls approximately 30 feet to the water's edge at a very steep grade and is dotted with some small amounts of vegetation. Opportunities exist to provide connections to the river, both visual and physical, by modifying the contour of the property.



The Truckee Lumber Company occupied the West River site in the late 19th century. Photo taken circa 1885. Photo provided by the Truckee Donner Historical Society.



Top: Truckee River along the southern boundary of the project site.
 Bottom: Looking east down Riverside Drive from the edge of the project site.

SUBSURFACE CONDITIONS

The site is covered with an estimated 15 – 25' depth of loose fill, populated by boulders and trash, which creates special considerations for future building foundations. Due to prior on-site uses and the migration of fuel contamination from adjacent areas to the north, the site is currently under environmental remediation. An ozone/oxygen sparge system that is remediating contaminated ground water is currently operating on the site and is scheduled to be complete in approximately 2012, with anticipation that the site will be suitable for unrestricted re-use.

VIEWS AND VISTAS

The view from the site to the south across the river is currently open with natural views of Bald Mountain in the background. Reuse of the site should allow the river's edge to remain open to capitalize upon this view, and new buildings should be oriented accordingly.

Views to the north, east and west are generally unattractive at present, although this can be expected to change over time, particularly to the west and east. To the west, very attractive views upstream along the Truckee River would be available from the site if the existing adjacent cabinet shop that currently blocks these views is removed. To the east, portions of the existing Riverside Drive neighborhood have been neglected over the years, but continuing reinvestment in the neighborhood by private property owners is rapidly improving the area.

There are currently minimal visual impacts created by the site, as it is vacant. But future development would likely be visible from several other parts of historic downtown.

EXISTING LAND USE AND ZONING

Land uses that surround the site include: a one-story cabinet shop that lies directly adjacent to the site along the western property line, a towing company (Dependable Tow), and the Chevron/Berry Hinkley petroleum distribution facilities which are located across West River Street to the north. All of these properties, as well as the site itself, are zoned Downtown Commercial according to the Town's Development Code, which allows a mix of commercial, residential and open space uses.



Top: View east down West River Street; the project site is on the right.

The historic Riverside Drive residential neighborhood lies directly east of the site. Although zoning for this neighborhood is DRM-14 and DMU, which would allow increased densities and building heights up to 35 feet and 50 feet respectively, it is not envisioned that significant change will occur in this area in the future. Site development adjacent to this neighborhood should, therefore, respect and respond to the existing small scale and texture of the neighborhood with low scale and low density development. Site development should also reinforce the existing visual and physical connection of Riverside Drive and Mill Street.

Due to the sensitive scale and texture of the Riverside Drive neighborhood, the western side of the site and the frontage along West River Street provide the most appropriate locations for new building improvements.

Open private and public lands lie across the Truckee River to the south of the property. The privately-held land is zoned DMP (Downtown Master Plan) which allows for a variety of uses subject to a negotiated agreement with the Town. The Downtown River Revitalization Strategy, adopted in 2005, envisions this area as a compact, clustered, mixed-use hotel, and/or multi-family development with a nature center. It calls for maximum open space protection and will be connected to the West River Street site by a pedestrian bridge. (See "Relevant Policy Documents" discussion below.)

CIRCULATION

Vehicular

West River Street is a minor arterial street and carries significant volumes of traffic. In the vicinity of the site, the street is a two-lane roadway consisting of one travel lane (approximately 11 feet in width) in each direction. There is minimal paved shoulder, though a gravel shoulder is provided along some portions. The posted speed limit is 25 miles per hour. The roadway carries approximately 8,400 vehicles per day (total of both directions) during the busy summer season. Traffic conditions along West River Street are generally good, except that there are long delays for specific movements (particularly the eastbound left turn movement) at the intersection with Bridge Street to the east of the site.

Pedestrian and Bicycle Access

The project area is located within one-quarter mile (5 to 10 minute walk) of Commercial Row, the downtown train depot, and other destinations such as the Recreation Center on Church Street. Despite this short distance, direct alternative transportation connections between the West River Site and other downtown destinations are poor due to the Union Pacific Railroad line that bisects the downtown, separating the Truckee River area from the commercial core. While overhead or underground pedestrian/bicycle crossings are technically possible, they would be very costly and would be difficult to achieve due to railroad policies regarding crossings.

Today, the best pedestrian connection opportunities between the downtown and the West River Site are along Bridge Street to either West River Street or Riverside Drive, a very walkable distance of approximately 1,500 feet (slightly over ¼ mile). However, Bridge and West River Streets currently provide a very poor environment for walking and cycling due to the combination of traffic activity, lack of sidewalks, lack of separate facilities or adequate shoulder for bicyclists, and parcels that are either industry-dominated, vacant, or abandoned.

Because of the site's close proximity to the Truckee Downtown Commercial Core, future pedestrian connections between them are very feasible. These connections will only be successful, however, if pedestrian improvements are made along the entirety of Bridge Street between Donner Pass Road and along West River Street from Bridge Street to the site, creating a place that is pleasant and comfortable for people.

A pedestrian bridge (that could also accommodate cyclists) is proposed to link the site to the south river bank and into the future Legacy Trail, providing another connection to the river.

UTILITY SERVICES

Existing utility information is based on as-built documents, conversations with representatives of the utility providers, and information collected on-site. From the information provided, it appears that all utility services for improvement of the property may be provided from existing utilities located in adjacent public right-of-ways with adequate capacity. It is not anticipated that off-site improvements will be required.

Sanitary Sewer

Sewage treatment is provided by the Tahoe Truckee Sanitation Agency (TTSA). Past planning efforts have allowed for development of the West River Site and treatment capacity is available for development on the site. Sewage conveyance is maintained by the Truckee Sanitary District (TSD). An existing 6-inch PVC sewer main is located to the north and east of the property. The sewer drains east along Riverside Drive approximately 1,100 feet to a 24-inch trunk main in Brockway Road. Due to the relatively small scale of development that would be anticipated on the property, upsizing of the 6-inch gravity sewer main along Riverside Drive is not anticipated. The neighboring property to the west is serviced through a sewer lateral extending across the property. Relocation of this lateral will be required to accommodate building or open space improvement on the property.

Water Service (Domestic and Fire)

Water service is provided by the Truckee Donner Public Utility District (TDPUD). An existing 8-inch water main extends from the middle of the property to the east along West River Street. A 6-inch water main is located in Mill Street to the east and extends along Riverside Drive. The property to the west of the project site is serviced through a lateral from the 8-inch main in West River Street across the northerly edge of the property; relocation of this lateral is anticipated. Water meters and backflow prevention will be needed for any new structures built on the site as well as for site irrigation. System capacity has been provided by the TDPUD with a static pressure of 85 psi, and a fire flow of 2,000 gpm. Installation of a new fire hydrant is expected on-site.

Storm Drainage

Due to the absence of adequate regional storm drainage facilities, discharge of storm runoff into the Truckee River is anticipated. Coordination with the Lahontan Regional Water Quality Control Board will be required. Storm drainage will be collected on-site and detained to pre-development levels. In addition, an approved permanent storm water pollution prevention device is expected to prevent the transportation of waterborne pollutants into the adjacent Truckee River.

Dry Utilities

Dry utility providers include Southwest Gas, TDPUD (power), AT&T (telephone) and Suddenlink (cable/TV). 3-phase primary electrical service is provided through overhead lines along the north and east of the property. One power pole is located on the property, at its eastern end, providing service to existing soil remediation efforts. A joint utilities trench extends along the eastern and northern boundaries of the project site. The trench includes secondary electric, 2-inch gas and 8-inch gas. Although as-built mapping has not been provided, existing signage indicates that communications cable is also available. In the future, electrical lines will be placed underground along the West River Street frontage.

Petroleum Pipeline

A high-pressure petroleum pipeline is located in West River Street to the north of the West River Site property. For most of West River Street the pipeline is located along the northerly edge of the public right-of-way. However, the alignment shifts to the south side of West River Street in front of the project site. The precise location of the pipe is not identified to an accurate level but aerial mapping indicates it to be within the West River Street right-of-way and therefore unlikely to be impacted by construction activity within the site. However, any work done on-site, whether impacting the public right-of-way or not, must be coordinated with Kinder Morgan to determine the precise location of the high-pressure pipeline and for guidelines relative to construction in its vicinity.

100-year Flood

The 100-year flood elevation was taken from the Flood Insurance Rate Map (FIRM) available through FEMA's mapping software and adjusted to match the site survey's vertical datum. Generally, the flood elevation ranges between 5,802 and 5,805 feet. The conceptual plans prepared as part of this study plan for this flood elevation. Final detail mapping of the flood line by a professional surveyor will be required prior to development of the site. Avoidance of the flood plain is recommended to prevent more intensive processing with the Army Corps of Engineers and remapping of the flood plain. Finish floor elevations are typically required to be set a minimum of one foot above the 100-year flood elevation.

RELEVANT POLICY DOCUMENTS

Future re-use of the West River Site will implement numerous policies from previously-approved and adopted plans and studies, including the following:

- Town of Truckee 2025 General Plan
- Downtown Truckee Specific Plan (1997)
- Downtown River Revitalization Strategy (October 2005)*
- Truckee Development Code (Zoning)
- Truckee Trails and Bikeways Master Plan (2007)
- Truckee Redevelopment Agency Redevelopment Plan (October 1998)
- Truckee Redevelopment Agency Five-Year Implementation Plans 2004/05-2008/09 and 2009/10-2014/15.

* The policy/document that provides the most specific guidance related to the re-use of the site is the *Downtown River Revitalization Strategy*, which was adopted by the Town Council in October 2005, following a major community outreach and involvement process. The strategy establishes a vision for much of the Truckee River corridor within the Town, subdivides the corridor into several specific subareas and improvement sites, and makes specific recommendations for these subareas.

The West River Site falls within subarea E-1 of the Revitalization Strategy, and is designated “Central River Village”. The plan states the following recommendations for the site:

“In this area a major civic plaza should be constructed to serve as a gathering place for festivals and events and provide access to the river. This could be an urban space, as opposed to other places where a more natural character would be maintained. Commercial uses could line the street edge to frame the plaza and to shield the plaza from traffic and noise. A new pedestrian bridge would connect it with improvements to the south of the river...”

“Appropriate improvements: Central River Plaza, retail, office, live-work, restaurant.”

The Strategy also identifies two principles that can serve to guide the design of the site, including:

“Buildings should be oriented to the street and align at the sidewalk edge.”

“This reach of the river could be enhanced by stepping the bank back ...”

RELATED CURRENT PROJECTS

The Town of Truckee currently has four projects planned as part of the Town of Truckee Five Year Capital Improvement Project Budget for fiscal years 2011 through 2015 that are relevant to the West River Site project. These projects will help link the West River Site to the surrounding community as well as provide important amenity improvements to the adjacent neighborhoods and commercial areas. The four projects include the following:

- **Commercial Row/Bridge Street, West River Street/Bridge Street Intersection Improvements**
 This project will provide intersection geometric improvements and pedestrian improvements to the corridor extending from the Commercial Row/Bridge Street intersection to the West River Street/Bridge Street intersection. The purpose of the project is to enhance pedestrian safety, convenience, and flow and improve intersection levels of service. When completed the improvements will create an important part of the pedestrian linkage between the West River Site and Commercial Row. The project is currently partially funded.
- **West River Street Streetscape Improvement Project**
 This project will provide new sidewalk, curb and gutter, landscape, parking, utility undergrounding and drainage improvements on West River Street from Mill Street to Bridge Street. Completion of this project and the project noted above will establish a strong pedestrian connection to the commercial core of downtown Truckee from the West River Site and enhance the long-term attractiveness of the open space and any potential supporting development. This project is currently partially funded.
- **Truckee River Trail Phase 4**
 This project will design and construct Phase 4 of the Truckee River Trail. The purpose of the project is to provide a recreational facility and an alternative non-vehicular transportation route on the south side of the Truckee River as part of the project known as the Legacy Trail. The West River Site will be connected to this trail by the future pedestrian/bicycle bridge described in the Downtown River Revitalization Strategy, thereby expanding the pedestrian and bicycle connections between the site and the entire river corridor. The project is currently partially funded.
- **Truckee River Park**
 This project will provide for land acquisition and development of a major park facility on the south side of the Truckee River between Bridge Street and the western Town boundary. While the site is not yet specifically identified, it is envisioned to be located along the Legacy Trail on the south side of the Truckee River. It will be a component of an interconnected system of nearby open spaces, of which the West River Site will be an important part. According to the Downtown River Revitalization Strategy, it is envisioned to be a naturalistic park thereby complementing the more “urban” character that the strategy envisioned for the West River Site. The project is currently unfunded.

3

COMMUNITY OUTREACH

Engagement of the Truckee community was an important component of the planning process for this study. Two Community Workshops were held at key work process milestones to give the general public an opportunity to provide direct input into the property use and the plan configuration.

Community Workshop #1 was held in the Truckee Town Council Chambers on September 15, 2010. A site visit was hosted by the consultant team and Town staff prior to this workshop, with approximately 25 community members in attendance. Following the site visit, attendance at the workshop expanded to approximately 50 attendees. This portion of the workshop included a summary presentation of the existing site conditions/analysis, and a discussion of project goals by the consultant team. After the presentation, the attendees split into seven groups of approximately five or six people each (randomly sitting at seven tables), and participated in a design exercise to develop ideas regarding how the site should be improved. Each group recommended how the open space should be configured, suggested where program elements within the open space should be placed, and defined locations and uses of buildings, if any. At the conclusion of the design exercise, a spokesperson from each group presented their team's concept. The results of the design exercise were subsequently documented in summary memoranda by the consultant team, which were used in preparing two alternative concept plans.

3 COMMUNITY OUTREACH



The community meeting included a hands-on design exercise to solicit input from the community members. Seven small groups prepared concepts for the site which were presented to the plenary session at the end of the evening.

Two examples of the final small group work product from the interactive design exercise at the Community Workshop #1 held on September 15, 2010.

Following Community Workshop #1, the results of the small group work efforts were quantified to establish a program of most suggested improvements for the West River Site. While a vast array of ideas were shown on the plans, those that appeared two or more times are noted on the accompanying Table 1 (described as “votes”). It should be noted that not all of these improvements are limited to the site itself. The map provided to the teams extended beyond the site boundary with instructions to consider off-site improvements that may be necessary for the success of the site. Thus, for example, all seven groups felt that most parking should be located north of West River Street near the Union Pacific Railroad tracks in order to preserve more of the site for people-oriented uses.

The results of Community Workshop #1 provided guidance regarding the desired programmatic elements for future use of the site. The consultant team also used the workshop plans to establish 16 common design principles that were used to prepare alternative plans. These design principles are summarized at the beginning of Section 5 of this document.

Community Workshop #2 was held on November 17, 2010, also in the Council Chambers, with approximately 30 community members in attendance. Two alternative concept plans, based on the input received at Workshop #1, were presented and discussed with attendees from the community. In general terms, the community received both alternatives positively with minimal changes requested. Both resulting alternative concepts are documented in this report.

Table 1: Results of the Community Workshop #1 Design Exercise.

OPEN SPACE	# OF VOTES
Major Central Open Space	6
Public Art	5
Pathways Across Site	4
Terraces to River	3
Walkway Along River	3
Public Deck/Viewing Area	3
Town Plaza	2
Pavilion	2
Skywalk Across Rail Lines	2
Tunnel Beneath Rail Lines	2
BUILDINGS	
Restaurant	6
Mixed-Use	4
Residential	3
Library	3
Retail	2
STREETS & PARKING	
Parking - North of West River Street	7
Parking - On-site	4
Crosswalks on West River Street	4
Bike Land on West River Street	3

4

MARKET OVERVIEW

At the outset of the project, a market assessment was conducted to evaluate the potential market demand for different uses that might be targeted for the West River Site. The analysis expanded upon the previously prepared PC-3¹ economic analysis as it applies to the West River Site, augmented by additional market information collected specifically for this project. This information is summarized in the memorandum entitled *Market Overview for Truckee West River Site Redevelopment Feasibility Study*, dated August 31, 2010, prepared by Bay Area Economics. In addition to evaluating market demand for different uses, the Market Overview memorandum also includes a compilation of information regarding current rents for retail and office space in Truckee, which is used as the basis for assumptions about the potential income that private development might be able to generate. This data is used to evaluate the financial feasibility of private development at the West River Site in the pro-forma financial analyses found in Appendix B of this report. Following is a brief summary of the potential uses evaluated in the market assessment.

1: PC-3, also known as the Joerger Ranch Specific Plan, is located at the intersection of Highway 267, Brockway Road, and Soaring Way.

RETAIL

Given its location in central Truckee, the West River Site offers potential for retail uses that could serve both residents and visitors. However, due to the limited size of the West River Site parcel and the interest in utilizing a portion of the site for public uses such as a plaza, park, or river access, the quantity of retail space that could feasibly be developed at the site will be limited.

A retail leakage analysis² has shown that there will be additional demand for eating and drinking establishments in Truckee through the year 2023. The West River Site could capture some of this demand given the proximity to other quality restaurants in downtown Truckee and the ambiance created by views of the Truckee River. In particular, a high-end restaurant which attracts diners from a large area based on its reputation as a fine dining destination, would benefit from the riverside setting. Other types of retail uses, such as home furnishing and appliance stores and store types in the “other retail” category (florists, gift and novelty shops, jewelry stores, and other types of specialty stores), may not work initially on this site. This is because other similar stores in downtown Truckee have better access, visibility, and pedestrian access, and these types of uses typically thrive where they are in close proximity to other uses that help to generate foot traffic and visibility to shoppers. Retail at this site would initially be fairly isolated from other retail uses evolving along the West River Street corridor. However, through the development of a destination restaurant on the West River Site, along with

2: A leakage analysis is a comparison between an estimate of the retail expenditures of the local population and the quantity of retail sales in stores within the local area. If stores in the local area capture sales that are significantly less than the local population’s expected expenditures, this indicates a potential “leakage” of local resident expenditures to stores outside the local area. If store sales are significantly more than anticipated expenditures, then this indicates potential “injection” of sales, from shoppers who live outside the local area.

other private investments elsewhere in the area, the West River Site will likely become more supportive of new retail over time. Retail development at this site, if it is included, should therefore likely be a portion of a later “phase” of site development.

OFFICE

The site could potentially accommodate office uses. Again, because of the relatively small size of the site and the intention for a relatively large proportion of open space on the property, the site would likely support a relatively modest office component. It could include spaces for smaller individual office tenants in a multi-tenant format or perhaps a single-occupant office for a medium-sized company. Given the riverside location, it would be likely that the office space would be Class A space that is attractive to professional office users that would want a space designed to showcase the views and proximity to the Truckee River. The relatively small size of the site and the potential office component might support a build-to-suit opportunity for a mid-sized local company that is seeking a signature location and interested in an opportunity to own the office component of the project, rather than renting.

RESIDENTIAL CONDOMINIUMS

Given the small size of the site, site characteristics, and development economics, the best option for residential development would most likely be condominiums for sale. Such units could be incorporated into the upper floors of mixed-use development at this site. These could be live/work type units. Residential development would be compatible with the adjacent Riverside Drive neighborhood and would offer the opportunity to bring additional 24-hour activity to the area.

LODGING

Because of the proximity to downtown Truckee, views of the river, and the limited lodging in downtown Truckee, lodging was a use suggested in the 2005 Downtown River Revitalization Strategy³. The Town of Truckee, however, has already approved construction of approximately 160 new hotel rooms within about one mile of the site. In addition, the Bright Property, directly south of the site across the Truckee River, could be developed with 120 lodging units. Like residential, lodging uses typically provide activity at all hours of the day and night, which could help activate this area. However, until the Hotel Avery (planned for the corner of Bridge Street and South River Street) tests this market, and until the West River corridor land uses transition to uses that would be more compatible with a lodging use, this site is probably best planned for other uses.

OTHER SPECIALIZED USES

Other specialized uses, such as a farmers' market or a facility for a kayak or whitewater raft outfitter, have been mentioned for the site. Such uses will have unique site requirements and the economics for such uses may also be different from more typical retail storefront tenants. Flexibility should be built into the plan for the West River Site to accommodate such uses if demand and economics are favorable at the time of development.

3: Downtown River Revitalization Strategy, Truckee, CA. October 20, 2005. (Pg. 1-10)

CONCLUSIONS

Current market conditions are not particularly favorable for any of the land uses reviewed as part of this analysis. It should be recognized, however, that the market is presently affected by the most severe national economic downturn in decades. While the economic recovery is anticipated to be slow, the fundamental fact remains that the West River Site presents a unique development opportunity within Truckee that will be attractive as market conditions improve. A destination restaurant and higher end offices are two uses that would be compatible with the site characteristics and the location within the Town. The prospects for attracting a small amount of residential and retail uses to the site may improve over time, as the West River Street corridor continues to revitalize and as overall economic conditions improve. Thus, such uses could be incorporated into a later phase of site improvements. Given potential for a substantial number of new hotel rooms planned in close proximity to the site and given land uses on surrounding parcels, it is not recommended that this site be targeted for a lodging use at this time.

In regard to any of the land uses under consideration, competitive impacts on other existing, planned, and proposed development elsewhere in the Town will likely be limited. This is due to the fact that the size of the site and the objective of providing public space on the site will limit any private development to a relatively modest amount.

5

PLAN ALTERNATIVES

Two conceptual plan alternatives have been prepared based on differing market, financial, cost and urban design assumptions. Both alternatives are based on 16 site design principles that were distilled from Community Workshop #1 results and were common to most or all of the seven plans created by attending community members. It is recommended that future development of the site, whether public, private, or joint development, follow these design principles.

- Major central open space oriented to the river
- Destination that will activate the space
- Buildings located on the west property line or along West River Street
- Views into the site from West River Street
- Parking: north of West River Street if possible
- Relationship to the river: predominantly visual (not physically accessible)
- Public walkway along the river
- Site sloped toward the river to achieve multiple goals, (views, solar orientation, landform interest)
- Physical connection to downtown across rail lines
- Mill Street right-of-way used as a pedestrian / bicycle corridor
- Sensitivity to Riverside Drive neighborhood (scale, land use)
- Pedestrian and bicycle improvements on West River Street
- Focal point at the end of Riverside Drive
- Recognize Riverside Drive as an important access to the site
- Multiple pedestrian crosswalks on the West River Street
- Potential future mixed-use development on north side of West River Street.

ALTERNATIVE 1 - OPEN SPACE WITH RESTAURANT

Alternative 1 (Figure 2, page 25) recommends site improvements that can be accommodated exclusively on the 1.42-acre site and the surrounding public right-of-way that is currently owned by the Town. The major site elements include a large, central open space that is oriented to (and steps down toward) the river, a destination restaurant and associated parking, and a flexible use plaza.

The primary central public open space on the site is envisioned as a multi-use park that is +/- 5 feet lower in elevation than the street. It includes a central seating area that terraces down in elevation so that views to the river are opened up to the greatest extent possible. Other internal spaces provide picnic areas, active recreation lawns, opportunities for public art as well as a myriad of other potential uses as identified in the community workshops.

A destination restaurant, outdoor dining terrace, flexible-use plaza, and entry plaza surround the public open space. The restaurant, the most commonly suggested use in Community Workshop #1 aside from open space, is located on the west edge of the site, overlooking both the river and the public open space. Approximately 50% of the required parking for the restaurant is provided in a parking lot adjacent to the restaurant building along West River Street. The flexible-use plaza (conceptually nicknamed the “Sundial Plaza” for the sundial illustrated in the plan) is located to the east of the parking lot at street grade and can be used as flex space for public events, as well as serve overflow parking space when needed. The northeast corner of the site, along West River Street, provides an Entry Plaza with an overhead trellis structure to create a defined pedestrian entrance to the open space.

The entire area is planned with a variety of spaces that will allow flexibility of use in all seasons, including potential wintertime activities such as ice skating, fire pits, children’s short-course tubing and sledding, and ice sculpture festivals.

To the south along the Mill Street right-of-way, a “Pump House Plaza” has been located to enable access to the historic pump house along the river. This historic feature provides an opportunity for an interpretive center or exhibit.

A public walkway is envisioned to meander along the river bank, connecting the pump house on the east end of the property to the restaurant deck on the west. The river bank below the pathway offers an opportunity for riparian restoration. The plan accommodates the addition of a future pedestrian/ bicycle bridge to span the Truckee River and to connect with the future Legacy Trail on the south river bank.

West River Street has been expanded to include a continuous 15-foot wide pedestrian zone which contains a sidewalk, street trees, and lighting for the street and pedestrians. Left turn lanes and a planted median near the Entry Plaza have also been provided as well as on-street parking along the south West River Street curb, where possible.

Immediately west of the property, West River Street moves within close proximity of the Truckee River. Gateway “portal” signage is placed at this location to define the change in land use and character and to serve as a gateway to downtown Truckee.

Alternative 1 Statistical Summary

Site Area (including pump house area):	+/- 70,000 sf
Open Space:	+/- 41,000 sf
<small>(excluding West River Street sidewalks)</small>	
Restaurant:	
• Indoor:	5,000 gross square feet
• Outdoor:	1,200 gross square feet
Parking:	
• On-site - dedicated spaces:	23 spaces
• On-site - plaza/overflow:	+/- 22 spaces
• On-street - within 225 feet of site:	19 spaces

Note: 43 spaces required by Truckee Development Code for a restaurant of this type and size.

Figure 2: Alternative 1 Conceptual Plan



Figure 3: Illustration of Alternative 1
View looking west from the corner of Riverside Drive and Mill Street. Open space terraces down to the Truckee River to the left. Restaurant with outdoor dining terrace is in the middle background. Flexible-use ("Sundial") plaza is on the right.



Figure 4: Site Cross Section of Existing Conditions

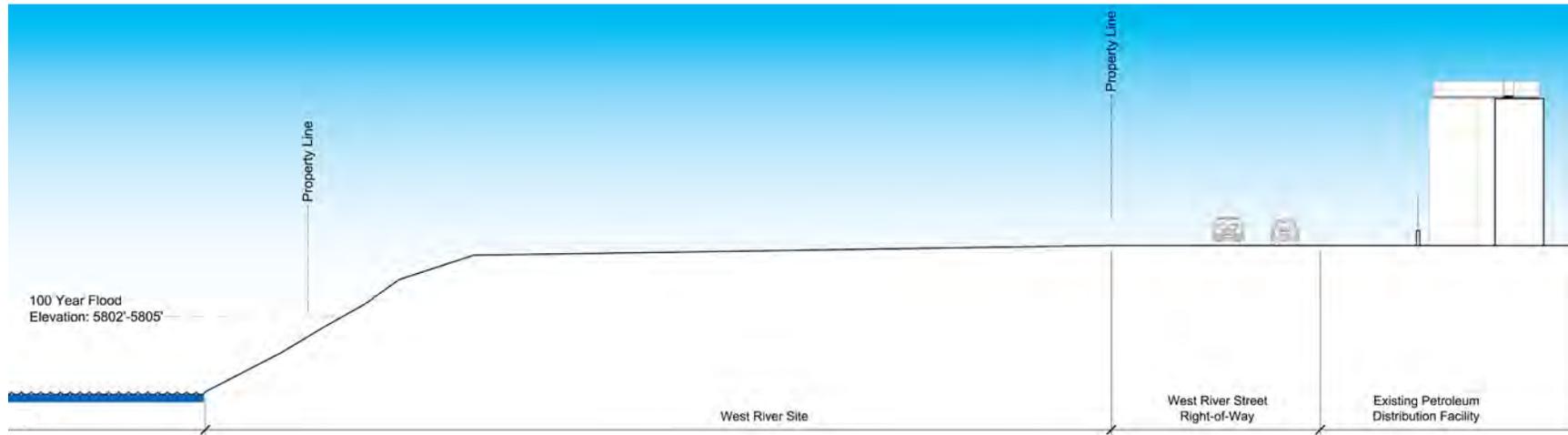
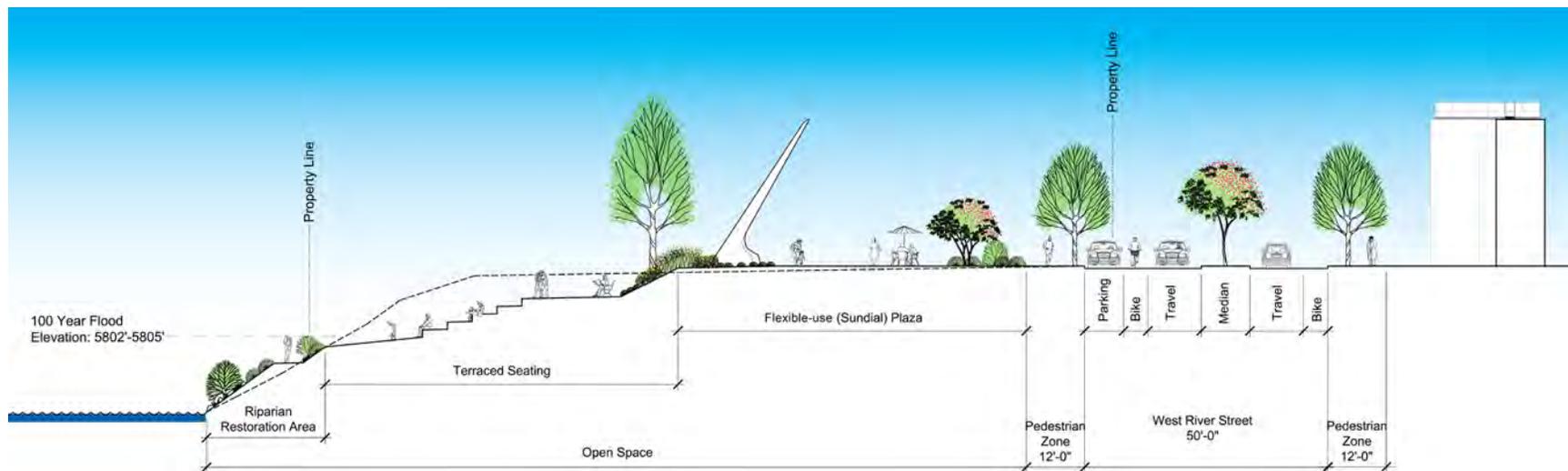


Figure 5: Alternative 1 Site Cross Section





Flexible-use Plaza allows for both overflow parking and recreation.



Interpretive signage



Riverside pathway



Gateway signage

ALTERNATIVE 1 CIRCULATION

According to the study-specific traffic analysis, Alternative 1 would add a total of 619 one-way vehicle trips per day to traffic volumes on West River Street. Of these, 80 (46 inbound, 34 outbound) would be generated on access roadways in the peak-hour. The roadway Level Of Service (LOS)¹ was evaluated at the project site access driveways, and evaluated against the Town's LOS standard which allows no greater than LOS E in the downtown area. The LOS was found to be a relatively good LOS of B. Therefore, the traffic impacts due to the project-generated vehicle trips fall well within the standards set forth by the Town of Truckee.

In addition, the need for a left turn lane for westbound movements into the site was evaluated, and a turn lane was found to be warranted to aid traffic flow along West River Street. Rather than installing a left turn pocket on West River Street at the site access, it is recommended that a two-way left turn lane along the entire frontage of the site be installed. A portion of the turn lane will be a planted median. A two-way left turn lane has the benefit of allowing two stage left turns out of the project parking lot, and could also serve movements for the north side of West River Street. The median would also provide a "traffic calming" effect for traffic along West River Street, particularly for motorists entering the area from the west, thereby yielding a modest reduction in traffic speeds.

Alternative 1 would also generate modest increases in pedestrian and bicycle activity in the area, particularly along West River Street and Riverside Drive to the east. Crossing of West River Street will be aided by the presence of the raised median.

While no bicycle/pedestrian improvements off of the immediate site are included as part of this alternative, overall impacts on bicycle/pedestrian travel will be minimal. However, it is anticipated that improvements to West River Street as part of this project will be part of planned longer term pedestrian and bicycle improvements that will link the site to Bridge Street with public improvements similar to those recommended in these plans, including sidewalks, street trees, lighting, pedestrian amenities and bicycle facilities. (See Section 2 of this report.)

1: Level of Service (LOS) is a term used to denote the ease with which traffic moves along a road at a consistent speed. It is a measure of convenience, not a measure of safety or consistency with design standards. Level of Service is divided into categories "A" (free flow conditions) through "F" (stop-and-go-traffic). The Town of Truckee has adopted a LOS standard of LOS E as the lowest acceptable value in the downtown area.

ALTERNATIVE 1 BUILDING PROGRAM (RESTAURANT)

The design concept for the destination restaurant building was inspired by historic photos of the Truckee Lumber Company mill building previously located on the site. The exterior of the proposed building is characterized by heavy timbers with clerestory windows and shed roofs, reminiscent of the previous building. The height and form of the restaurant building would provide good visibility from West River Street.

The restaurant is planned to include 5,000 gross square feet of indoor space with a 1,200 square foot outdoor dining terrace providing total seating for 236 patrons. The design program recognizes that as a year-round restaurant the indoor dining area must have quality views of the river.

The restaurant has been organized as two buildings with separate exterior identities in order to reduce the scale of the overall structure. They are joined by a common entry corridor, which also serves to separate the intimate dining area from an open bar area. The restaurant dining area is located in the southwest corner of the parcel to maximize the valuable up-river view. Placing the bar and outdoor dining area closer to the park allow these components of the restaurant to energize the public space and to provide “eyes on the park.”

Service to the restaurant kitchen area is along the western property line.

The restaurant could be increased in size by adding a second floor area for large groups and meetings, which would require an elevator. An elevator could also access a basement for storage, wine cellar, and/or meeting area uses. The restaurant or related uses could also be expanded to the west if the existing cabinet shop property were acquired in the future.

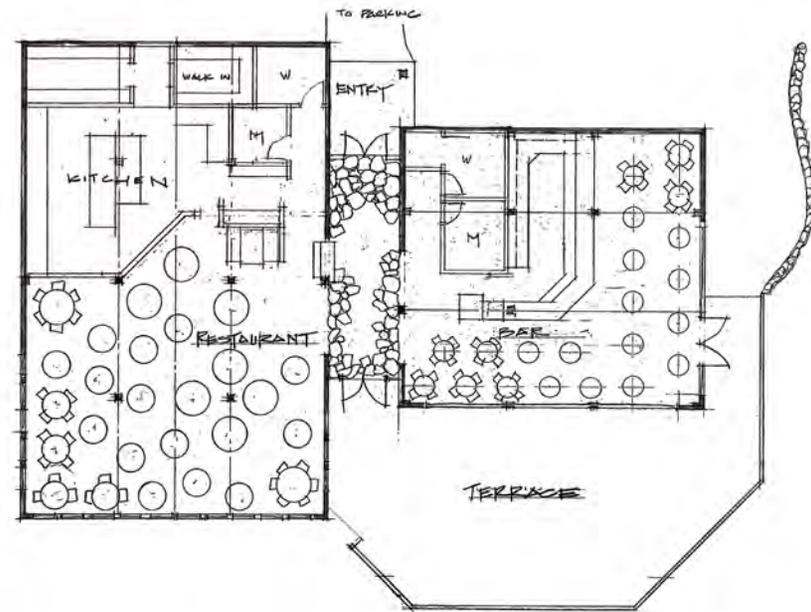


Figure 6: Floor Plan of the Restaurant Building



Figure 7: East Elevation of the Restaurant Building
 Clerestory windows facing the park/open space, shed roofs, heavy timbers and window proportions are derived from the historic Truckee Lumber Company buildings that once occupied the site.

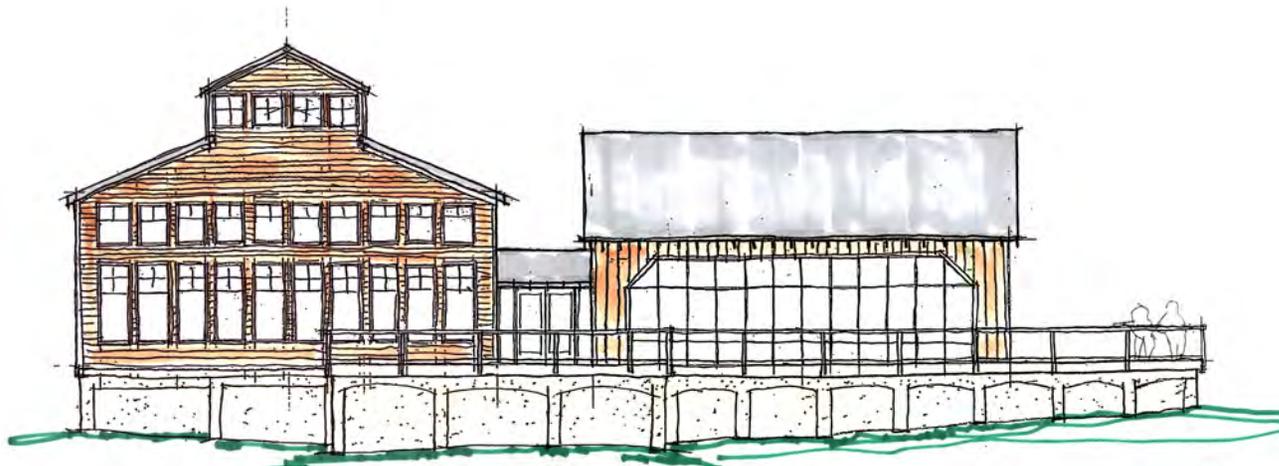


Figure 8: South Elevation of the Restaurant Building facing the Truckee River.
 On the left is the indoor dining area oriented with views up-river. On the right is the bar and outdoor dining oriented toward the park/open space.

ALTERNATIVE 2 – OPEN SPACE WITH MIXED-USE

Alternative 2 (Figure 9, page 33) differs from Alternative 1 in that it reflects the future vision for both the site and the immediately surrounding area, which enables more of the site to be improved with other uses besides parking. Opportunity sites are indicated on the north side of West River Street and have been illustrated to show the intent of buildable sites along the street with parking located behind, adjacent to the rail lines. Limited restaurant parking, for drop-off and disabled patrons, remains on-site adjacent to the restaurant building and on-street parking spaces are provided along the south West River Street curb similar to Alternative 1. In addition, the cabinet shop property to the west of the site is identified as an important opportunity site due to its close proximity to, and visual impact upon, the site.

Based on the visions expressed in Community Workshop #1, this alternative illustrates a conceptual plan vision for an expanded area. Alternative 2 proposes additional buildings along the West River Street right-of-way in order to create a street edge and, like Alternative 1, define a 15-foot wide pedestrian sidewalk, street trees, and lighting along the street. These two-story mixed-use buildings extend the existing development pattern and building scale from the east along West River Street and provide retail spaces on the ground floor with offices on the second level. These buildings will also provide a visual and acoustic buffer from West River Street traffic and the railroad. A pedestrian terrace, at the same level as the street is located on the south side of the buildings, providing areas for outdoor dining and circulation overlooking the open space.

The plan for the central open space in Alternative 2 is similar to Alternative 1 as it is based on the same design principles expressed at Community Workshop #1. However, it should be noted that the total area of open space is slightly larger due to the fact that the footprint of the buildings is slightly less than that occupied by parking in Alternative 1.

With most of the public parking located across West River Street, streetscape improvements are of great importance to enable safe pedestrian crossings. Three crosswalks have been spaced approximately 200 feet apart, which will also calm traffic and provide a safer and more comfortable pedestrian experience. A more extensive planted median provides opportunity for additional street trees, as well as a center pedestrian refuge along the middle crosswalk. A grade-separated pedestrian crossing over (or under) the Union Pacific rail lines, aligned with the Mill Street right-of-way to the south, has also been illustrated.

Alternative 2 Statistical Summary

Site Area (including pump house area): +/- 70,000 sf

Open Space: +/- 45,000 sf
(excluding West River Street sidewalks)

Restaurant:

- Indoor: 5,000 gross square feet
- Outdoor: 1,200 gross square feet

Mixed-use along West River Street:

- Retail / Café: 6,700 gross square feet
- Office (above): 6,700 gross square feet

Parking (shown on plan):

- On-site - disabled / drop-off only: 5 spaces
- On-street - within 225 feet of site: 17 spaces
- North of West River Street: 160 spaces

Note: Total parking shown on the plan (182 spaces) exceeds total required for restaurant and mixed-use (89 spaces) by the Town of Truckee Development Code.

Figure 9: Alternative 2 Conceptual Plan



Figure 10: Illustration of Alternative 2
View looking west from the corner of Riverside Drive and Mill Street. Open space terraces down to the Truckee River to the left. Restaurant with outdoor dining terrace is in the middle background. Terrace with mixed-use retail/office overlooks the open space on the right.



Figure 11: Site Cross Section of Existing Conditions

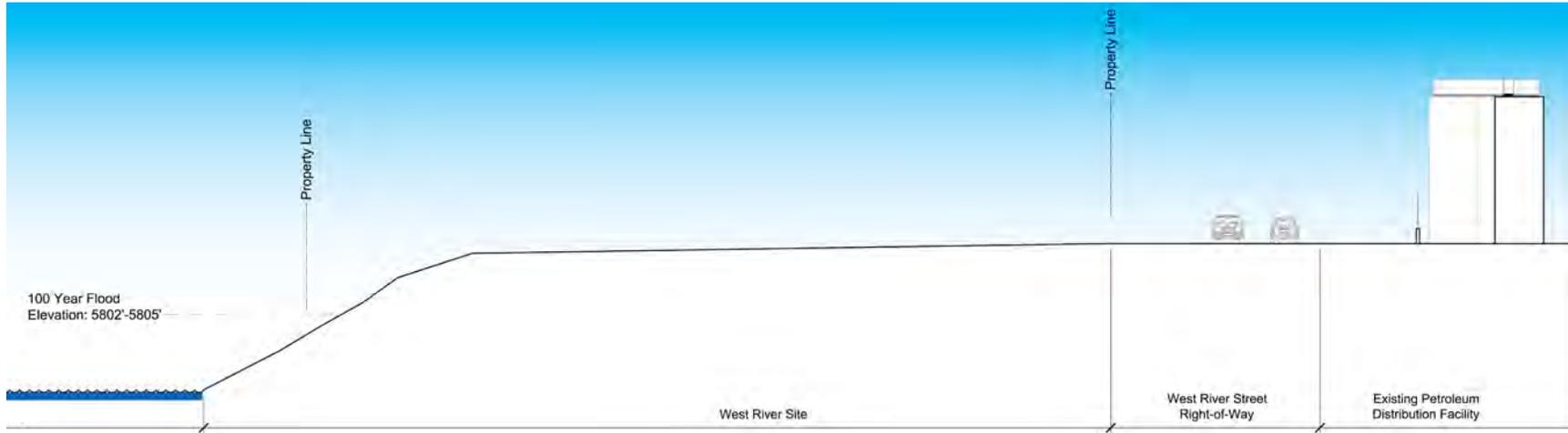
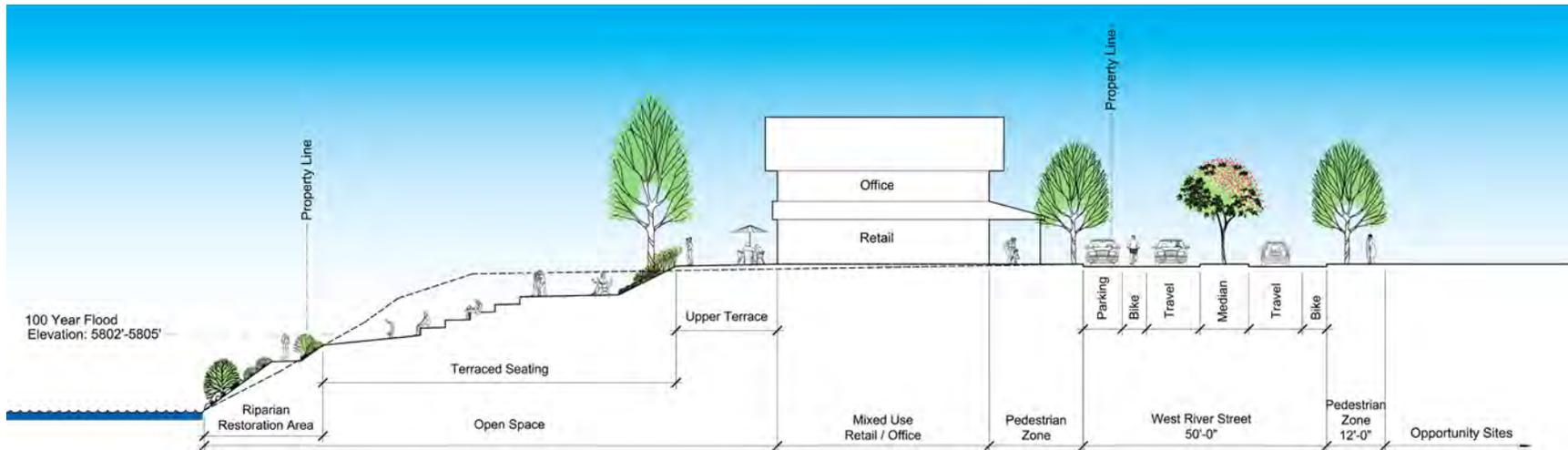


Figure 12: Alternative 2 Site Cross Section



ALTERNATIVE 2 BUILDING PROGRAM

In addition to the destination restaurant planned in Alternative 1, Alternative 2 includes 13,600 gross square feet of space in four two-story mixed-use buildings located along West River Street, creating a “street face”. Comprised of building types gleaned from the built history of Truckee and from current types and styles found in downtown Truckee and the West River Street neighborhood, these buildings are envisioned to provide retail space on the ground floor and office space above. The illustrations describe the intent to create a combination of one and two-story buildings with a mix of exterior finishes including brick, painted wood siding, corrugated metal, and stucco. The new block of buildings borrows from the neighboring Riverside Drive area character by separating some buildings with open side yards to create views into the park, and pedestrian circulation and service access around and between them.

The buildings are intended to have two “front” doors, on both the north and south sides, taking advantage of both the West River Street and the park frontages. While appearing to be small store-fronts, the floor plates could be combined internally to provide for lease spaces ranging from 600 to 2,400 SF in size.



Figure 13: Figure-ground Plan of Site Neighborhood
The new development is intended to extend the existing scale and density pattern of the existing Riverside Drive neighborhood and West River Street frontages.



Existing Building Character of West River Street



Figure 14: Conceptual Building Elevations along West River Street - North Elevation facing the street



Figure 15: Conceptual Building Elevations along West River Street - South Elevation facing the Park/ Open Space



Safe pedestrian crossings, pedestrian refuges and parking access improvements

ALTERNATIVE 2 CIRCULATION

Alternative 2 would add 539 daily vehicle trips onto West River Street. Of these, 54 (36 inbound, 18 outbound) would occur during the peak hour times. The Level Of Service (LOS) was evaluated at the project site access driveways, and found to be a relatively good LOS of B, well within the Town's standard. As with Alternative 1, a left turn lane for westbound movements into the site was found to be warranted, which should be in the form of a two-way left turn lane to aid other movements along the frontage. Like Alternative 1, a planted median would also provide a "traffic calming" effect for traffic along West River Street, particularly for motorists entering the area from the west, which will yield a modest reduction in traffic speeds.

Similar to Alternative 1, this alternative would also generate modest increases in pedestrian and bicycle activity in the area, particularly along West River Street and Riverside Drive to the east. Crossing of West River Street would be aided by the presence of the raised median. While no off-site bicycle/pedestrian improvements are included as part of this alternative, overall impacts on bicycle/pedestrian travel will be minimal.

UTILITIES (BOTH ALTERNATIVES)

Existing utility information was obtained from as-built documents, conversations with representatives of the utility providers, and information collected on-site. Based on that information, it appears that all services for development of both site alternatives can be provided from existing utilities located in adjacent public right-of-ways with adequate capacity. No off-site utility improvements are anticipated to be required for either of the two alternatives.

ENVIRONMENTAL FINDINGS (BOTH ALTERNATIVES)

An Environmental Checklist, in accordance with the California Environmental Quality Act (CEQA), was prepared for the project, and is included in Appendix C. Pursuant to the CEQA checklist, a project must review several environmental factors for potential impacts. An impact is considered significant if it cannot be mitigated by the proposed project. Due to the conceptual nature of the project, two environmental factors – Geology/Soils and Transportation/Traffic – were determined to have potential impacts as indicated by the checklist. For this project, it is required that a qualified geologic engineer prepare a site evaluation and soils report of the property prior to any future project approvals. This analysis will include recommendations for appropriate engineering and other measures to address any potential seismic risks. A detailed traffic analysis shall also be prepared to determine the potential impacts to the current local traffic and circulation patterns. While the proposed project falls within the existing standards for Level of Service, future project applications shall include a supplemental analysis to reflect the most current traffic and circulation conditions.

Potential impacts can be reduced to less than significant levels by incorporating proper environmental mitigation, as defined by the studies recommended above. Mitigations identified in the studies can be introduced as conditions of approval prior to any construction on the site. Based on the findings of the checklist, the proposed project, as defined, can be processed with a Negative Declaration. No further environmental review is required at this time.

6

SUMMARY CONSTRUCTION COST COMPARISON

Statements of probable construction costs have been prepared for each of the two conceptual plan alternatives. Below is a summary of the major cost components. The full detailed estimates are included as Appendix A to this report.

Component	Alternative 1	Alternative 2
Street Improvements	\$269,000	\$246,000
Mobilization, Site Preparation and Earthwork	\$632,000	\$632,000
Site Improvements	\$2,184,000	\$2,161,000
Utilities and Infrastructure	\$228,000	\$254,000
Buildings	\$1,281,000	\$3,760,000
TOTAL	\$4,600,000	\$7,100,000

A contingency equal to 25% of the total estimated cost has been included in the Conceptual Statement of Probable Construction Cost. This amount is an industry standard for projects in an early conceptual phase of design and is subsequently reduced in size as the project design is finalized. The contingency is included to offset unforeseen design changes, engineering requirements or site conditions that are unknown at the time of the estimate preparation.

7

IMPLEMENTATION

PUBLIC-PRIVATE PARTNERSHIP FOR IMPLEMENTATION

With a combination of private development and public spaces planned for a desirable site owned by the Town of Truckee Redevelopment Agency, the West River Site project is well positioned for implementation through a public-private partnership. In essence, a public private partnership is a collaboration between a public agency and a private developer to invest their respective resources in a project that will be mutually beneficial. In this case, the partnership will entail a collaboration between the Redevelopment Agency and a private developer to invest money in improving the site consistent with the Town's design and planning objectives, acknowledging the developer's need to earn a return on investment. The interests of the Town and the developer will align along several objectives, including the desire to create an attractive destination for Town residents and visitors alike, and the desire to make investments on the site that will increase in value over time. These objectives can be met by ensuring that the plan includes high quality, attractive public improvements and private buildings and that the joint public and private development of the site over time spurs complementary activity on adjacent property that will create positive synergies within the West River Street corridor.

As with many public-private partnerships, it may be necessary for the Town to make initial investments in both the public and private portions of the West River Site project in order to create a financially feasible project. The public investments, however, would leverage considerable private investment with the intention of spurring additional private investment on other properties in the area. Over the long term, the Town's investments could be repaid in the form of increased property taxes, sales taxes, and other revenues generated by new development. The Town may also have the opportunity to recoup some of its investments through direct payments from the private developer at some later date when project economics allow it. Valuable in-kind services can also be provided, such as the tenants of the private development helping with the upkeep of the site's public spaces, or simply providing "eyes on the street" to help with site security.

FINANCIAL FEASIBILITY OF SITE DEVELOPMENT ALTERNATIVES

A pro-forma financial feasibility analysis was conducted to assist in the development of preliminary site development alternatives, to help in the refinement of preliminary alternatives, and to inform the potential implementation of the project. The pro-forma analysis is documented in a memorandum entitled *West River Site Preliminary Pro Forma Analysis*, dated August 31, 2010, and prepared for the first TAC meeting held in conjunction with this study and a second memorandum entitled *West River Street Pro-Forma Analysis for the November 5 TAC Meeting*, and dated November 3, 2010. The latter memo presented a revised pro-forma analysis that evaluated the potential financial feasibility of the two conceptual alternatives, Alternative 1 and Alternative 2, which are presented in this report.

Appendix B includes printouts of the pro-forma calculations for Alternative 1 and Alternative 2, which are the same as the pro-formas from the November 3 memo. The titles, however, have been revised to reflect the final names of the site development alternatives. In addition, Appendix B summarizes some of the key explanatory text from the two pro-forma analysis memos.

POTENTIAL NEED FOR PUBLIC INVESTMENT IN THE DEVELOPMENT PROJECT

As indicated by the pro-forma financial feasibility analysis, under current economic conditions, both Alternative 1 and Alternative 2 would likely require some level of public investment in order to spur the private development. However over time, if projected rents increase or if a developer is able to identify means to reduce project costs, the private development could become feasible without public subsidy. Numerous factors can influence the amount of subsidy required to entice developer interest, including how the Town structures its participation in the project. No specific figures, therefore, are provided in this study. However, in order to provide an order of magnitude estimate of potential subsidy costs for planning purposes, the following rough figures are given.

Under current economic conditions, subsidy requirements for the private development (not including a land cost write-down of the property cost) may be approximately \$150,000 to \$200,000 for Alternative 1, and approximately \$500,000 to \$700,000 for Alternative 2. Although these approximate amounts may change over time, they show that under current economic conditions, the public investments in the development project may leverage developer investments at a ratio of approximately 1:10.

POTENTIAL FUNDING SOURCES FOR PUBLIC INVESTMENT IN DEVELOPMENT PROJECT

The Town of Truckee Redevelopment Agency could consider three basic methods of funding public investments in the private development project. These include:

LAND COST WRITE-DOWN.

The Town has already incurred costs to acquire and prepare the site for development. The Town could convey the site to the developer at a cost that is below the Town's cost and/or below the market value of the site, if findings are made that the cost reduction is necessary to make the project feasible. As indicated in the pro-forma analyses for both Alternative 1 and Alternative 2, the private development projects are not able to generate adequate profit under current economic conditions to be attractive to developers, even while assuming that the developer does not make any up front payment for the land.

REDEVELOPMENT AGENCY HOUSING SET-ASIDE FUNDS.

The Town could consider investing redevelopment housing set-aside funds to offset a portion of the project costs that relate to the provision of below-market rate housing for employees of the commercial portions of the site. This investment would need to be structured so that the investment complies with the legal requirements for use of these funds. For example, the assistance might be structured whereby the Agency would subsidize construction of affordable housing within the project area and then waive the developer's affordable or workforce housing requirement for an equivalent number of housing units.

REDEVELOPMENT AGENCY PROJECT FUNDS.

The Town may also consider investing its redevelopment tax increment money that can be spent on general redevelopment project activity in the development project, in order to reduce the developer's required investment, and improve overall financial feasibility.

POTENTIAL PUBLIC REVENUE GENERATION

In considering the possible investment of public monies in the private development project, the Town may consider the increases in public revenues that would be expected if the project is developed under either Alternative 1 or Alternative 2. The revenues most directly associated with the project would be tax increment funds that would accrue to the Redevelopment Agency and sales tax revenues that would accrue to the General Fund. (While the Town General Fund will also receive increased property tax allocations via the statutory pass-through formula for the redevelopment project area, these increased funds are assumed to be necessary to finance increased service demands associated with the development of the site.)

Under Alternative 1, potential increases of redevelopment housing set-aside funds would begin at approximately \$4,500 per year and gradually increase to approximately \$7,000 per year (2010 dollars) by 2035. Under Alternative 2, the new housing set-aside monies might begin at approximately \$4,500 per year but then increase to approximately \$18,170 per year (2010 dollars) by 2035.

After accounting for statutory pass-throughs, the new project tax increment associated with Alternative 1 would begin at approximately \$9,500 per year and would increase to approximately \$13,000 per year (2010 dollars) by 2030, before dropping down to about \$10,000 per year (2010 dollars) in 2031, when the project area's third pass-through tier becomes effective. The Alternative 1 tax increment projection is based on private development costs of approximately \$2.2 million that are assumed to occur in a single "phase." Alternative 2 tax increment would also begin at about \$9,500 per year but would increase to about \$35,000 per year, before dropping to about \$26,000 per year in 2031. The Alternative 2 tax increment projection is based on an initial phase of developer improvements valued at about \$2.2 million, with subsequent phases of development bringing the cumulative value of the developer improvements to approximately \$6.0 million over a period of several years.

New taxable sales associated with the restaurant development under Alternative 1 might generate on the order of \$15,000 to \$25,000 per year in sales tax revenues, depending on the sales volumes achieved in the restaurant. New taxable sales associated with the restaurant and retail development under Alternative 2 might generate on the order of \$25,000 to \$35,000 in annual sales tax revenues.

POTENTIAL NEED FOR PUBLIC INVESTMENT IN PUBLIC IMPROVEMENTS

Aside from potential public investments in the private development project, costs for certain portions of public improvements included as part of the overall plan are assumed to be borne by the public. Calculations at the end of Appendix A delineate the portion of site improvement costs that are assigned to the private developer and the portion assigned as “public” costs that would be the Town’s responsibility. After accounting for the portions of the project construction costs that are not incorporated into the private development project, the estimated cost of the remaining public improvements is as follows:

ALTERNATIVE 1 PUBLIC IMPROVEMENT COSTS.

Under Alternative 1, the portion of site improvement costs assigned to the Town would be approximately \$3 million, after allocating portions of costs to the developer, which are directly tied to the private development’s use of the site.

ALTERNATIVE 2 PUBLIC IMPROVEMENT COSTS.

Under Alternative 2, the portion of site improvement costs assigned to the Town would be slightly less than under Alternative 1, at approximately \$2.8 million. The reduction in public costs is due to the fact that a greater portion of site improvement costs is assigned to the private development, because of the increased utilization of the site by the private developer.

Unless the economic situation improves dramatically, it is assumed, based on the findings from the pro-forma financial feasibility analysis, that the private development under Alternatives 1 and 2 would not be capable of spinning off excess money (i.e., payments to the Town) that could be used to pay for the public improvements that are not already incorporated into the development feasibility pro-formas. Thus, the Town will most likely need to utilize public funds in order to pay for the remaining public improvement costs shown above.

POTENTIAL SOURCES OF FUNDING FOR PUBLIC IMPROVEMENTS

There are limited sources of funds that the Town could utilize to fund the public improvements that would not otherwise be incorporated to the project costs for the private development. Key sources for the Town to consider include redevelopment tax increment, development impact fees, and State or federal grant monies. The Town would have greater control over the use of the first two sources, while availability of State and federal grant funds can be subject to many factors.

REDEVELOPMENT TAX INCREMENT.

The Town may consider the use of non-housing redevelopment tax increment funds to help fund public improvements, considering that the redevelopment dollars would be an investment in making the West River Site itself, and the rest of the West River Street area, more attractive for private investment.

DEVELOPMENT IMPACT FEES.

To the extent that portions of the public improvements proposed as part of the project provide facilities that help to mitigate the increased demand created by new development within the Town, it may be possible to utilize impact fee proceeds to help pay for some of the improvements. For example, if the new public plaza open space and public riverfront access features address needs that are identified in the impact fee study for the Truckee Donner Recreation and Parks District (TDRPD), Recreation Facilities Impact Fee, the Town may be able to approach the TDRPD about partnering on the project. Similarly, if the roadway and streetscape improvements proposed as part of the project help to address necessary roadway improvements identified in the Town of Truckee Traffic Impact Fee Program, then the Town might consider utilizing some of the funds from that impact fee program to assist the project. Amendments to the fee programs might be necessary, if the improvements do not fit within the existing capital improvement programs for these two fees.

STATE AND FEDERAL GRANTS.

There are a limited number of State and federal grant programs that might provide funds for the proposed public improvements. For example, to the extent that the public plaza and related improvements could be designed so that they are integral portions of a Truckee River crossing that provides connectivity for a town-wide network of bicycle and pedestrian trails, parts of the project may qualify for funding from federal SAFE-TEA funds under the Congestion Management and Air Quality (CMAQ) or Transportation Enhancements programs. State Proposition 84 created grants to local agencies for development or improvement of parks. Funding was awarded in 2010 for the first round of projects under this program, and additional grants will be made at a later date. In addition to administering the Proposition 84 grant funds, California State Parks also administers the Recreational Trails Program, which is a conduit for federal funds that could support creation of a linkage with other trails serving the Town.

POTENTIAL STRATEGIES TO ATTRACT PROJECT DEVELOPERS

The Town of Truckee can utilize the work products from this study to serve as a tool to communicate to potential developers the vision for the development of the site. Ultimately, successful development of the private development portion of the site will hinge upon the Town establishing a public/private partnership with a combination of developer and restaurateur that share the Town's vision. They must also have commitment for development of the anchor restaurant site as a destination restaurant. It is hoped that such a restaurant will showcase the site's setting and take advantage of its location in Downtown Truckee. This will encourage restaurant patrons to spend time not only in the public spaces offered at the site but also visit other establishments in Downtown Truckee before or after dining.

Because of the small scale of the project, it is likely that most developers interested in partnering with the Town will be either located in the greater Tahoe/Reno area, or already have other interests in the area. For such developers, it will be convenient and practical to work closely with the Town first on designing and developing the site and then to carefully manage the project on an ongoing basis once the construction is completed. For this reason, the Town should focus its developer outreach on developers who are known to have successfully developed and operated projects of similar scale in the greater Tahoe/Reno area. For developers who are located further away from Truckee, costs of travel and coordination from a remote location spread over a relatively small project size may increase overall project overhead costs to a level that would not be supportable. Potential developer outreach methods include:

- Conduct research and compile a list of developers of comparable projects; conduct outreach via telephone and/or direct mail to “pre-market” a formal developer RFP process.
- Post a “project opportunity” flyer on the Town’s web site, soliciting developer interest and providing information on the formal developer RFP process.
- Publicize via regional media the completion of the study and inviting expressions of interest from prospective developers.

In addition to a skilled and experienced developer with the proper financial capacity to undertake the project, the successful development team will also require a restaurant operator who has experience and capability to operate a destination restaurant that is compatible with the concept envisioned for the site. The Town of Truckee can potentially play a role in facilitating the formation of teams that could be successful, first by conducting outreach to potential restaurant operators and secondly by providing opportunities for interested developers to connect with interested restaurant operators.

- The Town should approach operators of successful local restaurants to ascertain whether any have an interest in establishing additional restaurants or whether they have a need to relocate. Local restaurant operators have the advantage of familiarity with the site and knowing the local market. They may be able to best identify how to establish a new venue that will minimize competition with existing restaurants.

- Conduct research and compile a list of operators of high quality, destination restaurants that have multiple locations; conduct outreach via telephone and/or direct mail to “pre-market a formal developer RFP process. For example, following is a listing of several restaurant groups that operate groups of fine-dining restaurants, including locations within the greater Sacramento/Tahoe area:
 - Paragary Restaurant Group (Sacramento)
 - SRO, Inc. (Sacramento)
 - Lark Creek Restaurant Group (San Francisco)
 - Plumpjack Group (San Francisco)

Once the Town has identified a number of potentially interested restaurant operators, the Town could facilitate connections between restaurant operators and developers by maintaining lists of interested developers and restaurant operators. Entities interested in looking for partners could review the lists and make contact with potential partners.

Once a sufficient pool of interested developers and restaurateurs has been identified, the Town could also host a site visit/bidders conference and invite both developers and restaurant operators to attend. The conference format could be designed to facilitate the exchange of information between developers and restaurant operators. This conference should be done far enough in advance of a formal RFP deadline so that teams could form, develop plans, and have adequate time to prepare formal proposals.

OPTIONS TO STRUCTURE A DISPOSITION AND DEVELOPMENT AGREEMENT

As indicated above, if the Town and a developer begin discussions about a partnership to develop the site under economic conditions that are similar to those at the present, it is likely that the Town will need to consider some level of developer assistance in order to realize the vision for the property as a high quality development that will function as an anchor for the West River Street revitalization effort and a catalyst for continuing private investment in the area. At the same time, the Town should view its ownership of the site as an asset that will appreciate over time, even if returns are not available immediately. In this vein, the Town should consider structuring a Development and Disposition Agreement with a developer that would reduce the developer's up-front costs, but over time require that the developer provide compensation to the Town that will allow the Town to make additional investments in the downtown area that will bring public benefits. Potential options for the Town to consider include:

- Offer developers the option to lease the land rather than purchase it, with consideration for deferral of lease payments or structure of lease payments to escalate over time.
- Consider writing down the cost of the land if the developer purchases the land based on projected generation of tax increment and sales tax revenues.
- Consider providing some portion of the project financing using RDA funds, incorporating deferred payments and/or below-market rate interest.

Beyond the anticipated new revenues from tax increment and from retail sales taxes that might be generated by the restaurant and retail operations, options for the Town to recoup its investments over time could include:

- Escalating land lease payments over time.

- Repayment of project financing loans on a deferred basis.
- Share of developer's net operating income over time, beginning when developer exceeds a base threshold.
- Participation in back-end profits from sale or refinance of property at a time when project values have increased.

Under all circumstances the Town should carefully structure its agreement with a developer so that the developer's long-term interests are aligned with the Town's long-term interests, and so that the Town does not bear a disproportionate share of the risk relative to the assistance it provides the developer and the risk that the developer takes. In particular, if the Town enters into an agreement with a developer at a time when economic conditions are challenging and when public subsidy is required, the Town should structure the agreements for assistance so that the Town benefits fairly from improvements in economic conditions over the longer term. Finally, the Town will need to strike the appropriate balance between allowing the developer to pursue the most successful development possible while ensuring that Town objectives for the site and the West River Site will be achieved.

RECOMMENDED PHASING OF PUBLIC IMPROVEMENTS

Generally it is recommended that the Town give highest priority for investment in public improvements for the West River Site to those improvements that can enable public use of the site. This would include costs categorized as mobilization, site preparation, and earthwork. In addition, an initial “phase” of site improvements could be made in order to make the site usable by the public if environmental remediation is completed in a timely fashion in order to accommodate this approach. By transforming the site from a fenced, vacant lot into a public amenity, such improvements will begin to add value to the development site and demonstrate the Town’s commitment to the overall project.

The Town will need to give careful consideration to what minimum level of site improvements can be funded in order to ensure that the first phase of work creates a place that will be desirable and that will showcase the potential of the site when it is fully built out. The Town will not want to make a first phase of investments that will result in a public space that is not successful from a design or usage standpoint, as this may instead serve to discourage further investments.

If the Town wishes to pursue a project that resembles Alternative 2, which requires development of off-site parking to accommodate the parking demand from more intensive commercial development, the Town may also want to begin working as soon as possible to secure the rights to property that would be used for development of off-site parking. This may involve the Town leasing the property and then identifying interim uses of the property until it is needed to support the West River Site development. However, if the available off-site property is committed to other uses in the interim, this may limit the Town’s options for development of the West River Site.

Once the basic site improvements enable the property to be opened to the public, the Town should focus its investments on those public improvements that would enable a seamless integration of the public areas and the private development areas. This would include walkways and other features that physically or visually connect the different areas. In addition, the Town should accumulate funds that would be needed to pay for the public portion of any costs for other improvement elements that would be split between the developer and the Town. Finally, the Town should accumulate the funding to complete the site improvements to maximize the public benefits of the site redevelopment.

A

APPENDIX A - STATEMENTS OF PROBABLE CONSTRUCTION COST

Draft Statements of Probable Construction Cost have been prepared for each of the two alternatives, which include all above-grade and below-grade improvements. These costs have been prepared in order to establish a budget for undertaking either development alternative and to prepare the pro-forma financial analyses found in Appendix B.

NOTES AND ASSUMPTIONS:

1. A contingency equal to 25% of the total estimated cost has been included in the Conceptual Statement of Probable Construction Cost. This amount is an industry standard for projects in an early conceptual phase of design and is subsequently reduced in size as the project design is finalized. The contingency is included to offset unforeseen design changes, engineering requirements or site conditions that are unknown at the time of the estimate preparation.
2. This information represents the design team's opinion of probable cost. The information provided herein does not represent an "estimate". At the Town's request, a certified cost estimator may be retained to provide additional detail and accuracy.
3. Quantities are based on conceptual Alternative 1 and Alternative 2 illustrated in Section 5 of this document. Broad assumptions have been made regarding associated design features, grading, utilities, etc. For a more accurate number, a higher-level of design specification will be required.

4. Specified unit costs represent the engineer's opinion based on similar project work experience.
5. Cost assumptions for contaminated soils disposal was taken from the Tahoe City Marina project. Costs for cleanup of soils with hydrocarbon contamination include transport to Reno for burn treatment to remove contamination. \$125 / CY falls within the cost range included in the memorandum by Geocon dated October 8, 2010. Cubic yardage of contaminated soils is an assumed number based on Figure 5 from the Geocon memorandum.
6. Geotechnical assumptions regarding the site improvements were based on a report by Holdrege and Kull dated November 29, 2007. This report was prepared to evaluate the appropriate foundations for a future pedestrian/ bicycle bridge proposed to span the Truckee River at the east edge of the West River Site. Soil borings were undertaken and the report indicates that the existing soils on-site are non-native fill material of varying consistency. For purposes of the cost estimate, over-excavation and re-compaction of the existing soils for subgrade preparation was assumed, with 12" deep mechanically stabilized engineered fill provided below buildings and paved surfaces to provide additional stability. Costs for site retaining walls also assume engineered backfill and soil stabilization. Unit costs are based on standard local engineering experience in addition to as-built costs from recent projects in the Tahoe area, most specifically the Tahoe City Marina Project. A site specific geotechnical report with recommendations will be required for final development of the site.
7. Building costs were based on a general knowledge of local construction costs and recent experience with two commercial infill projects in Nevada City, California that had similar site issues. The 209 South Pine building, approximately 26,000 SF on three floors, has a steel and concrete block structural frame with a brick façade. The building sits on a particularly complicated foundation of deep caissons on a 25' x 25' grid. Soil investigation revealed a channelized creek and deep mine tailing

on the site. Caisson depth averaged 33'. The building has an elevator, a sprinkler fire suppression system, and contains a large restaurant as well as office space. The cost of the shell, including everything except specific tenant improvements, was \$112.00/SF. Tenant improvements averaged \$25.00/SF for a total cost of \$137.00/SF. This project was completed in 2007.

100 Union Street, completed in 2008, was built on the site of an old gas station. It has a full basement and required the removal of fill to 12' below street level. This structure is wood framed with brick and stucco exteriors, highly detailed storefronts and Victorian- era decorative elements. It has an elevator, underground parking, and has a sprinkler fire suppression system. Uses include a restaurant, retail stores, an apartment, and offices for the Nevada County District Attorney. The shell cost for this structure was \$146.00/SF and tenant improvements range between \$25.00/SF and \$50.00/SF, depending on use.

Modifying factors were added to reflect specific construction conditions related to the site including; higher excavation costs, higher foundation costs (shallow stiffened foundations, as recommended by Dan Keller of Holdredge & Kull) and increased structural costs related to the high snow loads and poor soil conditions. An overall cost increase was added based on the smaller size of the proposed project.

Tenant improvements cost are very difficult to predict at the conceptual design phase. Restaurant improvements can vary from the simplest deli style restaurant to high design restaurant interiors with very sophisticated kitchens and back bars. An average cost for improvements that were higher for restaurant interiors and less costly for retail and office space was used.

8. The proposed alternatives are designed to avoid the Truckee River 100-year floodplain. Coordination with the Army Corps of Engineers, California Department of Fish and Game, and other agencies related to floodplain impacts are not provided for in the estimate of probable construction costs.

Statement of Probable Construction Cost - Alternative 1

ITEM	DESCRIPTION	UNIT	UNIT PRICE	QUANTITY	COST	NOTES
A Mobilization, Site Preparation & Earthwork						
1	Mobilization/Demobilization	LS	\$ 7,300	1	\$ 7,300	assumes local contractor
2	Clearing and Grubbing	LS	\$ 1,250	1	\$ 1,250	minimal due to existing site conditions
3	Traffic Control	LS	\$ 3,400	1	\$ 3,400	assumes no closure of W River and Mill Streets
4	Construction Staking	LS	\$ 6,400	1	\$ 6,400	one set of stakes for earthwork/utilities and a second for buildings
5	Soil Excavation	CY	\$ 20	12,500	\$ 250,000	all site excavation, contaminated or other
6	Contaminated Soils Disposal**	CY	\$ 125	1,250	\$ 156,250	additional expense for contaminated soils handling (see note 4)
7	Dewatering	LS	\$ 3,000	1	\$ 3,000	assumes disposal to regional drainage system (not Truckee River)
8	Engineered Fill*	CY	\$ 25	2,400	\$ 60,000	MSE 12" deep under all paving
9	Subgrade Preparation	SF	\$ 0.45	12,300	\$ 5,535	
10	Remove Chain Link Fence	LS	\$ 720	1	\$ 720	
11	Asphalt Sawcut	LF	\$ 1.80	500	\$ 900	along W River and Mill Street frontages
12	Remove Asphalt Pavement	SF	\$ 0.50	6,550	\$ 3,275	
13	Trash Enclosure	EA	\$ 7,500	1	\$ 7,500	
SUBTOTAL					\$ 505,530	
25% contingency					\$ 126,383	
TOTAL					\$ 631,913	

ITEM	DESCRIPTION	UNIT	UNIT PRICE	QUANTITY	COST	NOTES
B West River Street Improvements (along site property line, both sides of street)						
1	Asphalt Base/AC Paving	SF	\$ 4.00	4,800	\$ 19,200	
2	Asphalt Overlay	SF	\$ 2.25	9,600	\$ 21,600	
3	Curb & Gutter	LF	\$ 32	1,460	\$ 46,720	6" concrete curb and gutter including median, Town standard
4	Sidewalk*	SF	\$ 3.50	5,400	\$ 18,900	4" concrete
5	ADA Curb Ramp	EA	\$ 750	6	\$ 4,500	concrete with detectable warning surface
6	Street Lights	EA	\$ 5,350	8	\$ 42,800	Town standard
7	Street Trees	EA	\$ 1,000	24	\$ 24,000	36" box in tree grate, irrigated
8	Signing	LS	\$ 3,000	1	\$ 3,000	
9	Striping	LS	\$ 2,045	1	\$ 2,045	
10	Bollard	EA	\$ 750	12	\$ 9,000	at curb ramps
SUBTOTAL					\$ 191,765	
25% contingency					\$ 47,941	
TOTAL					\$ 239,706	

Statement of Probable Construction Cost - Alternative 1 (cont.)

ITEM	DESCRIPTION	UNIT	UNIT PRICE	QUANTITY	COST	NOTES
C Mill Street Improvements (along property, to east side of Pump House plaza)						
1	Asphalt Base/AC Paving	SF	\$ 2.50	0	\$ -	re-use existing
2	Asphalt Overlay	SF	\$ 2.25	2,400	\$ 5,400	full street section
3	Curb & Gutter	LF	\$ 32	125	\$ 4,000	6" concrete curb and gutter, Town standard
4	Sidewalk	SF	\$ 3.50	0	\$ -	
5	ADA Curb Ramp	EA	\$ 750	1	\$ 750	concrete with detectable warning surface
6	Street Lights	EA	\$ 5,350	2	\$ 10,700	Town standard
7	Signing	LS	\$ 3,000	0	\$ -	
8	Striping	LS	\$ 2,045	0	\$ -	
9	Bollard	EA	\$ 750	3	\$ 2,250	at Pump House plaza
SUBTOTAL					\$ 23,100	
25% contingency					\$ 5,775	
TOTAL					\$ 28,875	

ITEM	DESCRIPTION	UNIT	UNIT PRICE	QUANTITY	COST	NOTES
D Utilities & Infrastructure						
1	Relocate Utility Pole*	EA	\$ 15,000	1	\$ 15,000	located at Mill Street
2	Adjust Utility Box to Grade	EA	\$ 650	5	\$ 3,250	
3	Underground Overhead Electric	LF	\$ 150	400	\$ 60,000	underground utilities along W River Street
4	Dry Utility Connections (Gas, Elec., Comm.)*	EA	\$ 2,000	1	\$ 2,000	
5	Relocate Water Lateral	LF	\$ 30	225	\$ 6,750	
6	Water Connection	EA	\$ 1,200	1	\$ 1,200	
7	Water Lateral (new)	LF	\$ 24	160	\$ 3,840	service to neighbor property to be maintained
8	Water Meter / Backflow Prevention	EA	\$ 3,850	1	\$ 3,850	
9	Fire Hydrant	EA	\$ 4,400	1	\$ 4,400	
10	Relocate Sewer Lateral*	LF	\$ 35	425	\$ 14,875	service to neighbor property to be maintained
11	Sewer Connection*	EA	\$ 2,500	1	\$ 2,500	
12	Sewer Cleanout*	EA	\$ 500	2	\$ 1,000	
13	Drain Inlet	EA	\$ 2,200	6	\$ 13,200	
14	Trench Drain	LF	\$ 80	120	\$ 9,600	along terraced seating area
15	Storm Drain Pipe	LF	\$ 24	150	\$ 3,600	
16	Erosion Control - Temporary BMP's	LS	\$ 9,300	1	\$ 9,300	
17	Stormwater Detention*	LS	\$ 12,500	1	\$ 12,500	
18	Stormwater Pollution Control (C3 requirements)*	LS	\$ 15,000	1	\$ 15,000	
19	Adjust /Remove Monitoring Well	EA	\$ -	0	\$ -	per conversation with Morgan Hargrave (Conestoga-Rovers & Associates)
SUBTOTAL					\$ 181,865	
25% contingency					\$ 45,466	
TOTAL					\$ 227,331	

Statement of Probable Construction Cost - Alternative 1 (cont.)

ITEM	DESCRIPTION	UNIT	UNIT PRICE	QUANTITY	COST	NOTES
E Site Improvements (41,000 SF of open space incl. Gateway Plaza/Pump House Plaza, excl. West River Street)						
1	Parking Lot	SF	\$ 4.45	6,650	\$ 29,593	aggregate base / AC paving
2	Curb & Gutter - Parking Lot	LF	\$ 32	330	\$ 10,560	6" concrete curb and gutter, Town standard
3	Parking - Off-Site	SF	\$ -	0	\$ -	base/AC paving/curb & gutter/lighting
4	Flex Space / Overflow Parking	SF	\$ 12.00	10,500	\$ 126,000	colored concrete with stone edging and score joint pattern
5	Pedestrian / Bicycle Paving	SF	\$ 3.50	22,750	\$ 79,625	4" concrete, assume 50% of site + upper between/behind around buildings/Pump House
6	Special Paving	SF	\$ 12.00	3,250	\$ 39,000	concrete unit pavers on 4" subslab; Gateway, Pump House Plaza & Amphitheater
7	Steps	SF	\$ 75	1,000	\$ 75,000	concrete
8	Railings; handrail and guardrail	LF	\$ 100	300	\$ 30,000	painted steel
9	Pedestrian Lights	EA	\$ 6,500	36	\$ 234,000	12' height, ornamental, including parking lot
10	Retaining Wall	LF	\$ 500	500	\$ 250,000	granite veneer on concrete wall, 5" ht. avg., along Upper Terrace, Restaurant Deck, and Mill Street
11	Amphitheater Seat Walls	LF	\$ 100	500	\$ 50,000	granite seat blocks, 18" wide x 4' long x 18" height
12	Gateway Trellis	LS	\$ 100,000	1	\$ 100,000	15' x 30', wood trellis on stone columns
13	Slope Stabilization	SF	\$ 50	4,000	\$ 200,000	stone gabions in wire cages with interspersed planting along river
14	Benches	EA	\$ 2,250	20	\$ 45,000	6' long, wood and cast iron
15	Bicycle Racks	EA	\$ 1,000	30	\$ 30,000	painted steel
16	Trash / Recycling Receptacles	EA	\$ 2,000	24	\$ 48,000	painted steel
17	Wayfinding / Informational Signage	LS	\$ 5,000	1	\$ 5,000	
18	Public Art	LS	\$ 50,000	1	\$ 50,000	allowance
19	Picnic Tables / Grills	EA	\$ 7,500	12	\$ 90,000	painted steel and wood
20	Irrigation System	SF	\$ 1.50	20,500	\$ 30,750	including meter, controller and sleeves
21	Street Trees	EA	\$ 650	20	\$ 13,000	36" box at 25" o.c. both sides of street
22	Canopy Trees	EA	\$ 650	35	\$ 22,750	36" box
23	Ornamental Trees	EA	\$ 300	50	\$ 15,000	24" box
24	Ground Plane Planting	SF	\$ 15	10,250	\$ 153,750	native grasses and shrubs, 50% #1 containers, 50% #5 containers, assume 25% of site
25	Turf Grass	SF	\$ 1.25	10,250	\$ 12,813	solid sod; Amphitheater Seat Walls, Raised Lawn, Depressed Lawn, assume 25% of site
26	Imported Topsoil	CY	\$ 35	200	\$ 7,000	6" deep, tilled into all planting areas
SUBTOTAL					\$ 1,746,840	
25% contingency					\$ 436,710	
TOTAL					\$ 2,183,550	

ITEM	DESCRIPTION	UNIT	UNIT PRICE	QUANTITY	COST	NOTES
F Buildings						
1	Building Shell - Restaurant	GSF	\$ 147	5,000	\$ 735,000	Mill Bldg. style, incl. cont. shallow stiffened foundation, spread footing, MSE
2	Building Shell - Retail / Office	GSF	\$ 128	-	\$ -	varies; brick, vert. board & batten, horiz. drop siding w/victorian detail/corrug. sheet metal/stucco
3	Outdoor Dining - Restaurant	GSF	\$ 75	1,200	\$ 90,000	fireproof / waterproof deck
4	Tenant Improvements - Restaurant	GSF	\$ 40	5,000	\$ 200,000	
5	Tenant Improvements - Retail / Office	GSF	\$ 20	0	\$ -	
SUBTOTAL					\$ 1,025,000	
25% contingency					\$ 256,250	
TOTAL					\$ 1,281,250	
GRAND TOTAL					\$ 4,592,625	

Statement of Probable Construction Cost - Alternative 2

ITEM	DESCRIPTION	UNIT	UNIT PRICE	QUANTITY	COST	NOTES
A Mobilization, Site Preparation & Earthwork						
1	Mobilization/Demobilization	LS	\$ 7,300	1	\$ 7,300	assumes local contractor
2	Clearing and Grubbing	LS	\$ 1,250	1	\$ 1,250	minimal due to existing site conditions
3	Traffic Control	LS	\$ 3,400	1	\$ 3,400	assumes no closure of W River and Mill Streets
4	Construction Staking	LS	\$ 6,400	1	\$ 6,400	one set of stakes for earthwork/utilities and a second for buildings
5	Soil Excavation	CY	\$ 20	12,500	\$ 250,000	all site excavation, contaminated or other
6	Contaminated Soils Disposal**	CY	\$ 125	1,250	\$ 156,250	additional expense for contaminated soils handling (see note 4)
7	Dewatering	LS	\$ 3,000	1	\$ 3,000	assumes disposal to regional drainage system (not Truckee River)
8	Engineered Fill*	CY	\$ 25	2,400	\$ 60,000	MSE 12" deep under all paving
9	Subgrade Preparation	SF	\$ 0.45	12,300	\$ 5,535	
10	Remove Chain Link Fence	LS	\$ 720	1	\$ 720	
11	Asphalt Sawcut	LF	\$ 1.80	500	\$ 900	along W River and Mill Street frontages
12	Remove Asphalt Pavement	SF	\$ 0.50	6,550	\$ 3,275	
13	Trash Enclosure	EA	\$ 7,500	1	\$ 7,500	
SUBTOTAL					\$ 505,530	
25% contingency					\$ 126,383	
TOTAL					\$ 631,913	

ITEM	DESCRIPTION	UNIT	UNIT PRICE	QUANTITY	COST	NOTES
B West River Street Improvements (along site property line, both sides of street)						
1	Asphalt Base/AC Paving	SF	\$ 4.00	3,200	\$ 12,800	
2	Asphalt Overlay	SF	\$ 2.25	9,600	\$ 21,600	
3	Curb & Gutter	LF	\$ 32	1,420	\$ 45,440	6" concrete curb and gutter including median, Town standard
4	Sidewalk*	SF	\$ 3.50	6,200	\$ 21,700	4" concrete
5	ADA Curb Ramp	EA	\$ 750	6	\$ 4,500	concrete with detectable warning surface
6	Street Lights	EA	\$ 5,350	8	\$ 42,800	Town standard
7	Street Trees	EA	\$ 1,000	55	\$ 55,000	36" box in tree grate, irrigated
8	Signing	LS	\$ 3,000	1	\$ 3,000	
9	Striping	LS	\$ 1,000	1	\$ 1,000	
10	Bollard	EA	\$ 750	12	\$ 9,000	at curb ramps
SUBTOTAL					\$ 216,840	
25% contingency					\$ 54,210	
TOTAL					\$ 271,050	

Statement of Probable Construction Cost - Alternative 2 (cont.)

ITEM	DESCRIPTION	UNIT	UNIT PRICE	QUANTITY	COST	NOTES
C <i>Mill Street Improvements (along property, to east side of Pump House plaza)</i>						
1	Asphalt Base/AC Paving	SF	\$ 2.50	0	\$ -	reuse existing
2	Asphalt Overlay	SF	\$ 2.25	2,400	\$ 5,400	full street section
3	Curb & Gutter	LF	\$ 32	125	\$ 4,000	6" concrete curb and gutter, Town standard
4	Sidewalk	SF	\$ 3.50	0	\$ -	
5	ADA Curb Ramp	EA	\$ 750	1	\$ 750	concrete with detectable warning surface
6	Street Lights	EA	\$ 5,350	2	\$ 10,700	Town standard
7	Signing	LS	\$ 3,000	0	\$ -	
8	Striping	LS	\$ 2,045	0	\$ -	
9	Bollard	EA	\$ 750	3	\$ 2,250	at Pump House plaza
SUBTOTAL					\$ 23,100	
<i>25% contingency</i>					\$ 5,775	
TOTAL					\$ 28,875	

ITEM	DESCRIPTION	UNIT	UNIT PRICE	QUANTITY	COST	NOTES
D <i>Utilities & Infrastructure</i>						
1	Relocate Utility Pole*	EA	\$ 15,000	1	\$ 15,000	located at Mill Street
2	Adjust Utility Box to Grade	EA	\$ 650	5	\$ 3,250	
3	Underground Overhead Electric	LF	\$ 150	400	\$ 60,000	underground utilities along W River Street
4	Dry Utility Connections (Gas, Elec., Comm.)*	EA	\$ 2,000	5	\$ 10,000	
5	Relocate Water Lateral	LF	\$ 30	225	\$ 6,750	
6	Water Connection	EA	\$ 1,200	1	\$ 1,200	
7	Water Lateral (new)	LF	\$ 24	160	\$ 3,840	service to neighbor property to be maintained
8	Water Meter / Backflow Prevention	EA	\$ 3,850	5	\$ 19,250	
9	Fire Hydrant	EA	\$ 4,400	1	\$ 4,400	
10	Relocate Sewer Lateral*	LF	\$ 35	425	\$ 14,875	service to neighbor property to be maintained
11	Sewer Connection*	EA	\$ 2,500	1	\$ 2,500	
12	Sewer Cleanout*	EA	\$ 500	6	\$ 3,000	
13	Drain Inlet	EA	\$ 2,200	4	\$ 8,800	
14	Trench Drain	LF	\$ 80	120	\$ 9,600	along Amphitheater
15	Storm Drain Pipe	LF	\$ 24	150	\$ 3,600	
16	Erosion Control - Temporary BMP's	LS	\$ 9,300	1	\$ 9,300	
17	Stormwater Detention*	LS	\$ 12,500	1	\$ 12,500	
18	Stormwater Pollution Control (C3 requirements)*	LS	\$ 15,000	1	\$ 15,000	
19	Adjust /Remove Monitoring Well	EA	\$ -	0	\$ -	by others per conversation with Morgan Hargrave
SUBTOTAL					\$ 202,865	
<i>25% contingency</i>					\$ 50,716	
TOTAL					\$ 253,581	

Statement of Probable Construction Cost - Alternative 2 (cont.)

ITEM	DESCRIPTION	UNIT	UNIT PRICE	QUANTITY	COST	NOTES
E Site Improvements (45,000 SF of open space incl. Gateway Plaza/Pump House Plaza, excl. West River Street)						
1	Parking Lot - On-Site	SF	\$ 4.45	2,800	\$ 12,460	aggregate base / AC paving
2	Curb & Gutter - Parking Lot On-Site	LF	\$ 32	160	\$ 5,120	6" concrete curb and gutter, Town standard
3	Parking - Off-Site (north of West River Street)	SF	\$ 7.50	26,250	\$ 196,875	75 spaces @ 350 SF / space, incl. base/AC paving/curb & gutter/lighting
4	Flex Space / Overflow Parking	SF	\$ 12.00	0	\$ -	colored concrete with stone edging and score joint pattern
5	Pedestrian / Bicycle Paving	SF	\$ 3.50	26,000	\$ 91,000	4" concrete, assume 50% of site + upper between/behind around buildings/Pump House
6	Special Paving	SF	\$ 12.00	3,800	\$ 45,600	concrete unit pavers on 4" subslab; Gateway, Entry Plaza, Pump House Plaza & Amphitheater
7	Steps	SF	\$ 75	1,000	\$ 75,000	concrete
8	Railings; handrail and guardrail	LF	\$ 100	300	\$ 30,000	painted steel
9	Pedestrian Lights	EA	\$ 6,500	20	\$ 130,000	12' height, ornamental, including parking lot
10	Retaining Wall	LF	\$ 500	500	\$ 250,000	granite veneer on concrete wall, 5" ht. avg., along Upper Terrace, Restaurant Deck, and Mill Street
11	Amphitheater Seat Walls	LF	\$ 100	500	\$ 50,000	granite seat blocks, 18" wide x 4' long x 18" height
12	Gateway Trellis	LS	\$ 100,000	1	\$ 100,000	15' x 30', wood trellis on stone columns
13	Slope Stabilization	SF	\$ 50	4,000	\$ 200,000	stone gabions in wire cages with interspersed planting along river
14	Benches	EA	\$ 2,250	20	\$ 45,000	6' long, wood and cast iron
15	Bicycle Racks	EA	\$ 1,000	30	\$ 30,000	painted steel
16	Trash / Recycling Receptacles	EA	\$ 2,000	24	\$ 48,000	painted steel
17	Wayfinding / Informational Signage	LS	\$ 5,000	1	\$ 5,000	
18	Public Art	LS	\$ 50,000	1	\$ 50,000	allowance
19	Picnic Tables / Grills	EA	\$ 7,500	12	\$ 90,000	painted steel and wood
20	Irrigation System	SF	\$ 1.50	22,500	\$ 33,750	including meter, controller and sleeves
21	Street Trees	EA	\$ 650	20	\$ 13,000	36" box at 25" o.c. both sides of street
22	Canopy Trees	EA	\$ 650	35	\$ 22,750	36" box
23	Ornamental Trees	EA	\$ 300	50	\$ 15,000	24" box
24	Ground Plane Planting	SF	\$ 15	11,250	\$ 168,750	native grasses and shrubs, 50% #1 containers, 50% #5 containers, assume 25% of site
25	Turf Grass	SF	\$ 1.25	11,250	\$ 14,063	solid sod; Amphitheater Seat Walls, Raised Lawn, Depressed Lawn, assume 25% of site
26	Imported Topsoil	CY	\$ 35	210	\$ 7,350	6" deep, tilled into all planting areas
SUBTOTAL					\$ 1,728,718	
25% contingency					\$ 432,179	
TOTAL					\$ 2,160,897	

ITEM	DESCRIPTION	UNIT	UNIT PRICE	QUANTITY	COST	NOTES
F Buildings						
1	Building Shell - Restaurant	GSF	\$ 147	5,000	\$ 735,000	Mill Bldg. style, incl. cont. shallow stiffened foundation, spread footing, MSE
2	Building Shell - Retail / Office	GSF	\$ 128	13,400	\$ 1,715,200	varies: brick, vert. board & batten, horiz. drop siding w/victorian detail/corrug. sheet metal/stucco
3	Outdoor Dining - Restaurant	GSF	\$ 75	1,200	\$ 90,000	fireproof / waterproof
4	Tenant Improvements - Restaurant	GSF	\$ 40	5,000	\$ 200,000	
5	Tenant Improvements - Retail / Office	GSF	\$ 20	13,400	\$ 268,000	
SUBTOTAL					\$ 3,008,200	
25% contingency					\$ 752,050	
TOTAL					\$ 3,760,250	
GRAND TOTAL					\$ 7,106,566	

Estimated Allocation of Site (Non-building) Improvement Costs to be Borne by Developer versus Costs Borne by the Town of Truckee (Public) for Each Alternative

Alternative 1

<u>Item</u>	<u>Total Costs (b)</u>	<u>Developer Costs</u>	<u>Public Costs</u>	<u>Explanation</u>
A Mobilization, Site Prep & Earthwork	\$505,530	\$40,864	\$464,666	Developer covers a pro-rata share based on the ratio of the building footprint to the total site area.
B West River Street Improvements	\$191,765	\$0	\$191,765	
C Mill Street Improvements	\$23,100	\$0	\$23,100	Developer covers 23 on-site parking spaces; no allocation to developer for additional required flex parking spaces.
D Utilities & Infrastructure	\$181,865	\$181,865	\$0	
E Site Improvements	\$1,746,840	\$50,543	\$1,696,297	
Sub-total	\$2,649,100	\$273,272	\$2,375,828	
25% Contingency	\$662,275	\$68,318	\$593,957	
Grand Total	\$3,311,375	\$341,590	\$2,969,785	

Alternative 2

<u>Item</u>	<u>Total Costs (b)</u>	<u>Developer Costs</u>	<u>Public Costs</u>	<u>Explanation</u>
A Mobilization, Site Prep & Earthwork	\$505,530	\$95,622	\$409,908	Developer covers a pro-rata share based on the ratio of the building footprint to the total site area.
B West River Street Improvements	\$216,840	\$0	\$216,840	
C Mill Street Improvements	\$23,100	\$0	\$23,100	Developer covers 5 on-site parking spaces and 64 off-site parking spaces, per Town parking requirements.
D Utilities & Infrastructure	\$202,865	\$202,865	\$0	
E Site Improvements	\$1,728,718	\$178,988	\$1,549,730	
Sub-total	\$2,677,053	\$477,475	\$2,199,578	
25% Contingency	\$669,263	\$119,369	\$549,895	
Grand Total	\$3,346,316	\$596,843	\$2,749,473	

Notes:

- (a) Does not include building construction costs, all of which are allocated to the developer.
- (b) Per BMS documents entitled "Statement of Probable Construction Cost," dated October 24, 2010.

Sources: BMS Design Group, BAE, 2010.

B

APPENDIX B - PRO-FORMA ANALYSES

PRO-FORMA ANALYSIS FOR ALTERNATIVE 1 AND ALTERNATIVE 2

The following section provides pro-forma financial feasibility calculations for the private development portions of Alternatives 1 and 2. The purpose of the pro-forma analysis was to gain an understanding of the potential attractiveness of the private development components of the overall site alternatives to private developers, and to discern whether the private development activity could help to generate capital that could be used to help pay for some portion of the costs of improving the West River Site from its current condition.

For each alternative, a worksheet is included that summarizes key pro-forma assumptions, including potential development costs and potential development revenues. Assumptions contained on these sheets derive from research conducted by Bay Area Economics, as described in the August 31, 2010 memorandum entitled *Market Overview for the Truckee West River Site Redevelopment Feasibility Study*, prepared for the first TAC meeting held September 2, 2010, and the pro-forma analysis memos prepared for the first and second TAC meetings, entitled *West River Site Preliminary Pro Forma Analysis (August 31, 2010)*, and *West River Site Pro-Forma Analysis for the*

November 5, 2010 TAC Meeting (dated November 3, 2010), respectively. There is a second worksheet for each alternative that contains the pro-forma calculations. The last line on the second worksheet for each alternative shows the estimated gross profit margin for each of the Alternatives.

The development pro-forma for each alternative is based on current economic conditions and:

- Does not include costs for land¹
- Compares development costs to value of completed project
- Targets a 10 to 15 percent profit on development cost²

In addition to costs to construct the actual buildings in each alternative, private development costs:

- Include costs for all utilities and infrastructure costs identified in Appendix A.
- Include a pro-rata allocation for mobilization, site preparation and earthwork costs identified in Appendix A, based on the portion of the site that private development would occupy.
- Include a share of public improvement costs reflecting the private development's share of the costs of developing on-site parking in proportion to the amount of the on-site parking that is assigned to the private buildings.

1: The cost of land was excluded from the pro-formas because they were set up to solve for the "residual" land value that the development could support. As pro-formas show gross margins that are in excess of 10 to 15 percent, the developer's ability to pay the Town a sum of money to acquire and develop the site increases. In the cases of both Alternatives 1 and 2, the pro-formas indicated little to no residual land value, and thus, little to no ability for a developer to pay the Town up-front for the land, under current economic conditions.

2: A 10 to 15 percent profit on gross costs is typically considered a minimum threshold for preliminary development feasibility. Actual required profit may vary depending on economic conditions, project financial structuring, and other factors.

- Assumes that a restaurant tenant would pay a premium rent (relative to other available retail and restaurant space in Truckee)³.
- Assumes that commercial tenants in Alternative 2 would pay rents that are at the upper end of the asking rents for Truckee commercial space observed in summer 2010, reflecting new space.
- Includes costs for constructing the off-site parking spaces needed to meet private development's parking requirements, and annual costs to lease the property used for these parking spaces from Union Pacific (applies in Alternative 2 only)⁴.
- Do not include any street improvement costs under either alternative.
- Include fees, permits, financing, and developer overhead costs for the private development.
- Does not include specialized furniture, fixtures and equipment for the restaurant, beyond basic tenant improvements.

3: The assumed rent of \$2.75 per square foot is in-line with the industry rule of thumb which indicates that a restaurant should target a rental expense of not more than six percent of gross sales, assuming that the 5,000 square foot restaurant (not including deck area) would be capable of generating annual sales of \$2.75 million or more.

4: The assumed lease cost for land to be used for offsite parking reflects information provided by a Union Pacific representative who outlined desired terms for lease of property on the north side of West River Street.

Findings and Considerations from the pro-forma analysis of project alternatives:

- Both alternatives fall short of targeted profit, at about break-even, but should improve with improvements to the economy
- Improvements in revenues or costs will begin to attract developer interest
- Although the pro-formas model a situation where a developer builds the restaurant building and then leases the space to a restaurant operator, the Town should remain open to the possibility that a restaurant operator would act as its own developer/building owner. A restaurant operator who also owns the building may view development feasibility more favorably due to the opportunity to build equity, fix the occupancy cost over time, and benefit financially from long-term real estate appreciation
- Although the opinions of experts vary on the potential annual sales of a restaurant at this site, discussions with individuals knowledgeable about restaurant operations in Truckee and in the surrounding North Lake Tahoe area indicate that there are a number of examples of restaurants in the area that generate annual sales of \$2.75 million or significantly better. To the extent that a restaurant that also owns its building could generate sales over \$2.75 million, feasibility improves.
- When soliciting restaurant operator and developer interest in the site, the Town of Truckee should establish an expectation for a high performing restaurant that can support the proper level of investment necessary to address Town objectives for a high quality catalyst development. At the same time, the Town should remain receptive to restaurant operator/ developer proposals to modify the development concept to optimize feasibility.
- Incentives can improve feasibility and can be structured to provide return on Town investment over time
- Incentives can improve feasibility and can be structured to provide return on the Town's initial investments over time. For example, feedback from a knowledgeable area restaurant operator indicated that it may be necessary to subsidize the occupancy costs for the initial years of a new restaurant's operations below those shown in the pro-formas, but that a deal could be structured for the Town to be repaid out of the restaurant's increasing revenues over time.
- Public investment may come from outside sources
- Although not expected to generate substantial funds for public site improvements, development will generate other ongoing benefits:
 - Catalyze private investment elsewhere in area
 - Generate ongoing property tax; other revenues
 - Private assistance for maintenance of public space.

Table 1a: Pro-Forma Assumptions for Minimum Development Alternative

Assumptions	
Project Characteristics	
Project Type: Single-Story Restaurant and four Retail/Office Buildings	
Site Area, Acres	1.42
FAR	8%
Retail Space, Sq. Ft.	0
Restaurant Space, Sq. Ft.	5,000
Office Space, Sq. Ft.	0
Required workforce residential units (a)	0.71
Number of Required Parking Spaces	23
Number of Parking Spaces on RR site	0
Development Costs	
Land Costs, (\$/Acre) (b)	\$0
Hard Costs	\$5.52
Site Development Costs, (\$/SF) (c)	\$206.25
Construction Costs of Commercial Shell, (\$/SF) (d)	\$0.00
Tenant Improvements, Retail and Office (\$/SF)	\$50.00
Tenant Improvements, Restaurant (\$/SF)	10%
Soft Costs, Percentage of Total Costs (e)	\$275,367
Restaurant Building, Permitting, Impact, and Government Fees	\$0
Office and Retail Building, Permitting, Impact, and Government Fees	
Financing Costs	
Construction Financing	75%
Loan to Cost Ratio	3.00%
Loan Fees	6.50%
Interest Rate, Annual	12
Project Development Period, Months	0.55
Construction Drawdown Factor	
Permanent Financing	80%
Required Loan to Value Ratio	2.00%
Loan Points	6.50%
Interest Rate, Annual	25
Loan Period, Years	
Net Operating Revenues	
Revenues	
Monthly Rent per Sq. Ft. Retail Space (g)	\$2.50
Monthly Rent Per Sq. Ft. Restaurant Space (h)	\$2.75
Monthly Rent Per Sq Ft. Office (i)	\$2.10
Long Term Restaurant Vacancy Rate (j)	0%
Annual Operating Costs, as a Percentage of Revenues (k)	4.00%
Commercial Capitalization Rate	7.00%

Notes:

- (a) The Town of Truckee Workforce Housing Code indicates that this development will generate 10 FTEE at one FTEE per 500 square feet. Therefore, the code requires development project to pay a fraction of an in-lieu affordable housing fee equivalent to the number of FTEE divided by 28.
- (b) Calculated residual land value based on other costs and revenue assumptions.
- (c) Includes utilities, infrastructure, site preparation, and earthwork, and a 25% contingency.
- (d) Includes stiffened foundation, a 1,200 sqft outdoor dining space associated with the restaurant.
- (e) Soft Costs include developer overhead, legal fees, and engineering and surveying fees. Excluding government fees, and financing fees, soft costs represent 10 percent of total hard costs.
- (g) Based upon listing of current available retail space in Truckee as of August 2010.
- (h) Based upon listing of current available new restaurant space in Truckee as of August 2010.
- (i) Based upon listing of current available office space in Truckee as of August 2010.
- (j) This assumes that the restaurant is a build-to-suit project for a tenant with a long-term lease.
- (k) Rents are NNN, and therefore, most operating costs are recovered through triple net charges.

Sources: BMS Design Group, 2010; Bruce Boyd Architecture and Planning, 2010; BAE, 2010.

Table 1b: Minimum Development Alternative Pro-Forma Analysis

Pro-Forma Analysis	
Development Cost Summary	
Land (a)	\$0
Grading, Infrastructure & Site Improvements	\$341,589
Construction Costs of Commercial Shell	\$1,031,250
Tenant Improvement Costs, Retail	\$0
Tenant Improvement Costs, Restaurant	\$250,000
Tenant Improvement Costs, Office	\$0
Fees/Permits for Restaurant	\$275,367
Fees/Permits for Office and Retail	\$0
Other Soft Costs/ Developer Overhead (b)	\$162,284
Subtotal Construction Costs	\$2,060,491
Finance Costs:	
Amount of Construction Loan	\$1,545,368
Interest on Construction Loan	55,247
Construction Loan Fees	\$46,361
Amount of Permanent Loan	\$1,810,286
Points on Permanent Loan	\$36,206
Subtotal Finance Costs	\$137,814
Workforce Housing In-lieu fee (c)	\$38,080
Total Development Costs	\$2,236,384
Annual Revenues and Expenses	
Retail Revenue	\$0
Annual Leasing Revenue	\$0
Less Operating Expenses	\$0
Less Vacancy	\$0
Net Operating Income	\$0
Total Capitalized Value	\$0
Restaurant Revenues	\$165,000
Annual Gross Lease Revenue	(\$6,600)
Less Operating Expenditures	\$0
Less Vacancy	\$0
Net Operating Income	\$158,400
Sub-total Capitalized Value	\$2,262,857
Office Revenues	\$0
Annual Gross Lease Revenue	\$0
Less Operating Expenditures	\$0
Less Vacancy	\$0
Net Operating Income	\$0
Sub-total Capitalized Value	\$0
Off-Site Parking Lease (d)	\$0
Subtotal Net Revenues	\$158,400
Total Capitalized Value	\$2,262,857
Development Feasibility	
Total Capitalized Value	\$2,262,857
Less Development Costs	(\$2,236,384)
Total Profit	\$26,473
Gross Margin (e)	1%

Notes:

- (a) Based on a 1.42 acre site.
- (b) Includes overhead, legal fees, engineering, surveying, and architectural fees. Equals approximately 10 percent of total costs.
- (c) In-lieu fee of \$106,624 as adopted in 2009. The Town of Truckee is currently updating in-lieu fee calculations.
- (d) Based on off-site parking requirements of 64 spaces at 350 sqft per space. Union Pacific annual lease rates are 13% of the property's value, which UP representative estimates to be \$20/sqft.
- (e) Gross Margin is equal to the total profit divided by the total costs of the project. This analysis does not take into consideration any additional environmental remediation costs.

Sources: Union Pacific Property Management, October 2010; BAE, 2010.

Table 2a: Pro-Forma Assumptions for Maximum Development

Assumptions	
Project Characteristics	
Project Type: Single-Story Restaurant and four Retail/Office Buildings	
Site Area, Acres	1.42
FAR	19%
Retail Space, Sq. Ft.	6,700
Restaurant Space, Sq. Ft.	5,000
Office Space, Sq. Ft.	6,700
Required Workforce Housing Units (a)	2.63
Number of Required Parking Spaces	89
Number of Parking Spaces on RR site	64
Development Costs	
Land Costs, (\$/Acre) (b)	\$0
Hard Costs	
Site Development Costs, (\$/SF) (c)	\$9.65
Construction Costs of Commercial Shell, (\$/SF) (d)	\$172.57
Tenant Improvements, Retail and Office (\$/SF)	\$25.00
Tenant Improvements, Restaurant (\$/SF)	\$50.00
Soft Costs, Percentage of Total Costs (e)	10%
Restaurant Building, Permitting, Impact, and Government Fees	\$256,141
Office and Retail Building, Permitting, Impact, and Government Fees	\$332,927
Financing Costs	
Construction Financing	
Loan to Cost Ratio	75%
Loan Fees	3.00%
Interest Rate, Annual	6.50%
Project Development Period, Months	12
Construction Drawdown Factor	0.55
Permanent Financing	
Required Loan to Value Ratio	80%
Loan Points	2.00%
Interest Rate, Annual	6.50%
Loan Period, Years	25
Net Operating Revenues	
Revenues	
Monthly Rent per Sq. Ft. Retail Space (g)	\$2.50
Monthly Rent Per Sq. Ft. Restaurant Space (h)	\$2.75
Monthly Rent Per Sq Ft. Office (i)	\$2.10
Long Term Retail/Office Vacancy Rate (j)	10%
Long Term Restaurant Vacancy Rate (j)	0%
Annual Operating Costs, as a Percentage of Revenues (k)	4.00%
Commercial Capitalization Rate	7.00%

Notes:

- (a) The Town of Truckee Workforce Housing Code indicates that this development will generate 36.8 FTEE at one FTEE per 500 square feet. Therefore, the code requires development project to construct and complete 2.63 affordable housing units (one workforce housing unit for each 14 FTEE). For the purposes of this pro forma it is assumed the developer will pay an in-lieu fee of \$106,624 per unit, however, an in-lieu fee may not be an option and the project could have to build two units to meet the requirements of the Workforce Housing Code.
- (b) Calculated residual land value based on other costs and revenue assumptions.
- (c) Includes utilities, infrastructure, site preparation, and earthwork, and a 25% contingency.
- (d) Includes stiffened foundation, and a 1,200 sqft outdoor dining space associated with the restaurant.
- (e) Soft Costs include developer overhead, legal fees, and engineering and surveying fees. Excluding government fees, and financing fees, soft costs represent 10 percent of total hard costs.
- (g) Based upon listing of current available retail space in Truckee as of August 2010.
- (h) Based upon listing of current available new restaurant space in Truckee as of August 2010.
- (i) Based upon listing of current available office space in Truckee as of August 2010.
- (j) Assumes zero vacancy for restaurant, which is assumed to be build-to-suit on a long-term lease.
- (k) Rents are NNN, and therefore, most operating costs are recovered through triple net charges.

Sources: BMS Design Group, 2010; Bruce Boyd Architecture and Planning, 2010; BAE, 2010.

Table 2b: Maximum Development Alternative Pro-Forma Analysis

Pro-Forma Analysis	
Development Cost Summary	
Land (a)	\$0
Grading, Infrastructure & Site Improvements	\$596,843
Construction Costs of Commercial Shell	\$3,175,250
Tenant Improvement Costs, Retail	\$167,500
Tenant Improvement Costs, Restaurants	\$250,000
Tenant Improvement Costs, Office	\$167,500
Fees/Permits for Restaurant	\$256,141
Fees/Permits for Office and Retail	\$332,927
Other Soft Costs/Developer Overhead (b)	\$435,709
Subtotal Construction Costs	\$5,381,871
Finance Costs:	
Amount of Construction Loan	\$4,036,403
Interest on Construction Loan	144,301
Construction Loan Fees	\$121,092
Amount of Permanent Loan	\$4,779,685
Points on Permanent Loan	\$95,594
Subtotal Finance Costs	\$360,987
Workforce Housing In-lieu fee (c)	\$280,269
Total Development Costs	\$6,023,127
Annual Revenues and Expenses	
Retail Revenue	
Annual Leasing Revenue	\$201,000
Less Operating Expenses	(\$8,040)
Less Vacancy	(\$20,100)
Net Operating Income	\$172,860
Total Capitalized Value	\$2,469,429
Restaurant Revenues	
Annual Gross Lease Revenue	\$165,000
Less Operating Expenditures	(\$6,600)
Less Vacancy	\$0
Net Operating Income	\$158,400
Sub-total Capitalized Value	\$2,262,857
Office Revenues	
Annual Gross Lease Revenue	\$168,840
Less Operating Expenditures	(\$6,754)
Less Vacancy	(\$16,884)
Net Operating Income	\$145,202
Sub-total Capitalized Value	\$2,074,320
Off-Site Parking Lease (Annual) (d)	\$58,240
Subtotal Net Revenues	\$418,222
Total Capitalized Value	\$5,974,606
Development Feasibility	
Total Capitalized Value	\$5,974,606
Less Development Costs	(\$6,023,127)
Total Profit	(\$48,521)
Gross Margin (e)	-1%

Notes:

- (a) Based on a 1.42 acre site.
- (b) Includes overhead, legal fees, engineering, surveying, and architectural fees. Equals approximately 10 percent of total costs.
- (c) In-lieu fee of \$106,624 as adopted in 2009. The Town of Truckee is currently updating its in-lieu fee calculations.
- (d) Based on off-site parking requirements of 64 spaces at 350 sqft per space. Union Pacific annual lease rates are 13% of the property's value, which UP representative estimate to be \$20/sqft.
- (e) Gross Margin is equal to the total profit divided by the total costs of the project. This analysis does not take into consideration any additional environmental remediation costs.

Sources: Union Pacific Property Management, October 2010; BAE, 2010.

C

APPENDIX C - ENVIRONMENTAL CHECKLIST

An Environmental Checklist was prepared for the project. Two environmental factors, Geology/Soils and Transportation/Traffic were determined to be potentially affected by this project as indicated by the checklist on the following pages.

ENVIRONMENTAL CHECKLIST FORM

1. Project Title:

West River Site Redevelopment Feasibility Study

2. Lead Agency Name and Address:

Town of Truckee
10183 Truckee Airport Road
Truckee, CA 96161

3. Lead Agency Contact Person and Phone Number:

David Griffith
Redevelopment and Housing Coordinator
Town of Truckee
10183 Truckee Airport Road
Truckee, CA 96161
Phone: (530) 582-7700

4. Project Location:

10257 West River Street, Truckee, California, 96161

5. Project Sponsor's Name and Address:

Town of Truckee
10183 Truckee Airport Road
Truckee, CA 96161

6. General Plan Designation:

Downtown Commercial

7. Description of Project:

The Town of Truckee seeks to determine the appropriate use of the 1.42-acre parcel of land located at 10257 West River Street (approximately ¼ mile west of Bridge Street). The project goal established by the Town of Truckee is to prepare a redevelopment feasibility study for potential redevelopment of the West River Site.

The proposed project consists of two different alternatives: Alternative 1, which includes all improvements and parking on-site; and Alternative 2, which includes most of the required parking on land north of West River Street. The two alternatives are as follows:

Alternative 1

- Restaurant: 5,000 square feet indoors + 1,200 square feet outdoors = 6,200 total square feet
- Open Space: +/-41,000 square feet
- 23 on-site parking spaces, 22 spaces available in a plaza/parking overflow area, 19 street parking spaces (within 225 feet of the site)

Alternative 2

- Restaurant: 5,000 square feet indoors + 1,200 square feet outdoors = 6,200 total square feet
- Retail: 6,700 square feet
- Commercial/Office: 6,700 square feet
- Open Space: +/-45,000 square feet
- Five on-site parking spaces, 17 street parking spaces and 160 off-site parking spaces (64 spaces required for the project, remainder identified for future redevelopment)

The central theme for both concepts is a public open space element that would provide connection to the Truckee River. The existing Pump House immediately east of the site has been identified as a possible interpretive exhibit facility.

8. Surrounding Land Uses and Setting:

The proposed project is located on a Town-owned vacant parcel on the southwestern edge of downtown Truckee. The property is located south of the Union Pacific Railroad Tracks, on the south side of West River Street, and adjacent to the north bank of the Truckee River. A single-family residential neighborhood borders the eastern edge of the property. A one-story cabinet shop sits along the west property line, a towing company (Dependable Tow), and the Chevron/Berry Hinkley Plant facilities are located across West River Street to the north.

The following Initial Study Environmental Review is to identify any significant constraints on redevelopment of the site. Future site development will require additional environmental review.

9. Other Agencies Whose Approval is Required

(e.g., permits, financing approval, or participation agreement):

Department of Fish and Game, US Fish and Wildlife Service, Army Corps of Engineers, Lahontan Regional Water Quality Control Board

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below may be potentially affected by this project as indicated by the checklist on the following pages.

Aesthetics		Agriculture Resources		Air Quality
Biological Resources		Cultural Resources	X	Geology / Soils
Hazards & Hazardous Materials		Hydrology / Water Quality		Land Use / Planning
Mineral Resources		Noise		Population / Housing
Public Services		Recreation	X	Transportation / Traffic
Utilities / Service Systems		Mandatory Findings of Significance		

DETERMINATION (To be completed by the Lead Agency) On the basis of this initial evaluation:	
I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.	
I find that although the proposed project COULD have a significant effect on the environment, there WILL NOT be a significant effect in this case because revisions in the project have been made by or agreed to by the applicant. A MITIGATED NEGATIVE DECLARATION will be prepared.	
I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.	
I find that the proposed project MAY have a “potentially significant impact” or “potentially significant unless mitigated impact” on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.	
I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or Negative Declaration pursuant to applicable standards and (b) have been avoided or mitigated pursuant to an earlier EIR, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.	
<p>_____ David Griffith, Redevelopment and Housing Coordinator</p> <p>_____ Date</p> <p>Town of Truckee Redevelopment Department</p>	

I. AESTHETICS

Will the project:

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Have a substantial adverse effect on a scenic vista?				X
b)	Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?			X	
c)	Substantially degrade the existing visual character or quality of the site and its surroundings?			X	
d)	Create a new source of substantial light or glare which will adversely affect day or nighttime views in the area?			X	

A. Environmental Setting

The project site is located in an urbanized infill area in the Town of Truckee. The proposed project is located on a previously disturbed site adjacent to the Truckee River. The site was originally a lumber mill, and later became the Nevada County Corporation Yard. It has since declined into a vacant site and is currently undergoing environmental remediation.

In 2005, the Town of Truckee arranged for the demolition and offsite disposal of buildings located on the site, including an administration/garage building, a shop/garage building and a sand storage shed. The Town placed clean imported fill in the vicinity of the former buildings, hydro-seeded the project site and installed a perimeter split-rail fence.

B. Discussion

a) No Impact. The project site is not located near a scenic vista. The proposed project is conceptual in nature but, if constructed to the extent of either scenario, would introduce uses and designs that would be compatible with the surrounding uses in this area.

b) Less Than Significant Impact. The project site is a previously disturbed site that is currently being environmentally remediated. The proposed project is conceptual in nature but, if constructed to the extent of either alternative, would introduce uses and designs that would be compatible with the surrounding uses in this area including an open space feature that would be compatible with the recreation use of the Truckee River and the aesthetic value of the surrounding landscapes.

c) Less Than Significant Impact. The proposed project is conceptual in nature but, if constructed to the extent of either alternative, would introduce uses and designs that would be compatible with the surrounding uses in this area. New features created by the project on site would enhance the existing visual character.

d) Less Than Significant Impact. The proposed project is conceptual in nature but, if constructed to the extent of either alternative, would introduce uses and designs that would be compatible with the surrounding uses in this area. All uses and subsequent designs would be evaluated in accordance with the Town of Truckee design review standards to ensure that day and nighttime uses would not introduce potential substantial sources of light or glare.

Sources: The Town of Truckee 2025 General Plan and EIR; Downtown Truckee Specific Plan; West River Site Redevelopment Feasibility Study – Site Assessment, BMS Design Group, August 31, 2010

II. AGRICULTURAL RESOURCES

Will the project:

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland) to non-agricultural use? (the Farmland Mapping and Monitoring Program of the California Department of Conservation maintains detailed maps of categories of farmland)				X
b)	Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
c)	Involve other changes in the existing environment, which, due to their location or nature, could individually or cumulatively result in loss of Farmland, to non-agricultural use?				X

A. Environmental Setting

The project site is located in an urbanized infill area, which was previously developed. No agricultural lands exist in the area.

B. Discussion

a) No Impact. The project site is not designated as Prime Farmland, Unique Farmland, or Farmland of Statewide Importance. The site was formerly used as an industrial site and the parcel is located within the Truckee City Limits.

b) No Impact. The project site is not currently under a Williamson Act contract. Current zoning for the site is Downtown Commercial. The project would not conflict with the zoning of the site; therefore there would be no impact.

c) No Impact. There are no agriculture uses in the project area and no uses proposed for the project site would result in the cumulative loss of farmland.

Sources: The Town of Truckee 2025 General Plan and EIR; Downtown Truckee Specific Plan

III. AIR QUALITY

Where available, the significance criteria established by the applicable air quality management district or air pollution control district may be relied upon to make the following determinations: Will the project:

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Conflict with or obstruct implementation of applicable air quality plans?				X
b)	Violate any air quality standard or contribute substantially to an existing or projected air quality violation?			X	
c)	Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions that exceed quantitative thresholds for ozone precursors)?			X	
d)	Expose sensitive receptors to substantial pollutant concentrations?				X
e)	Create objectionable odors affecting a substantial number of people?				X

A. Environmental Setting

The project site is located in an urbanized infill area in the Town of Truckee. The proposed project is located on a previously disturbed site adjacent to the Truckee River. The site was originally a lumber mill, and later became the Nevada County Corporation Yard. It has since declined into an unused vacant site that is currently undergoing environmental remediation.

The site is mostly vacant, housing only an ozone/oxygen sparge system that is remediating contaminated ground water. A single-family residential neighborhood borders the eastern edge of the property. A one-story cabinet shop sits along the west property line, Dependable Tow and the Chevron/Berry Hinkley Plant facilities are located across the street to the north, and the Truckee River runs along the southern edge of the property.

The proposed project would introduce a maximum of 20,000 square feet of commercial space, including a 6,200 square foot restaurant. The project would introduce approximately 45,000 square feet of open space. The project proposes a maximum of 182 parking spaces which includes 160 off-site parking spaces (64 required for the project) and an additional 5 spaces on-site, 15 street parking spaces along West River Street and 2 street parking spaces on Riverside Drive at Mill Street.

B. Discussion

a) No Impact. The proposed project would be subject to North Sierra Air Quality Management District (NSAQMD) plans to achieve ambient air quality standards and compatible with the 1999 Town of Truckee Particulate Matter Air Quality Management Plan. The proposed project is designed to complement the existing uses surrounding the site. The proposed project would not include any wood-burning stoves.

b) Less than Significant Impact. The proposed project would be compatible with the North Sierra Air Quality Management District (NSAQMD) and the 1999 Town of Truckee Particulate Matter Air Quality Management Plan. The proposed project would be subject to the standards set forth in the NSAQMD Regulation II, Rule 226: Dust Control. Policy P13.3 of the Conservation and Open Space Element would require that all construction projects involving grading implement dust control measures. These measures, which are consistent with the NSAQMD guidelines, are defined in Chapter 18.30.030 of the Truckee Development Code.

c) Less than Significant Impact. The proposed project would be compatible with the North Sierra Air Quality Management District (NSAQMD) and the 1999 Town of Truckee Particulate Matter Air Quality Management Plan. The proposed project would be subject to the standards set forth in the NSAQMD Regulation II, Rule 226: Dust Control. Policy P13.3 of the Conservation and Open Space Element would require that all construction projects involving grading implement dust control measures. These measures, which are consistent with the NSAQMD guidelines, are defined in Chapter 18.30.030 of the Truckee Development Code.

d) No Impact. The proposed project is designed to complement the existing uses surrounding the site. The proposed project would not introduce objectionable odors affecting a substantial number of people.

e) No Impact. The proposed uses are designed to complement the existing uses surrounding the site. The proposed project would not introduce objectionable odors affecting a substantial number of people.

Sources: The Town of Truckee 2025 General Plan and EIR; Downtown Truckee Specific Plan; West River Site Redevelopment Feasibility Study – Site Assessment, BMS Design Group, August 31, 2010

IV. BIOLOGICAL RESOURCES

Will the project:

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Have a substantial adverse impact, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S.				X
b)	Have a substantial adverse impact on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?			X	
c)	Have a substantial adverse impact on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				X

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
d)	Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established resident or migratory wildlife corridors, or impede the use of wildlife nursery sites?				X
e)	Conflict with any local policies or ordinances protecting biological resources, such as tree preservation policy or ordinance?				X
f)	Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				X

A. Environmental Setting

The project site is located in an urbanized infill area in the Town of Truckee. The proposed project is located on a previously disturbed site adjacent to the Truckee River. The site was originally a lumber mill, and later became the Nevada County Corporation Yard. It has since declined into an unused vacant site that is currently undergoing environmental remediation.

In October 2005, the Town of Truckee arranged for the demolition and offsite disposal of buildings located on the site, including an administration/garage (Admin) building, a shop/garages (shop) building and a sand storage shed. The Town placed clean imported fill in the vicinity of the former buildings, hydro-seeded the project site and installed a perimeter split-rail fence.

The site is mostly vacant, housing only an ozone/oxygen sparge system that is remediating contaminated ground water. The Truckee River runs along the south edge of the property, but access to the river is difficult to impossible. The river bank has been significantly modified from its natural state and is currently eroding. There is a 30 foot elevation difference from the project site to the water's normal edge. The steep grade is dotted with native vegetation.

The 2025 Truckee General Plan identifies two special status species occurring in the project area. The General Plan sites the California Natural Diversity Database Special Species Occurrences (CNDDDB) list indicating occurrences of Donner Pass Buckwheat and the Tahoe Yellow Cress. Neither of these species is documented to occur on the project site.

B. Discussion

a) No Impact. No special status species occur on site. The proposed project would not have a substantial adverse impact on the special status species listed in the Truckee General Plan. A biological resource analysis and species survey would be conducted in accordance with the Truckee General Plan and Development Code prior to the approval of any construction on the project site.

b) Less Than Significant Impact. The proposed project, while conceptual in nature, includes opportunities for terracing the slope adjacent to the Truckee River to allow for visual access to the river. The Town of Truckee's Development Code contains several provisions that affect riparian habitat and wetlands. Chapter 18.38 – Lake and River/Stream Corridor Development provides

standards for development adjacent to Donner Lake, the Truckee River, and other significant streams throughout the Town to provide appropriate buffer areas. Specific design proposals for site terracing and the pedestrian bridge shall meet the standards and requirements set forth in the Truckee Development Code.

c) No Impact. No wetlands as defined by Section 404 of the Clean Water Act occur on site. A biological resource analysis would be conducted in accordance with the Truckee General Plan and Development Code prior to the approval of any construction on the project site. Any proposed designs or construction to the river bank would be subject to standards and regulations set forth by the Army Corps of Engineers and US Fish and Wildlife Service for Riparian habitats.

d) No Impact. The project site is not near an established resident or migratory wildlife corridor. The proposed project does not include disturbances to the Truckee River. A biological resource analysis would be conducted in accordance with the Truckee General Plan and Development Code prior to the approval of any construction on the project site. Any proposed designs or construction to the river bank would be subject to standards and regulations set forth by the Army Corps of Engineers and US Fish and Wildlife Service for Navigable Waters and Riparian habitats.

e) No Impact. There are no local policies or ordinances protecting biological resources on the project site.

f) No Impact. There are no adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plans that govern the project site.

Sources: The Town of Truckee 2025 General Plan and EIR; Downtown Truckee Specific Plan; West River Site Redevelopment Feasibility Study – Site Assessment, BMS Design Group, August 31, 2010

V. CULTURAL RESOURCES

Will the project:

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Cause a substantial adverse change in the significance of a historical resource which is either listed or eligible for listing on the National Register of Historic Places, the California Register of Historic Resources, or a local register or listing of historic resources.				X
b)	Cause a substantial adverse change in the significance of a unique archaeological resource (i.e., an artifact, object, or site about which it can be clearly demonstrated that, without merely adding to the current body of knowledge, there is a high probability that it contains information needed to answer important scientific research questions, has a special and particular quality such as being the oldest or best available example of its type, or is directly associated with a scientifically recognized important prehistoric or historic event or person)?				X

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
c)	Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				X
d)	Disturb any human remains, including those interred outside of formal cemeteries?				X

A. Environmental Setting

The project site is located in an urbanized infill area in the Town of Truckee. The proposed project is located on a previously disturbed site adjacent to the Truckee River. The site was originally a lumber mill, and later became the Nevada County Corporation Yard.

In October 2005, the Town of Truckee arranged for the demolition and offsite disposal of buildings located on the site, including an administration/garage (Admin) building, a shop/garages (shop) building and a sand storage shed. The Town placed clean imported fill in the vicinity of the former buildings, hydro-seeded the project site and installed a perimeter split-rail fence. It has since declined into an unused vacant site that is currently undergoing environmental remediation.

B. Discussion

a-d) No Impact. Development of the proposed project would not cause substantial adverse change in the significance of a historical or cultural resource; therefore there would be no impact. There are no known instances of unique paleontological resources, unique geologic features or human remains.

Pursuant to the Truckee General Plan EIR, the Town would require proper archaeological or paleontological surveying, testing, research, documentation, monitoring and safe retrieval of archaeological and cultural resources, as part of the development review process. (Policy P19.1. Furthermore, Policy P19.2 requires an archaeological survey by a qualified professional whenever there is evidence of an archaeological or paleontological site within a proposed project area.)

Sources: The Town of Truckee 2025 General Plan and EIR; Downtown Truckee Specific Plan; West River Site Redevelopment Feasibility Study – Site Assessment, BMS Design Group, August 31, 2010

VI. GEOLOGY AND SOILS

Will the project:

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Expose people or structures to potential substantial adverse effects, including the risk of loss, injury or death involving:				
	i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area, or based on other substantial evidence of a known fault? (refer to Division of Mines and Geology Special Publication 42)				X
	ii) Strong seismic ground shaking?		X		
	iii) Seismic-related ground failure, including liquefaction?		X		
	iv) Landslides?		X		
b)	Result in substantial soil erosion or the loss of topsoil?			X	

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
c)	Be located on a geologic unit or strata or soil that is unstable, or that will become unstable as a result of the project, and potentially result in on-site or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse?			X	
d)	Be located on expansive soil, creating substantial risks to life or property? (Table 18-1-B of the Uniform Building Code (1994) defines expansive soil)			X	
e)	Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems, where sewers are not available for the disposal of waste water?			X	

A. Environmental Setting

The project site is located in an urbanized infill area in the Town of Truckee. The proposed project is located on a previously disturbed site adjacent to the Truckee River. The site was originally a lumber mill, and later became the Nevada County Corporation Yard. In 2005, the Town of Truckee arranged for the demolition and offsite disposal of buildings located on the site, including an administration/garage building, a shop/garage building and a sand storage shed. The Town placed clean imported fill in the vicinity of the former buildings, hydro-seeded the project site and installed a perimeter split-rail fence. It has since declined into an unused vacant site that is currently undergoing environmental remediation.

The project site is situated on Pleistocene Tioga glacial outwash deposits consisting of generally un-weathered, unconsolidated boulders and cobbles, gravel, sand and silt. Underlying the site to the total depths explored by GEOCON (GEOCON, August 2010) are zones of silt, sand and gravels and cobbles measuring up to 4 feet in diameter, with thin lenses of silty clay and silty sand. The surface elevation of the site slopes towards the Truckee River to the south, with an approximate 30-foot embankment at the southern edge of the site. The general geologic conditions at the site are depicted on Cross-Sections A-A' and B-B'; Figures 1 and 2, respectively of the GEOCON report. Groundwater at the site is encountered under unconfined conditions between 23 and 29 feet below ground surface (bgs) and fluctuates between 2 to 3 feet annually. Groundwater flows consistently towards the south-southeast (towards the Truckee River) at gradients between 1-8%.

B. Discussion

a) (i) No Impact. There are no known earthquake faults on or near the project site, as delineated on the Alquist-Priolo Earthquake Fault Zoning Map. As of 1999, the California Geologic Survey did not list the Town of Truckee on its list of cities affected by Alquist-Priolo Earthquake Fault Zones.

a) (ii) Potentially Significant unless Mitigation Incorporated. There are no faults within the Town's boundary; however there are faults in close proximity to the boundary (Town of Truckee 2025 General Plan EIR, Figure 4.5-1). The Town of Truckee and its Sphere of Influence are subject to three principal earthquake-related seismic hazards: ground shaking, liquefaction, and ground rupture. The Town will require that a soils report be completed including recommendations for appropriate engineering and other measures to address identified seismic risks.

a) (iii) Potentially Significant unless Mitigation Incorporated. There are no faults within the Town's boundary; however there are faults in close proximity to the boundary (Town of Truckee 2025 General Plan EIR, Figure 4.5-1). The Town of Truckee and its Sphere of Influence are subject to three principal

earthquake-related seismic hazards: ground shaking, liquefaction, and ground rupture. The Town will require that a soils report be completed including recommendations for appropriate engineering and other measures to address identified seismic risks.

a) (iv) Potentially Significant unless Mitigation Incorporated. The Town of Truckee has not completed a detailed study assessing the extent of landslide hazards in Truckee. Steep slopes of thirty percent or greater, including those slopes adjacent to the Truckee River could pose a significant landslide or ground failure hazard. The Town will require that a soils report be completed including recommendations for appropriate engineering and other measures to address identified landslide risks.

b) Less Than Significant Impact. The proposed project, while conceptual in nature, will not contribute to substantial soil erosion or the loss of topsoil. The Town will require that a soils report be completed including recommendations for appropriate engineering and other measures to address identified soil erosion potential.

c – d) Less Than Significant Impact. The proposed project, while conceptual in nature, will not be located on unstable or expansive soils. The Town will require that a soils report be completed including recommendations for appropriate engineering and other measures to address identified soils hazards. Recommendations in the GEOCON report requires site analysis and designs by civil and geotechnical engineers. Impacted soils removed during construction would require characterization and handling as discussed in that report.

e) No Impact. The proposed project would not include construction of a new septic tank absorption field, therefore there would be no impact.

Sources: The Town of Truckee 2025 General Plan and EIR; Downtown Truckee Specific Plan; West River Site Redevelopment Feasibility Study – Site Assessment, BMS Design Group, August 31, 2010; Former Nevada County Department of Transportation and Sanitation Maintenance Yard, Summary Memo, GEOCON, October 8, 2010

VII. HAZARDS and HAZARDOUS MATERIALS

Will the project:

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?				X
b)	Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the likely release of hazardous materials into the environment?			X	
c)	Reasonably be anticipated to emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one quarter mile of an existing or proposed school?				X
d)	Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, will it create a significant hazard to the public or the environment?			X	

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
e)	For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, will the project result in a safety hazard for people residing or working in the project area?				X
f)	For a project within the vicinity of a private airstrip, will the project result in a safety hazard for people residing or working in the project area?				X
g)	Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
h)	Expose people or structures to the risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?			X	

A. Environmental Setting

The project site is located in an urbanized infill area in the Town of Truckee. The proposed project is located on a previously disturbed site adjacent to the north bank of the Truckee River. The site was originally a lumber mill, and later became the Nevada County Corporation Yard. In 2005, the Town of Truckee arranged for the demolition and offsite disposal of buildings located on the site, including an administration/garage (Admin) building, a shop/garages (shop) building and a sand storage shed. The Town placed clean imported fill in the vicinity of the former buildings, hydro-seeded the project site and installed a perimeter split-rail fence. It is an unused vacant site that is currently undergoing environmental remediation.

The project site presently includes four site-related onsite monitoring wells (MW-1 through MW-4) associated with three former onsite underground storage tanks (USTs) and an aboveground heating oil storage tank. The site also includes six monitoring wells (CB-5, CB-6 and MW-5 through MW-8) associated with petroleum hydrocarbon releases at the adjacent Berry-Hinckley bulk fuel facility. The project site further includes 25 ozone-injection wells (sparge points SP-1 through SP-25) and an associated remediation system installed, operated and maintained by Conestoga-Rovers & Associates (CRA) representing the adjacent offsite properties to remediate petroleum hydrocarbon impacted groundwater originating from those facilities that has encroached beneath the north and eastern portions of the site.

Figures included in the attached GEOCON summary memorandum depict outlines of the former site features and existing wells which are used as points of reference describing the aerial extent of the soil and groundwater contamination underlying the site.

B. Discussion

a) No Impact. The proposed project does not include the routine transport, use, or disposal of hazardous materials.

b) Less than Significant Impact. The proposed project is located on a site that is currently undergoing environmental remediation for residual contaminants including gasoline, diesel and motor oil-range petroleum hydrocarbons, perchloroethene (PCE) and the heavy metals lead and arsenic. These contaminants can be effectively mitigated by surface capping on site or during soil excavation. Prior to future construction and excavation, the Town shall require a soils report be completed by a certified soils engineer including a laboratory analysis for soils profiling and recommendations for appropriate engineering and other measures to address identified soils hazards. Recommendations in the GEOCON report requires site analysis and designs by civil and geotechnical engineers. Impacted soils removed during construction would require characterization and handling as discussed in that report.

c) No Impact. The proposed project is not located within one quarter mile of an existing or proposed school. The nearest school to the project site, the Church of the Mountains Preschool, is approximately 1,650 feet away (.31 miles).

d) Less than Significant Impact. The proposed project is located on a site that is listed on the Leaking Underground Tank (LUST) cleanup sites list. The project site is currently undergoing environmental remediation for residual contaminants including gasoline, diesel and motor oil-range petroleum hydrocarbons, perchloroethene (PCE) and the heavy metals lead and arsenic.

These contaminants can be effectively mitigated by surface capping on site or during soil excavation. Prior to future construction and excavation, the Town shall require a soils report be completed by a certified soils engineer including a laboratory analysis for soils profiling and recommendations for appropriate engineering and other measures to address identified soils hazards. Recommendations in the GEOCON summary memorandum requires site analysis and designs by civil and geotechnical engineers. Impacted soils removed during construction would require characterization and handling as discussed in that report.

e) No Impact. The project site is not located near a private airstrip and is not within the flight path of the Tahoe/Truckee airport.

f) No Impact. The proposed project would not physically interfere with an adopted emergency response plan or emergency evacuation plan. Site Design would be subject to review and approval by Truckee Fire and Protection District and the Town of Truckee Police Department.

g) Less than Significant Impact. The proposed project, while conceptual in nature, would conform to the Town of Truckee General Plan and Development Code for Downtown Commercially zoned properties. All site plan and designs for the property would be subjected to the recommended setbacks and standards from the State of California Department of Forestry and Fire Protection as well as the Truckee Fire and Protection District for wildland urban interfaces.

Sources: The Town of Truckee 2025 General Plan and EIR; Downtown Truckee Specific Plan; West River Site Redevelopment Feasibility Study – Site Assessment, BMS Design Group, August 31, 2010; Former Nevada County Department of Transportation and Sanitation Maintenance Yard, Summary Memo, GEOCON, October 8, 2010

VIII. HYDROLOGY AND WATER QUALITY

Will the project:

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Violate any water quality standards or waste discharge requirements?				X
b)	Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there will be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells will drop to a level which will not support existing land uses or planned uses for which permits have been granted)?				X
c)	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which will result in substantial erosion or siltation on-site or off-site?			X	
d)	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which will result in flooding on-site or off-site?			X	

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
e)	Create or contribute runoff water which will exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?			X	
f)	Otherwise substantially degrade water quality?				X
g)	Place housing within a 100-year floodplain as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X
h)	Place within a 100-year flood hazard area structures which will impede or redirect flood flows?			X	
i)	Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?			X	
j)	Inundation by seiche, tsunami, or mudflow?				X

A. Environmental Setting

The project site is located in an urbanized infill area in the Town of Truckee. The proposed project is located on a previously disturbed site adjacent to the north bank of the Truckee River. The site was originally a lumber mill, and later became the Nevada County Corporation Yard. In 2005, the Town of Truckee arranged for the demolition and offsite disposal of buildings located on the site, including an administration/garage (Admin) building, a shop/garages (shop) building and a sand storage shed. The Town placed clean imported fill in the vicinity of the former buildings, hydro-seeded the project site and installed a perimeter split-rail fence. It is an unused vacant site that is currently undergoing environmental remediation.

A single-family residential neighborhood borders the eastern edge of the property. A one-story cabinet shop sits along the west property line, Dependable Tow and the Chevron/Berry Hinkley Plant facilities are located across the street to the north, and the Truckee River runs along the southern edge of the property.

The proposed project, would introduce a maximum of 20,000 square feet of commercial space, including a 6,200 square foot restaurant. The project would introduce approximately 45,000 square feet of public open space. The project proposes a maximum of 182 parking spaces which includes 160 off-site parking spaces (64 spaces required for the project) and an additional 5 on-site spaces, 15 street parking spaces along West River Street and 2 street parking spaces on Riverside Drive.

B. Discussion

a) No Impact. The proposed project will be subject to the standards and regulations of the Truckee Development Code and is consistent with the Downtown Specific Plan, General Plan and Zoning for the property. The

project would not violate any water quality standards or waste discharge requirements.

b) No Impact. The Truckee Donner Public Utility District (TDPUD) would provide water to the project site. The TDPUD adopted a Groundwater Management Plan (GMP) for the entire Martis Valley Groundwater Basin in 1998. According to the Truckee 2025 General Plan EIR there would be enough water available to serve projected build-out of the TDPUD service area, which includes the Town of Truckee. Therefore, the level of impact on water supplies would be less than significant.

c) Less Than Significant Impact. Implementation of the proposed project would not substantially alter existing drainage patterns that would lead to a substantial increase in the rate/amount of surface runoff.

d) Less Than Significant Impact. The proposed project would not exceed drainage capacity nor would it alter existing drainage patterns in a manner that would result in flooding on or off site. Additional runoff from the project site would be accommodated by connections to the public storm water system on the project site. The proposed project does not include alterations to areas adjacent to the Truckee River bank nor would it alter the river course. Therefore, the level of impact on drainage systems would be less than significant.

e-f) Less Than Significant Impact. The proposed project would not exceed drainage capacity. To avoid significant impacts associated with polluted stormwater runoff, project construction and operation would comply with the standards and regulations of the Lahontan Regional Water Quality Control Board (LRWQCB) requirements for maintaining water quality. Complying with LRWQCB requirements would reduce the level of impact to less than significant.

g) No Impact. There is no housing proposed by the project, therefore there is no flood hazard impact to housing.

h) Less Than Significant Impact. The proposed project would not place structures in the 100-year floodplain that would potentially impede or redirect flood flows (Gary Davis Group, Figure C-1). The proposed project does not include alterations to areas adjacent to the Truckee River bank nor will it alter the river course. All site designs shall consider the 100-year floodplain and the potential for floodwaters to impact the project site. Complying with LRWQCB requirements would reduce the level of impact to less than significant.

i) No Impact. The project site is located adjacent to the Truckee River downstream from Lake Tahoe and Donner Lake. Three dams, located at the Prosser, Boca and Stampede Reservoirs, are located just north of Truckee. A smaller dam is also located at Donner Lake, and another at Martis Creek Lake, south of the Town. While each of these dams has the potential to fail and to release a volume of water that could result in severe short-term flooding, Truckee would not be significantly affected by potential inundation. Therefore, the potential for flooding from levee or dam failure is considered remote.

j) Less Than Significant Impact. A seiche is a stationary wave associated with a lake or semi-enclosed body of water usually caused by strong winds and/or changes in barometric pressure. Seiches are similar to the back-and-forth sloshing of water in a tub and can possibly occur in reservoirs, swimming pools and water tanks. The risk of a seiche occurring on Donner Lake during a strong seismic event is considerable given the size of the lake and its location (approximately 2.6 miles from the project site) on the southwestern edge of the Town. However, as is discussed in Town of Truckee 2025 General Plan EIR, Chapter 4.5, Geology, Soils and Seismicity, there are relatively low levels of seismic activity locally to induce such a seismic event.

A tsunami is a very large ocean wave caused by an underwater earthquake or volcanic eruption. Truckee is not at risk from tsunami due to its inland location.

Hillsides and slopes of unconsolidated material could pose a risk of mudflows to the Town of Truckee if these areas become saturated. Usually, this would occur usually as a result of a dual condition of loss of brush cover, and the subsequent accumulation of water on the ground preceded by a period of heavy or sustained rain. Steep slopes (30 percent or greater), occur in several areas of Town, including some places along the Truckee River.

The Truckee 2025 General Plan has several policies and actions addressing development in areas of steep slopes and unstable soils. Policy P1.3 requires soils reports for new development in areas where geologic risks are known to exist. Such reports should include recommendations for appropriate engineering and other measures to address identified risks. Complying with the policies of the General Plan and Development Code standards and regulations would reduce the level of impact to less than significant.

Sources: The Town of Truckee 2025 General Plan and EIR; Downtown Truckee Specific Plan; West River Site Redevelopment Feasibility Study – Site Assessment, BMS Design Group, August 31, 2010

IX. LAND USE AND PLANNING

Will the project:

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Physically divide an established community?				X
b)	Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to general plans, specific plans, local coastal programs, or zoning ordinances)?				X
c)	Conflict with any applicable habitat conservation plan or natural community conservation plan?				X

A. Environmental Setting

The project site is located in an urbanized infill area in the Town of Truckee. The proposed project is located on a previously disturbed site adjacent to the Truckee River. The site was originally a lumber mill, and later became the Nevada County Corporation Yard. It is currently vacant and is currently undergoing environmental remediation.

The property is currently owned by the Town of Truckee. The property is located with the Downtown Specific Plan Area of the Truckee General Plan. The existing zoning for the project site is Downtown Commercial (DC). A single-family residential neighborhood borders the eastern edge of the property.

B. Discussion

a) No Impact. The proposed project is located on an unused vacant site on the edge of the downtown Truckee commercial district. The proposed project is consistent with the General Plan and Zoning for the property. The proposed project would not divide an established community.

b) No Impact. The proposed project is consistent with the Town of Truckee General Plan. The proposed project is consistent with the existing zoning of Downtown Commercial (DC).

c) No Impact. There are no habitat conservation plans or natural community conservation plans for the project site. The proposed project is consistent with the Town of Truckee General Plan. The proposed project is consistent with the existing zoning of Downtown Commercial (DC).

Sources: The Town of Truckee 2025 General Plan and EIR; Downtown Truckee Specific Plan; West River Site Redevelopment Feasibility Study – Site Assessment, BMS Design Group, August 31, 2010

X. MINERAL RESOURCES

Will the project:

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Result in the loss of availability of a known mineral resource that will be of value to the region and the residents of the state?				X
b)	Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				X

A. Environmental Setting

The project site is located in an urbanized infill area in the Town of Truckee. The proposed project is located on a previously disturbed site adjacent to the north bank of the Truckee River. The site was originally a lumber mill, and later became the Nevada County Corporation Yard. In 2005, the Town of Truckee arranged for the demolition and offsite disposal of buildings located on the site, including an administration/garage (Admin) building, a shop/garages (shop) building and a sand storage shed. The Town placed clean imported fill in the vicinity of the former buildings, hydro-seeded the project site and installed a perimeter split-rail fence. It is an unused vacant site that is currently undergoing environmental remediation. No mining activities presently occur within the general project area.

The Town of Truckee 2025 General Plan EIR indicates a number of important mineral resource areas (as defined by the State of California) that exist in Truckee (Figure 4.5-2). These resources are generally associated with alluvial deposits along the length of the Truckee River Valley. Alluvial aggregates consist of gravel, sand and broken stone that are used in production of concrete and asphalt.

B. Discussion

a-b) Less Than Significant Impact. Pursuant to the Town of Truckee 2025 General Plan, the proposed project could result in a significant impact if it would result in the loss of availability of a mineral resource identified as being of local or statewide importance. This could occur if development were permitted that created land use incompatibilities with mining operations or otherwise precluded access to mineral resource areas. Goal COS-6 in the 2025 General Plan is to protect economically viable mineral resources and related industries in Truckee while avoiding land use conflicts and environmental impacts from mining activities. There are several policies and actions in support of this. For example, Policy 6.1 calls for the recognition, acceptance, and adoption by reference those State Classification Reports that provide information on the location of significant mineral deposits in and around Truckee. Similarly, Policy P6.3 requires a restriction on permitted uses on lands containing important mineral resources within the Public land use designation to those compatible with mineral extraction, except in cases where such uses offer public benefits that outweigh those of resource extraction.

In addition, Action 6.1 requires that the Town amend the map of important mineral resources, as exhibited in Figure 4.5-2, when a new or revised Mineral Resource Classification Report is presented to the Town.

A mineral resource analysis would be conducted in accordance with the Truckee General Plan and Development Code prior to the approval of any construction on the project site. Therefore, the level of impact on mineral resources would be less than significant.

Sources: The Town of Truckee 2025 General Plan and EIR; Downtown Truckee Specific Plan; West River Site Redevelopment Feasibility Study – Site Assessment, BMS Design Group, August 31, 2010

XI. NOISE

Will the project:

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?			X	
b)	Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?			X	
c)	A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?			X	
d)	A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?			X	
e)	For a project located within an airport land use plan or, where such a plan has not been adopted, within 2 miles of a public airport or public use airport, will the project expose people residing or working in the project area to excessive noise levels?				X

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
f)	For a project within the vicinity of a private airstrip, will the project expose people residing or working in the project area to excessive noise levels?				X

A. Environmental Setting

The proposed project is located on the southwestern edge of downtown Truckee. The property is governed by the policies and programs documented in the Truckee Downtown Specific Plan. The project site is currently vacant. A single-family residential neighborhood borders the eastern edge of the property. A one-story cabinet shop sits along the west property line, Dependable Tow and the Chevron/Berry Hinkley Plant facilities are located across the street to the north, and the Truckee River runs along the south edge of the property.

The proposed project, would introduce a maximum of 20,000 square feet of commercial space, including a 6,200 square foot restaurant. The project would introduce approximately 45,000 square feet of open space. The project proposes a maximum of 182 parking spaces that includes 160 off-site parking spaces (64 spaces required for the project) and an additional 5 on-site parking spaces, 15 street parking spaces along West River Street and 2 street parking spaces along Riverside Drive at Mill Street.

B. Discussion

a-d) Less Than Significant Impact. The proposed project, while conceptual in nature, would introduce new commercial, restaurant and open space uses to an existing vacant site. The proposed uses are consistent with the General Plan, Downtown Specific Plan and the Zoning designations for the project site and all designs would be subject to the standards and regulations set forth in the Truckee Development Code. Long-term ambient noise levels would not be exceeded by the introduction of these uses. A noise analysis for short-term construction impacts and long-term ambient level impacts, conducted by a qualified noise engineer, shall be required prior to any approvals by the Town.

e) No Impact. The proposed project site is located within two miles of the Truckee/Tahoe Airport but is not located within an existing or proposed airport land use plan area.

f) No Impact. The proposed project site is not within the vicinity of any known private airstrip.

Sources: The Town of Truckee 2025 General Plan and EIR; Downtown Truckee Specific Plan; West River Site Redevelopment Feasibility Study – Site Assessment, BMS Design Group, August 31, 2010

XII. POPULATION AND HOUSING

Will the project:

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				X
b)	Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				X
c)	Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				X

A. Environmental Setting

The proposed project site is currently vacant, with only an ozone/oxygen sparge system that is remediating contaminated ground water. A single-family strip residential neighborhood borders the eastern edge of the property. A one-story cabinet shop sits along the west property line, Dependable Tow and the Chevron/Berry Hinkley Plant facilities are located across the street to the north, and the Truckee River runs along the south edge of the property.

The proposed project, would introduce a maximum of 20,000 square feet of commercial space, including a 6,200 square foot restaurant. The project would introduce approximately 45,000 square feet of open space. The project proposes a maximum of 182 parking spaces which includes 160 off-site parking spaces (64 spaces required for the project) and an additional 5 on-site parking spaces, 15 street parking spaces along West River Street and 2 street parking spaces on Riverside Drive at Mill Street.

B. Discussion

a) No Impact. The project would not induce population growth in the area. The proposed project would not precipitate any perceptible changes in the community; therefore the related impacts would be less than significant.

b-c) No Impact. The proposed project would be constructed on a vacant, disturbed site previously used as a vehicle corporation yard. No existing housing or persons would be displaced.

Sources: The Town of Truckee 2025 General Plan and EIR; Downtown Truckee Specific Plan; West River Site Redevelopment Feasibility Study – Site Assessment, BMS Design Group, August 31, 2010

XIII. PUBLIC SERVICES

Will the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, the need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Fire protection?			X	
b)	Police protection?			X	
c)	Schools?				X
d)	Parks?				X

A. Environmental Setting

The proposed project site is located in an urbanized infill area in the Town of Truckee, already served by public services. The project site is in an area zoned for Downtown Commercial (DC).

B. Discussion

a) Less Than Significant Impact. The Truckee Fire Protection District currently provides fire protection services to the proposed project site. Development of the project would not induce substantial population growth therefore the impacts would be less than significant.

b) Less Than Significant Impact. The Truckee Police Department currently provides policing services to the proposed project site. Development of the project would not induce substantial population growth therefore the impacts would be less than significant.

c) No Impact. The proposed project would not result in a substantial increase of employees to the project site; therefore there would be no additional demand for school facilities. There would be no impacts associated with school facilities.

d) No Impact. The proposed project includes new open space uses for the site.

Sources: The Town of Truckee 2025 General Plan and EIR; Downtown Truckee Specific Plan; West River Site Redevelopment Feasibility Study – Site Assessment, BMS Design Group, August 31, 2010

XIV. RECREATION

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Will the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility will occur or be accelerated?				X
b)	Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X

A. Environmental Setting

The proposed project site is mostly vacant, housing only an ozone/oxygen sparge system that is remediating contaminated ground water. A single-family residential neighborhood borders the eastern edge of the property. A one-story cabinet shop sits along the west property line, Dependable Tow and the Chevron/Berry Hinkley Plant facilities are located across the street to the north, and the Truckee River runs along the south edge of the property.

The proposed project, would introduce a maximum of 20,000 square feet of commercial space, including a 6,200 square foot restaurant. The project would introduce approximately 45,000 square feet of public open space. The project proposes a maximum of 182 parking spaces that includes 160 off-site parking spaces (64 spaces required for the project) and an additional 5 on-site parking spaces, 15 street parking spaces along West River Street and 2 street parking spaces on Riverside Drive at Mill Street.

B. Discussion

a) No Impact. Development of the project would not result in a substantial increase of employees to the area; there would be no impact on recreation facilities.

b) No Impact. The proposed project includes new open space uses for the project site. The project would not require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment.

Sources: The Town of Truckee 2025 General Plan and EIR; Downtown Truckee Specific Plan; West River Site Redevelopment Feasibility Study – Site Assessment, BMS Design Group, August 31, 2010

XV. TRANSPORTATION/TRAFFIC

Will the project:

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Cause an increase in traffic, which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?			X	
b)	Exceed, either individually or cumulatively, a level of service standard established by the appropriate local, regional, or state agency, or county congestion management agency for designated roads or highways?			X	
c)	Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				X
d)	Substantially increase hazards to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				X

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
e)	Result in inadequate emergency access?				X
f)	Result in inadequate parking capacity?				X
g)	Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?				X

A. Environmental Setting

The project site is located in an urbanized infill area in the Town of Truckee. The property is located on the western edge of downtown Truckee at 10257 West River Street. The property is just south of the Union Pacific Railroad tracks and north of the Truckee River. The site was originally a lumber mill, and later became the Nevada County Corporation Yard. It is currently vacant and is currently undergoing environmental remediation.

The proposed project, would introduce a maximum of 20,000 square feet of commercial space, including a 6,200 square foot restaurant. The project would introduce approximately 45,000 square feet of public open space. The project proposes a maximum of 182 parking spaces which includes 160 off-site parking spaces (67 spaces required for the project) and an additional 5 on-site spaces, 15 street parking spaces along West River Street and 2 street parking spaces on Riverside Drive at Mill Street.

West River Street in the site vicinity is a two-lane roadway consisting of one travel lane in each direction approximately 11 feet in width. There is narrow paved shoulder, though informal gravel shoulder space is provided along some portions. To the east of the site, on-street angled parking is provided along the south side. At the project site, the Downtown Truckee Specific Plan indicates that West River Street has a right-of-way width of 53 feet 6 inches. The posted speed limit is 25 miles per hour. West of McIver Crossing, the posted speed limit is 45 mph.

There are currently no sidewalks or bicycle lanes along West River Street in the site vicinity.

B. Discussion

a) Less Than Significant Impact. LSC, Transportation Consultants, Inc. conducted a trip generation and traffic impact analysis for the proposed project in October, 2010.

LSC evaluated both development concepts for the property. LSC factored in trip reductions in the form of visits by non-auto trips and pass-by trips (vehicles already travelling on the adjacent roadway). A total of 647 one-way vehicle trips would be generated under Alternative 2. Of those, 83 would occur during the PM peak-hour (48 inbound plus 35 outbound). A total of 539 one-way vehicle trips would be generated under Alternative 1. Of those, 57 would occur during the PM peak-hour (38 inbound plus 19 outbound). Including the pass-by reduction, a total of 619 and 539 daily trips would be generated by Alternative 2 and Alternative 1, respectively. Of those, 80 PM peak hour (46 in, 34 out) would be generated by Alternative 2 and 54 (36 in 18 out) would be generated by Alternative 1.

The Truckee Railyard Draft Master Plan EIR (Town of Truckee, 2008) provides the most up-to-date evaluation of traffic conditions in Downtown Truckee, including the project site. This document indicates that the Bridge Street/West River Street intersection could be expanded somewhat by lengthening the northbound left turn lane and eastbound right turn lane, and providing separate left turn and through/right lanes on the westbound approach.

The nearest available traffic count was conducted in the summer of 2009 along West River Street between Bridge Street and Mill Street. This count indicated a total two-way traffic volume on the 10th-highest summer day (the Town's design period) of 8,939, and a PM peak-hour volume of 904.

Future PM peak-hour directional volumes on West River Street near the site are estimated in the Railyard EIR and updated by LSC to equal 537 eastbound and 309 westbound. This corresponds to a 19 percent increase over current traffic levels. At these traffic volumes, the existing two-lane roadway configuration past the site would be more than adequate to serve through traffic.

The proposed project was evaluated by LSC to determine the Level of Service (LOS). The LOS at the site driveways for both alternatives is a LOS B. The Town of Truckee standard is LOS D within the Downtown Study Area. The traffic impacts due to the project generated vehicle trips fall within the standards set forth by the Town of Truckee.

The Town of Truckee typically applies a methodology presented in a 1990 ITE paper entitled "Guidelines for Left-Turn Lanes" by Oppenlander and Bianchi. In this methodology, the minimum volume needed to warrant a left

turn lane depends on the peak-hour traffic volume in the advancing direction and in the opposing direction, as well as the proportion of advancing traffic that is turning left. At current summer peak-hour volumes, development of the project site that generates roughly 15 vehicles per hour either westbound into the site or eastbound into off-site parking would trigger the need for a left turn lane. Including the future growth in volume, this "trigger" volume level drops to approximately 5 westbound left turning vehicles per hour, or 7 eastbound left turning vehicles per hour. Given the close proximity of other existing driveways and Mill Street, this turn lane would probably best be provided as a Two-Way Left-Turn Lane.

A full traffic analysis, including incorporated mitigation, by a certified traffic engineer shall be completed prior to the submittal of a planning application for the proposed project.

- b) Less Than Significant Impact. Please see response to section XVI a.
- c) No Impact. Current air traffic patterns would be maintained; therefore development of the project would not result in substantial safety risks.
- d) No Impact. The project would not involve design features that would increase hazards and would not introduce incompatible uses.
- e) Less Than Significant Impact. The proposed project would not alter any roadways that would affect emergency access. All construction activity would take place on the proposed project site and would not require road closures. Road improvements, such as the creation of sidewalks, bike lanes or parking

spaces would not require the full closure of West River Street.

f) No Impact. The planned number of parking spaces provides adequate parking for employees and visitors to the project site and would not result in inadequate parking capacity; therefore, there is no impact.

g) No Impact. The proposed project would not affect adopted policies supporting alternative transportation.

Sources: The Town of Truckee 2025 General Plan and EIR; Downtown Truckee Specific Plan; West River Site Redevelopment Feasibility Study – Site Assessment, BMS Design Group, August 31, 2010; West River Street Redevelopment Trip Generation and Traffic Impact, LSC Transportation Consultants, Inc., October 28, 2010

XVI. UTILITIES AND SERVICE SYSTEMS

Will the project:

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?			X	
b)	Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?			X	
c)	Require or result in the construction of new stormwater drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?			X	
d)	Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?			X	

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
e)	Result in an adverse impact to the capacity of the wastewater treatment plant which serves or may serve the project (i.e., does the wastewater treatment provider which serves or may serve the project have adequate capacity to serve the project's projected demand in addition to the provider's existing commitments)?			X	
f)	Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?			X	
g)	Comply with federal, state, and local statutes and regulations related to solid waste?				X

A. Environmental Setting

The project site is located in an urbanized infill area in the Town of Truckee. The proposed project is located on a previously disturbed site adjacent to the Truckee River. The site was originally a lumber mill, and later became the Nevada County Corporation Yard.

The proposed project site is currently vacant, housing only an ozone/oxygen sparge system that is remediating contaminated ground water. A single-family residential neighborhood borders the eastern edge of the property. A one-

story Cabinet shop sits along the west property line, Dependable Tow and the Chevron/Berry Hinkley Plant facilities are located across the street to the north, and the Truckee River runs along the south edge of the property.

Sewage treatment is provided by the Tahoe Truckee Sanitation Agency (TTSA). Sewage conveyance is maintained by the Truckee Sanitary District (TSD). An existing 6" PVC sewer main is located to the north and east of the property. The sewer drains east along Riverside Drive approximately 1,100 feet to a 24" trunk main in Brockway Road. The neighboring property to the West is serviced through a sewer lateral extending across the subject property.

Water service is provided by the Truckee Donner Public Utility District (TDPUD). An existing 8" water main extends from the middle of the property to the east along West River Street. A 6" water main is located in Mill Street to the east and extends along Riverside Drive. The property to the west of the property is serviced through a lateral from the 8" main in West River Street across the northerly edge of the property. System capacity has been provided by the TDPUD with a static pressure of 85 psi, and a fire flow of 2,000 gpm.

Dry utility providers include Southwest Gas, TDPUD (power), AT&T (telephone) and Suddenlink (cable/TV). 3-phase primary electrical service is provided through overhead lines along the north and east of the property. One power pole is located on the property, at its eastern end, providing service to existing soil remediation efforts. A joint utilities trench extends along the eastern and northern boundaries of the project site. The trench includes secondary electric, 2" gas and 8" gas.

A high-pressure petroleum pipeline is located in West River Street to the north of the subject property, which is owned and operated by Kinder Morgan.

B. Discussion

a) Less Than Significant Impact. Development of the proposed project would not exceed wastewater treatment requirements established by the Lahontan Regional Water Quality Control Board (LRWQCB). The project area is served by existing sewer lines located within the West River Street right-of-way and wastewater is conveyed to the treatment plant located at the TTSA Water Reclamation Plant (WRP), which is adjacent to the Truckee River and the Truckee-Tahoe Airport. The proposed project would be served by these facilities. The treatment plant has adequate capacity to accommodate the additional flow anticipated from the proposed development. Therefore, the impacts on water treatment requirements would be less than significant.

b) Less Than Significant Impact. Development of the proposed project would not require construction of new water or wastewater treatment facilities. Existing facilities may require relocation to service the property. The relocations of existing conveyance lines would not cause significant environmental effects. Therefore, the level of impact on water supplies would be less than significant.

c) Less Than Significant Impact. Development of the proposed project would not require additional storm water facilities. Construction of the new improvements would result in adequate capacity, therefore the impact would be less than significant.

d) Less Than Significant Impact. The Truckee Donner Public Utility District (TDPUD) would provide water to the project site. The TDPUD adopted a Groundwater Management Plan (GMP) for the entire Martis Valley Groundwater Basin in 1998. According to the Truckee 2025 General Plan EIR there would be enough water available to serve projected buildout of the TDPUD service area, which includes the Town of Truckee. Therefore, the level of impact on water supplies would be less than significant.

XVII.MANDATORY FINDINGS OF SIGNIFICANCE.

e) Less Than Significant Impact. Please see response to section XVI b.

f) Less Than Significant Impact. Solid waste removal and recycling services for the Town of Truckee are provided by the Tahoe - Truckee Sierra Disposal (TTSD) Company. Two separate bodies make up the TTSD: Tahoe Truckee Disposal and the Eastern Regional Landfill Material Recovery Facility (MRF). Solid waste from the general area is transported to the Eastern Regional Landfill. Tahoe Truckee Disposal is responsible for collecting household waste and recyclables and the MRF is a recycling center for household and construction materials that acts as a transfer station for household waste. Incoming solid waste is either recycled or transported to the Lockwood Regional Landfill in Storey County, Nevada. This 1,535-acre site has a 60-year capacity to accommodate the build-out projections for the TTSD’s service area. Currently, TTSD is in its ninth year of an 80-year contract for disposal services at the landfill. Therefore, the level of impact of the proposed project would be less than significant.

g) No Impact. The proposed development project would comply with all federal, state and local requirements for solid waste reduction and recycling (A.B.939).

Sources: The Town of Truckee 2025 General Plan and EIR; Downtown Truckee Specific Plan; West River Site Redevelopment Feasibility Study – Site Assessment, BMS Design Group, August 31, 2010;

		Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory?			X	
b)	Does the project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)			X	
c)	Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?			X	

Discussion

a) Less Than Significant Impact. Based upon the evaluation in this Initial Study, the proposed project would not have the potential to significantly degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory.

As the proposed project site has been previously developed and is in a highly urbanized area, there would not be a substantial degradation of habitat by the proposed project. The project would result in potentially minor short-term effects from construction activities such as particulate emissions and erosion during construction. However, these possible impacts are considered less than significant, an expected part of construction, and would be addressed by mitigation measures to lessen the effects to the extent practicable.

b) Less Than Significant Impact. The proposed project would not have the potential to achieve short-term environmental goals to the disadvantage of long-term ones (a short-term impact on the environment is one that occurs in a relatively brief, definitive period of time while long-term impacts would endure well into the future). Relatively minor impacts may occur from construction activities, but these effects would be of short duration and not cumulatively considerable.

c) Less Than Significant Impact. The development of the proposed project would not have environmental effects that would cause substantial adverse effects on human beings, either directly or indirectly. Potential environmental impacts have already been discussed as part of the evaluation. Less than significant impacts would be primarily limited to short-term construction-related impacts.

D

APPENDIX D - POTENTIAL BENEFITS TO TARGETED INCOME GROUP

The preparation of this strategy was funded with a planning and technical assistance grant from the State of California, Department of Housing and Community Development, Community Development Block Grant Program, Small Cities Economic Development Program (Grant # 09-PTAE-6305). A condition of this grant is that the activities funded by the grant principally benefit households in the Targeted Income Group (TIG), which is households with incomes that are at or below 80 percent of area median income. Both indirectly and directly, the new employment and income potential associated with the development of the West River Site will primarily benefit targeted income group households.

The development of the West River Site builds on strategies contained in the Town of Truckee's updated economic development strategy, also funded with CDBG grant monies. Specifically, this project would build on the Town's strengths and uniqueness, and its existing assets by enhancing and showcasing the Town's riverfront and historic downtown areas. It would also help the Town to better utilize its tourism infrastructure on a year-round basis, because it would develop a destination that would be particularly attractive to tourists during the warm spring and fall seasons, between the peak winter and summer seasons. This will help with the Town's efforts to develop offerings for tourists during the off-seasons.

By supporting a vibrant year-round tourist economy, this project has the potential to indirectly help preserve and expand the job opportunities in the Town's overall restaurant, retail, and hospitality sectors. It is likely that the majority of employees in these sectors are from lower-income households. In addition, the project would directly create new job opportunities in restaurant, retail, and office space that could be developed on-site. The majority of the new jobs created would likely be in the form of positions such as sales clerks, food servers, kitchen staff, maintenance staff, reception/host staff, and other positions that are typically accessible to members of lower-income households. At same time, lower-income residents who fill these positions may also have opportunities for advancement to positions of higher seniority and increasing income through on-the-job training.