

Truckee at the

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Chess



THERE'S A LOT IN PLAY IN THE STILL-FUNKY, FRIENDLY TOWN OF TRUCKEE. DEVELOPERS IN ADJACENT MARTIS VALLEY, WHO HAD APPEARED ON THE BRINK OF WINNING A PIECE FROM ENVIRONMENTALISTS IN THE CHESS GAME OF COUNTY PERMITTING, HAVE BEEN DEALT A BLOW BY THE SURPRISE MOVES OF A SUPERIOR COURT JUDGE.



MEANWHILE, THE TOWN ITSELF IS STARTING AN EXAMINATION OF ITS GROWTH PLANS FOR THE NEXT 20 YEARS, AND ASKING THE HARD QUESTIONS: HOW MUCH GROWTH IS SMART GROWTH? WHERE DO ALL THE CARS GO? WHERE'S THE MIDDLE-CLASS GOING TO LIVE? AND HOW DO WE STAY FUNKY AND FRIENDLY?

Truckee at the Crossroads

Ed Coleman and Robyn Sills (below) co-own two of downtown Truckee's most popular restaurants — Pacific Crest and Pianeta — and one of its favorite watering holes, Bar of America. Some of their best customers are well-to-do second-homeowners, but the couple worries that, as locals, their quality of life will be diminished by too much growth.

Runaway development. Loss of open space. Lack of affordable housing. So lament the newspaper editorials in many a once-funky, spectacularly situated mountain town of the West. Aspen and Breckenridge, Jackson Hole and Park City. As the world has swept in, bringing sky-high real estate prices, traffic jams and \$20 salads, the old-timers see

paradise lost. And now it may be Truckee's turn... or is it?

That's the question in the hearts and minds of many of Truckee's long-time residents. Like the aforementioned resort towns, with their roots in railways and mining, Truckee has become a sought-after commodity in a modern-day real estate Gold Rush. And when Truckee residents look at the mixed results

experienced by other once-sleepy hamlets, many see flashing yellow Caution lights, if not a bright red Stop sign.

They agree with the sentiments of one famous westerner, actor and film director Robert Redford, who said in an interview with *The Arizona Republic* last year, "People like to use the West as a symbol of the great American landscape,



as possible to maintain the reasons all these things are being built here in the first place — quality of life." Coleman and his partner Robyn Sills own upscale restaurants Pianeta and Pacific Crest, which pull clientele from a mix of locals and visitors.

In 1992, residents took more control of their destiny by voting in favor of township. Truckee has long been a place with a strong sense of self, and it's taken to self-government in vigorous fashion. The town has taken considerable civic pride in all the new restaurants and shops that have moved in or sprouted up. The growth around town has helped put warm bodies in those businesses.

But in the last few years, some residents

have become alarmed as the decisions made by councils or county government many years ago began rising out of the ground. It is only with the sound of saws and the sight of earthmovers altering the landscape that the results of those decisions have seemed real and irreversible.

For those who have wanted to apply the brakes to development, Martis Valley has become the focus of concern. The valley and Northstar-at-Tahoe are part of Placer County and, therefore, outside the control of the Town of Truckee, which is in Nevada County. In 2003, Placer County supervisors approved the Martis Valley Community Plan (MVCP) that envisioned the building of 8,600 residential

units in multiple developments. When some of those developments received final approvals in 2004, Sierra Watch, The League to Save Lake Tahoe and other groups sued to stop them on environmental grounds. But the county stuck to its guns.

On February 24, however, the ground shifted dramatically under Martis when Superior Court Judge James Garbolino issued a tentative ruling in favor of the environmental groups, in effect agreeing that the MVCP and its Environmental Impact Report (EIR) grossly underestimate the impact of development that could occur in the Martis Valley. If the tentative ruling is made final, Placer County will be ordered to "suspend all project approvals and activities

TRUCKEE HAS PLENTY OF EXAMPLES TO LOOK TO AROUND THE WEST, MOUNTAIN RESORT TOWNS WITH OLD RAILROAD AND LUMBER MILL ROOTS THAT HAVE BECOME SO GLITZY AND OVERGROWN THAT THE "LOCALS" CAN'T AFFORD TO LIVE THERE ANYMORE. IS IT TOO LATE FOR TRUCKEE TO SAVE ITS SOUL? HELL NO, SAY THE TOWN'S BOOSTERS.

of what is great about America, even as we quietly dismantle the whole thing. A lot of development has to do with short-term gains and possible long-term consequences."

But Truckee may be lucky. For many years, Tahoe stole the limelight. Although Truckee has had its ardent fans for more than a century, as late as 1990 or so it was still the somewhat-rundown town where the people who couldn't afford to live at "The Lake" made their homes. Aspen became chichi in the '60s and Vail began to boom in the '70s. Then Park City took off in the late '80s. Meanwhile Truckee slept.

In the '90s it woke up and took off on a decade of steady growth. New residents swelled the population by 55 percent over the ten years. During this time, both long-time citizens and newcomers had the chance to learn from the bust-to-boom experiences of dozens of mountain resort towns.

Truckee Tahoe Community Foundation conducted an assessment with full- and part-time residents near the end of this period. "What we heard from folks here was that they knew growth would continue to occur," says Lisa Dobey, president of the foundation. "They

weren't so much anti-growth as they wanted to make sure that, as growth occurred, there were positive impacts as well. Growth for growth's sake was not appealing to anyone. But if we're also getting better trails and schools and a performing arts center and things like that, then it's perceived as a positive experience."

Local business owners have found themselves on both sides of the development fight. Their businesses profit from the growth, but they're residents too. Truckee restaurateur and resident Ed Coleman likely speaks for many when he says, "We need to do as much



Roger Lessman (middle), Managing Partner of East West Partners in Truckee, the town's largest landowner and developer, wins kudos from community leaders for his company's support of social, environmental and recreational initiatives. East West has a number of major projects in the works or in the planning stage for Truckee and nearby Northstar-at-Tahoe. Stefanie Olivieri (left) is owner of Cabona's clothing store on downtown's Commercial Row as well as executive director of the Mountain Area Preservation Foundation (MAPF), an organization dedicated to protecting community character and open space. In February, a Superior Court Judge decided in favor of MAPF and other environmental organizations in a suit to halt Placer County's current development plans for Martis Valley.

that could result in any change or alteration to the physical environment."

In March, Judge Garbolino heard oral arguments from attorneys on both sides. Court watchers expect the judge to issue a final ruling by late spring or early summer. Several speculated, off the record, that the judge is likely to finalize his tentative ruling with few or no changes. If that's the case, Placer County can appeal the decision or try to correct the problems within the EIR identified by the judge.

In Martis Valley, and in many other aspects of its life and self-image, Truckee is at a crossroads, where at least one of the flashing yellow lights has turned briefly red. Ahead are

multiple roads, some leading toward significant growth, others toward more limited growth, but all leading rapidly away from the Truckee of here and now.

Changing the Landscape

Development has occurred at a steady pace since 1990 in and around Truckee, when the town's population stood at less than 9,000. Truckee has added from 260 to 283 new housing units every year since. The town's population in spring 2005 is over 15,000. The 1996 General Plan — now under revision — allows for 5,955 housing units to be built over the next 20 years, creating a projected population of 50,000.

Commercial construction has also moved briskly in recent years, creating new shopping centers, hotels and industrial areas. The town is actively encouraging the revitalization and growth of its downtown Jibboom and West River streets.

What is driving the demand for all this growth? Nationwide, financially fit baby boomers are buying second homes for vacation or retirement in record numbers, according to the National Association of Realtors. The group's market research shows that in the last five years alone resort market sales have increased by 25 percent with resort areas looking at historically high demand over the next decade.

Truckee at the Crossroads

Development Scorecard

Currently Under Construction in

Martis Valley (235 Residential Units)

The Village at Northstar-at-Tahoe and Coyote Run

On Hold in Martis Valley, Awaiting Judge's Decision (375 Residential Units)

Siller Ranch, Hopkins Ranch, Eaglewood, Martis Creek Estates, Schaffer's Camp Phase 7A at Northstar

Proposed for Martis Valley (1723 Residential Units)

The Highlands, Pinyon Creek II

The Retreat, The Northside — all at Northstar.

Proposed for Truckee (1269 Residential Units and Single Family Lots)

Hilltop Master Plan (282)

Tahoe Boca (250), Joerger Ranch (240)

Teichert (229), Railyard/Mill Site (100)

Stoneridge (80), Sierra Bluffs

Knights Crossing

Source — Memo to Truckee Town Council, December 2004.

"Tahoe really boomed in the '60s and had been dormant for some 20 years," says Roger Lessman, managing partner of Tahoe Mountain Resorts, a division of Beaver Creek-based developer East West Partners. "People are looking for newer facilities. There's a significant demand for new, state-of-the-art properties with full amenity packages."

East West Partners is Truckee's largest landowner

with multiple projects at or near building stage: Old Greenwood, The Village and The Highlands at Northstar-at-Tahoe and Gray's Crossing, envisioned as an extension of the town of Truckee.

East West has been fairly well accepted by most elements of the community due to its "high road" approach that includes green building techniques, affordable housing and active

participation in community organizations.

"After deciding to get involved in this area," says Dobby, "East West has done a good job of understanding that being part of this community means more than just doing business here... it's giving back."

In 2003, however, a local organization, Mountain Area Preservation Foundation (MAPF), took the Town



made the decision to appeal yet, according to Rick Crabtree, outside counsel for Placer County. "Placer County's biggest quarrel with the tentative decision is its ruling that the Environmental Impact Report cannot rely on zoning to limit growth and development," says Crabtree. "We believe that is directly contrary to well-established zoning law." Nonetheless, Crabtree adds that Placer County may not appeal the decision and may instead go back and correct the flaws identified by the judge in the EIR.

"We hope the ruling will encourage land owners, developers and the Placer County Board of Supervisors to come to the table to talk about a compromise resolution that would

ensure a better blueprint for Martis Valley," says Tom Mooers, executive director of Sierra Watch. Sierra Watch was formed in 2000 "to defend the irreplaceable resources in the Sierra Nevada from irresponsible development." The nonprofit organization's specific focus, however, was and is the Martis Valley.

"If the 2003 Martis Valley Community Plan is set aside," says East West Partners' Lessman, "then presumably the old 1975 Community Plan comes back into being. The Northstar Village is not affected by the judge's decision because it was done under the 1975 plan. The Highlands was approved under the 2003 plan, but our Environmental Impact Report analyzed the 1975 plan as well. So we can either wait

until that plan is fixed and processed, or we might consider asking for a change to the 1975 land use map for The Highlands."

There's little doubt that environmental groups will push for major changes in Martis Valley projects like the 2,177-acre Siller Ranch. Olivieri of MAPF calls Siller "one of the most egregious projects ever proposed in this region." The California Department of Fish and Game agrees, stating that Siller substantially understated the project's impact while overstating the value of proposed mitigation measures.

MAPF was founded 15 years ago to oppose the arrival of a Kmart proposed at the town's entrance. The organization won that first

TRUCKEE'S GENERAL PLAN, CURRENTLY UNDER REVIEW, ENVISIONS A TRIPLING OF ITS POPULATION BY 2025. MUCH OF THE DEVELOPMENT IS ALREADY IN THE PIPELINE.

of Truckee to court for allowing more development on the Old Greenwood project than provided for in the town's General Plan. They negotiated a half-million-dollar lump-sum settlement, which went to the Truckee Donner Land Trust to acquire land for permanent open space, according to MAPF Executive Director, Stefanie Olivieri. The agreement also included a provision whereby a transfer fee of a half percent of every property sale in Old Greenwood is to be paid to a non-profit conservation partnership. This is expected to generate roughly \$5 million over the next 20 years.

"We were unable to stop or change the project," says Olivieri, a lifelong Truckee resident. "So our best alternative was to take the money and buy open space." Those more sympathetic to the Old Greenwood project point out that the land it's on was part of a trade with the U.S. Forest Service that saved a larger parcel of wild habitat near Boca and Stampede reservoirs.

East West Partners and Northstar resort struck a similar agreement with MAPF and Sierra Watch in early March: 25 years of transfer fees on sales and resales of property totaling 800 acres at Northstar will go to the

Truckee Donner Land Trust to buy and conserve open space. In return, Sierra Watch and MAPF have dropped their opposition to projects proposed at Northstar by East West Partners and Northstar resort. The deal is expected to generate \$30 million for land conservation, with \$1 million being paid upfront. All of Northstar's proposed development could be affected, however, by the judge's final ruling on Placer County's Martis Valley plan (see "Development Scorecard," pages 64 and 66).

It's akin to reading tea leaves to predict what will happen if the judge finalizes his tentative decision. Placer County has not



Craig Threshie (far left), Truckee's mayor, is leading the charge to update the town's General Plan through 2025, a process that he says will help the community "define itself." Kathleen Eagan (left) is one of three non-pilot "reform" candidates who were recently elected to the Truckee Tahoe Airport board. The three have promised to increase community input into the operation and expansion plans of the airport (which has no commercial service) and limit the noise caused by increased private jet traffic.

fight in the courts. "Over the years, MAPF has been very successful," says Olivieri. "We have more than 300 members who work to make the public aware of projects that come along that may not be consistent with our General Plan, may not be in the best interest of the community character and may not be wisely protecting our open space." A favorable court decision will give further momentum to environmental groups during the pivotal discussions on the horizon in both Martis Valley and Truckee town.

Cars, Bikes or Jets

The growth already experienced by the Truckee area has raised concerns over traffic

and its effect on air quality. During peak holiday periods and summer weekends, bumper-to-bumper traffic can make the town seem absolutely urban. On the other hand, widening or adding new roads might only bring more cars and exhaust.

"We're very proactive about planning ways to reduce congestion on our roadways and the future development of roads to get around town," says Truckee Mayor Craig Threshie. "The current council is committed to not putting four lanes on Donner Pass Road. I think we have good, appropriate alternatives that we can still accomplish without having such a detrimental impact on town character."

"The challenge we face," says Tony

Lashbrook, Truckee's community development director, "is that 30 years ago when the major developments were created — Glenshire, Tahoe Donner — it committed the community to a vehicle orientation [by] being so spread out. There's been no infrastructure to provide for any other sort of circulation. An aggressive trail network, an open space network will have a very positive impact for pulling the town together."

Truckee's General Plan calls for a system of trails throughout town to create alternative, non-motorized transportation and recreation. "I'm 100 percent certain that Truckee will become more pedestrian-friendly," promises Mayor Threshie. "We are working very

Truckee at the Crossroads

TRUCKEE'S RATHER REMARKABLE CITIZENRY, WELL-EDUCATED AND WORLDLY FOR A TOWN OF ONLY 15,000, WOULD APPEAR TO CONTROL MUCH OF ITS OWN DESTINY. WILL RESIDENTS REAFFIRM GROWTH DECISIONS MADE A DECADE AGO, OR WILL THEY CHOOSE TO APPLY THE BRAKES TO SOME OR ALL OF THEM? THIS AND OTHER QUESTIONS ARE UP FOR DEBATE DURING THE CURRENT RE-EXAMINATION OF THE TOWN'S GENERAL PLAN—A BLUE PRINT FOR THE TRUCKEE OF 2025.

hard at putting together an infrastructure of connected trails for walkers, bikers, skiers.”

The town has also been proactive in making trails a condition of development, notes Leigh Fitzpatrick, executive director of Truckee Trails Foundation (TTF), an organization modeled after a similar group in Park City, Utah. TTF is helping East West Partners build six miles of trails within the Gray's Crossing subdivision that will be part of a network

ultimately connecting eight neighborhoods to downtown Truckee. The Legacy Trail will go from Donner Lake to Glenshire when completed. It's an effort by the Town of Truckee, Truckee Noon Rotary, Truckee Donner Recreation and Park District and TTF.

But some critics say those efforts won't put a ding, let alone a dent, in the traffic gridlock. “I think we're going to be exceeding our capacity for our roads and our infrastructure and making the experience of living here and

coming here unpleasant,” says Olivieri, who in addition to running MAPF also owns the clothing store Cabona's. “As a businessperson, I'm very, very concerned with where we're headed. Without Truckee being a unique experience for the people coming here, they may as well stay home. And ultimately that will have a negative effect on the economic viability of the community.”

Another Truckee traffic issue — increased jet and prop traffic at the town's



salary and have a position with some authority and autonomy and it hasn't been enough.” Schneider is a Plumas Bank vice president and branch manager.

“People think of affordable housing for ‘those people’ and in fact ‘those people’ are the bank tellers and the cashiers and the people that flip burgers,” she says. “I don't know where residents think they're going to get these services if these people leave. And if they can't stay here, what kind of community will we have? We're going to lose the people [who] are the soul of the community. And that's a frightening thought for me.”

Truckee is making some headway in creating affordable housing, however. In December, the

state approved the largest affordable housing grant in the town's history — \$3.6 million — to fund rental housing and loan assistance to first-time homebuyers. Most of it will go toward a low-interest loan to developer Pacific Communities, which will build and own the 92 affordable rental units in Gray's Crossing.

But the need is still great. Truckee projects that the number of jobs within the town will grow by 28 percent over the next five years with many of them in retail sales. Will all those workers need to be bused from Reno? Part of the answer may be found in Truckee's Housing Element plan, which was being finalized at presstime. The plan promotes the creation of affordable housing through the use

of incentives and regulations — the old carrot and stick approach.

The Character Issue

Truckee has always had a strong sense of camaraderie, of community. It's still the sort of place where 500 people turn out for a reception for local artists, and where business people feel hurt if not asked for a donation for a good local cause. It's a place where 600 volunteers collected seven tons of trash on Truckee Day, and a place where 700 people worked on habitat restoration and cleanup on Truckee River Day. Yet some fear that this tight-knit town is destined to evolve into a wealthy enclave of absentee homeowners with no real

airport — was recently addressed by area voters. Truckee Tahoe Airport has been on a path to bigger and better at the cost of the community, according to newly elected Airport Board Director Kathleen Eagan. Two other like-minded candidates were also elected, running on a platform that pledges to increase community involvement in airport decisions, limit airport growth and work to reduce noise impacts on nearby neighborhoods.

Affordable Housing

As blue-collar workers have found out in mountain resorts throughout the West, soaring real estate values can price them out of paradise. Already many Truckee employees have discovered that they can't afford to live

where they work and now commute from Reno or Portola. And as the growing disparity between the haves and have-nots widens, it threatens to cast an exclusive "members-only" pall over town.

Two years ago, when Truckee and North Lake Tahoe businesses realized they were no longer able to attract and retain employees — of almost all income levels — due to a lack of affordable housing, the Workforce Housing Association of Truckee Tahoe (WHATT) was formed.

"We meet with government jurisdictions to make sure some kind of mitigation for affordable housing is built into all developments' general plans," says Rachelle Pellissier, WHATT's executive director, "and

we advocate at specific development hearings for affordable housing.

When the median sales price in Truckee last year jumped 24 percent to \$539,900, that made it very hard for a local resident to purchase anything and stay in the area." Many residents acknowledge they couldn't afford their homes if they had to buy them today, while others have taken advantage of the huge increase in property values, cashed out and moved elsewhere.

"We sort of laugh at this, but I'm becoming the poster child for affordable housing here in Truckee," says Maia Schneider, who was on the Truckee Town Council from 1997 to 2002 and served as mayor in 2000. "I haven't been able to purchase a home. I make a decent



Rachelle Pellissier (far left) is Executive Director of the Workforce Housing Association of Truckee Tahoe (WHATT), an effective advocate for affordable housing in the region. WHATT is helping to create actual, mortar-and-timber solutions to the area's shortage of low- and middle-income homes. Lisa Wallace (left) is Executive Director of the Truckee River Watershed Council, a group that works year-round to protect and restore the river corridor and organizes the annual Truckee River Day in October. Community leaders point to the well-attended Truckee River Day, and other volunteer efforts like it, as evidence of the town's still-strong character.

emotional ties to the community.

"Quickly becoming the swankiest address near the lake," was how *Skiing* magazine described Truckee last September in its "Top 10 Ski Towns" list. To anyone who knows old Truckee, that over-the-top statement was a reality check.

"The culture and values of Truckee are that if you're a part of the community you're involved in it," observes Dobey. "Our challenge as a community is to integrate new people moving in, to get them hooked in and involved."

"We're constantly striving to bring people into the process," echoes Mayor Threshie. "I think we've been pretty successful. Other communities look at Truckee and how we've

done things and they have a high regard for the success we've had. Largely the people who have no contact with the process and no interest in participating are probably the ones who scream the loudest about us losing our community character. And those people are the ones we'd like to see participate most."

According to Threshie, a current priority is updating the town's General Plan to 2025 and making that available for public review and debate. The Town is finalizing pieces of the plan, such as the aforementioned Housing Element. "I think the General Plan is something we can all look at and say 'this is how we define ourselves,'" says Mayor Threshie.

One thing that Truckee's boosters hope will

continue to define the town is the general spirit of cooperation that exists between almost all of its major players, be they developers, city agencies or not-for-profit organizations. "We are really fortunate that people are committed enough to the town," says Lisa Wallace, executive director of the Truckee River Watershed Council, "that given the opportunity to sit down at the same table and work things out, they take it."

There will be plenty to discuss around tables in Truckee over the next few years — compatible development, maintaining community and historic identity, housing workers, and last but not perhaps not least in this still-small, friendly town: not going chichi. ☒