

STAFF REPORT

Date: December 4, 2024

To: Mayor and City Council

Through: Jackie Bryant, Interim City Manager

Subject: Staff Report (For Possible Action): Presentation and discussion regarding at-grade crossing agreements between Union Pacific Railroad and the City of Reno, including an overview of similar agreements and their long term implications for the City, and potential approval of: (1) At-grade crossing agreement with Union Pacific Railroad for Crystal Park Road; and (2) Reimbursement agreement with Toll North Reno, LLC in the amount of \$1,192,786.

From: Michael Mischel, Engineering Manager

Department: Development Services - Engineering

Summary:

The Santerra-Quilici project is located in the Verdi area and is being proposed for development by Toll Brothers (Toll). The project was entitled as LDC21-00017. The project is required to improve the existing at-grade railroad crossing at Crystal Park Road. The UPRR will only enter into an agreement to improve a crossing with a public agency. The Reimbursement Agreement subject of this Council action is between Toll and the City and it proposes that Toll reimburse the City for all costs associated with the improvements, including ongoing maintenance costs. This cost is \$1,192,786. The At-Grade Crossing Agreement subject of this Council action is between the City and the UPRR and outlines the terms and conditions of the construction and maintenance associated with the improved crossing.

Consent Review	Yes	No
1. Is this item an annual or standard item that comes before Council for regular approval?	X	
2. Is this item an agreement required based on an item previously approved by Council?		X
3. Is this item included in the current budget approved and adopted by Council?		X
Other Considerations		
What percent of the total City budget does this item represent?	N/A	

Alignment with Strategic Plan:

Economic and Community Development

Previous Council Action:

The Council approved three separate agreements on March 23, 2022, pertaining to the construction of a secondary access road for the Santerra-Quilici project. One agreement was a reimbursement agreement with Toll North Reno, LLC, in the amount of \$823,284. Another agreement was a purchase agreement between the City and UPRR. The third was an access and utility easement granted to the City from Toll. There is no recent Council action relevant to this item.

Background:

The Santerra-Quilici project is a 1,164 acre development and is located within the Mortensen-Garson Overlay District. It is generally situated south and east of U.S. Highway 80 and southwest of the Boomtown Garson Road overpass. The Truckee River, Quilici Ranch Road, and a Union Pacific rail line run north and south along the west boundary. The Steamboat Ditch runs along the north and west.

The Santerra-Quilici project was entitled in December 2020 as LDC21-00017. The project proposes a total of 1,225 single family units.

Discussion:

Since the UPRR will not enter into a crossing agreement with a private entity and in an effort to allow the Santerra-Quilici project to move forward, the City is agreeable to entering into such an agreement with UPRR, provided the developer pays all costs associated with the agreement. The two agreements in this Council action are: 1) At-Grade Crossing Agreement with Union Pacific Railroad for Crystal Park Road and (2) Reimbursement Agreement with Toll North Reno, LLC in the amount of \$1,192,786.

Financial Implications:

Toll North Reno, LLC is responsible for all construction costs and twenty years of maintenance costs associated with this council action.

Legal Implications:

Legal review completed for compliance with City procedures and Nevada law.

Recommendation:

Staff recommends Council approve the Crossing Agreement and Reimbursement Agreement.

Proposed Motion:

I move to approve the Crossing Agreement and Reimbursement Agreement.

Attachments:

- Vicinity Map
- Crossing Agreement
- Reimbursement Agreement