12-11-2024 - Reno City Council Meeting - Item # C.2 Title 18 Udpates

Written or Voicemail	Name	On Behalf Of	Ward	Email Address	Phone Number	Address	Support	Oppose	Concerned	Total	Date
							0	0	1	1	
Written	Manny Becerra			becerram@reno.gov					1		December 10, 2024 at 3:40 pm

Submission for Public Record: Planning Commission Letter on Data Centers

From Manny Becerra <BecerraM@reno.gov>

Date Tue 12/10/2024 3:40 PM

To Public Comment - CC <PublicComment@reno.gov>

Cc Mike Railey <RaileyM@reno.gov>; Meghan Ebert <EbertM@reno.gov>

🔗 1 attachment (104 KB)

Planning_Commission_Data_Center_Moratorium_Letter_for_Reno_City_Council_mtg_on_2024-12-11.pdf;

Please find attached a letter regarding **data centers**, originating from discussions during the recent Planning Commission meeting on December 5, 2024. This letter is submitted for **inclusion in the public record** for the **Reno City Council meeting** scheduled for **December 11, 2024**, and for the Council's consideration and potential action.

Thank you for your attention to this matter and for ensuring this correspondence is shared with the Council and relevant staff.

Please let me know if any additional information is required at this time.

Manny

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Dear Members of the City Council,

Planning Commissioners are entrusted with complex decision-making about responsible growth, and we are a governing body committed to ensuring development aligns with the ReImagine Reno Master Plan vision for sustainability, equity, and economic vitality. In response to an influx of energy-intensive new data centers it seems timely to contemplate whether a temporary moratorium on new discretionary Conditional Use Permit applications is warranted. During this time, Reno planning staff along with representatives from the utility, the Truckee Meadows Regional Planning Agency, and industry stakeholders are empowered to collaborate on the appropriate ordinances, design standards, fiscal impacts, and/or technical documentation needed to more fully evaluate project and cumulative demands on limited energy and water resources. Since good planning is a future-forward process and action this pause would **not** halt progress but rather ensure that data center development reflects Reno's innovation and sustainability policies and clarify current knowledge gaps encountered in our existing development review process.

Why Comprehensive Policy Development Is Necessary

1. Energy Demands and Sustainability

Data center impacts can vary depending on scale and end customer, but nearly all present unprecedented energy demands, with the first proposed facility consuming approximately 30 megawatts—which is equivalent to powering 46,000 homes or several hospitals simultaneously. There are also two additional projects coming forward which one is a small 'boutique' data center and another which appears to be large enough to be considered 'hyperscale'. Planning Commissioners voiced concerns during the December 5th Planning Commission and underscored the need for policies addressing economic and environmental impacts, and inquired about renewable energy integration (such as consideration of site solar panels, geothermal,or waste heat systems) to help mitigate new load, but to also consider the broader grid resilience implications[1]. Analysts project that growing energy needs, driven by AI applications, could increase dependence on non-renewable sources like natural gas in Nevada, threatening Reno's commitment to sustainability[2]. Without clear policies, Reno risks straining its public infrastructure and falling short of its Sustainability and Climate Action Plan goals[3][5].

2. Policy Gaps and Precedent

Currently, data centers are evaluated under an administrative interpretation added to Title 18 in January 2024. In planning practice it lacks adequate public input and comprehensive guidelines. Commissioners expressed concern about the need for more predictability and actionable standards to guide decisions fairly and transparently[1]. This concern reflects broader challenges, including approved projects that cannot be adequately served or built, which increases risk and undermines long-range urban planning efforts for effective land utilization[4].

3. Community and Equity Concerns

Data centers provide minimal employment opportunities and impose significant resource demands. This imbalance raises equity concerns, particularly for Ward 4, where industrial land-use decisions must be balanced with economic and social benefits for residents[1] who have seen an influx of large warehouses and distribution centers adjacent to homes. The new residential adjacency standards are a good example of how planning can mitigate land use incompatibilities and in this case policies should encourage redevelopment of underutilized properties over greenfield development to conserve land and resources[3].

4. Regional and State Alignment

The State of Nevada's Policy on the Responsible and Ethical Use of Artificial Intelligence emphasizes transparency, sustainability, and equity[4]. Aligning these principles into Reno's data center policies ensures conformance with other frameworks including TMRPA's new Public Infrastructure Plan and Natural Resources Plan. Moreover, the upcoming 83rd (2025) Session of the Nevada Legislature, set to begin on February 3, 2025, is expected to include discussions pertaining to data centers and related legislation. In this way a moratorium can ensure local government actions are consistent with state-level strategies[4].

Recommended Next Steps

1. **Enact a Temporary Moratorium Through June 30, 2025**
   During which the city develops comprehensive policies and engages in discussions and potential legislative action during the 83rd Nevada Legislative Session.

2. **Develop a Comprehensive Policy Framework**
   Draft an amendment to the Reno Land Development code specifying geographies to cluster data centers or provide guidelines for performance standards, and fiscal measures, such as impact fees, to offset resource consumption and incentivize sustainable practices[1,2,3,5].

3. **Leverage Best Practices**
   Explore case studies from other jurisdictions like Loudon County, VA, and Missoula County, MT, which balance data center development with sustainability and community priorities[3].

4. **Foster Transparency and Public Engagement**
   Host public workshops and stakeholder meetings to ensure community voices shape the policy process and build trust among residents, applicants, and city staff[1,3,5].

5. **Ensure State and Regional Alignment**
   Collaborate with TMRPA, TMWA, NV Energy, the Governor's Office of Energy,

Governor's Office of Energy, the State Technology Governance Committee, and the regional Economic Development Authorities for aligned infrastructure strategies[1][4][5].

Conclusion

This moratorium represents an opportunity for Reno to lead by example in northern Nevada. It demonstrates a commitment to plan for sustainable innovation while achieving nimble governance. By proactively addressing this issue, the Council can ensure that data center development will enhance the City of Reno.

We owe it to everyone involved—staff, councils and commissions, project applicants, and, most importantly, Reno residents—to provide predictability and accountability through robust policies that reflect our community's values and priorities. Reliance on administrative standards alone, without meaningful public input, not only falls short of these expectations but also risks eroding trust in our processes. By taking action now and aligning with anticipated discussions during the upcoming legislative session, we might avoid the pitfalls of **uninformed critical decisions**, establish a foundation for **smarter growth**, and ensure **thoughtful, sustainable outcomes**.

We stand ready to work toward an outcome that can benefit all stakeholders. Thank you for your leadership and attention to this critical matter.

References

1. Planning Commission Meeting, December 5th, 2024.

2. Media Coverage: "Data centers hum along in Nevada without much discussion: That should change," Nevada Independent, December 8th, 2024.

3. American Planning Association Zoning Practice, June 2022.

4. State of Nevada's Policy on the Responsible and Ethical Use of Artificial Intelligence, 2024.

5. Reno Resilience, ReEnergize Reno, etc. https://www.reno.gov/community/sustainability