

**PLANNING COMMISSION
STAFF REPORT**

Date: April 2, 2025

To: Reno City Planning Commission

Subject: Staff Report (For Possible Action): Case No. LDC25-00008 (Grand Sierra Resort Arena) - A request has been made for a conditional use permit to allow for the expansion of the Grand Sierra Resort to include construction and operation of: 1) a multi-purpose sports arena, 2) building height greater than 85 feet, and 3) public plaza space for events (amusement or recreation, outside). The development is proposed on a ±27.9 acre portion of a ±138.61 acre site located at the southeast corner of the intersection of the Interstate 580 exit and East Second Street. The site is zoned Mixed-Use Urban/Gaming Overlay (MU/G) and General Commercial (GC) and has a Master Plan designation of Urban Mixed-Use (UMU) and Suburban Mixed-Use (SMU).

From: Nathan Gilbert, Principal Planner

Ward #: 3

Case No.: LDC25-00008

Applicant: Mitch Freeman, Grand Sierra Resort

APN: 012-211-28 & 012-211-24

Request: **Conditional Use Permit:** To allow for: 1) development of a multi-purpose arena, 2) building height greater than 85 feet in the Mixed-Use (MU) zone, and 3) public plaza space for events (amusement or recreation outside).

Location: See Case Maps (**Exhibit A**)

Proposed Motion: Based upon compliance with the applicable findings, I move to approve the conditional use permit, subject to conditions.

Summary: The applicant proposes infill expansion of the Grand Sierra Resort (GSR) property to include a 10,000 seat multi-purpose sports arena, 500 seat indoor community ice rink, outdoor “fan zone” area, and an eight-level parking garage on the northern portion of GSR grounds (**Exhibit B**). Key project issues include: 1) building and site design, 2) traffic, and 3) operational impacts. These issues are mitigated through project design, code compliance, and/or conditions of approval,

as discussed in the analysis below. Staff recommends approval of the conditional use permit (CUP) subject to all proposed conditions.

Background: The Grand Sierra Resort (GSR) property was originally constructed in 1978 as the MGM Grand and has changed ownership and brands several times throughout its history. Since its original construction, numerous entitlements have been approved to facilitate expansions related to property amenities, improvements, and operational models. The site currently features a 27-story hotel tower with 1,990 hotel rooms, $\pm 80,000$ square foot casino floor area, 3,000-seat theater, 50 lane bowling alley, 165,000 square feet of convention area, RV park, and numerous dining, shopping, and entertainment options. The proposed sports arena, parking garage, ice rink, and associated site improvements subject to this CUP request are anticipated to be the first phase of comprehensive redevelopment on the site. Any future expansions would be reviewed through separate permits and/or discretionary entitlements and are not proposed with this CUP request.

Analysis: The project includes a sports arena, with associated parking garage and site improvements, which requires approval of a conditional use permit. The subject site is within the Mixed-Use (MU) zoning district, which requires a site plan review (SPR) to allow the building height greater than 85 feet (arena height), and a minor conditional use permit (MUP) for amusement or recreation outside (“fan zone” plaza area). As a result, the entire application was elevated to a comprehensive CUP.

Project Overview: The request comprises a 295,000 square foot multi-purpose sports arena (10,000 seats), $\pm 45,000$ square foot community ice rink (500 seats), an eight-level parking garage (2,800 spaces), and associated surface parking lot and site improvements. The arena is connected to the northwest corner of the casino building with primary access from the hotel property, secondary access through the exterior “fan zone” plaza, as well as numerous north and south public access points from the surrounding parking areas. The stadium is intended to facilitate the University of Nevada’s men’s basketball team home games, various sporting events, concerts, conventions, and other year-round activities. Amenities will include various retail, restaurants, and food and beverage options. Secondary project components include the attached 500-seat indoor ice rink and an adjacent outdoor “fan zone” public event space area.

Building Design: The arena building (**Exhibit C**) is oriented in an east-west direction with the court level situated 19 feet below the main concourse, which is located at hotel floor level with a 360-degree path of circulation. Arena height is ± 118 feet with the attached north facing ice rink at ± 58 feet in height. Given the centralized location of the facility on the GSR property and connectivity to the existing 27-story hotel, the additional building height above the base 85 feet in the Mixed-Use Urban (MU) zone is appropriate for the use and location. Per RMC 18.04.1003(c)(3) “Ground Level Interest,” 33% of the street facing façade includes transparent glazing (25% required).

Building Signs: The project site is located within a gaming overlay allowing unlimited wall sign area. Project signs include two 1,944 square footlight sensor/video controlled digital signs and two backlit channel letter wall signs on the southeast and northwest portions of the arena. Additional static channel letter wall signage is proposed on the northeast portion of the arena and spanning flat against the roof of the structure. An 1,800 square foot digital sign internal to the site within the “Fan Zone” plaza is proposed (**Exhibit C**). Project materials note that the two west facing digital signs display at 3,000 NITS during the day and 600 NITS at night (code standards allow 5,000 NITS at daytime and 1,500 at night). No monument signs are proposed with this CUP.

Site Design and Landscaping: The ±140-acre GSR property abuts both the East Second Street and Mill Street arterial roads with the existing hotel casino property generally placed within the center. The arena expansion and associated site improvements are oriented towards the north and northwest facing East Second Street. While the MU zone generally encourages street-oriented development, the scale of the project and overall property warrant the proposed placement connecting to the hotel. Code allows this orientation with implementation of specific design mitigations to promote the pedestrian and street environment. Specifically, RMC 18.04.1003(a)(7) “Building Orientation” allows the deviation provided that direct pedestrian access and enhanced landscaping is implemented along the East Second Street frontage with a minimum of 60% of the frontage incorporating pedestrian amenities. A six-foot sidewalk is proposed providing direct access to the open plaza “Fan Zone” and entrances to the arena and ice rink. Additional streetscape landscaping above base standards is required.

The preliminary landscape plan (**Exhibit D**) illustrates general improvements, and full code compliance will be verified at building permit with final design. The northern portion of the site currently utilized for outdoor recreation and nonconforming outdoor storage will be repurposed to accommodate surface parking and primary stadium access from East Second Street. The privately owned 0.64-acre parcel north of the existing loop road (Player’s Sports Bar) is not part of the project. The twelve-foot minimum front setback measured from back of curb includes the sidewalk area and will be fully landscaped above code minimums per RMC building orientation, mature tree removal, and pedestrian amenity standards. Plans estimate that a minimum of 794 new trees will be added to the site area with associated shrubs and groundcover. Modifications will be required at final design to address parking lot edges/islands, parking area walking surfaces (RMC 18.04.804(e)(2)b1b), and other minor modifications.

RMC 18.04.1003(a)(6) “Pedestrian Amenities” requires 1% of project cost towards pedestrian amenities (plazas, artwork, fountains, seating, enhanced landscaping, etc.). Conceptual amenities are illustrated in **Exhibit D** and are focused along East Second Street and the public plaza area, with implementation to be verified at building permit. Existing overhead utility poles along East Second Street will be undergrounded per RMC 18.04.503(c), further enhancing the streetscape.

The arena proposes six loading bays on the west side of the building. While freeway orientation is not considered a parcel frontage, RMC 18.04.808(c)(3) requires all loading areas to be screened from view of public rights-of-way. **Exhibit D** illustrates a compliant site line analysis from Interstate 580, noting a ± 20.3 -foot difference in grade with landscape berm or wall and double row of deciduous trees (40 feet at maturity) and evergreens (30 feet at maturity). **Condition 5** ensures compliance with this code standard for the length of the loading area viewshed.

Parking: Existing GSR operations require a minimum of 2,884 parking space under current code standards. The new arena and ice rink will require 2,386 additional spaces. Additional parking is provided through six new surface parking lots on the northern portion of the site and an eight-level 2,800 space parking garage proposed north of the hotel and south of the private loop-road. All associated site lighting is subject to current RMC Article 13 Exterior Lighting standards. As the arena use is contingent upon construction of the garage, **Condition 6** requires that it be fully operational prior to issuance of the arena's certificate of occupancy. Final parking garage design is subject to all RMC building standards for the MU zone

Traffic: Access to the site is achieved by Second Street to the north, Mill Street to the south, and Greg Street to the east. A Preliminary Traffic Impact Analysis (TIA) was submitted with the application materials. Trip generation is expected to be approximately 2,600 Peak Hour Trips (PHT) arriving and 186 departing (in the PM peak hour), which is a worst-case scenario assuming an event and a theater sell-out are occurring simultaneously. The TIA identifies that the Level of Service (LOS) of nearby intersections are expected to exceed policy standards in this scenario. As some events will be more popular than others, it's understood that most events will not be sold out; therefore, the TIA analysis represents the scenario that is expected to take place roughly seven times throughout a particular year.

East Second Street and the on and off-ramp terminal intersections on Mill Street are Nevada Department of Transportation (NDOT) facilities. All permits and approvals for modifications are subject to NDOT approval. City, NDOT, and Regional Transportation Commission (RTC) staff reviewed several incarnations of proposed traffic mitigations. Intelligent Transportation Systems, dynamic lanes and dynamic message signs, event traffic control, and temporary signal timing changes at appropriate intersections during events were originally proposed in the TIA as temporary traffic mitigations. Based on agency feedback, permanent directional lane use alterations and a new right turn lane on East Second Street are proposed to mitigate event traffic impacts as a preferred design solution (**Exhibit E**). The revised concept is anticipated to alleviate the need for event related street management and permitting. A final traffic impact study incorporating the noted improvements is required prior to arena permitting, subject to review by NDOT, RTC, and approval by City staff. All permitting in NDOT right-of-way is subject to agency approval (**Condition 7**). The revised concept anticipates the need for a temporary adjusted signal timing program for events currently estimated at over $\pm 8,000$ attendees. **Condition 8** ensures that

City resources needed for administering temporary signal timing modifications are adequately addressed for the life of the project and that any associated costs are the responsibility of the applicant.

Compatibility with Surrounding Uses: Surrounding land uses include the Reno-Sparks Indian Colony (RSIC) commercial properties to the north of East Second Street (Walmart), a Truckee Meadows Water Authority (TMWA) treatment plant ±170 feet to the east across the river, the southern portion of the GSR property to the south, and a RSIC residential community on the west side of Interstate I-580, ±610 feet from the project site. The land uses surrounding the site are summarized in the table below.

Adjacent Properties to Project Area		
	Zoning	Use
North	Commercial – Reno Sparks Indian Colony (RSIC)	Walmart and Vacant Land (RSIC)
East	Public Facility (PF - City of Sparks)	TMWA Water Treatment Plant
South	Mixed-Use Urban (MU)	Grand Sierra Resort Facilities
West	NDOT right-of way, Residential (RSIC)	I-80 Freeway and Reno Sparks Indian Colony Residential Community.

Utilities: TMWA will provide water service, Waste Management for solid waste disposal, and City of Reno sewer will be extended by the applicant to the site to serve the development. Infrastructure required to serve the site (i.e. sewer, storm drainage, water and power) will be further reviewed during the review of the permit requests to develop the site. A water “Will Serve” from TMWA will be required prior to any building permit.

Floodplain Management: The site is partially in a FEMA Shaded X flood zone (0.2-1% flood risk). The applicant will be required to comply with RMC 18.04.102 as it applies to elevation and floodproofing.

Sewer: The Preliminary Sewer Report indicates that the development would increase flows by an estimated 169,200 gallons per day. According to Utility Services staff, there are no capacity concerns regarding the downstream public sewer infrastructure. The Truckee Meadows Water Reclamation Facility (TMWRF) can accommodate additional treatment capacity. The applicant shall analyze the capacity in the downstream private and public lines to the nearest interceptor in accordance with the Public Works Design Manual (PWDM).

The project includes relocation of a 39-inch sanitary sewer interceptor, which currently traverses the GSR parcel. Relocation of the line is necessary to facilitate the construction of the proposed parking garage. Development Services Engineering and Utility Services staff have been actively coordinating with the applicant's engineer on the design of the sewer relocation. As the existing interceptor is partially located within the footprint of the proposed parking garage, the sanitary sewer relocation must be complete and functional prior to issuance of any permit to construct the parking garage **(Condition 9)**. Existing sewer easements along the current sanitary sewer interceptor alignment shall be relinquished and new easements implemented along the revised alignment during the project and prior to acceptance of the line in accordance with the PWDM **(Condition 10)**. As the sanitary sewer interceptor will be active during relocation construction, the applicant shall maintain access to City of Reno maintenance crews during construction **(Condition 11)**. Prior to approval of any permit associated with the sewer interceptor relocation, the applicant shall submit a sewer bypass plan to the satisfaction of Utility Services, Development Services, and Public Works **(Condition 12)**.

Master Plan Conformance: Most of the subject site has a Master Plan land use designation of Urban Mixed-Use (UMU) and is designated as a Mixed-Use Area per the Structure Plan Framework of the Master Plan. The larger GSR property and secondary access to the arena portion is located along the Mill Street Urban Corridor. These designations support higher-intensity development to support pedestrian and transit-oriented uses and commercial, residential, and community-oriented uses to serve the broader community. As proposed and with the recommended conditions, the project is in conformance with the UMU land use designation and the following applicable Master Plan goals and policies:

- General Policy 1.2A: Arts and Outdoor Recreation Tourism
- General Policy 1.5B: Urban Revitalization
- General Policy 2.2A: Priority Locations for Infill and Redevelopment
- General Policy 2.2B: Underutilized Properties
- General Policy 2.4J: Reno Sparks Indian Colony
- Area Specific Policy C-UC.3: Gaming
- Area Specific Policy C-UC.7: Complete Streets
- Area Specific Policy C-UC.10: Pedestrian/Bicycle Connectivity
- Area Specific Policy C-UC.16: Parking Structures

Public and Stakeholder Engagement: The project was reviewed by various City divisions and partner agencies and noted concerns **(Exhibit F)** were addressed during project review. Specifically, the RSIC and RTC expressed concern regarding the relocation of the East Second Street RTC bus stop proposed in original materials. Per **Condition 7**, the bus stop would be relocated closer to the existing pedestrian crosswalk leading to the Colony's commercial properties than its current location. **Condition 13** requires coordination with RTC to ensure adequate and

continuous bus stop service on East Second Street. The Reno-Tahoe Airport Authority (RTAA) requested conditions related to federal permitting and modifications to aviation easements are addressed in **Conditions 14 -15**.

A courtesy notice was sent out to surrounding property owners upon initial submission of the project and no public comments were received. The applicant presented the project to the Ward 3 Neighborhood Advisory Board (NAB) on October 1, 2024. A summary of NAB comments is included as **Exhibit G**. Any future comments will be forwarded to the Planning Commission as they are received.

Recommended Conditions of Approval: All conditions shall be met to the satisfaction of Development Services staff, unless otherwise noted.

1. The project shall comply with all applicable City codes, plans, reports, materials, etc., as submitted. In the event of a conflict between said plans, reports, materials, and City codes, City Codes shall prevail. Where not specifically addressed in the application, City codes in effect at the time the application is submitted, shall prevail. Applicability to Title 18 codes shall apply the January 8, 2025, amendment.
2. The applicant shall apply for all building permits for the project within 18 months from the date of final approval, and continuously maintain the validity of those permits, or this approval shall be null and void.
3. Prior to the issuance of any building permit or business license associated with the request, the applicant shall attach a copy of the final approval letter. The approval letter shall accompany a narrative provided by the applicant that describes how the requested permit addresses each of the approved conditions of approval.
4. The applicant, developer, builder, property owner, or business proprietor, as applicable, shall continuously maintain a copy of this approval letter on the project site during the construction and operation of the project/business. The approval letter shall be posted or made readily available upon demand by City staff.
5. Prior to issuance of arena site improvement permits, plans shall demonstrate compliance with RMC loading area screening requirements for the length of the I-580 viewshed consistent with **Exhibit D**.
6. Prior to the issuance of a certificate of occupancy for the arena, the applicant shall demonstrate that all required parking, including the parking garage, is fully operational.
7. Prior to the issuance of any permit for vertical construction of the arena, a revised traffic report consistent with improvements listed in **Exhibit E** shall be reviewed by City, RTC,

and NDOT staff. The report and traffic mitigations are subject to staff approval and NDOT permitting. Additional traffic mitigations may be required prior to acceptance. All required structural improvements and operational mitigations outlined in the final approved traffic report shall be implemented prior to the issuance of a certificate of occupancy for the arena.

8. Prior to the issuance of a certificate of occupancy for the arena, the applicant and City shall enter into reimbursement agreement, or similar mechanism, to ensure that City resources needed for administering temporary signal timing modifications are adequately addressed for the life of the project. The agreement shall specify that any associated costs are the responsibility of the applicant.
9. The existing sanitary sewer interceptor shall be relocated outside of the footprint of the parking garage, appropriately permitted, and functional prior to the issuance of any permit to construct the parking garage.
10. Sewer easements along the existing sanitary sewer interceptor alignment shall be relinquished and new easements shall be implemented along the new alignment during the project and prior to acceptance of the line in accordance with the Public Works Design Manual.
11. As the sanitary sewer interceptor will be active during the relocation, the applicant shall maintain access to City of Reno maintenance crews during construction.
12. Prior to approval of any permit associated with the sewer interceptor relocation, the applicant shall submit a sewer bypass plan to the satisfaction of Utility Services, Development Services, and Public Works.
13. Prior to the issuance of any building permit, the applicant shall coordinate with RTC to develop mitigations to maintain adequate transit service during construction. Proposed mitigations shall be subject to staff approval and noted in construction documents.
14. Prior to the issuance of any permit for vertical construction or construction activity requiring any cranes, the applicant shall submit all necessary FAA Form(s) 7460-1, Notice of Proposed Construction or Alteration, the Chief, Air Traffic Division, FAA Western-Pacific Regional Office, for obstruction analysis of all new structures and temporary cranes. Based on the complexity of this project, multiple submittals are likely necessary to fully detail the entirety of the new structures. Any changes, special requirements, or supplemental information requested by the FAA in its review shall be incorporated.
15. Prior to the issuance of any permit for vertical construction, the applicant shall demonstrate that aviation easements noted in RTAA's comment letter (Exhibit F) have been updated as requested.

Findings:

General Review Criteria: The decision-making body shall review all development applications for compliance with the applicable general review criteria stated below.

- 1) Consistency with the Reno Master Plan: The proposed development shall be consistent with the Reno Master Plan. The decision-making authority:
 - a. Shall weigh competing plan goals, policies, and strategies; and
 - b. May approve an application that provides a public benefit even if the development is contrary to some of the goals, policies, or strategies in the Reno Master Plan.
- 2) Compliance with Title 18: The proposed development shall comply with all applicable standards in this Title, unless the standard is lawfully modified or varied. Compliance with these standards is applied at the level of detail required for the subject submittal.
- 3) Mitigates Traffic Impacts: The project mitigates traffic impacts based on applicable standards of the City of Reno and the Regional Transportation Commission.
- 4) Provides Safe Environment: The project provides a safe environment for pedestrians and people on bicycles.
- 5) Rational Phasing Plan. If the application involves phases, each phase of the proposed development contains all of the required streets, utilities, landscaping, open space, and other improvements that are required to serve or otherwise accompany the completed phases of the project, and shall not depend on subsequent phases for those improvements.

Conditional Use Permit: In addition to meeting the criteria in Section 18.08.304(e), *Approval Criteria Applicable to all Applications*, the following findings shall be made prior to granting a conditional use permit:

- 1) The proposed location of the use is in accordance with the objectives of this Title and the purpose of the zoning district in which the site is located;
- 2) The proposed land use and project design is compatible with surrounding development;
- 3) The proposed land use and project design is consistent with applicable development standards;
- 4) Public services and facilities are available to serve the project, or will be provided with development;
- 5) The characteristics of the use as proposed and as may be conditioned are reasonably compatible with the types of use permitted in the surrounding area; and
- 6) The granting of the conditional use permit will not be materially detrimental to the public health, safety, or welfare. The factors to be considered in evaluating this application shall include:
 - a. Property damage or nuisance resulting from noise, smoke, odor, dust, vibration, or illumination; and
 - b. Any hazard to persons and property.

Attachments:

Exhibit A - Case Maps

Exhibit B – Site Plans

Exhibit C – Building Elevations

Exhibit D – Landscaping, Amenities, and Site Line

Exhibit E – Traffic Diagrams

Exhibit F – Agency Comments

Exhibit G – Ward 3 NAB Summary