



MINUTES

Regular Meeting

Reno City Planning Commission

Wednesday, January 15, 2025 • 6:00 PM

Reno City Council Chamber, One East First Street, Reno, NV 89501

Commissioners			
Harris Armstrong, Chair 326-8859			
Kerry Rohrmeier, Vice Chair	326-8864	J.D. Drakulich	326-8861
Manny Becerra	326-8860	Alex Velto	326-8858
Christina Del Villar	326-8862	Silvia Villanueva	326-8863

1 Pledge of Allegiance

Commissioner Velto led the Pledge of Allegiance.

2 Roll Call

All commissioners were present.

3 Public Comment (This item is for either public comment on any action item or for any general public comment.)

Olivia Tanager
Cathy Fulkerson
Bari Levinson
Chris Bell
Lisa Hill (via Zoom)
Rose Wolterbeek
Helena Coughlin

Correspondence received was forwarded to the Planning Commission and entered into the public record.

4 Approval of Minutes (For Possible Action)

- 4.1 Reno City Planning Commission - Regular - April 17, 2024 6:00 PM (For Possible Action)

Mr. Foster explained for Commissioner Villanueva that this zone change will essentially align this parcel with existing zoning to the north and south.

Mr. Sims confirmed for Commissioner Del Villar that with future development they will try to preserve as many existing trees as possible.

Discussion:

Commissioner Villanueva stated the application is just a zoning map amendment. There will be an opportunity for neighbors to come in down the road once information is available about the type of development that will be put in.

It was moved by Manny Becerra, seconded by Christina Del Villar, to recommend that the City Council approve the zoning map amendment. Motion Pass.

RESULT:	Approve [6 TO 0]
MOVER:	Manny Becerra, Commissioner
SECONDER:	Christina Del Villar, Commissioner
AYES:	Becerra, Del Villar, Drakulich, Rohrmeier, Velto, Villanueva
NAYS:	
ABSENT:	
ABSTAIN:	
RECUSED:	

- 6.3 Staff Report (For Possible Action): Case No. **LDC25-00022 (Oppidan 5MW Data Center)** - A request has been made for a conditional use permit to allow: 1) development of a data center, and 2) business operations between 11:00 p.m. and 6:00 a.m. The ±7.02 acre site is located on the north side of North Virginia Street ±2,470 feet east of its intersection with Stead Boulevard. The site is zoned Industrial Commercial (IC) and has a Master Plan land use designation of Industrial (I). **[Ward 4]**

Jeff Foster, Associate Planner, gave the staff presentation.

Dylan Rusk, Applicant's Representative, gave the applicant presentation.

Disclosures: familiar with the site, read emails, spoke to the applicant at the NAB, met with the applicant's representative, conducted outside research on data centers, reviewed materials for this project. Commissioner Becerra disclosed that he was on the board of the Sierra Club two or three years ago, and he previously met with a member of the Dolan family.

Public Comment:

Rose Wolterbeek
Jack Hawkins
Lisa Hill (via Zoom)

Correspondence received was forwarded to the Planning Commission and entered into the public record.

Questions:

Mr. Foster answered questions from Commissioner Velto regarding allowed uses by right for this type of zoning. He explained that uses allowed by right would not require a review from the Planning Commission and City Council if they do not trigger the need for an entitlement.

Mr. Foster answered questions from Commissioner Velto regarding water use related to conditional use permit finding 6. He confirmed for Commissioner Velto that another type of use that would use a great deal more water than this data center could be allowed here by right. He also explained that evidence of TMWA's ability to serve a use is not required during entitlement review but is reviewed during the building permit stage.

Mr. Rusk answered questions from Commissioner Velto regarding how this project is different from other data centers in terms of water usage. He explained the main difference is in cooling systems. This project is using evaporative cooling, which is more efficient from a power standpoint than what is required for rack/HVAC systems.

Commissioner Becerra asked why a cooling method that is not allowed in southern Nevada would be allowed in northern Nevada.

Mr. Rusk stated he does not know why it is not allowed or why there is a moratorium on them in southern Nevada.

Commissioner Becerra explained for Commissioner Drakulich that his information about southern Nevada comes from personal research.

Chair Rohrmeier asked if the applicant had considered a mechanical cooling system as an alternative to make this project possible.

Mr. Rusk stated they have not in this area due to the fact that they have not considered the power requirement with NV Energy.

Chair Rohrmeier stated that in Nevada we can't create water but we can create energy.

Mr. Rusk answered questions from Commissioner Del Villar regarding water usage and explained that the water is recycled over the evaporative fans. Once the water reaches a certain saturation point, it will be disposed of through the city sewer lines.

Mr. Foster answered questions from Commissioner Del Villar regarding sewer capacity.

Mike Mischel, Development Services Engineering Manager, confirmed for Commissioner Del Villar that development that pays for sewer service first, gets service first.

Mr. Foster explained for Commissioner Becerra how this project compares to the next data center on the agenda. They are proposing similar sustainability measures.

Mike Railey, Development Services Planning Manager, stated they need to consider each request individually on their own merits.

Commissioner Villanueva asked the applicant if there was any information in the will serve letter from NV Energy regarding any potential increases to ratepayers as a result of serving this facility.

Mr. Rusk stated there was no mention of that.

Commissioner Villanueva asked if there is any infrastructure assistance being made in the application.

Suzanne Groneman, Sustainability and Utility Relations Manager, explained that any time the utility issues a will serve letter and says we can utilize an existing resource, it is already part of their Integrated Resource Plan (IRP) and does not have a rate impact. If they have to build a new resource, there could potentially be a rate impact. She confirmed that this project will not require building a new resource.

Ms. Groneman explained for Commissioner Villanueva that there is no way to forecast if the threshold for requiring a new resource would be reached sooner as a result of this project. She explained the NV Energy process for updating their IRP every three years and how they evaluate their ability to serve.

Chair Rohrmeier and Mr. Rusk discussed the difference in energy needs with and without the proposed water cooling method. Mr. Rusk stated it was his understanding, based on discussion during a previous data center application

hearing, that the main concern for the commission is power and there is a trade-off here with water.

Commissioner Villanueva mentioned past energy black-out notifications and referenced a conditional use permit finding related to projects being materially detrimental to the public health, safety and welfare. This project produces a lot of energy use and that typically increases pollution, heating effects, and indirectly elevates global warming that can lead to fires. She asked staff if they would agree that this project could indirectly contribute to those health risks.

Mr. Foster stated anything that adds heat can potentially add to that overall burden, just as any other use on this site would.

Commissioner Villanueva asked staff if they would agree that impacts health, safety and welfare of the community.

Mr. Foster explained that finding typically involves things like pollution, light, noise, dust, and vibrations.

Mr. Railey stated they are getting out of the realm of Planning's expertise making broad speculations.

Commissioner Becerra asked what the long-term economic benefits are of this data center for the local Reno workforce.

Commissioner Velto asked what that question is tied to in terms of the findings they are supposed to make.

Commissioner Becerra stated the community compatibility.

Commissioner Velto asked how it is tied to compatibility. He stated future job growth is not tied to any finding they are required to make. He expressed concern that the more they get off track the more precarious of a position they put the city in as they go down the road of considering these projects.

Commissioner Villanueva stated they are also an advisory board.

Commissioner Velto stated we are a board that makes factual findings based on evidence presented to us and make findings set by statute and the code.

Mr. Railey stated pending no appeals, the decision of this board is final.

Commissioner Becerra asked staff if they would answer his question regarding economic benefits.

Mr. Foster stated the number presented on December 18th from another data center was a large number and he would imagine this would be a large number as well.

Commissioner Becerra asked if the sustainability component is something required by the city or proposed by the applicant.

Mr. Foster stated there are no specific thresholds for sustainability criteria. The applicant proposed them and they are similar to what was proposed for the other data center projects that have and will come before this body. The proposed sustainability components are in line with the sustainability policies and goals in the Master Plan.

Commissioner Drakulich expressed concern that they are going outside of their purview and he would like to hear under discussion what findings can't be made by those looking to deny the application.

Commissioner Villanueva confirmed with staff that this application was evaluated under the administrative interpretation on data centers. She read NRS Chapter 18.03.205(a) Classification of New and Unlisted Uses - Administrator Determination of Appropriate Use Category and Use Type and stated for the record that the use requirement for public utilities was supposed to be considered and she does not know that it was unless she sees the administrative interpretation.

Commissioner Becerra asked for clarification on General Review Criteria Finding 1.b that states an application can be approved even if the development is contrary to some of the goals, policies, or strategies in the Reno Master Plan.

Mr. Foster stated not every project is going to be 100% compliant with every goal and policy in the Master Plan and explained that it is subjective and staff looks at them on balance. On balance, staff has determined that this project lines up with the Master Plan.

Discussion:

Commissioner Velto stated we just approved a data center 1,000 feet from this project. We determined that this type of project is compatible when there were no other data centers around. Now that there is an approval of a data center, the compatibility finding is very easy to make. This has all the same features as a warehouse. The only distinction I am hearing from this proposal and the Webb Data Center is the method of cooling. I am a little concerned that this

Planning Commission is playing whack-a-mole with what it wants to consider because I heard from some of the commissioners at the last meeting that there were concerns about the energy usage and now this applicant is coming forward with a project that does not use as much energy by using a different method of cooling and now we're concerned about water. I understand we should think about water conservation but unless there is evidence before us that speaks to how it would affect public welfare, I don't think that invalidates conditional use permit finding 6, and I am not hearing anything saying we can't serve it with water. Based on that, I can make the finding under conditional use permit finding 6 and find that we have enough public resources and that there is not any harm done. Given that there can already be intensive industrial uses here by right, this commission needs to consider what is being proposed compared to those uses allowed by right that could be more water use intensive. I am not hearing anything unique with this conditional use permit that would invalidate any of the findings or trigger any of the harms that have been asked about by the commission. The Planning Commission is not part of the appeal process for the administrative interpretation so this commission cannot second-guess the administrative interpretation. When we look at what we are supposed to be applying, this is an allowed use under the administrative interpretation and that is the law we have to apply. We are not a policy board. We make findings and apply the policy that has been adopted by the city. For us to apply some sort of moratorium would fall outside the scope of our role and we need to be cautious about trying to create policy here as opposed to letting the City Council direct us. I can make all the findings. I am concerned we are continually trying to create roadblocks for development that is clearly compatible and permissible under the findings.

Commissioner Drakulich asked Legal Counsel to comment on Commissioner Velto's comments.

Karl Hall, City Attorney, stated he agrees with Commissioner Velto's observations. We have strayed from the findings. This is a hearing on a conditional use permit and we haven't really discussed any of the findings or the facts which would support your ability or inability to make any of the findings. So, if we can focus on the findings and make a factual record as to what your observations are with respect to the presentation, we can move on with this in the proper fashion.

Chair Rohrmeier stated there was a discussion held at the last City Council meeting so that is added context. We might not be a policy board but that policy discussion is taking place and direction is coming and perhaps a moratorium is appropriate. We don't make that decision but there is a difference between finite resources and resources that can be created from the sun for example. For that reason, I can't make finding number 4 because the

water intensity is equivalent to about two golf courses and it is only a 60,000 square foot building that employs eight people. I think there is an opportunity cost there that our city shouldn't make.

Commissioner Becerra stated he has the same position as Chair Rohrmeier with the inability to make those findings. He added that we are playing whack-a-mole and he has been clear about it since day one that he does not want to do that. I am glad City Council has recently taken up the conversation to explore some policies at that level. I want to remind folks of what our staff member said that their review on this is on balance. It is also subjective. We are public officials. We are here on behalf of the public's interest as well to weigh out their concerns and the long-term benefits. I am not able to make the same finding as Chair Rohrmeier on this particular one. I think it is interesting that we say that now that there is a data center down the street that there is a comparable but at the same time we say every project will be reviewed on its own merits. It seems like we are trying to have it both ways.

Commissioner Del Villar stated she also cannot make the findings. I also can't make the findings on the general Master Plan based on sustainability around green building and sustainability, energy and water conservation, and renewable energy. A larger discussion is needed and policies and guidelines. I get the need for data centers and I use artificial intelligence that they facilitate all the time but I think there needs to be guidelines and criteria put in place to help us make better decisions.

Commissioner Villanueva stated she will echo a lot of what her colleagues just mentioned regarding the application. The request in front of us is to allow the development of a data center and so when we consider the findings in front of us we have general review criteria which includes consistency with the Master Plan. This may not be a policy board but we are here to consider the policies set forth in the Master Plan. When we get to the conditional use permit health, safety, and welfare, I am concerned about the heating effect especially in one of the nation's fastest warming cities. Health, safety, and welfare, that plays a role here. I am not going to reiterate why, I already had that discussion with Mr. Foster. As far as public services and facilities, it is clear, sewage, water, utility, infrastructure, and energy, so as far as making the findings, unfortunately I cannot make the findings. Not to say I don't want to see data centers here but I do think we need to have a deeper conversation about what that looks like and set some strict criteria as far as what the community would like to see for data centers here. I am not a member of the City Council but it does appear that there is an interest in having a moratorium on data centers. So if the application fails here, there is still another opportunity and you guys can have that conversation with City Council. They are elected officials and are more apt to have that conversation.

Commissioner Drakulich stated he can make all the findings and supports this project. I believe the findings other commissioners stated they can't make put an undue burden on the applicant. I don't like the position that puts us in.

Commissioner Velto stated regarding finding 4 about public services and facilities being available to serve the project, there are will-serve letters for the relevant facilities. That language for public services and facilities does not say that there are public resources available. It is specific to services and facilities, which means there must be infrastructure available, not resources so I think it is strange to read it any differently when you're talking about finding 4.

Chair Rohrmeier stated she just learned that is tied to the building permit so the will-serve is not really pertinent at our stage. Also, the regional water authority is starting to evaluate the applications and prioritizing different types of uses that are beneficial over these large users.

Commissioner Velto stated the fact that it comes at the building stage supports making the finding because if there is not the ability to serve, the project will not proceed and not receive approval to go at that point.

Commissioner Villanueva asked what the impact is on others long-term and what does that look like for rate-payers long-term. I think those are things we need to consider.

Commissioner Velto asked which finding that falls under.

Commissioner Villanueva stated conditional use permit finding 4.

Commissioner Velto stated I would agree with you if there had been evidence presented tonight that said if we approve this project and it receives energy, then a housing development will not receive power. If there were evidence of that in the record, I would agree with you. The problem with the question is that it assumes there is evidence to reach that conclusion.

Commissioner Villanueva stated there is nothing to the contrary presented.

Commissioner Velto asked if she wants the applicant to prove a negative that it won't happen.

Commissioner Villanueva said let's get the PUC, let's get someone from NV Energy, but the application in front of us does not allow for that. There hasn't been enough conversation regarding this matter. There is not enough in the development code for us to make a proper decision today.

Commissioner Velto stated there is. There is an administrative interpretation and you want to place the burden on the applicant any time there is an increase in the use of power or water to bring someone in from the PUC. That is a ridiculous standard for development.

Commissioner Villanueva stated when it impacts the community to this degree, I think so.

Chair Rohrmeier read the appeal process into the record.

It was moved by Alex Velto, seconded by J.D. Drakulich, to approve the conditional use permit, subject to the conditions listed in the staff report. Motion Fail.

RESULT:	Approve [2 TO 4]
MOVER:	Alex Velto, Commissioner
SECONDER:	J.D. Drakulich, Commissioner
AYES:	Drakulich, Velto
NAYS:	Manny Becerra, Christina Del Villar, Kerry Rohrmeier, Silvia Villanueva
ABSENT:	
ABSTAIN:	
RECUSED:	

- 6.4 Staff Report (For Possible Action): Case No. **LDC25-00026 (Keystone Data Center)** - A request has been made for a conditional use permit to allow: 1) development of a data center; and 2) business operations between 11:00 p.m. and 6:00 a.m. The ±3.26 acre site is located on the west side of Keystone Avenue ±335 feet north of its intersection with West Second Street. The site is zoned General Commercial (GC) and Industrial (I) and has Master Plan land use designations of Suburban Mixed-Use (SMU) and Mixed- Employment (ME). **[Ward 1]**

Jeff Foster, Associate Planner, gave the staff presentation.

Chris Weasler, CEO of Centra, and Josh Hindo, Kimley-Horn, gave the applicant presentation.

Disclosures: familiar with the site, read emails, met with the applicant's representative

Public Comment:

Lisa Hill (via Zoom)
Lily Baran (via Zoom)
Danielle Wyss