

**PLANNING COMMISSION
STAFF REPORT**

Date: March 20, 2024

To: Reno City Planning Commission

Subject: Staff Report (For Possible Action): Case No. LDC24-00035 (North Virginia and Webb Industrial) - A request has been made for a conditional use permit to: a) allow the operation between the hours of 11:00 p.m. and 6:00 a.m.; b) allow grading resulting in fills greater than 10 feet; and c) allow the disturbance of a major drainageway with the development of an industrial warehouse building. The ±9.02 acre site is located on the north side of North Virginia Street, ±860 feet east of its intersection with Stead Boulevard. The site is within the Industrial Commercial (IC) and Mixed-Use Suburban (MS) zones and has a Master Plan land use designation of Industrial (I).

From: Carter Williams, Associate Planner

Ward #: 4

Case No.: LDC24-00035 (North Virginia and Webb Industrial)

Applicant: McKenzie Capital Partners LLC

APN: 082-101-13, -14, -19, & -20

Request: Conditional Use Permit:

- a) To allow the operation between the hours of 11:00 p.m. and 6:00 a.m.;
- b) To allow grading resulting in fills greater than 10 feet; and
- c) To allow the disturbance of a major drainageway with the development of an industrial warehouse building

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 listed in the staff report.

Summary: The ±9.02-acre project site includes four parcels located on the north side of North Virginia Street, ±860 feet east of its intersection with Stead Boulevard. The proposed conditional use permit would allow for the development of an industrial warehouse building that would result

in fills greater than 10 feet and disturbance of a major drainageway. The applicant also proposes operations between the hours of 11:00 p.m. and 6:00 a.m. Key issues analyzed in this report include: 1) natural resource protection, 2) grading, and 3) compatibility with surrounding uses. Staff recommends approval of the application with the proposed conditions of approval.

Analysis:

Site Design: The proposed site plan includes the construction of two industrial warehouse buildings totaling ±164,160 square feet in building area with associated site improvements including parking, landscaping, and drainage facilities (**Exhibit B**). As the site includes four parcels that would conflict with the location of proposed buildings, **Condition No. 6** is recommended to require that a reversion to acreage map be recorded to ensure that buildings are not constructed over property lines. The applicant proposes constructing a minimum six-foot-wide sidewalk in coordination with improvements planned by the Regional Transportation Commission (RTC).

The site is split into two zoning designations (MS & IC) which differ in standards for landscaping. The landscaping requirements were calculated based on each respective district area; however, the proposed landscape is distributed throughout, with particular emphasis on the drainageway course (**Exhibit C**). As industrial districts only require a 10-foot strip to be landscaped along the street frontage, the proposed landscape area greatly exceeds the combined landscape requirements with 22.7 percent of the site to be landscaped. Truck docks associated with the warehouse buildings are aimed interior to the site and loading areas are screened from the street using a combination of landscaping and screen walls.

Compatibility with Surrounding Uses: The applicant requests to allow indoor operations 24 hours a day, seven days a week. The nearest residentially zoned property is at least 1,500 feet away from the site and separated by a freeway; however, there are two mobile home parks within 500 feet from the site. This area is generally characterized by industrial that would allow for 24-hour operations indoors by-right, including the northwestern portion of the subject property. There are significant buffers between this site and the two mobile home parks, so it is not anticipated that indoor operations would have impacts upon the nearby residential uses. Staff does, however, recommend a condition to limit the hours of truck arrival, departures, and on-site movement to between the hours of 6:00 a.m. and 10:00 p.m. (**Condition No. 7**).

Major Drainageway: The application proposes limited disturbance of a major drainageway. The existing course of the drainageway starts at the southeast corner of the site, runs generally northwest along North Virginia Street, and meets with a lesser drainage course to continue northeast (**Exhibit D**). The drainageway is piped to the south and north of the site with past development; however, the Reno Municipal Code requires intensive scrutiny whenever a major

drainageway is disturbed and requires not only the preservation of existing drainage courses but indicates a developer's responsibility to restore drainageways. The major drainageway in question appears to have been disturbed in the past due to past grading activities and the construction of North Virginia Street.

The applicant proposes to generally leave the major drainageway in its current location and character at the northwest end of the site. There is minor encroachment proposed that is required to be revegetated and restored. Otherwise, existing riparian vegetation is to remain. An extensive coordination period spanning over months has occurred regarding the existing drainageway course that runs along North Virginia Street. Its proximity to the roadway appears to have long resulted in the degradation of its condition. With the oncoming widening and pedestrian improvements proposed by RTC, it appears that the best alternative is to pipe this section to outlet at the juncture where the two drainageways combine. A number of alternatives have been analyzed up to this point including the option to relocate the drainageway or to pipe the portion up to the driveway access. These solutions would either be unfeasible or only serve as a temporary solution due to the road widening and need for pedestrian access in this area. Staff is supportive of this alternative because it considers the infrastructure needs for this area while still providing for the preservation and enhancement of the greater portion of the major drainageway that runs through the site. **Condition No. 8** is recommended to indicate the degree of disturbance that is appropriate for the implementation of this project.

Site Grading: This application also proposes fills greater than ten feet with the proposed grading (**Exhibit E**). The location of these fills is to the rear of the site, would not impact the major drainageway, and are limited in scope to filling cavities in the earth that do not impact any significant hillside or topographical features. By allowing the fill of these portions of the site, it supports a site plan for development that pushes buildings and other improvements further southeast, reducing the need to further disturb the major drainageway.

Traffic, Access, and Circulation: The project site proposes access through three driveways on North Virginia Street. The westernmost and easternmost driveways are to be limited to right-in and right-out traffic maneuvers only. Three driveways are needed to provide circulation around the two buildings, with the center driveway providing primary access to the site. Pork chop islands are proposed for the west and east driveways to restrict turn movements and enhance safety. No right turn deceleration lanes or acceleration lanes are necessary to meet traffic safety standards.

The proposed warehouse project is anticipated to generate 282 Daily, 28 AM peak hour, and 30 PM peak hour trips. This is considered a very low trip generating use which would not warrant a traffic entry and access study per RMC Section 18.04.601. The project will pay standard regional road impact fees (RRIF) which are used to mitigate impacts on the regional roadway network.

The Regional Transportation Commission (RTC) classifies North Virginia Street as a Moderate Access Control Arterial in the 2050 Regional Transportation Plan (RTP). The RTC has a roadway improvement project planned in this area that would widen North Virginia Street and provide a center left turn lane. The project proposes to provide a six-foot-wide sidewalk along their project frontage and the location of this sidewalk would be coordinated with the RTC's roadway design planning to minimize risk of it needing to be relocated in the future with the construction of RTC's project.

Public Utilities: Sanitary sewer from the site will be treated at the Reno-Stead Water Reclamation Facility (RSWRF). There is limited sewer capacity remaining at RSWRF connected to a short-term capacity project that diverts or "shaves" the raw sewage flow to a pipe that is used to pump sludge to the Truckee Meadows Water Reclamation Facility (TMWRF) for processing. The limit on sewer capacity was primarily to allow the remaining flow potential to be used to reduce the volume of effluent going to Swan Lake, which reduces the potential for flooding from this source. Since that time, a project was constructed to pump water directly out of Swan Lake during the irrigation months (April through October) and has been very effective in managing the water level at the lake. The long-term solution for increasing wastewater treatment capacity is the expansion of RSWRF from two million gallons per day (MGD) to four MGD and the Advanced Purified Water Facility and American Flat Aquifer Storage and Recovery project.

The applicant will be required to apply for a sewer will-serve and pay sewer connection fees prior to permit issuance consistent with the established sewer allocation program. If the applicant is not able to secure a sewer will-serve in advance of the project, resulting from the wastewater treatment capacity constraints, the time frame for building permit application specified in **Condition No. 2** has been adjusted.

Electric and gas utilities will be provided by NV Energy and the water utility by the Truckee Meadows Water Authority (TMWA). Based on the site frontage, existing overhead facility lines require to be undergrounded, or otherwise require a waiver pursuant to RMC 18.04.503(c).

Flood Hazard/Stormwater Drainage: The project is in the FEMA Flood Zone Unshaded X, an area of minimal flood hazard. A Drainage Report was prepared for the project to address on-site and off-site stormwater flows, detention, and facility capacities for the pre-development and post-development site conditions in compliance with the Public Works Design Manual. Site drainage is conveyed through an above ground detention basin and two underground stormwater storage galleries that will have a controlled outlet into the major drainageway. Drainage facilities are required to be sized to adequately mitigate storm water runoff at a mitigation rate of 1:1.3 when located within watershed areas contributing to closed basins. A final drainage report will be required at the time of building permit to ensure the proposed facilities are adequate to serve the site.

Master Plan Conformance: The subject site has a Master Plan land use designation of Industrial (I) and is located along a Suburban Corridor within an Industrial/Logistics Employment Area per the Structure Plan Framework of the Reno Master Plan. As proposed, and with the recommended conditions, the project is in conformance with the I Master Plan land use designation and the following applicable Master Plan goals and policies:

- 1.1B: Community Development
- 1.2B: Modern Industrial Hub
- 2.3B: Cost of Growth
- 7.1E: Hydrologic Resources
- 7.1F: Major Drainageways
- EA.ILA-7: Varied Design

Public and Stakeholder Engagement: Agency comments that were received were integrated into this staff report (**Exhibit F**). The applicant presented the project to the Ward 4 Neighborhood Advisory Board (NAB) on January 18, 2024. Several concerns were raised related to traffic impacts and noise/visual impacts on nearby residential uses. A courtesy notice was sent out to surrounding property owners upon initial submission of the project and one written comment in opposition was received noting similar concerns (**Exhibit G**). Based on the site design, recommended conditions, and existing code requirements, staff finds that the public concerns are adequately mitigated and will further be addressed with the widening of North Virginia Street. 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 Department 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 in effect at the time the application is submitted, shall prevail.
2. The owner or developer shall apply for a building permit or business license for the entire project within 36 months of the date of approval of the conditional use permit review application and maintain the validity of that permit, or the conditional use permit approval shall be null and void.
3. Prior to the issuance of any building permit or business license, the applicant shall attach a copy of the final approval letter. The approval letter shall accompany a narrative that describes how the requested permit or license 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 project approval letter shall be posted or made readily available upon demand by City staff.
5. Hours of construction, including grading, shall be limited to between the hours of 7:00 a.m. and 6:00 p.m., Monday through Friday, and between 8:00 a.m. and 6:00 p.m. on Saturday. There shall be no construction on Sundays. This condition shall not apply to dust control or storm water management operations. A note to this effect shall be placed on the title sheet of all building permit plan sets. A sign with the approved construction hours shall be posted on site for the full duration of construction activity. If the construction hours need to be varied for the pouring of concrete slabs, interior construction hours or other modifications, a plan detailing the construction operations and provisions to minimize impacts on nearby residential areas shall be submitted and approved to the satisfaction of Administrator.
6. Prior to the issuance of any permit for the vertical construction of buildings, a reversion to acreage map shall be recorded with the Washoe County Recorder's Office to combine parcels in such a way that parcel lines will not conflict or intersect with proposed buildings.
7. Truck arrival, departures, and on-site movement shall be limited to between the hours of 6:00 a.m. and 11:00 p.m. Unloading and loading activities of enclosed containers previously docked at a sealed dock door are permitted beyond these restricted hours. Truck idling is prohibited on the site. Prior to the issuance of a building permit, the applicant shall have plans approved demonstrating that signs shall be installed between the overhead doors informing vehicle operators that idling shall be prohibited.
8. Prior to the issuance of any permit, including grading, the applicant shall have plans approved that demonstrate that the major drainageways are only disturbed in accordance with the grading plans provided with the application materials. Disturbance and protection of the major drainageway on the site shall be in accordance with RMC Section 18.04.104.

Findings:

General Review Criteria and Considerations: 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.

Limits on Grading (Cut and Fill): For developments ten acres or more in area, the following findings shall be made prior to granting a major site plan review, in addition to the general major site plan review findings:

- a. The proposed project mitigates environmental degradation, including slope failure, erosion, sedimentation, and stormwater run-off;
- b. The proposed project utilizes grading practices that are appropriate for hillsides and designed to minimize the visibility of unsightly scarring;
- c. The proposed project provides open space based on hillside constraints;
- d. The proposed project adheres to applicable hillside development design standards and to Master Plan provisions related to development in sloped areas; and
- e. The proposed project's site layout and design features adequately mitigate potential visual impacts of development near prominent ridgelines and within other visually prominent areas.

Attachments:

Exhibit A – Case Maps

Exhibit B – Site Plan

Exhibit C – Landscape Plan

Exhibit D – Major Drainageway Exhibit

Exhibit E – Fills Map

Exhibit F – External Agency Comments

Exhibit G – Public Comments