

STAFF REPORT

Date: April 9, 2025

To: Mayor and City Council

Through: Jackie Bryant, City Manager

Subject: Staff Report (For Possible Action): Case No. LDC25-00027 (214 West Commercial Row Live Entertainment) - Appeal of the Planning Commission's decision to approve a request for a conditional use permit to allow live entertainment activities accessory to a bar use between the hours of 11:00 p.m. and 10:00 a.m. The ±0.11 acre site is located on the south side of West Commercial Row, ±87 feet west of its intersection with West Street (214 West Commercial Row). The site is within the Mixed-Use Downtown – Entertainment District (MD-ED) zone and has a Master Plan land use designation of Downtown Mixed-Used (DT-MU). Appeals were filed by the applicant, Fady Mehanna; and Mary Babiasz on behalf of The Montage North LLC. Council may affirm, modify, or reverse the decision of the Planning Commission. [Ward 1]

From: Carter Williams, Associate Planner

Department: Development Services - Planning

Summary:

Appeals have been filed against the Planning Commission's approval of a conditional use permit to allow live entertainment activities associated with a bar between the hours of 11:00 p.m. and 3:00 a.m. on Thursday, Friday, and Saturday. The original request from the applicant was to operate until 5:00 a.m. on the same days of the week. The property is located south of West Commercial Row, west of its intersection with West Street. Live entertainment between the hours of 11:00 p.m. and 10:00 a.m. requires the approval of a conditional use permit. The bar use is allowed for 24-hours by-right within the Mixed-Use Downtown - Entertainment District (MD-ED) zone. Key issues analyzed include: 1) compatibility with surrounding uses and 2) public safety. The Planning Commission upheld staff's recommendation to approve the permit with conditions, including limiting live entertainment operation to 3:00 a.m. The applicant, Fady Mehanna, has submitted an appeal to challenge the restriction on the hours of operation, and Mary Babiasz has submitted an appeal to challenge the approval altogether.

Alignment with Strategic Plan:

Economic and Community Development

Previous Council Action:

There is no recent Council action relevant to this item.

Background:

Two appeals of the Planning Commission's decision of the conditional use permit have been filed (**Exhibit A**), and are described below:

- Fady Mehanna, the applicant, appealed citing concerns for the condition that restricts the businesses hours of operation to 3:00 a.m.
- Mary Babiasz, on behalf of The Montage North LLC, appealed citing concerns on the impact of business operations on the future development of surrounding properties, among other issues of procedure.

Discussion:

A detailed project analysis is provided in the attached Planning Commission staff report (**Exhibit B**). Draft minutes from the February 19, 2025 Planning Commission hearing are attached (**Exhibit C**). The Planning Commission discussion and outcome are summarized in the following points:

- The Planning Commission gave general support for the proposed live entertainment operations.
- Commissioners considered the definition of live entertainment and the implications on the proposed operation of the business.
- Commissioners considered the differences in hours of operations among businesses that have live entertainment downtown and expressed an interest in maintaining equity among businesses.
- Several commissioners were interested in allowing the original, applicant requested closing time of 5:00 a.m., as they believed the proposed improvements and results from the sound study demonstrate that noise impacts would be adequately mitigated.
- Several commissioners expressed an interest in maintaining a consistent regulatory environment for live entertainment businesses in fairness and to support city resource allocation for code enforcement, police, and fire services.
- Commissioner Velto made a motion to approve the conditional use permit with extended

hours until 5:00 a.m., but the motion failed.

- Commissioner Villanueva then made a motion to approve the conditional use permit with the staff-recommended hours until 3:00 a.m., which carried.

In addition to the public comment attached to the staff report received prior to the meeting, seven public comment forms were submitted in opposition of the request, and nine forms were submitted in favor of the request. Those in opposition of the live entertainment use cited concerns related to public safety, noise, effective enforcement of standards, and other negative impacts upon residential living downtown. Those in favor of the request indicated the need for and importance of venues for live entertainment and their relationship to the culture of downtown Reno. This hearing had another item on the agenda for live entertainment. Many of the comments voiced during general public comment applied to both applications even though the public comment form specified one application or the other.

Financial Implications:

None at this time.

Legal Implications:

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

Recommendation:

Staff recommends Council review the letters of appeal and Planning Commission action and affirm the Planning Commission's decision.

Proposed Motion:

Below are proposed motions with the findings for affirmation, modification, and reversal of the Planning Commission decision.

Motion to Affirm Planning Commission Decision (Denying the appeal and approving the conditional use permit)

Regarding the appeal of LDC25-00027 (214 West Commercial Row Live Entertainment), based on Council's review of the staff report, the record on appeal, and information presented at the public hearing for this appeal, and based on my ability to make all of the findings, I move to AFFIRM approval of the conditional use permit by the Planning Commission and DENY the appeal. The City Clerk is instructed to prepare and file an order.

Motion to Modify Planning Commission Decision (Affirming the appeal and modifying the conditions of the conditional use permit)

Regarding the appeal of LDC25-00027 (214 West Commercial Row Live Entertainment), based on this Council's review of the staff report, the record on appeal, and information presented at the public hearing, I move to AFFIRM the appeal and MODIFY the decision of the Planning Commission as follows _____. *. As modified, I can make all of the required findings as listed in the staff report, and I move to APPROVE the conditional use permit subject to conditions stated in the Planning Commission decision letter and as modified by City Council. The City Clerk is instructed to prepare and file an order. *Modifications to the conditions of approval outlined in the Planning Commission staff report are: [List modifications]

Motion to Reverse Planning Commission Decision (Affirming the appeal, reversing the Planning Commission decision, and deny the conditional use permit)

Regarding the appeal of LDC25-00027 (214 West Commercial Row Live Entertainment), based on this Council's review of the staff report, the record on appeal, and information presented at the public hearing, I move to AFFIRM the appeal, REVERSE the approval of the conditional use permit by the Planning Commission, and directly DENY the conditional use permit, based on the inability to make all the applicable findings. The City Clerk is instructed to prepare and file an order.

Attachments:

Exhibit A – Appeal Documentation

Exhibit B – Planning Commission Staff Report

Exhibit C – Minutes from the February 19, 2025, Planning Commission Hearing