

STAFF REPORT

Date: June 14, 2023

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Approval of the City of Reno granting of a Storm Drain Easement to the Reno-Tahoe Airport Authority in association with the Airway Commerce Park Development.

From: Michael Mischel, Engineering Manager

Department: Development Services - Engineering

Summary:

The Airway Commerce Park is a 53 acre development located at the southeast corner of S. McCarran Boulevard and Airway Drive. The project consists of four industrial/commercial buildings totaling 893,677 square feet. The land is owned by the Reno-Tahoe Airport Authority (RTAA) and is being developed by Tolles Development. Tolles Development is leasing the land from the RTAA. Dry Creek runs along the east boundary of the development. The City of Reno owns Dry Creek in fee title. Storm runoff generated from the development is directed to Dry Creek. Several outlets from the development are proposed to be directed into Dry Creek and this will involve the need for the City of Reno to grant a storm drain easement to the property owner (RTAA) for this purpose. Staff recommends that the City grant a storm drain easement to the RTAA.

Alignment with Strategic Plan:

Economic and Community Development

Previous Council Action:

There is no recent Council action relevant to this item.

Background:

The Airway Commerce Park is a 53 acre development located at the southeast corner of S. McCarran Boulevard and Airway Drive. The project consists of four industrial/commercial buildings totaling 893,677 square feet. The land is owned by the Reno-Tahoe Airport Authority (RTAA) and is being developed by Tolles Development. Tolles Development is leasing the land from the RTAA. The development will serve several multiple tenants in the distribution and

logistics industry, including air cargo support as well as light manufacturing and warehousing. The development will also support the RTAA.

Dry Creek runs along the east boundary of the development. The City of Reno owns Dry Creek in fee title. Storm runoff generated from the development is directed to Dry Creek. Several outlets from the development are proposed to be directed into Dry Creek and this will involve the need for the City of Reno to grant a storm drain easement to the property owner (RTAA) for this purpose. Staff recommends that the City grant a storm drain easement to the RTAA. The RTAA will be responsible for all maintenance of the drainage facilities built in conjunction with the granting of the subject storm drain easement. Construction of the development began in October 2022 and is expected to be completed in April 2024.

Discussion:

The drainage improvements contemplated with the granting of this storm drain easement are subject of BLD22-06937E. The granting of this easement is necessary in order for the development to proceed. The easement is being granted to the RTAA because they are the property owner even though the property is being developed by Tolles Development. All costs associated with the construction of the storm drain improvement are being borne by Tolles Development and all maintenance cost is being borne by RTAA and Tolles. The RTAA has agreed to accept the easement from the City. The RTAA will compensate the City \$10,170 for the easement and this is based on 50% of the appraised value of the individual easement areas.

Financial Implications:

There is no cost to the City as result from this action. All construction cost is being borne by the developer and the maintenance cost is being borne by the RTAA and developer. The RTAA will compensate the City \$10,170 for the cost of the easement which is based on 50% of the appraised cost of the total easement area.

Legal Implications:

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

Recommendation:

Staff recommends Council approve the storm drain easement.

Proposed Motion:

I move to approve staff recommendation.

Attachments:

RTAA Storm Drain Easement

RTAA Storm Drain Easement Exhibit