

**PLANNING COMMISSION
STAFF REPORT**

Date: November 2, 2022

To: Reno City Planning Commission

Subject: Staff Report (For Possible Action): LDC23-00006 (Highland Tentative Map and Conditional Use Permit) - A request has been made for: 1) a tentative map to develop: a) a 219 lot single-family detached residential subdivision, b) 288 multi-family residential units, and c) a ± 3.83 -acre commercial site; and 2) a conditional use permit to allow for: a) grading resulting in cuts deeper than 20 feet and/or fills greater than ten feet in height, b) grading within the Parks, Greenways, and Open Space (PGOS) zoning district, c) cluster development, d) hillside development, and e) construction of more than 100 multi-family residential units within the Multi-Family Residential (MF-30) zoning district. The ± 111.42 acre subject site has $\pm 1,981.32'$ of frontage on Lemmon Drive, $\pm 476.82'$ of frontage on Sky Vista Parkway, and $\pm 732.1'$ of frontage on Vista Knoll Parkway with a Master Plan land use designation of Suburban Mixed-Use (SMU) and Special Planning Area (SPA). There is a concurrent request for a zoning map amendment at this subject site (LDC23-00005).

From: Joey Winter, Associate Planner

Ward #: 4

Case No.: LDC23-00006 (Highland Tentative Map and Conditional Use Permit)

Applicant: Capstone Advisors

APN: 086-380-30 and 086-380-33

Request:

- **Tentative Map:** To develop: a) a 219 lot single-family detached residential subdivision, b) 288 multi-family residential units, and c) a ± 3.83 -acre commercial site; and
- **Conditional Use Permit:** To allow for: a) grading resulting in cuts deeper than 20 feet and/or fills greater than ten feet in height, b) grading within the Parks, Greenways, and Open Space (PGOS) zoning district, c) cluster development, d) hillside development, and e) construction of more than 100 multi-family residential units within the Multi-Family Residential (MF-30) zoning district.

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

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

Summary: At the October 19, 2022 Planning Commission meeting, Commissioners voted unanimously to continue both items related to the Highland development (LDC23-00005 and LDC23-00006) to the November 2, 2022 agenda. The staff report has been updated to include revisions to recommended conditions of approval discussed in the Planning Manager's memo to the Planning Commission dated October 17, 2022.

The subject site consists of two vacant parcels containing ± 111.42 acres of land located north and east of the Walmart shopping center on Sky Vista Boulevard. This application is a request to develop the site with 219 single-family residential lots, 288 multi-family residential units, and a ± 3.83 -acre commercial pad for future development. A tentative map is required due to the number of single-family residential lots and to create parcels for the multi-family village, commercial pad, and common and open space areas. A conditional use permit is required for the number of residential units proposed, hillside development, cluster development, and grading. Existing zoning designates the site as the Vista Hills Planned Unit Development (PUD), which was approved in 2012 but remains undeveloped. There is a concurrent request for a zoning map amendment to sunset the Vista Hills PUD and revert the site to standard city zoning (LDC23-00005).

Background: This site was annexed into the City of Reno in March 2008 along with the Walmart shopping center to the south. At the time of annexation, this site contained a mix of residential, commercial, and open space zoning designations. In October 2012, a zoning map amendment was approved to create the Vista Hills PUD at this site. The Vista Hills PUD allows for development of up to 338 multi-family and/or senior residential units and up to 487,000 square feet of office, commercial, lodging, and entertainment space, while requiring 46.3 acres of open space areas with trails and pathways. Though the Vista Hills PUD remains the approved zoning designation for this site and may still be developed, the project has been dormant for almost a decade.

Discussion: This request is being heard concurrently with the applicant's request to sunset the Vista Hills PUD and revert the site to standard city zoning (LDC23-00005). Development proposed through this application is contingent upon approval of the associated zoning map amendment by City Council (**Condition 6**).

Analysis:

Proposed Site Layout: Access to the proposed development matches what was approved with the Vista Hills PUD. Vista Knoll Parkway, which runs north from Sky Vista Parkway along the western edge of the Walmart shopping center, will be extended through the development to

connect with Lemmon Drive to the east. All residential areas of the proposed development will be accessed from Vista Knoll Parkway, while the proposed ±3.83-acre commercial site will be accessed from Lemmon Drive.

Residential areas of the proposed development will be divided into four residential areas - one multi-family residential village (Village 3) and three single-family residential villages (Villages 1, 2, and 4). Village 3 will be located near the eastern edge of the development and include 288 market-rate apartment units and associated amenities. The remaining villages will contain 219 single-family residential lots.

Compatibility with Surrounding Development: The subject site has frontage on Lemmon Drive to the east and Sky Vista Boulevard to the south. To the north are North Valleys Regional Park, BLM land, and a senior-living apartment complex. To the east across Lemmon Drive is undeveloped land located in Washoe County. To the south are two commercial developments: a Walgreens on the corner of Lemmon Drive and Sky Vista Boulevard, and a large shopping center anchored by Walmart with access from Sky Vista Boulevard via Vista Knoll Parkway. To the west is the Vista Enclave residential development.

The proposed zoning designations are in substantial conformance with the Master Plan and, as conditioned, the proposed site layout is consistent with existing patterns of development in the area. Adequate land use screening will be provided between the single-family villages and existing commercial uses to the south (**Condition 15**). Further screening between single-family lots and the extension of Vista Knoll Parkway will also be installed (**Condition 16**). Location of the future commercial site along Lemmon Drive is appropriate.

Grading: Grading proposed with this development will result in significantly less impact than what was approved under the Vista Hills PUD. Maximum cut depth will be 43 feet and maximum fill height will be 48 feet. The proposed site layout minimizes visual impacts by siting homes below ridgelines and avoiding major rock outcroppings. With one exception, major rock outcroppings identified on site will be completely undisturbed or protected during project grading (**Condition 19**). After development, rock outcroppings will be included in deed-restricted open space and preserved in perpetuity. Given existing site topography, use of retaining walls in the development will be minimal. There will be four retaining walls in the multi-family village with a maximum height of 8 feet and a single retaining wall in the southeast corner of Village 4. Retaining walls utilizing CMU block walls without color or texture change shall not be permitted, and design and appearance of all retaining walls shall meet the requirements of RMC (**Condition 20**).

Open Space: The development utilizes hillside development standards which promote the preservation of significant topographic features by retaining portions of development sites as undisturbed open space. Per hillside development requirements in RMC, open space required with

development of the subject site is ±29.66 acres. This development will include ±44.95 acres of open space within PGOS zoning, plus additional common areas within the residential villages to be deed-restricted and remain undisturbed (**Condition 12**). Approval of cluster development is being requested to allow reduction of the required rear setback in Single-family Village 4 from 20 feet to 15 feet (**Condition 7**). No reduction in required minimum lot size is requested, and lots in the single-family villages will comply with all other dimensional standards for the MF-14 zoning district.

Trails: The developer will construct a network of trails within the open space and common areas (**Condition 9**). Trails provided with this development are consistent with the trail network approved with the Vista Hills PUD. Trails will be designed to meet United States Forest Service standards (**Condition 10**) and provide a connectivity between the residential villages and North Valleys Regional Park. Trails within the development will be available for use by the general public and maintained by the Home Owners Association for this development (**Condition 12**). Trails provided with this development are consistent with the trail network approved with the Vista Hills PUD.

Parks: Park facilities included with this development will not meet the level of service target identified in the Reno Master Plan, which is 2.5 acres per 1,000 residents for new development. As initially proposed, the development included no parks and recreation facilities outside of a small pocket park in Village 4. In order to provide adequate recreational facilities for residents, Parks and Recreation staff recommended that outdoor recreational space be added within the project boundary (**Exhibit G**). The applicant subsequently revised development plans to include a dog park near Village 2, with design details to be finalized during development. Staff recommends that the dog park will be designed per American Kennel Club standards (**Condition 11**), will be maintained by the Home Owners Association (**Condition 12**), and will be available for use by the general public (**Condition 13**).

Trail connectivity to North Valleys Regional Park is provided with the development. However, North Valleys Regional Park is maintained and operated by Washoe County, and City of Reno staff do not have control over park capacity, programming, or availability. Additionally, ADA-accessibility of trail connections cannot be guaranteed. Therefore, connectivity and proximity to North Valleys Regional Park should be considered only as a supplemental benefit to this development's overall parks and recreation plan.

Residential Construction Tax (RCT) revenue will be generated by this development. The current RCT rate is 1% of the construction cost per residence or \$1,000 (whichever is less), meaning that this development is projected to generate \$492,600 of revenue for RCT District 1 - North Valleys. RCT money collected from this developer will be used to construct new parks, reimburse developer costs related to park construction, and/or improve existing parks within an RCT District

1.

Environmental: This project was reviewed by the Nevada Division of State Lands and Nevada Department of Wildlife (NDOW), with no major concerns identified. The applicant has contracted with an environmental engineering firm to identify potential impacts on habitats for endangered and/or protected species at the site. Mitigation measures will be included in the final project design and are subject to approval by the Administrator (**Condition 23**).

Public Safety: The subject site is within existing service areas for the Reno Police Department (RPD) and Reno Fire Department (RFD). RFD Stations 9 and 10 are both approximately 4 miles from the subject site, and estimated response time is 6-7 minutes.

Public Infrastructure: Water service for the project will be provided by TMWA. Sanitary sewer treatment will be provided by the City of Reno via the Truckee Meadows Water Reclamation Plant (TMWRP). There will be two onsite private sanitary lift stations that will provide a gravity sewer system that feeds into the Buck Lift Station system which will then flow to TMWRP. The sewer pipes within the right of way will be publicly owned and maintained. There will be no sewer flow to the Reno Stead Treatment Plant. The onsite street system will be publicly owned and maintained. Bike lanes will be provided along both sides of Vista Knoll Parkway. The project will mitigate its peak flow increase by a series of flood control basins that will be privately owned and maintained.

Traffic: The project is anticipated to generate 4,671 daily trips with 309 AM peak trips and 409 PM peak trips. A traffic signal will be constructed at the intersection of Lemmon Drive and Vista Knoll Parkway in conjunction with this project (**Condition 18**). This will improve traffic conditions in the area; however, the intersection of Lemmon Drive and Sky Vista/Buck Drive will continue to operate at a poor condition, and this is with or without the project being constructed.

Master Plan Conformance: The subject site has a Master Plan land use designation of Suburban Mixed-Use (SMU) and Special Planning Area (SPA). The site includes a location identified as a Neighborhood Center and is within the Outer Neighborhoods area of the Structure Plan Framework in the Master Plan. As proposed and with the recommended conditions, the project is in substantial conformance with the Master Plan land use designation and the following applicable Master Plan goals and policies:

- 2.3D: Public Safety Services
- 4.2A: Housing Options Within Projects
- 4.2E: Neighborhood Connections
- 4.5A: Connectivity and Access
- 4.5B: Missing Links

- 5.2I: Traffic Calming and Pedestrian Safety
- 7.1B: Development Constraints Area
- 7.1C: Hillside Development
- 7.1D: Environmentally-Sensitive Areas
- 7.2A: Open Space, Greenways, and Trails Network

Public and Stakeholder Engagement: Agency comments were received and incorporated into the analysis (**Exhibit H**). Courtesy notices were sent out to allow for early engagement with surrounding property owners and no comments were received. The applicant presented this project to the Ward 4 Neighborhood Advisory Board in August 2022 and no written public comments have been received. Required project noticing will occur prior to public hearing, and any future comments will be forwarded to the Planning Commission.

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 applicant shall record the final map(s) in accordance with the time limit contained in state law or this approval shall be null and void.
3. Prior to the issuance of any permit or business license associated with this project, 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. Prior to the approval of the final map, the applicant shall provide an affidavit stating that the subdivider will make provision for payment of the tax imposed by Chapter 375 of Nevada Revised Statutes (NRS) and for compliance with the disclosure and recording requirements of NRS 598.0923, if applicable, by the subdivider or any successor in interest.
5. 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.
6. Prior to approval of any building permit, grading permit, or final map associated with this project, a zoning map amendment from Planned Unit Development (PUD) to Multi-Family Residential (MF-14), Parks, Greenways and Open Space (PGOS), Multi-Family Residential

(MF-30), and General Commercial (GC) shall be approved consistent with LDC23-00005 (Highland Zoning Map Amendment).

7. Single-family lots in Village 4 shall meet the minimum dimensional standards for the MF-14 zoning, except that the minimum rear setback shall be reduced to 15 feet (**Exhibit B**). The rear setback requirement shall be clearly noted on the approved final map(s).
8. Prior to approval of each final map, the applicant shall have plans approved to provide front yard landscaping for each single-family lot meeting the requirements of RMC Chapter 18.04 Article 8. Front yard landscaping for each lot shall be installed prior to issuance of a certificate of occupancy.
9. Prior to approval of any site improvement permit or final map, the applicant shall have plans approved to construct a trail system for the project. The trail system shall be substantially conforming to the alignment of the tentative map proposal (**Exhibit C**).
10. The trail system shall be constructed in accordance with Design Parameters for United States Forest Service (USFS) system Trail Class 3 - Hiker/Pedestrian designated use (**Exhibit D**). Trail width throughout the system shall meet the minimum Trail Class 3 - Non-Wilderness (Double Lane) design tread width of 36-60 inches. Local deviations from any Design Parameter may be established based on trail-specific conditions, topography, or other factors, provided that the deviations are consistent with the general intent of USFS Trail Class 3.
11. Prior to approval of a final map for Village 2, the applicant shall have plans approved to construct a dog park. The dog park shall be designed to ADA accessibility standards, open to the general public, and be maintained in perpetuity by the Home Owners Association or other appropriate entity approved by the City of Reno Director of Parks and Recreation. Construction of the dog park shall be completed prior to the issuance of the final certificate of occupancy for Village 2. Amenities for the dog park shall be in line with American Kennel Club standards, and shall include, at minimum:
 - a) One acre or more of land surrounded by a four- to six-foot high chain-link fence. The fence should be equipped with a double-gated entry to keep dogs from escaping and to facilitate wheelchair access.
 - b) An off-street parking area with a minimum of four parking stalls.
 - c) A secure bicycle parking area.
 - d) Cleaning supplies, including covered garbage cans, waste bags, and pooper-scooper stations.
 - e) Shade and water for both dogs and owners, along with benches and tables.
 - f) A safe, accessible location with adequate drainage and a grassy area that is mowed routinely.

- g) Separate areas for small and large dogs. This will enable large dog owners to allow their pets to run more freely, while protecting smaller dogs who may not be suited to the enthusiastic play of larger breeds.
 - h) Signs that specify park hours and rules.
12. Prior to approval of any final map, areas designated as common areas, parks, or trails shall be labeled as permanent open space on the final map(s). Areas designated as common areas, parks, or trails shall be maintained by the Home Owners Association, or their designee and this responsibility shall be stated on final maps.
 13. Prior to approval of any final map, the applicant shall provide suitable documentation that a public use easement has been recorded to allow the public to use the parks and trails.
 14. Prior to approval of the any final map, the applicant shall demonstrate that plans have been approved for pedestrian crossings on Vista Knoll Parkway to the approval of the Development Services and Public Works Departments.
 15. Screening shall be provided between the rear yards of single-family lots 40-74 in Village 4 and adjacent commercial uses (**Exhibit E**). Screening shall consist of a six-foot high solid masonry wall and 5 foot wide landscape area with a minimum of two evergreen trees per lot.
 16. Screening shall be provided between single-family lots and Vista Knoll Parkway (**Exhibit E**). Screening shall consist of a six-foot high solid wall or fence and a minimum of one evergreen tree planted every 20 linear feet.
 17. All screening required by conditions 15 and 16 above shall be maintained by the Home Owners Association, or their designee.
 18. The applicant shall construct a traffic signal at the intersection of Lemmon Drive and Vista Knoll Parkway, unless a traffic signal at this location has been previously constructed by another developer. Said improvement is eligible for Regional Road Impact Fee (RRIF) offset waivers pursuant to City and Regional Transportation Commission guidelines.
 19. Rock outcroppings on site may be disturbed by project grading only as identified in attached **Exhibit F**. No further disturbance of rock outcroppings shall occur without prior written approval from the Administrator.
 20. Retaining walls utilizing CMU block walls without color or texture change shall not be permitted, and design and appearance of all retaining walls shall meet the requirements of RMC. Prior to the issuance of any grading permit, the applicant shall submit details demonstrating visual appearance of all retaining walls.

21. Prior to the approval of a grading permit, the applicant shall demonstrate all dirt roads not required to perpetuate access be identified, scarified, and revegetated in the same manner as mechanized slopes. The revegetation bond shall include these required improvement in the amount.
22. If human remains, human burials, burial cairns, or other significant archeological items are disturbed or identified during any construction, all work in the immediate vicinity must cease, the discovery must be secured, and the party responsible for the construction must immediately contact both the appropriate law enforcement and/or the State Historic Preservation Office per NRS 383.170.1(a). If bones are uncovered while digging, there shall be no attempt to excavate the materials, but the site shall be secured with immediate contact of both the appropriate law enforcement and the State Historic Preservation Office. Failure to provide notice to the State Historic Preservation Office of a discovery of a Native American burial is a violation of state law and can result in criminal penalties under NRS 383.180.2.
23. Prior to the approval of a grading permit, the applicant shall submit a report identifying environmental impacts of the proposed development from a qualified specialist. The report shall identify potential impacts on habitats for endangered and/or protected species at the site, and shall identify required mitigation measures to be included in the final project design. Acceptance of the report and any required mitigation measures are subject to approval by the Administrator.

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 and application that provides a public benefit even if the development is contrary to some of the foals, 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.

Tentative Map: Approval of tentative maps shall be subject to the approval criteria in Section 18.08.304(e), Approval Criteria Applicable to All Applications, and criteria set forth in NRS Section 278.349(3), as follows:

- a) Environmental and health laws and regulations concerning water and air pollution, solid waste disposal, water supply facilities, community or public sewage disposal and, where applicable, individual systems for sewage disposal;
- b) Availability of water which meets applicable health standards and is sufficient for the reasonably foreseeable needs of the subdivision;
- c) Availability and accessibility of utilities;
- d) Availability and accessibility of public services such as schools, police and fire protection transportation, recreation and parks;
- e) Conformity with the zoning ordinances, master plan, and elements thereof, except that if any existing zoning ordinance is inconsistent with the master plan, the zoning ordinance takes precedence;
- f) General conformity with the governing body's master plan of streets and highways;
- g) Effect of the proposed subdivision on existing public streets and the need for new streets or highways to serve the subdivision;
- h) Physical land characteristics such as flood plain, slope, soil;
- i) Recommendations and comments of those entities reviewing the tentative map pursuant to NRS 278.330 and 278.348;
- j) Availability and accessibility of fire protection, including, but not limited to, the availability and accessibility of water and services for the prevention and containment of fires, including fires in wild lands; and
- k) Submission by the subdivider of an affidavit stating that the subdivider will make provision for payment of the tax imposed by Chapter 375 of NRS and for compliance with the disclosure and recording requirements of subsection 5 of NRS 598.0923, if applicable, by the subdivider or any successor in interest.

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.

Cluster Development: In addition to the general major site plan review findings, the following findings shall be made prior to approving a major site plan review to modify project density in cluster developments:

- a. The clustering proposal, compared with a more traditional site development plan, better attains the policies and objectives of this article, such as providing more open space, preserving existing trees and vegetation coverage, preserving view corridors, and preserving sensitive environmental areas such as stream corridors, slide areas, wetlands, and steep slopes;
- b. The clustering proposal will have no significant adverse impact on adjacent properties or development, or the applicant has agreed to adopt appropriate mitigation measures such as edge matching, landscaping, screening, illumination standards, and other design features to buffer and protect adjacent properties from the proposed clustered development; and
- c. The clustering proposal meets all other applicable requirements set forth in this article or in other applicable ordinances or regulations.

Attachments:

Exhibit A - Case Maps

Exhibit B - Lots

Exhibit C - Trail Layout

Exhibit D - Trail Standards

Exhibit E - Screening

Exhibit F - Rock Outcroppings

Exhibit G - Parks and Recreation Comments

Exhibit H - Outside Agency Comments

Exhibit I – Tentative Map, Grading, and Cut and Fill