

**PLANNING COMMISSION
STAFF REPORT**

Date: April 21, 2021

To: Reno City Planning Commission

Subject: **6.6. Staff Report (For Possible Action): Case No. LDC21-00044 (Majestic II)**
A request has been made for a special use permit for: a) grading that results in cuts deeper than 20 feet in depth and fills greater than 10 feet in height; b) grading disturbance of a major drainageway; and c) alternative building orientation to accommodate a ±247,295 square foot industrial/warehouse development. The ±19.92 acre site is located on the southwest corner of Seneca Drive and North Virginia Street. The site is in the Mixed Use/North Virginia Street Transit Corridor (MU/NVTC) zone and has a Master Plan land use designation of Industrial (I). This project has requested to be reviewed, analyzed, and heard using the Title 18 standards in existence immediately prior to the adoption of the comprehensive zoning code update (Zoning Code RENOVation) on January 13, 2021.

From: Brook Oswald, Associate Planner

Ward #: 4

Case No.: LDC21-00044 (Majestic II)

Applicant: John Jo, Majestic Realty Company

APN: 082-092-11

Request: **Special Use Permits** for:

- a) disturbance of a major drainage way;
- b) grading that results in cuts greater than 20 feet in depth and fills greater than 10 feet in height;
- c) alternative building orientation

Location: Refer to Vicinity Maps (**Exhibit A**)

Proposed Motion: Based upon compliance with the applicable findings, I recommend that Planning Commission approve the special use permits, subject to conditions.

Summary: This request is for three special use permits (SUP) to establish a ±247,295 square foot industrial warehouse on ±19.92 acres (**Exhibit B**). The applicant has requested the case be reviewed under the former zoning code in effect immediately prior to the adoption of the RENOvation Code Update on January 13, 2021. As such, the project was reviewed using the standards for the previous zoning designation of Mixed Use/North Virginia Transit Corridor (MU/NVTC).

The regular development standards for the MU zoning district require a site design that places buildings along the primary street frontage, which is not ideal for this site and the proposed use. Therefore, the applicant has applied for a SUP to modify the building and parking orientation requirements. The project also proposes grading that requires discretionary review thresholds for cuts and fills and for disturbances to a major drainage way. Key project issues include: 1) site design and compatibility with existing surrounding uses; 2) grading; 3) major drainage way disturbance; and 4) access and circulation. Staff recommends approval of the project subject to conditions.

Background: During the *ReImagine Reno* Master Plan update process, the Master Plan Land Use designation for this site and nearby properties was changed from SPA (Special Planning Area – North Virginia TOD Corridor) to I (Industrial) to support additional manufacturing, warehousing and logistics uses in the area.

Discussion: Key issues related to the application are summarized below.

Site Design, Architecture, and Compatibility with Surrounding Uses: The property currently has a Master Plan land use designation of Industrial (I) and a non-conforming zoning district of Mixed-Use Suburban (MS). It is anticipated that the zoning will be updated to a conforming designation (i.e. Industrial or Industrial Commercial) through the impending neighborhood engagement process beginning early this summer. Rather than apply for a zone change to I or IC ahead of the City's process, the applicant has decided to process a SUP for building/parking orientation under the former code standards. This application would not be required under the standards for the I or IC zones.

The MU/NVTC standards generally require parking to be located to the rear of the structure and the building to be placed 10 feet from the front property line. Due to the size and scale of the building, a larger front setback is more appropriate to avoid an imposing scale at the street level.

The applicant has also proposed dock doors fronting North Virginia Street and truck parking within the front yard. This was done to provide additional separation and a physical barrier (i.e. the proposed building) between the truck loading and circulation areas and the adjacent residential properties located to the south. Noise and other impacts from trucks and loading docks can create land use conflicts and ongoing nuisance issues with existing residential uses. The modified building orientation allows for residential adjacency mitigation measures to be built into the project design.

There are several recently constructed industrial projects in the immediate vicinity with dock doors oriented toward the street. Additionally, the industrial development located directly to the west is adjacent to the same residential subdivision and all dock doors were oriented away from the residential uses (**Exhibit C**). Code allows for projects in industrial zones to orient their dock doors to the street in order to minimize noise and odor impacts on residential properties. This standard also requires dock doors be screened year round from the street with landscaping, walls, fences, grade changes, or a combination of these techniques. Using this code section as guidance, staff is recommending **Condition 5** to require enhanced landscaping along North Virginia Street and Seneca Drive to better screen the dock doors and truck circulation areas.

The proposed building is a ±40-foot tall concrete tilt-up building (**Exhibit D**). A large cut of ±20 feet is proposed along the southern boundary of the project near the residential area. With the lower floor elevation and proposed setbacks of ±80 to 350 feet from the south property line, impacts are reduced compared to alternative designs. Earth-tone colors should be used to better blend with the surrounding natural environment (**Condition 6**). Prior to the issuance of a building permit, the applicant will be required to demonstrate that building articulation requirements for the MU zone have been met. Projects located within the mixed use zone require sustainable design elements and pedestrian amenities up to one percent of the total project cost. Both the sustainable design elements and the pedestrian amenities will be required to be finalized and demonstrated prior to the issuance of a building permit.

The applicant included a noise study with the application, which calculated minimal decibel increases generated from the project (**Exhibit E**). Additionally, a photometric plan was provided, which showed that lighting levels would not spill over onto adjacent residential properties (**Exhibit F**).

While residential adjacency standards do not apply to the MU/NVTC zone, staff suggests a number of conditions to make the proposed project more compatible with the existing residential neighborhood to the south. To reduce visual, light, and noise impacts, a six foot tall solid decorative wall and a minimum 20 foot wide landscaped area with one tree per 300 square feet should be installed between the developed area and the southern property line (**Condition 7**). This condition mirrors requirements of the current (new) code for non-residential projects of this size adjacent to residential zoning (New Code Sec 18.04.1103(d)). Additionally, all future lighting should follow dark skies standards and shall comply with current (new) code requirements for exterior lighting, including current (new) Code Chapter 18.04, Article 13 (Exterior Lighting) and Sec 18.04.1407 (Residential Adjacency Spillover Lighting) (**Condition 8**). Impacts to surrounding properties during construction should be minimized by limiting hours of construction (**Condition 9**). Code allows for signs along both North Virginia Street and Seneca Drive. The applicant did not include a conceptual sign package with their application. In an effort to reduce potential impacts to the adjacent residential property from sign glare, signage should only be allowed along North Virginia Street (**Condition 10**). With all proposed

conditions of approval, impacts of the project on the adjacent residential properties should be minimized and mitigated.

Grading (Cuts and Fills) and Major Drainageway: The site generally has a gradual slope of $\pm 5\%$ from the south to the north. Slopes get more aggressive as you approach the existing major drainage way that runs along the western boundary of the site (**Exhibit G**). In order to accommodate a large building and adequate truck access, the project proposes cuts greater than 20 feet in depth and fills greater than ten feet in height. Most of the 20-foot cut follows the southern property line, effectively lowering the building elevation and reducing the impact on the adjacent residential uses. The ten foot fills are a result of the proposed relocation and restoration of the existing disturbed drainageway. Most of the cut slopes will be screened from public view by the proposed building. The fill slopes will be revegetated with the restoration of the drainageway. **Conditions 11 and 12** are also recommended to ensure final slope design and riprap blend with the natural environment.

The existing major drainageway running through the site is disturbed both upstream and downstream by development. On-site, it appears the drainageway has been disturbed by numerous crossings and what appears to be a detention basin. As was approved with the NVCC II project directly north of the subject site, the applicant is proposing to relocate the drainageway to generally follow the west property line and restore it to function in a better manner than it currently functions. Prior to obtaining any building permit, the applicant will need to provide all plans and technical information demonstrating compliance with all general standards and standards for disturbed drainageways in 18.12 Article 19 (**Condition 13**). Additionally, the site has large areas of past disturbance and various noxious weeds may be present. These noxious weeds should be identified and properly removed prior to grading. The site should be maintained free of noxious weeds for the life of the development. The major drainage way contains several mature native trees and riparian shrubs, grasses, and sedges that should be protected during construction. (**Condition 14**).

Stormwater: Development of the site shall comply with the PWDM, including provisions for post construction storm water quality management. The applicant will provide an approved final hydrology report addressing on-site and off-site storm water flows, detention, and facility capacities for the pre-development and post-development site conditions

The proposed project site is located within an Unshaded Zone X flood designation area and lies within the Swan Lake watershed. Therefore, all increases in storm flow volume and quantity must be detained and retained on site. A Preliminary Hydrology Report was submitted with the application materials that adequately addresses onsite storm water flows per PWDM and provides a storm water mitigation ratio of 1.3:1 for retention/detention, as required by the City of Reno in the North Valleys. The applicant will be required to provide plans and a final hydrology report that addresses all onsite and offsite storm water flows in accordance with the PWDM and the Truckee Meadows Regional Drainage Manual (TMRDM). The final hydrology will account for both the peak and volume of storm water flows generated by the 100-year storm event.

Topographic surveys, aerial imagery and staff site investigation indicate that potential storm water elements may exist in the major drainage way outlet. Initial research did not discover the origins of these earthen structures. The applicant should work with Washoe County to determine the historic nature of these elements and provide City staff the determination of these findings. The final design will incorporate measures to assure that there is no net increase in the regulatory 100-year water surface elevation at Swan Lake (**Condition 15**).

All drainage facilities located on the site will be privately owned and maintained by the developer (e.g. drainage swales, storm drainage pipes, detention/retention basins) and should be clearly identified on the site improvement permit plans. These items should also be subject to an operations and maintenance manual which details all operations and maintenance tasks, frequency of maintenance, access for maintenance, and a detailed description of the types of equipment that are anticipated to be necessary for operations and maintenance. This manual should be adopted as policy by the developer.

Access and Circulation: Site circulation, emergency access, and parking layout are designed in accordance with the RMC and the PWD. Access to the site will be provided from North Virginia Street and from Seneca Drive. A traffic study reveals that the project is estimated to generate 436 Average Daily Trips (ADT), 55 A.M. Peak Hour Trips (PHT), and 57 P.M. PHT. The project will have an impact on the adjacent street network. However, the Level of Service (LOS) will not fall below LOS “C” at either of the proposed access points or along North Virginia Street. All access points will meet the City of Reno and Regional Transportation Commission’s (RTC) Access Management Standards.

North Virginia Street is a 28 foot wide, two lane roadway with unpaved shoulders and a posted speed limit of 45 MPH. The traffic study indicates that 85% of the traffic will be arriving to the site via US 395/Lemmon Drive/N. Virginia Street and 15% will be arriving via US 395/Stead Blvd./North Virginia Street. It is anticipated that the project will generate a significant amount of heavy vehicle traffic based on the land use. With the completion of surrounding industrial approved projects immediately west and east of the site, it is anticipated that the project will be at or near the American Association of State Highway and Transportation Officials (AASHTO) threshold for installation of an exclusive left turn lane into the project. As such, all driveways recommended by the traffic study to operate with full turning movements should be required to add left turn lanes along North Virginia Street and plans will be provided that demonstrate a left turn lane from North Virginia Street into the western driveway will be provided per the AASHTO standards (**Condition 16**).

Seneca Drive is a Washoe County owned and maintained street. Any proposed restriping, realigning, and/or lane reconfiguration to the North Virginia Street/Seneca Drive intersection must be reviewed and approved by both Washoe County and the City of Reno Traffic Engineering divisions.

The project will be required to install all public improvements along North Virginia Street and Seneca Drive as required per the RMC and the PWD and in conformance with ADA policies

and regulations. The 2050 Regional Transportation Plan (RTP) identifies North Virginia Street from Panther Drive to Stead Boulevard to be widened to four lanes and include sidewalks, curb and gutter, parkway strips, and bike lanes in the 2022-2026 timeframe. Prior to the issuance of any permit, the applicant will be required to coordinate with the Regional Transportation Commission (RTC) for any dedication of right-of-way or setbacks adequate to complete the RTP improvements as required by RTC (**Condition 17**).

Pedestrian connectivity will be provided in accordance with the Public Works Design Manual. North Virginia Street, at the major drainage way crossing, does not have proper width to provide adequate pedestrian connectivity to the existing sidewalk to the west. The applicant should provide complete half-street improvements to North Virginia Street across the major drainageway, including a wider asphalt section, sidewalk, and curb and gutter. These improvements should provide adequate pedestrian connectivity to the existing sidewalk to the northwest of the project (**Condition 18**).

The applicant may be eligible for Regional Road Impact Fess (RRIF) waivers for right-of-way dedication and/or construction of the improvements along the project's frontage on North Virginia Street through a RRIF offset agreement with RTC. A letter to RTC must be submitted requesting to enter into a RRIF Offset Agreement and the agreement must be fully executed prior to the initiation of any public improvements work.

Utilities: All necessary utilities to serve the proposed development (e.g. sewer, water, power, etc.) are in close proximity and can be readily extended to serve the subject site. Required sewer conveyance and treatment for the project will be provided by the City of Reno Truckee Meadows Water Reclamation Facility (TMWRF). The preliminary sewer report indicates that the onsite sanitary sewer system will be designed to accommodate the development per the Public Works Design Manual (PWDM). The project proposes to tie into an existing Washoe County sewer main located within the site which conveys the flows to TMWRF. The applicant should provide a final sewer report that show analysis and documentation of available capacity in the existing and proposed sanitary sewer system to adequately convey the anticipated sewer flows from the project to the Buck Drive Lift Station (**Condition 19**). A sewer will-serve letter from the City of Reno and Washoe County approved plans for the sewer connection will be required with the site improvements permit application. Infrastructure will be further reviewed through grading permit, site improvements and/or building permit processes.

Public Services: With fire service times from seven to nine minutes, the applicant will be required to provide all necessary fire protection, including, but not limited to, fire sprinklers to meet the International Fire Code requirements.

The Police Department provided a Crime Prevention through Environmental Design ("CPTED") review that indicated the project was supportive of natural surveillance, access control and territorial reinforcement.

Master Plan Conformance: The subject site has a Master Plan land use designation of Industrial (I) and is located in 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:

- Policy 1.2: Promote a diverse and stable economy
- Policy 1.2B: Modern Industrial Hub
- Policy 1.2D: Employment Centers
- Policy: 2.1A - Growth Tiers
- Policy 2.1B: Concurrency Management System
- City Wide Policy 2.1C: Level of Service Targets
- City Wide Policy 6.1A: Fire and Medical Emergency Response
- Policy 2.1B: Concurrency Management System
- Policy 2.2B: Underutilized Properties
- Policy 5.1F: Right-of-way Preservation
- Policy 5.2D: System Capacity
- Policy 5.2G: Access Management
- Policy 6.2J: Resiliency of Infrastructure and Facilities
- Policy 7.1E: Major Draineways
- DPEA-G.3: Parking, Loading, and Storage
- DPEA-G.5: On-site Pedestrian and Bicycle Circulation
- EA-ILA.3: Residential Compatibility
- EA-ILA.5: Lighting
- EA-ILA.6 Truck Traffic
- EA-ILA.7: Varied Design

Public and Stakeholder Engagement: The project was reviewed by various City divisions and partner agencies and comments were incorporated into the project analysis (**Exhibit H**). Neighborhood Advisory Board meetings are still on temporary hiatus due to COVID-19 policy directives. A courtesy notice was sent out to nearby property owners upon initial submittal of the project and general project inquiries were received. 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 Community Development 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 and materials and City codes, City codes in effect at the time the building permit is applied for shall prevail, excluding Title 18 standards. The development shall be constructed utilizing the formerly adopted Title 18 code standards adopted immediately prior to January 13, 2021. Upon completion of the project constructed under LDC21-00044 (Majestic II), any future request shall meet the current Title 18 code standards in effect at the time of application. 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.
2. The applicant shall apply for all building permits associated with the request within 18 months from the date of final approval. The applicant shall continuously maintain the validity of those permits, or this approval shall be null and void. All permit application and plan sheets shall clearly note that the permit plans shall be reviewed under the Title 18 standards adopted immediately prior to January 13, 2021.
3. Prior to the issuance of each building permit, the applicant shall attach a copy of the final approval letter and include a narrative that describes how the requested permit addresses each of the applicable 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. Prior to the approval of a building permit (excluding grading), the applicant shall provide a line of sight analysis demonstrating that the dock doors will be completely screened per RMC 18.12.1207 and .1208. At a minimum, screening shall include a minimum 6-foot tall earthen berm and enhanced landscaping along the entire frontage of North Virginia Street. Landscaping shall be a combination of evergreen and deciduous plant material and be designed to provide screening of the dock and loading operations. Outdoor activities shall be limited to employee parking, truck circulation/ access, and trucks backing up to sealed docks. No outdoor storage shall be permitted, except in truck docks and allowable trailer parking areas. Outdoor storage shall be screened with a solid view fence and stored materials shall not exceed the height of the fence. All outdoor storage and trailer parking shall be accessory to the primary use of the building.
6. Prior to the approval of a building permit for the building, the applicant shall provide plans that demonstrate the building architecture utilizes natural or earth-tone colors and does not contain elements that could create glare.

7. Prior to the approval of a building permit, excluding grading, the applicant shall provide plans that include a six foot tall solid decorative wall and a minimum 20 foot wide landscaped area with one tree per 300 square feet located between the developed area and the southern property line. The plans shall demonstrate that the improvements will comply with all existing easements.
8. Prior to the issuance of a building permit, the applicant shall have plans approved demonstrating that all exterior site lighting will utilize current (new) code requirements for exterior lighting, including Reno Municipal Code (RMC) Chapter 18.04, Article 13 (Exterior Lighting) and RMC Section 18.04.1407 (Residential Adjacency Spillover Lighting).
9. 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 the hours of 8:00 a.m. and 6:00 p.m. on Saturday. There shall be no construction on Sundays, excluding dust control and Storm Water Pollution Prevention Plan measures. A note to this effect shall be placed on the title sheet of all building permit plan sets and a sign shall be posted at the construction site. If the construction hours need to be varied for the pouring of concrete slabs, a plan detailing the construction operations and provisions to minimize impacts on nearby residential areas shall be submitted and approved to the satisfaction of the Administrator
10. Signs shall only be allowed on the building face fronting North Virginia Street.
11. Prior to the issuance of any grading permit, the applicant shall have plans approved that demonstrate the color of the riprap will match the surrounding natural landscape and will be treated with Permeon or similar product. The riprap shall also be backfilled with soil and revegetated.
12. All created slopes exceeding 20 feet in height shall provide horizontal and vertical changes to vary the flat-engineered look to these slopes by incorporating a mixture of 2:1, 3:1 and 4:1 slopes. Talus slopes, embedded boulders, landscaping, rockery walls or other similar methods can also be used to break up these slopes. All areas disturbed by project grading shall be landscaped or revegetated with a seed mix consistent with the adjacent undisturbed slopes. A note shall be added to each grading sheet as follows:

GRADING NOTE: UPON COMPLETION OF THE GRADING AND PRIOR TO APPLICATION OF REVEGETATION MATERIALS, REPRESENTATIVES FROM THE DEVELOPER, THE CONTRACTOR, THE ENGINEER OF RECORD AND CITY OF RENO SHALL MEET ON THE SITE TO DETERMINE THE FINAL SLOPE GRADING AND SLOPE TREATMENTS

13. Prior to the issuance of any building permit that will disturb the major drainageway, including grading, the applicant shall provide all plans and technical studies demonstrating compliance with all general standards and standards for disturbed drainageways in 18.12 Article 19.

14. Prior to the approval of a grading permit, the applicant shall demonstrate that a noxious weed monitoring and adaptive management plan has been prepared to address construction concerns and ensuring ongoing consistent monitoring, prevention, and removal. This plan shall be implemented and enforceable throughout the life of the project. The applicant shall protect identified native vegetation in the drainage way area.
15. Prior to the issuance of any building permit the applicant will be required to provide plans and a final hydrology report that addresses all onsite and offsite storm water flows in accordance with the PWD and the Truckee Meadows Regional Drainage Manual (TMRDM). The final hydrology must account for both the peak and volume of storm water flows generated by the 100-year storm event and provide a storm water mitigation ratio of 1.3:1 for retention/detention as required by the City of Reno in the North Valleys. The final design shall incorporate measures to assure that there is no net increase in the regulatory 100-year water surface elevation at Swan Lake. Prior to any permit, the applicant shall provide verification from Washoe County that the storm water from the adjacent residential development is not mitigated in the major drainage way on the subject site.
16. Prior to the issuance of a site improvement permit, plans shall be provided demonstrating that a left turn lane from North Virginia Street into the western driveway will be provided per the American Association of State Highway and Transportation Officials (AASHTO) standards. The work shall be performed in accordance with the Regional Transportation Commission.
17. Prior to the issuance of any permit for site improvements, the applicant shall be required to coordinate with the Regional Transportation Commission (RTC) for any dedication of right-of-way or setbacks adequate to complete the RTP improvements as required by RTC. Prior to the issuance of the Certificate of Occupancy (C of O), the applicant shall provide adequate improvements to North Virginia Street across the major drainageway crossing including a wider asphalt section, sidewalk, and curb and gutter subject to the review and approval of the Community Development Department and Regional Transportation Commission.
18. Prior to the issuance of any permit for site improvements, the applicant shall have plans approved showing sidewalk will be provided along the entire North Virginia Street frontage abutting the project site. Sidewalk improvements shall be constructed for future expansion and to reduce pedestrian connectivity impacts with future development. Prior to the issuance of any permit, the applicant shall demonstrate that all necessary on-site and off-site easement vacations, relocations, and grants are complete or in place. All other sidewalk requirements shall meet code.
19. Prior to the issuance of any building permit with the exception of a grading permit, the applicant shall provide a final sewer report that show analysis and documentation of available capacity in the existing and proposed sanitary sewer system to adequately convey

the anticipated sewer flows from the project to the sewer interceptor. A final sewer report shall be submitted with the building permit.

Findings:

RMC 18.06.405(e)(1) Special Use Permit

RMC 18.06.405(e)(3) Special Use Permits for Cut Slopes of 20 Feet or Greater in Depth or Fill Slopes Ten Feet or Greater in Depth.

Special Use Permit: General special use permit findings. Except where specifically noted, all special use permit applications shall require that all of the following general findings be met, as applicable.

- a. The proposed use is compatible with existing surrounding land uses and development.
- b. The project is in substantial conformance with the master plan.
- c. There are or will be adequate services and infrastructure to support the proposed development.
- d. The proposal adequately mitigates traffic impacts of the project and provides a safe pedestrian environment.
- e. The proposed site location and scale, intensity, density, height, layout, setbacks, and architectural and overall design of the development and the uses proposed, is appropriate to the area in which it is located.
- f. The project does not create adverse environmental impacts such as smoke, noise, glare, dust, vibrations, fumes, pollution or odor which would be detrimental to, or constitute a nuisance to area properties.
- g. Project signage is in character with project architecture and is compatible with or complementary to surrounding uses.
- h. The structure has been designed such that the window placement and height do not adversely affect the privacy of existing residential uses.

Special use permits for cut slopes of 20 feet or greater in depth or a fill slope ten feet or greater in height. In addition to the general findings in subsection (1) above, special use permits for cut slopes of 20 feet or greater in depth or a fill slope ten feet or greater in height shall require that one of the following findings be made:

- a. The slopes can be treated in a manner which does not create negative visual impacts.
- b. The grading is necessary to provide safe and adequate access to the development.

Attachments:

- Exhibit A - Vicinity Maps (PDF)
- Exhibit B - Site and Grading Plan (PDF)
- Exhibit C - View Analysis (PDF)
- Exhibit D - Elevations (PDF)
- Exhibit E - Acoustical Analysis (PDF)
- Exhibit F - Lighting Plan and Photometric Analysis (PDF)
- Exhibit G - Slope Map and Cuts/Fills Analysis (PDF)
- Exhibit H - Agency Comments (PDF)