



CITY OF FERNLEY

CITY COUNCIL AGENDA REPORT

Meeting Date: August 18, 2021

REPORT TO:	Mayor & City Council
REPORT THRU:	Daphne Hooper, City Manager
REPORT BY:	Tim Thompson, Planning Director
REVIEWED BY:	Brandi Jensen, City Attorney
REVIEWED BY:	Denise Lewis, Finance Director

FINANCIAL IMPACT: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	CURRENTLY BUDGETED: <input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> N/A	FUND/ACCOUNT:
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ACTION REQUESTED:	<input type="checkbox"/> Consent <input type="checkbox"/> Motion <input type="checkbox"/> Presentation <input type="checkbox"/> Receive/File	<input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
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AGENDA ITEM: Second Reading, Public Hearing, and consideration of Bill #302 – DA21002 (FOR POSSIBLE ACTION)

Consideration and possible action on Bill #302, an Ordinance authorizing the City of Fernley to enter into a Development Agreement (DA21002) with DLG Associates, LLC to allow for an extension of time of two (2) years for the presentation of a Final Map for The Golf Club at Fernley Subdivision pursuant to NRS 278.360 and 278.0201.

AGENDA ITEM BRIEF:

The purpose of this development agreement is to allow for an extension of time of two years for the recordation of a Final Map for The Golf Club at Fernley. The project is a 92-lot single family residential subdivision comprised of 4 parcels totally approximately 24 acres generally located west of Lucas Lane, east of Vonnie Lane, and north of Nevada State Route 828 (Farm District Road). (APN: 020-581-02, 020-581-03, 021-581-04, 020-581-05).

RECOMMENDED MOTION:

“I move to adopt Bill #302, an Ordinance authorizing the City of Fernley to enter into a Development Agreement (DA21002) with DLG Associates, LLC to allow for an extension of time of two (2) years for the presentation of a Final Map for The Golf Club at Fernley Subdivision pursuant to NRS 278.360 and 278.0201.”

Business Impact (per NRS Chapter 237):

A Business Impact Statement is Attached.

A Business Impact Statement is Not Required because:

this is not a rule (term excludes vehicles by which legislative powers are exercised under NRS Chapters 271, 278, 278A, or 278B);

See Attached Report for Background/Analysis/Alternatives.

PROJECT SUMMARY

- CASE NUMBER(S):** • DA21002
- REQUESTED ACTION(S):** • Development Agreement
- PROJECT DESCRIPTION:** • An Ordinance authorizing the City of Fernley to enter into a Development Agreement (DA21002) with DLG Associates, LLC to allow for an extension of time of two (2) years for the presentation of a Final Map for The Golf Club at Fernley Subdivision pursuant to NRS 278.360 and 278.0201.
- PROPERTY OWNER:** • DLG Associates, LLC
- APPLICANT:** • DLG Associates, LLC
- LOCATION:** • Generally located west of Lucas Lane, east of Vonnie Lane, and north of Nevada State Route 828 (Farm District Road).
- SITE SIZE:** • ± 24 acres
- EXISTING ZONING:** • SF6 (Single Family 6,000 sqft minimum lot size)
- EXISTING LAND USE:** • Single Family Residential (SFR)
- WARD INFORMATION:** • Ward 1– Ray Lacy

***A PUBLIC HEARING IS REQUIRED**

POLICY REFERENCE

Nevada Statutes: NRS 278A
Fernley Municipal Code: Title 32
Policies & Procedure Manual: N/A
Community Assessment: N/A
City of Fernley Development Code: Chapter 32.03.100

BACKGROUND

In June of 2005, the City Council approved a tentative subdivision map (TSM 05-05) for the initial 92-lot subdivision. Per Nevada Revised Statutes in effect at the time, tentative subdivision maps expired two (2) years from the date of City Council approval but could be extended for an additional year subject to City Council Approval.

In April of 2007, the City Council approved an extension of time request for presenting a final map, in accordance with state law, to June 1, 2008.

In May of 2008, the City Council approved a final map (FSM 08-05) for the Golf Club at Fernley Phase 1 subdivision which was recorded with the Lyon County Recorder's Office on May 23, 2008, Lyon County Recorder Document number 426503.

On May 7, 2009, AB 74 was signed into law, thus extending the time period for presenting a subsequent final map to May 23, 2011.

Per the Lyon County Recorder Document number 475081, titled "Development Agreement" regarding development of The Golf Club at Fernley, between the City of Fernley and D.L.G. Associates, LLC the project approvals associated with a tentative subdivision map (TSM 05-05) were extended to May 23, 2013. Specifically, the time frame for presenting a Final Map consisting of a portion of the Golf Club at Fernley Phase II under NRS 278.360 for the project was extended to May 23, 2013.

Per the Lyon County Recorder Document number 503441, titled "Development Agreement" regarding development of The Golf Club at Fernley, between the City of Fernley and D.L.G. Associates, LLC the project approvals associated with a tentative subdivision map (TSM 05-05) were extended to May 23, 2015. Specifically, the time for presenting a Final Map consisting of a portion of the Golf Club at Fernley Phase II under NRS 278.360 for the project was extended for two (2) years to May 23, 2015.

Per the Lyon County Recorder Document number 541238, titled "Development Agreement Between the City of Fernley and D.L.G. Associates, LLC," the project approvals associated with a tentative subdivision map (TSM 05-05) were extended to August 19, 2017. Specifically, the time frame for the presentation of a final subdivision map, in accordance with the provisions set forth in NRS 278, for The Golf Club at Fernley was extended to August 19, 2017.

On September 20, 2017, the City Council approved an amendment to the Development Agreement to extend the time to file the next Final Map for an additional four years (August 2021). The Amendment to the Development Agreement was requested because of litigation associated with the development. The developer was unable to move forward on the project and the City was unable to issue any new will-serve commitments associated with the disputed water rights until the litigation was fully resolved.

The ±24-acre site's land use is designated Single Family Residential (SFR) per the Master Plan and is zoned SF6 (single family residential, 6,000 sf minimum parcel size). The current tentative map is approved for a 92-lot single family subdivision.

ANALYSIS

The purpose of a development agreement is to provide an alternative mechanism, when deemed appropriate by the city council. To give assurance to a property owner who has obtained the necessary approvals for a project that they may proceed with, and complete development as specified in and in

accordance with, the development agreement. In return for specific benefits pursuant to the terms of a development agreement.

The project proposal is to allow for a 92-lot single-family residential subdivision. The Golf Club at Fernley subdivision tentative map was originally approved in 2005. The proposed redlines to the Development Agreement (DA21002) includes a two (2) year extension for recording a Final Map, through August 2023. The Golf Club at Fernley is an established subdivision with an existing, operating golf course. Infrastructure exists to the site. The City of Fernley can approve a development agreement if the project in question is both consistent with the cities master plan (NRS278.0284) and consistent with Nevada or Federal Law as stated in Fernley’s municipal code (Sec. 32.03.100).

The Golf Club at Fernley is an established subdivision with an existing, operating golf course. Infrastructure exists to the site and “The Golf Club at Fernley Phase 2” represents a logical extension of the existing subdivision. Since the extension to the existing Development Agreement was approved in 2017, The Golf Club at Fernley development team has diligently worked towards meeting the Tentative Map conditions to allow for the transfer the property and record a Final Map for the remaining lots.

However, there have been questions regarding water rights, with a Judge’s Order filed in 2018 confirming that D.L.G. Associates is the beneficial user of 353.1-acre feet of surface water. The owner has also worked to obtain an extension to the 1996 Simoncini Agreement. This was approved by the Fernley City Council on March 3, 2021, ensuring necessary water rights and infrastructure improvements are provided with the development. Without these decisions, the City would have been unable to issue will serve letters required for the project. Additionally, prior to the approval of this extension to the Simoncini Agreement and without the ability to obtain will serve letters from the City of Fernley, D.L.G. Associates was unable to transfer the property or record a Final Map.

Because these issues are now resolved, D.L.G. Associates is now able to move forward with a property transfer and complete work for the Final Map.

Extending the currently approved Development Agreement and maintaining the existing entitlements on the property will benefit the City of Fernley in that the initial project will be completed as approved thus providing necessary single family residential inventory during the current economic upturn.

Planning Commission review is not required because the sole purpose of this development agreement is to allow an alternate time period for review of an entitlement application, the agreement is processed directly by the City Council.

ATTACHMENTS

1. Attachment 1 – Draft Development Agreement with track changes
2. Attachment 2 – Ordinance
3. Attachment 3 – Development Agreement - Final