

# CITY OF FERNLEY

## CITY COUNCIL AGENDA REPORT

Meeting Date: January 5, 2022

<b>REPORT TO:</b> Mayor & City Council		
<b>REPORT THRU:</b> Daphne Hooper, City Manager		
<b>REPORT BY:</b> <b>Tim Thompson, Planning Director</b>		
<b>REVIEWED BY:</b> Brandi Jensen, City Attorney		
<b>REVIEWED BY:</b> Denise Lewis, Finance Director		
<b>FINANCIAL IMPACT:</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	<b>CURRENTLY BUDGETED:</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A	<b>FUND/ACCOUNT:</b>
<b>ACTION REQUESTED:</b> <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Motion <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Presentation <input type="checkbox"/> Receive/File <input type="checkbox"/> Resolution		
<b>AGENDA ITEM: First Reading, Introduction Bill #304 – ZMA21003</b> Consideration and possible action to introduce Bill #304 as a general Ordinance for a Zoning Map Amendment, associated with ZMA21003, to change the zoning from C2 (General Commercial) and GR20 (General Rural, 20 acre minimum) to I (Industrial) on a site approximately ±78.86 acres in size located at 850 & 855 Commerce Center Drive, Fernley, NV, (APNs': 021-061-29 and 021-061-30).		
<b>AGENDA ITEM BRIEF:</b> The proposed item accounts for a change in both the land use and zoning classification of two parcels of land, generally located north of Interstate-80 East and west of Commerce Center Drive (APN's: 021-061-29 & 021-061-30). The purpose of this is to develop an Industrial Storage and Warehousing facility on these parcels, which will be known as the Nevada Commerce Center.		
<b>RECOMMENDED MOTION:</b> Read bill by title and schedule 2 <sup>nd</sup> Reading, public hearing, and possible action on Bill #304 for the regularly scheduled City Council meeting on January 19, 2022.  "I move to introduce Bill #304 and set the public hearing for the January 19, 2022, City Council Meeting."		
<b>Business Impact (per NRS Chapter 237):</b>  <input type="checkbox"/> A Business Impact Statement is Attached.  <input checked="" type="checkbox"/> 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):** • MPA21001 & ZMA21003
- REQUESTED ACTION(S):** • Master Plan Amendment and Zoning Map Amendment
- PROJECT DESCRIPTION:** • A Master Plan Amendment request on two parcels of land to convert the Land Use Classification from Commercial to Industrial, and a Zoning Map Amendment request on the same two parcels to change the zoning from C2 (General Commercial) to I (Industrial). The project site is generally located north of I-80 East and west of Commerce Center Drive, directly across the street from the Nevada Cement facility (APN's: 021-061-29, 021-061-30).
- PROPERTY OWNER(s):** • Glen L. Ludwig
- APPLICANT:** • Buzz Oates Construction
- LOCATION:** • 850 & 855 Commerce Center Drive
- SITE SIZE:** • ±78.86 Acres
- EXISTING LAND USE:** • Commercial
- PROPOSED LAND USE:** • Industrial
- EXISTING ZONING:** • 850 Commerce Center Drive (APN 021-061-30)  
C2 (General Commercial) & GR20 (General Rural, 20 acre minimum)
- 855 Commerce Center Drive (APN 031-061-29)  
C2 (General Commercial)
- PROPOSED ZONING** • I (Industrial)
- WARD INFORMATION:** • Ward 1 – Councilman Lacy

**\*A PUBLIC HEARING IS REQUIRED**

### POLICY REFERENCE

<i>Nevada Statutes:</i>	<i>NRS 278</i>
<i>Fernley Municipal Code:</i>	<i>Title 32</i>
<i>Policies &amp; Procedure Manual:</i>	<i>N/A</i>
<i>Community Assessment:</i>	<i>N/A</i>
<i>City of Fernley Development Code:</i>	<i>Section 32.03.040 – Comprehensive Master Plan/Zoning Map Amendments</i>
	<i>Section 32.06.110 – Industrial (I) Zoning Districts</i>
	<i>Section 32.09.035 – Dedication of Water Rights</i>
	<i>Section 32.09.140 – Streets (Roadways)</i>
	<i>Section 32.09.150 – Utilities</i>
	<i>Section 32.12.010 – Adequate Public Facilities Required</i>
	<i>Section 32.13.030 – Improvements, Security, &amp; Inspections</i>

## **BACKGROUND**

The project site has been under ownership of the Ludwig Trust since 1988 and has undergone multiple Boundary Line adjustments in the past, most recently in 2006. Throughout that time period, both parcels have remained vacant with no development or structures currently existing on either property. The northern parcel of the project site (APN: 021-061-30) contains a split zoning designation and is currently located within the GR20 (General Rural, 20-acre minimum lot size) *and* the C2 (General Commercial) zoning district. This very likely occurred due to a parcel map or boundary line adjustment that occurred in the past, which would have led to the parcel obtaining the GR20 and C2 zoning designations of the surrounding commercially and rurally zoned properties.

The project site consists of two parcels (APN's 021-061-29, 021-061-30) and a total project area of approximately 78.86 acres. The surrounding land uses are a mix of commercial, rural, and industrial, with the majority of development occurring south of the project site. Given that the project is located near Interstate-80 and State Route 427 (Main Street), it provides access in all directions throughout Fernley.

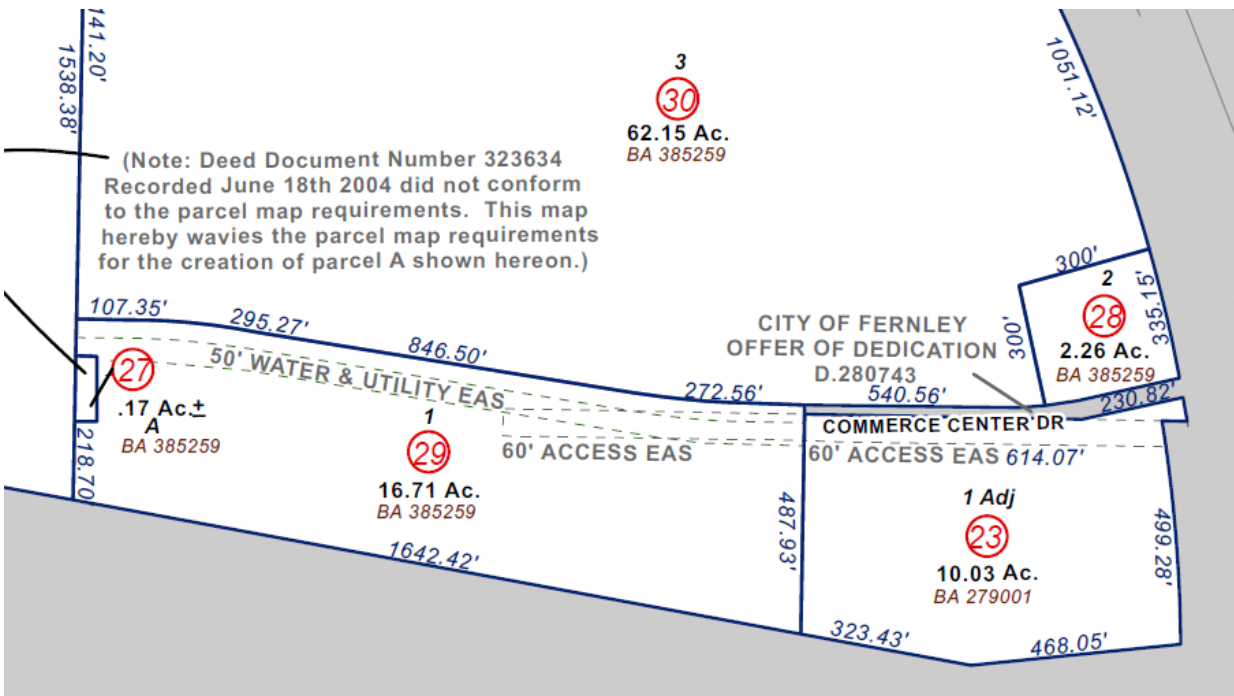
## **ANALYSIS**

The applicant is seeking the approval of a Master Plan and Zoning Map Amendment Request on two parcels of land located at 850 & 855 Commerce Center Drive, to convert the existing land use classification from Commercial to Industrial and change the zoning from C2 (General Commercial) to I (Industrial). The applicant aims to implement these changes in order to develop an Industrial Business Park on the two parcels. Should the Master Plan Amendment and Zoning map Amendment be approved, any future development of the project site would require the approval of an Administrative Review unless and Conditional Use Permit is required.

The City of Fernley's Comprehensive Master Plan was updated in 2018. The project area for the Nevada Commerce Center has a Land Use designation of Commercial. The Commercial Land use designation highlights primary uses such as restaurants, lodging, office parks, business centers, and recreational facilities. The Commercial land use does not permit for warehousing, storage, wholesale distribution centers, or other industrial uses. To initiate industrial development, the applicant must request a Comprehensive Master Plan Amendment to the Industrial land use designation and a subsequent Zoning Map Amendment to change the zoning to I (Industrial), the equivalent zoning district.

The Industrial Land Use designation does allow for large scale warehousing, distribution centers and similar uses, such as manufacturing or processing. Industrial Land Use standards highlight the importance of being located near arterial roads or highways, a standard which is met by the project site given its proximity to Interstate-80 and S.R. 427 (Main Street). In addition to this, the I (Industrial) zoning is indeed a permitted zoning district within the Industrial Land Use designation. As such, a Zoning Map Amendment is a required step for this future development, as it permits for the intended use while bringing the project zoning into conformance with the modified Land use classification.

Access and entry into the project area is provided by Commerce Center Drive, which in turn provides direct access to Main Street. Commerce Center drive itself exists partly as a city right-of-way but exists as an access easement on half of the roadway, with the other half being dedicated to the city as right-of-way. The easement portion of Commerce Center Drive exists on two separate parcels: 021-061-29, which is one of the project parcels, and 021-061-23, which is an adjacent parcel directly to the east, where Love's Travel Stop is located. This can be seen via the image on the following page.



The applicant provided a traffic study along with the application submittal, as it was expected that the project would lead to an additional >100 peak hour trips. The Traffic Study provided identified that the project would lead to an additional 2,376 daily trips, 232 of which are during peak AM hours, and 259 of which are during peak PM hours. These increases in traffic are not expected to have any major impacts to the existing roadway infrastructure, so no major improvements are expected as a result of the proposed project. This was identified by examining the LOS (Level of Service) impacts to various intersections around the project site. The traffic study indicated that the additional trips would not lead to a significant reduction in LOS levels, and as a result, no significant improvements would need to be made for the Nevada Commerce Center. It is very likely however, that as the surrounding area undergoes additional development, the intersections in the surrounding area will require significant traffic-related improvements. Should a situation such as this occur, the developer shall coordinate with NDOT (Nevada Department of Transportation) to identify potential improvements that can be made near or around the project site.

The applicant believes that the project will lead to an increase in employment within the Fernley area, with the Nevada Commerce Center expected to produce an additional 1,125 permanent employees upon completion. This in itself will fulfill one of the goals and policies outlined within the 2018 Comprehensive Master Plan by providing economic development opportunities within the City of Fernley. The Commercial properties south of the project site (Consisting of a Truck wash, truck repair shop, and gas station) will benefit from the increased truck through-traffic, as they will very likely receive more business for the services they offer. Conversely, it can also reduce the potential of Commercial Space adjacent to Interstate-80 and S.R. 427, as these large-scale Industrial warehouses do not include commercial, recreation, or entertainment uses. The influx of workers will potentially lead to more an increase in housing demand, as more people move into the greater Fernley area. This could potentially lead to more houses being developed in areas around the city, which is another goal outlined within the City's Comprehensive Master Plan. Much of the area surrounding the project site is a mix of commercial and

industrial uses. However, the properties located directly to the north of the project site which are within unincorporated Lyon County are zoned for rural residential development but have a Lyon County land use designation of Industrial.

**Should the Planning Commission determine the project, as submitted, is consistent with the existing surrounding land uses, will not have a significant adverse impact on the existing surrounding uses, promotes the public health, safety, and general welfare, and can make the applicable Findings, the Planning Commission can approve the item with the attached conditions of approval.**

**If the Planning Commission cannot make some or all the applicable Findings and determines the project is not consistent with the existing surrounding uses, will have a significant adverse impact on the existing uses, and/or does not promote the public health, safety and general welfare, the Planning Commission can deny the application. The motion to deny should be based on information received in written materials and at the public hearings on this matter and the Planning Commission's inability to make any Finding(s) should be explicitly described**

## **FINDINGS**

### Master Plan Amendment

#### **MP1: Implementation of the goals and policies outlined within the Master Plan Amendment:**

Land Use Goals and Policies included within the City's 2018 Comprehensive Master Plan that are relevant to this project include the following:

#### Land Use:

##### **LU.1.1 Encourage and plan for new development in areas where adequate public services and facilities can be provided efficiently.**

LU.1.1.1 Require new development to provide its proportionate share of improvements to avoid a degradation of services for existing residents. This requirement will be applied regardless of project size in order to avoid incremental erosion of services and facilities.

LU.1.1.2 Encourage development of vacant or underutilized lands within the community core where adequate infrastructure and facilities currently exists.

LU.1.1.3 Require new development to provide certified, stamped studies demonstrating the impact proposed development will have on existing infrastructure and to provide improvements and/or funding in lieu of improvements in proportion to the impacts of the proposed projects on the city's roadway, sewer and water systems.

##### **LU.1.3 Provide a balanced distribution of employment and population.**

LU.1.3.1 Encourage land uses and development, which maintains a balance of population, housing, and employment.

##### **LU.1.4 Ensure existing and future land uses are compatible.**

LU.1.4.2 Projects shall be evaluated with the intent to promote land use compatibility; community design measures can increase compatibility among adjoining land uses.

**LU.1.5 Promote infill development.**

LU.1.5.3 Development on the perimeter of Fernley is appropriate only where orderly extension of existing public services and facilities can occur.

LU.1.5.4 Adopt development regulations that recognize the relationship between land use timing and the provision of services and facilities.

**LU.1.6 Create a growth pattern that assures flexible, feasible and efficient projects.**

LU.1.6.1 Support for developmental approval of projects that provide an appropriate balance of population.

LU.1.6.2 The land use designations include minimum service standards that shall apply to proposed developments and land use changes.

Transportation:

**T.1.1 Require that roadway facilities be maintained and constructed as needed to ensure high quality and safe travel on major streets and at major intersections.**

T.1.1.1 The minimum Level of Service on all city-maintained roadways shall be LOS D. The city will work with representatives from NDOT to ensure timely improvements are planned when NDOT roadways are forecast to fall below LOS D.

T.1.1.6 Require all new development to be consistent with the access right-of-way dedication and improvement standards as specified in the Public Works Design Manual and pursuant to the functional classification as defined in this chapter.

T.1.1.8 Monitor road conditions and prioritize maintenance schedules based on traffic demand and the availability of alternative routes.

**T.1.3 Implement street design and access standards to provide for safe and efficient movement of goods and people.**

T.1.3.4 Require proposed new development that intends to connect with an NDOT roadway to incorporate the NDOT Access Management System and Standards into the project design. These standards regulate access onto the roadway network in order to protect health, safety and welfare of the public, maintain the rights-of-way, and to preserve the functional classification level of the roadway network while meeting the needs of the motoring public. The access management standards address the location, spacing and frequency of access points on the roadway network.

Public Services & Facilities:

**PSF.1.2 To the maximum extent possible, the costs of improvement, extension and construction of public facilities should be borne by those whose land development and redevelopment actions made such improvement, extension and construction necessary. A procedure is to be established that defines the responsibility for improvements of individual projects.**

- PSF.1.4 Reduce water demand through xeriscape project landscaping, reclamation and reuse of treated wastewater for golf courses, medians, parkways and other appropriate application uses.**
  - PSF.1.4.1 The Department of Community Development will include provisions for reclamation of water resources and appropriate uses for wastewater application in the Fernley Development Code.
- PSF.1.5 Design water treatment and delivery systems to be compatible with the area in which they are located.**
- PSF.3.3 Ensure appropriate levels of public services and facilities are continually provided.**
  - PSF.3.3.1 Coordinate the provision of public services with growth and development in Fernley.
  - PSF.3.3.2 Consider the financial impacts in all growth management decisions.
- PSF.3.11 Require large-scale developments to be within adequate fire service areas.**
  - PSF.3.11.2 All development in the City (except for residential densities less than one residence per acre) shall be within a 4-7-minute response time of an existing or planned fire station.
  - PSF.3.11.3 New Development shall identify and fund facilities and infrastructure necessary to provide adequate fire protection.
  - PSF.3.11.5 Require water distribution systems to meet the Lyon County Fire District standards for all future development.

The Comprehensive Master Plan fosters the City’s Mission, promoting future prosperity and the balanced growth of the community, promoting economic development, and improving the quality of life enjoyed by the community’s residents. To support future industrial and manufacturing development, that could potentially begin to offer higher-pay and higher-skill employment opportunities within the community, the City of Fernley will have to consider a variety of land use, community development, and economic development strategies designed to diversify its current housing stock and economic profile with additional professional and commercial office space and additional retail space. The incorporation of non-single-family detached residential owner-occupied housing options, with additional multi-family and renter-occupied housing options sited in appropriate areas within the community, will be critical in securing future private investment in the development of new smaller and mid-sized manufacturing space. The diversification of the community’s existing housing stock, coupled with improvements in the types of employment opportunities and retail and recreational opportunities offered, will be necessary to support the community’s continued prosperity and smart growth.

**MP2: Compatibility with surrounding land uses.**

The following table shows land use and zoning designations for the parcels directly surrounding the project parcels (021-061-29, and 021-061-30):

Direction	Current Use	Current Zoning	Master Plan Land Use Designation
North:	Vacant – Rural Residential (Unincorporated Lyon County)	RR5 (Lyon County)	Industrial (Lyon County)
South:	Interstate 80, Vacant and developed Commercial Land	C2 (General Commercial)	Commercial
East:	Main Street (S.R. 427), Nevada Cement Company Facility (Unincorporated Lyon County)	M1 (Lyon County)	Employment (Lyon County) Industrial (City of Fernley)
West:	Vacant General rural land	GR20 (General Rural, 20 acre)	OSP (Open Space & Parks)

The surrounding parcels contain a small variety of zoning and land use categories, with generally very low densities. Of the total 11 surrounding parcels, 6 of these are vacant, with no buildings or personal property. The 5 parcels that are developed and in operation have an existing land use of either Commercial or Industrial. Furthermore, four (4) of the parcels south of the project parcels are buffered by Interstate-80, which creates an approximately 530-foot buffer to the project site. Industrial-zoned parcels are discouraged adjacent to residential parcels. However, industrial uses may be compatible with adjacent residential and commercial development, provided there is adequate screening and buffering between the uses. The development code requires a minimum 20-foot buffer be placed along any property line abutting any residential zoning district. Additionally, landscaping will be utilized to provide screening within those areas. Any equipment, lighting, emissions, loading bays, smoke, dust, or noise will also be directed away from any abutting non-industrial zoning district to the extent possible. Provided the conditions outlined within the City of Fernley Development Code can be satisfied, this Finding can be made for the Master Plan Amendment.

**MP3: Public notice was given, and a public hearing has been scheduled per the requirements of the Development Code and Nevada Revised Statutes.**

Public notice was given and a public hearing was scheduled. The Planning Commission Meeting functions as the public hearing for this matter as required in the City’s Municipal Code and Nevada Revised Statutes.

Zoning Map Amendment

**Z1: The application, as submitted, is consistent with the City of Fernley Comprehensive Master Plan.**



## Relationship to the Master Plan

### 1. Industrial (I)

The proposed development is located within an area designated as Industrial in the city's Comprehensive Master Plan. The description of the Industrial land use states the equivalent zoning district is I (Industrial). Per the Comprehensive Master Plan document, Industrial land use focuses on Industrial uses, such as manufacturing/warehousing, maintenance and repair shops, distribution, mining, storage, and construction. Other uses such as supporting railroad uses and limited support services for the convenience of employees, such as restaurants, small scale retail, and professional and medical offices may also be permitted. Planned Development (PD) zoning may be applied to the area designated Industrial for entitlement and construction.

The Comprehensive Master Plan goes on to state that Industrial areas are intended to create an environment where industrial activities may occur with a minimum amount of impact on the natural environment and surrounding land uses. Industrial land uses are not appropriate adjacent to residential development. Areas of steep slopes, floodplains and/or potential wetlands should generally be avoided. Industrial land uses are typically located near major transportation corridors but isolated from residential land uses and are generally located south of I-80 and north of US 50A. Municipal Services are required.

2. The Land Use Plan Goals and Action Strategies in the 2018 Comprehensive Master Plan that are relevant to this proposal include:

#### Land Use:

#### **LU.1.1 Encourage and plan for new development in areas where adequate public services and facilities can be provided efficiently.**

- LU.1.1.1 Require new development to provide its proportionate share of improvements to avoid a degradation of services for existing residents. This requirement will be applied regardless of project size in order to avoid incremental erosion of services and facilities.
- LU.1.1.2 Encourage development of vacant or underutilized lands within the community core where adequate infrastructure and facilities currently exists.
- LU.1.1.3 Require new development to provide certified, stamped studies demonstrating the impact proposed development will have on existing infrastructure and to provide improvements and/or funding in lieu of improvements in proportion to the impacts of the proposed projects on the city's roadway, sewer and water systems.

#### **LU.1.5 Promote infill development.**

- LU.1.5.3 Development on the perimeter of Fernley is appropriate only where orderly extension of existing public services and facilities can occur.
- LU.1.5.4 Adopt development regulations that recognize the relationship between land use timing and the provision of services and facilities.

Transportation:

**T.1.1 Require that roadway facilities be maintained and constructed as needed to ensure high quality and safe travel on major streets and at major intersections.**

T.1.1.1 The minimum Level of Service on all city-maintained roadways shall be LOS D. The city will work with representatives from NDOT to ensure timely improvements are planned when NDOT roadways are forecast to fall below LOS D.

T.1.1.6 Require all new development to be consistent with the access right-of-way dedication and improvement standards as specified in the Public Works Design Manual and pursuant to the functional classification as defined in this chapter.

T.1.1.8 Monitor road conditions and prioritize maintenance schedules based on traffic demand and the availability of alternative routes.

Public Services & Facilities:

**PSF.1.2 To the maximum extent possible, the costs of improvement, extension and construction of public facilities should be borne by those whose land development and redevelopment actions made such improvement, extension and construction necessary. A procedure is to be established that defines the responsibility for improvements of individual projects.**

**PSF.1.4 Reduce water demand through xeriscape project landscaping, reclamation and reuse of treated wastewater for golf courses, medians, parkways and other appropriate application uses.**

PSF.1.4.1 The Department of Community Development will include provisions for reclamation of water resources and appropriate uses for wastewater application in the Fernley Development Code.

**PSF.1.5 Design water treatment and delivery systems to be compatible with the area in which they are located.**

**PSF.3.3 Ensure appropriate levels of public services and facilities are continually provided.**

PSF.3.3.1 Coordinate the provision of public services with growth and development in Fernley.

PSF.3.3.2 Consider the financial impacts in all growth management decisions.

**PSF.3.11 Require large-scale developments to be within adequate fire service areas.**

PSF.3.11.2 All development in the City (except for residential densities less than one residence per acre) shall be within a 4-7-minute response time of an existing or planned fire station.

PSF.3.11.3 New Development shall identify and fund facilities and infrastructure necessary to provide adequate fire protection.

PSF.3.11.5 Require water distribution systems to meet the Lyon County Fire District standards for all future development.

**Z2: Consistent with the surrounding Land uses:**

The following chart shows land use and zoning designations for the parcels directly surrounding the project parcels (021-061-29, and 021-061-30):

Direction	Current Use	Current Zoning	Master Plan Land Use Designation
North:	Vacant – Rural Residential (Unincorporated Lyon County)	RR5 (Lyon County)	Industrial (Lyon County)
South:	Interstate 80, Vacant and developed Commercial Land	C2 (General Commercial)	Commercial
East:	Main Street (S.R. 427), Nevada Cement Company Facility (Unincorporated Lyon County)	M1 (Lyon County)	Employment (Lyon County) Industrial (City of Fernley)
West:	Vacant General rural land	GR20 (General Rural, 20 acre)	OSP (Open Space & Parks)

The surrounding parcels contain a variety of zoning and land use categories, with generally very low densities. Of the total 11 surrounding parcels, 6 of these are vacant, with no buildings or personal property. The 5 parcels that are developed and in operation have an existing land use of either Commercial or Industrial. Furthermore, four (4) of the parcels south of the project parcels are buffered by Interstate-80, which creates an approximately 530-foot buffer to the project site. Industrial-zoned parcels are discouraged adjacent to residential parcels. However, industrial uses may be compatible with adjacent residential and commercial development, provided there is adequate screening and buffering between the uses. The development code requires a minimum 20-foot buffer be placed along any property line abutting any residential zoning district. Additionally, landscaping will be utilized to provide screening within those areas. Any equipment, lighting, emissions, loading bays, smoke, dust, or noise will also be directed away from any abutting non-industrial zoning district to the extent possible. Provided the conditions outlined within the City of Fernley Development Code can be satisfied, this Finding can be made for the Master Plan Amendment.

**Z3: Public notice was given, and a public hearing has been scheduled per the requirements of the Development Code and Nevada Revised Statutes.**

Public notice was given and a public hearing was scheduled. The Planning Commission Meeting functions as the public hearing for this matter as required in the City’s Municipal Code and Nevada Revised Statutes.

**ATTACHMENTS:**

1. Vicinity Map
2. Bill 304 – Ordinance for Zoning Map Amendment
3. Existing-Proposed Land Use Map
4. Existing-Proposed Zoning Map