

CITY OF SPARKS, NV COMMUNITY SERVICES DEPARTMENT

To: Mayor and City Council

From: Janet Stout, Administrative Secretary

- Subject: Report of Planning Commission Action PCN11029
- **Date:** February 10, 2012

**RE: PCN11029 CRESTGATE PYRAMID** – Consideration and possible action of a Master Plan Amendment request to change the land use designation from Office Professional (OP) to General Commercial (GC) and a request for Tentative Approval of an amendment to a planned development handbook (Crestgate Pyramid) to revise the land uses removing the senior housing and adding personal and RV storage as uses, also including but not limited to landscaping, parking, signage and other matters relating thereto, for a site approximately 12.17 acres in size in the Planned Development (PD) zoning district generally located South of North McCarran Boulevard, west of Pyramid Way, east of 11<sup>th</sup> Street and running north and south sides of Roberta Lane, Sparks, NV.

At the regularly scheduled Planning Commission meeting held on February 2, 2012, Senior Planner Karen Melby introduced this item and reviewed the information in the staff report including the Planned Development Findings as follows:

## PD1 The plan is consistent with the objective of furthering the public health, safety, morals and general welfare by providing for housing of all types and design.

This Planned Development Amendment is removing the senior housing as an option. The amendment makes this planned development entirely office or commercial uses.

# PD2 The plan is consistent with the objective of furthering the public health, safety, morals and general welfare by providing for necessary commercial and industrial facilities conveniently located to the housing.

The construction of a mix of office buildings and personal storage will provide a transition between the intense activity of the adjacent shopping center and the surrounding neighborhood. Maintaining the office buildings along Roberta Lane and the personal storage behind would help to maintain the residential character of Crestgate Pyramid Planned Development.

# PD3 The plan is consistent with the objective of furthering the public health, safety, morals and general welfare by providing for the more efficient use of land and public or private services.

Defining efficient use of land as the fiscal impact of land development on the City, the proposed self storage will generate lower general fund revenue, as discussed in the Fiscal Impact Analysis which assessed two options. Option 1 is to build out with office. Option 2 is to build out with personal storage. With the current vacancy rates for office space, it is assumed that office will not be constructed for a minimum of five years while the applicant plans to start construction of the personal storage in 2012. The analysis shows that the personal storage begins generating revenue for the City General Fund in FY 2012 while the build out of offices would not start generating increased revenue until FY 2017. Based on the analysis, the personal storage generates higher levels of General Fund revenue through FY 2022 but starting in FY 2023 revenue from the office option would exceed revenue from the self storage. The Fiscal Impact Analysis concluded that over the 20 year period the office would generate greater total revenues than the personal storage use. The main reason is due to construction costs. Office space construction is estimated to cost \$160 per square foot, including tenant costs. Personal storage has an estimated construction cost of \$75 per square foot. This results in lower property tax revenue over the analysis period. It is staff's opinion that this makes the development of personal storage a less efficient land use with a reduced financial benefit to the City. The Fiscal Impact Analysis did not assess the impacts of a mix of office and personal storage though it could be assumed that the revenue generation would fall somewhere between the two scenarios. The fiscal analysis also did not provide a comparison based on development of senior housing, a use permitted by the current recorded handbook.

# PD4 The plan is consistent with the objective of furthering the public health, safety, morals and general welfare by providing for changes in technology of land development so that resulting economies may be available to those in need of homes.

The proposed amendment to the Planned Development is to remove the option of building senior housing. The demand for senior living facilities is increasing rapidly while the supply is not increasing enough to keep up with the demand. Much of this demand is due to the aging of the Baby Boomer Generation but also includes the fact that seniors are living longer and are more active which makes traditional nursing homes a less popular choice. The **Strategic Plan for Washoe County Senior Citizens** concluded that there is a need for a variety of housing options for senior citizens that are close to services. Crestgate Pyramid is located adjacent to a shopping center with a grocery store and several blocks from an existing RTC bus route.

# PD5 The plan is consistent with the objective of furthering the public health, safety, morals and general welfare by providing for flexibility of substantive regulations over land development so that proposals for land development are disposed of without undue delay.

The applicant is seeking approval of Option 2 (all storage) because they desire to develop their remaining land now and do not want to wait for recovery of the market.

### PD6 The plan does not depart from zoning and subdivision regulations otherwise applicable to the property, and these departures are in the public interest for density.

The amendment to the Development Standards for Crestgate Pyramid does change the density, in that eliminating the senior housing option substantially reduces the proposed density of the site that is within the McCarran loop and therefore within an area of the City where the Regional Plan and Sparks Master Plan call for increased densities. By placing the office along Roberta Lane and the personal storage behind the office buildings (Option 3), the proposed amendment would provide for some additional employment and better maintain the character of this planned development when compared to Option 2 (all storage).

### PD7 The plan does not depart from zoning and subdivision regulations otherwise applicable to the property, and these departures are in the public interest for bulk.

Currently, the development within Crestgate Pyramid consists of single story structures. By eliminating the senior housing, which was to be multi-story buildings, the building heights will generally be one story throughout the property as the personal storage, excepting the caretaker residence, will be one story buildings. However, the personal and RV storage will be fortified developments in contrast to the office sites which are not enclosed by walls or fences. Option 3 places the fortified personal storage behind office buildings along Roberta Lane, maintaining the residential nature of Roberta Lane.

## PD8 The plan does depart from zoning and subdivision regulations otherwise applicable to the property and these departures are in the public interest for use.

The development standards establish increased setbacks, height and lighting restrictions for the buildings placed abutting the single family homes. Option 3 maintains the office buildings along Roberta Lane, keeping its office-residential nature. It also puts the personal storage adjacent to the shopping center buffered by offices. There are 13 other personal storage facilities within the City of Sparks. Seven of the existing facilities are located in Industrial areas. Four self storage facilities are located within sizable commercial nodes. Only two self storage facilities are located near residential uses and are situated to be separated from the surrounding residential uses. In contrast, Option 2 (all storage) locates storage uses near single family residences.

#### PD9 The ratio of residential to nonresidential use in the planned development is:

The proposed amendment does not include any residential so there is no ratio of residential to nonresidential use.

# PD10 Common open space in the planned development exists for what purpose, is located where within the project, and comprises how many acres (or what percentage of the development site taken as a whole).

The only common open space within Crestgate Pyramid is the landscaped areas. The standards within the Planned Development Handbook state that the landscape requirements are 22.5 % for office sites and 15% of site area for the personal storage. The development of the personal storage represents a substantial reduction in the amount of landscaping provided within Crestgate Pyramid.

## PD11 The plan does provide for the maintenance and conservation of the common open space by what method.

The Crestgate Pyramid Development Standards Handbook does address the maintenance and conservation of the common open space through a property owners association and private ownership.

### PD12 Given the plan's proposed density and type of residential development, the amount and/or purpose of the common open space is determined to be adequate.

Option 3 places offices along Roberta Lane with the personal storage behind the office buildings which provides for more adequate open space/landscape than Option 2.

## PD13 The plan does provide for public services. If the plan provides for public services, then these provisions are adequate.

The planned development does provide for public services to serve the existing offices buildings, proposed offices and personal storage as part of this planned development.

#### PD14 The plan does provide control over vehicular traffic.

The amendment does not change the pedestrian or vehicular circulation. The street design conforms to City of Sparks street standards. Roberta Lane was designed to accommodate fire trucks so RVs should be able maneuver it. Based on the traffic generation numbers provided in the Handbook (7<sup>th</sup> Edition of the ITE Trip Generation Manual), if Crestgate Pyramid is built out as office the estimated average daily trips would be 2,240 maximum trips on an average weekday. For the personal and RV storage (Option2), the average daily trips generated would be 1,280. The estimated average daily trips for the combination of office and personal storage would be 1,670 average daily trips. Both options with the personal storage provide a reduction in the trips generated. The trip generation estimated in the recorded handbook was 2,035 ADT.

The personal storage will generate a different type of traffic from the vehicles frequenting the office buildings. Generally, the vehicles visiting the personal storage will be larger or pulling trailers full of the materials to be placed within the storage units. The RV storage area will place RVs on Roberta Lane. This will impose a bulkier and slower type of traffic within Crestgate Pyramid than exists now.

## PD15 The plan does provide for the furtherance of access to light, air, recreation and visual enjoyment.

The development of the personal and RV storage will alter the nature of Crestgate Pyramid by creating two fortified developments. The office buildings, by comparison, are surrounded by landscaping and parking lots open to the general public. Both the personal storage and RV area will be enclosed areas with perimeter landscaping. Option 3 minimizes the area for the personal storage and maintains a semblance of a residential street.

# PD16 The relationship of the proposed planned development to the neighborhood in which it is proposed to be established is beneficial.

Crestgate Pyramid has been developing as an office complex with a residential type appearance, providing office space for smaller offices. Option 3, which situates the personal storage between the adjacent shopping center and additional office buildings, provides for a good transition between uses. There are no changes proposed to the access to the surrounding neighborhood.

# PD17 To the extent the plan proposed development over a number of years, the terms and conditions intended to protect the interests of the public, residents and owners of the planned development in the integrity of the plan are sufficient.

Approvals for development plans of Crestgate Pyramid started in 1995. The original plan was to develop a single family subdivision. Later the plans were changed to a mix of senior housing and offices. The latest amendment is to eliminate any housing component and replace it with personal and RV storage. The standards in the Handbook are written to minimize the impacts on the surrounding area. However Option 2 (all storage) changes the integrity of the plan by allowing a land use that is entirely different than previously proposed. The personal and RV storage will alter

the professional office character of the area. In past plans, this property was viewed as a transitional use between the shopping center at the southwest corner of the intersection of Pyramid Highway / McCarran Boulevard and single family residential to the west and south. Maintaining offices along Roberta Lane, placing the personal storage behind the office buildings and precluding RV storage will sustain the transitional function of the Crestgate Pyramid development.

## PD18 The project, as submitted and conditioned, is consistent with the City of Sparks Master Plan.

The project is consistent with the Sparks Master Plan as discussed in the Relationship to Master Plan section of this staff report.

#### PD19 The project is consistent with the surrounding existing land uses.

The Crestgate Pyramid Planned Development is designed to be a transitional land use between the shopping center and traffic on Pyramid Highway and the single family homes to the south and west. Maintaining offices along Roberta Lane, placing the personal storage behind the office buildings precluding RV storage (Option 3), will help sustain the transitional role of the area.

## PD20 Public notice was given and a public hearing held per the requirements of the Sparks Municipal Code.

Public notice was given. The Planning Commission and City Council meetings function as the public hearing per the requirements of SMC and NRS.

## PD21 Modification of Crestgate Pyramid Planned Development furthers the interest for the City and the residents and preserves the integrity of the plan.

When considering rezoning a Planned Development, the City must be able to identify that the "modification" is to "further the mutual interest of the residents and owners of the planned unit development and of the public in the preservation of the integrity of the plan as finally approved," NRS 278A.380 (2).

The proposed Crestgate Pyramid Planned Development amendment affects the integrity of the plan in five ways:

As stated in PD Finding 3, developing the remaining acreage with only storage uses will, in comparison to office and /or senior housing use (as discussed in the Fiscal Impact Analysis), results in lower property tax revenues over the period of analysis. It is staff's opinion that this makes the development of personal storage a less efficient land use with reduced financial benefit to the City. The Fiscal Impact Analysis did not assess the impacts of a mix of office and personal storage though it could be assumed that the revenue generation would fall somewhere between the two scenarios.

• Currently, Crestgate Pyramid resembles a residential street with small professional office buildings fronting on Roberta Lane. Option 2 changes the streetscape by placing the storage (fortified developments) along Roberta Lane. Option 3 would maintain the streetscape while permitting the construction of the personal storage behind the office buildings.

- The third factor that will change the integrity of the plan and the streetscape or appearance of Crestgate is the development of two secured areas. Currently Roberta Lane is a street lined with trees and small office buildings that are residential in character. The areas surrounding the office buildings are open and accessible to the public. Option 3 maintains the office along Roberta Lane, Option 2 does not.
- As discussed in PD Finding 14, the personal storage will generate a different type of traffic from the vehicles frequenting the office buildings. Generally, the vehicles visiting the personal storage will be larger or pulling trailers full of the materials to be placed within the storage units. The RV storage area will place RVs on Roberta Lane. This will impose a bulkier and slower type of traffic within Crestgate Pyramid than exists now.
- Option 2 would reduce the amount of open space or landscaping compared to Option 3. As discussed in PD Finding 10, the only common open space within Crestgate Pyramid is the landscaped areas. The proposed standards within the Planned Development Handbook states for landscaping requirements are 22.5 % for office site and 15% of site area for the personal storage. The more storage, the less landscaping, representing a reduction in the amount of landscaping provided within Crestgate Pyramid.
- In staff's opinion, PD Finding 21 can be made with Option 3 but not for Option 2.

Ken Krater, representing the applicant, gave the Commission history of this project since inception.

He reported the current status of Phases 1 and 2 are complete; however, the developer is unable to move forward with the existing vacant land with either offices or senior housing at this time. The owners looked into another option which is the personal and RV storage and the best use of the land, given the current state of the economy which addresses all the original concerns of the neighborhood; traffic; school impacts; quality of life; and pedestrian impacts.

Mr. Krater Also stated the applicant will address concerns such as having a full-time manager for the personal storage facility and installing an iron gate at the Gault Way entrance.

The owners propose to develop the remaining vacant lot into personal RV storage which will maintain the same high quality of architecture, landscaping, and overall quality of the project will be consistent with the planned development handbook with minimal traffic impacts, impacts to area schools, concerns with the safety of the neighborhood maintaining a sound buffer between the existing residences and the shopping center.

Mr. Krater commented on the following findings:

#### PD 3:

The Developer has developed as much of a high quality project as financially possible and should not be prohibited from developing a project that addresses neighborhood concerns along with maintaining a high quality project. The proposed project is a very efficient use of the land and furthers the public health by dealing with weeds, crime, graffiti, and vandalism.

#### PD 4:

As discussed there is no senior housing market in the City of Sparks at this time. It doesn't make sense to even consider that as a use in this point time.

#### PD7:

Again, garden offices already exist on the vast majority of the public portion of Roberta Lane. With extensive landscaping plan for the personal storage facility this ensures that the existing character of the planned development would be maintained. Furthermore, development of the personal and RV storage facility will once and for all eliminate the needs crime and vandalism.

#### PD8:

Professional and garden style offices that are residential in character are complete adjacent to existing older homes in the adjoining residential neighborhood. Personal storage units will not align adjacent to existing homes.

#### PD10 and PD15:

While the percentage of landscaping is reduced with the plan project as compared to the office, all the landscaping within the project will be located along Roberta Lane including a large landscaped area at the existing cul-de-sac. Such as the residential character that Roberta Lane is maintained and the public will be able to enjoy all of that landscaping.

#### PD 14:

Although there will be larger vehicles on Roberta Lane, the overall magnitude decreases traffic volume which is 1/6<sup>th</sup> as much traffic that would be generated by office space within Area 3 and 4 which will negate any noticeable change in the character of traffic. Motorists have the access of coming in from McCarran through the existing shopping center and not Roberta Lane.

### PD 16:

The proposed new iron gate at the Gault Way entrance will allow pedestrian access and prohibit vehicles. This will further the intent of the PD handbook regarding crime and vandalism as it would be largely eliminated.

### PD 17:

The existing garden style offices provide the desired buffer that is residential in character. The transition from office to personal storage will provide a further peaceful buffer that generates minimal traffic, no school impacts, provides for a safe neighborhood and provides for beautiful and attractive landscaping area along the remaining undeveloped portion of Roberta Lane.

### PD 21:

Personal storage will generate much needed revenue right now. It will create construction jobs as well as some permanent jobs along with provisions of needed service to the City of Sparks in 2012. Otherwise weeds, crime, and vandalism will remain for at least five years until an office market returns. As the planned development will survive in perpetuity when useful life of the storage facility ends, the owners will still be allowed to construct offices at that time. Roberta

Lane will remain residential in character given the vast majority of the street that is already developed with offices and the substantial amount of landscaping will be installed along the remaining undeveloped portion including the substantial landscaped area of existing cul-de-sac.

He concluded all the required findings can be made in support of approval of the developers proposed project to allow Options 1 through 3 in Area 3 in the handbook including the RV storage and that the project that is proposed can be recommended for approval to the City Council.

Commissioner Lean commented on the Planned Development Findings as follows:

He stated Option 3 reserves a portion of the side for office use which would increase revenues for the City. He agreed with planned development findings: PD2, PD6, PD8, PD12, PD16, PD17, and PD 19.

Responding to Commissioner Voelz, Mr. Krater answered personal storage is only feasible if the entire area is developed otherwise it is too small to compete with other storage facilities given the amount of infrastructure.

The public hearing was opened.

Rita Phelps of Sparks, Nevada asked the Commission to examine how large vehicles will get through from Pyramid Highway onto Roberta Lane. She also inquired about the hours of operation proposed for the storage facilities. Her concern is the traffic on Pyramid Highway and McCarran Boulevard.

The public hearing was closed.

Chairman Voelz disclosed he is a tenant in this group of offices for ten years. Vice Chairman Sperber noted he has met with the applicant on this project.

Mr. Krater explained that large vehicles on Roberta Lane which is a public street to the end of the cul-de-sac was designed for fire trucks which are similar in size to RV vehicles.

As for the storage facility being closed by 6:00 p.m. on Sunday, an on-site manager will monitor vehicles parked outside the storage facility.

**MOTION:** Planning Commissioner Lean moved to approve the resolution and forward an approval to City Council for the Master Plan Amendment associated with PCN11029 based on Findings MP1 through MP4 and the facts supporting these Findings as set forth in the staff report. <u>SECOND</u>: Planning Commissioner Sanders.

AYES: and Nowicki.	Planning Commissioners Voelz, Sperber, Lean, Sanders, Peterson,
NAYS: ABSTAINERS:	None. None.
ABSENT:	None.

#### Passed unanimously.

**MOTION:** Planning Commissioner Lean moved to forward a recommendation for PCN11029 to tentatively approve the Planned Development Handbook for Crestgate Pyramid as recommended by staff, adopting Findings PD 1 through PD 21 and the facts supporting these Findings as set forth in the staff report. The tentative approval includes that the applicant shall file the application for the final approval of the planned development within one (1) year from the date of the City Council granting tentative approval of the planned development handbook. Due to the nature of the tentative planned development, the Planning Commission does not recommend that the city Council require a bond at this point in time as stated in NRS 278A.490. SECOND: Planning Commissioner Nowicki.

AYES: and Nowicki.	Planning Commissioners Voelz, Sperber, Lean, Sanders, Peterson,
NAYS:	None.
ABSTAINERS:	None.
ABSENT:	None.

Passed unanimously.