



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** July 18, 2019

Staff Contact: Lee Plemel, AICP, Director

Agenda Title: For Possible Action: Discussion and possible action regarding a proposed Resolution amending the maximum number of residential building permit allocations under the Carson City Growth Management Ordinance for the years 2020 and 2021 and estimating the maximum number of residential building permit allocations for the years 2022 and 2023; establishing the number of residential building permit allocations available within the development project and general property owner categories; and establishing a maximum average daily water usage for commercial and industrial building permits as a threshold for Growth Management Commission review. (Lee Plemel, lplemel@carson.org)

Staff Summary: The Board of Supervisors is required to annually establish the number of residential permits that will be available for the following calendar year pursuant to the Carson City Municipal Code Chapter 18.12 (Growth Management). This has historically been based upon a maximum growth rate of three percent. A total of 679 residential allocations are proposed to be made available for 2020. The commercial and industrial daily water usage threshold is 15,000 gallons per day annual average currently and is recommended to continue in 2020, above which Growth Management Commission approval is required.

Agenda Action: Resolution **Time Requested:** 20 Minutes

Proposed Motion

I move to adopt Resolution No. 2019-R-____.

Board's Strategic Goal

Sustainable Infrastructure

Previous Action

June 26, 2019: The Growth Management Commission recommended approval of the proposed Resolution by a vote of 6 - 0, 1 absent. (The Planning Commission serves as the Growth Management Commission.)

Background/Issues & Analysis

Refer to the attached staff report to the Growth Management Commission for the meeting of June 26, 2019, for a complete discussion regarding the background, issues and analysis of the proposed action.

In addition to the issues discussed in the staff report, the Growth Management Commission noted several issues that should continue to be addressed to meet the continued growth demands on City services. The specific issues noted by the Commission were:

- School overcrowding: As noted in the staff report, the School District indicates in written correspondence that its facilities are currently near capacity, and recommend recent residential growth should

continue to be “studied” and allocations reduced appropriately. A School District representative was not available at the Growth Management Commission meeting to discuss measures that the School District is considering to address short-term and long-term City and School District growth.

- **Health care:** This issue is addressed in the staff report, since it was raised previously by the Growth Management Commission. Comments regarding Growth Management were solicited from Carson Tahoe Hospital, but no response was received.
- **Affordable housing:** As indicated in the data provided in the staff report, the median cost of a single-family residence continues to rise. A home at the current median home price in Carson City is not affordable to a family earning the median household income within the City (according to Department Housing and Urban Development “HUD” standards for affordability). This issue is not necessarily directly related to Growth Management—in fact, it can be a limiting factor in the number of homes that are built. But one way to improve affordability is to increase the overall availability of housing in the community—i.e. build more houses—which can further impact City resources. Housing affordability is not an issue that can be solved with any one action, but the Growth Management Commission notes that this is something that Board of Supervisors should continue to address through various means available.
- **Street maintenance/funding to support maintenance:** The Growth Management Commission noted recent City discussions about the cost of street maintenance and the inability, with current funding, to upgrade and maintain existing streets to acceptable standards. As new subdivisions are built, they add to the inventory of streets that the City must maintain. As with other issues, there was not a recommendation made by the Commission to further limit the availability of residential permits at this time. But the Growth Management Commission commented that the Board of Supervisors should consider implementing an impact fee on new development to help address the impacts of new development on street improvements. It was also commented that the City may consider reducing required street widths in the development standards to minimize the amount of pavement that needs to be maintained, subject to maintaining emergency access standards.
- **Park maintenance:** The Commission also noted the need to minimize the cost of additional park maintenance as additional parks and open space are constructed with new development. It was noted by City staff that the current direction of the Parks Department is to require a developer, when possible, to maintain a new park when constructed as part of a development project. It was noted that there are tools available now, such as the Landscape Maintenance District or similar assessment districts, that were not available or implemented on many existing subdivision parks.

If you have any questions regarding this item, contact Lee Plemel, Community Development Director, at 283-7075 or lplemel@carson.org.

Applicable Statute, Code, Policy, Rule or Regulation

CCMC 18.12 (Growth Management)

Financial Information

Is there a fiscal impact? No

If yes, account name/number:

Is it currently budgeted? No

Explanation of Fiscal Impact:

Alternatives

Modify the number of residential allocations or commercial/industrial water usage threshold.

Attachments:

[GM-19-081 1.Resolution Growth Management.docx](#)

[GM-19-081 2.Backup Attachments.pdf](#)

Board Action Taken:

Motion: _____

- 1) _____
- 2) _____

Aye/Nay

(Vote Recorded By)

RESOLUTION NO. 2019-R-___

A RESOLUTION AMENDING THE MAXIMUM NUMBER OF RESIDENTIAL BUILDING PERMIT ALLOCATIONS UNDER THE CARSON CITY GROWTH MANAGEMENT ORDINANCE FOR THE YEARS 2020 AND 2021 AND ESTIMATING THE MAXIMUM NUMBER OF RESIDENTIAL BUILDING PERMIT ALLOCATIONS FOR THE YEARS 2022 AND 2023; ESTABLISHING THE NUMBER OF RESIDENTIAL BUILDING PERMIT ALLOCATIONS AVAILABLE WITHIN THE DEVELOPMENT PROJECT AND GENERAL PROPERTY OWNER CATEGORIES; AND ESTABLISHING A MAXIMUM AVERAGE DAILY WATER USAGE FOR COMMERCIAL AND INDUSTRIAL BUILDING PERMITS AS A THRESHOLD FOR GROWTH MANAGEMENT COMMISSION REVIEW.

WHEREAS, Carson City Municipal Code Section 18.12 requires the Board of Supervisors of Carson City to establish a fixed number of residential building permit allocations on a two year rolling basis, to establish the number of residential building permit allocations available within the Development Project and General Property Owner categories, and to establish a maximum average daily water usage for commercial and industrial building permits as a threshold for Growth Management Commission review in order to manage growth within Carson City; and

WHEREAS, pursuant to Carson City Municipal Code Section 18.12 the Growth Management Commission met in a duly noticed public hearing on June 26, 2019, and recommended the maximum number of residential building permits to be made available for calendar years 2020 and 2021, and the Commission estimated the maximum number of residential building permits for calendar years 2022 and 2023; and

WHEREAS, the Board of Supervisors finds and declares pursuant to Carson City Municipal Code Section 18.12 that city water and wastewater treatment capacity, as well as other resources identified in Section 18.12.050(2), are essential resources that limit the available residential building permits authorized by this resolution; and

NOW, THEREFORE, the Board of Supervisors hereby resolves:

A. Beginning on the first city working day in January 2020, the Building Division shall make available a total of **679** residential Growth Management allocations for building permits. The 2019 year-end balance of unused allocations shall be voided and returned to the utility manager. The allocations for residential building permits shall be disbursed as follows:

1. For the general property owner category, a subtotal of **292** residential permits (43% of total residential building permit allocation). A property owner may apply for a maximum of 30 residential building permits in Period 1 (January through March 2020) subject to the availability of building permits.

2. For the development project category, a subtotal of **387** residential building permits (57% of total residential building permit allocation). Individual development projects qualified for inclusion on the project list shall be entitled to apply for

an equal share of building permits during Period 1 based on the number of qualified development projects that have applied to the Building Division for development project status as of the first City working day in January 2020. Where a development project has less lots or units than the total share of building permits allocated to it, the remaining building permits shall be distributed equally among the remaining development projects. Additional development projects may be added to the list during Period 1 and use any remaining building permits. If no additional permits are available in Period 1 in this category, development projects not on the list at the beginning of Period 1 may only apply for building permits from the general property owner category during Period 1 in accordance with the limitations set forth above and may be added to the development category anytime during Period 2 (April through June 2020).

3. Any residential building permits remaining from Period 1 shall be made available in Periods 2 (April through June) and 3 (July through December 2020) in accordance with Carson City Municipal Code Section 18.12.055.

B. Beginning on the first city working day in January 2021, the Building Division may upon Board of Supervisors' approval make available pursuant to Carson City Municipal Code Section 18.12 a maximum total of **699** residential building permits, assuming three percent growth occurs in 2020. The building permits shall be disbursed as follows:

1. For the general property owner category, a subtotal of **300** residential building permits may be made available. General property owners shall be entitled to apply for a maximum of 30 residential building permits in Period 1 subject to the availability of building permits.

2. For the development project category, a subtotal of **399** residential building permits may be made available. Development projects qualified for inclusion on the project list shall be entitled to apply for building permits in accordance with paragraph A(2), above.

3. Any building permits remaining from Period 1 shall be made available for Periods 2 and 3 in accordance with Carson City Municipal Code Section 18.12.

C. For calendar year 2022, it is estimated that the Board of Supervisors may make available a maximum of 720 residential building permits, assuming continued three percent growth.

D. For calendar year 2023, it is estimated that the Board of Supervisors may make available a maximum of 742 residential building permits, assuming continued three percent growth.

E. Pursuant to Carson City Municipal Code Section 18.12, prior to issuance of building permits, any commercial or industrial projects proposed in 2020 that exceed the threshold of **15,000** gallons per day water usage must have the Growth Management Commission's review and approval to assure water availability.

F. Any building permits made available by this resolution shall be subject to all

of the requirements of Carson City Municipal Code Chapter 18.12 (Carson City Growth Management Ordinance).

G. This resolution supersedes all prior resolutions establishing growth management allocations and shall have the full force and effect of law and be incorporated by this reference into Carson City Municipal Code Chapter 18.12.

Upon motion by Supervisor _____, seconded by Supervisor _____, the foregoing Resolution was passed and adopted this ___ day of _____, 2019 by the following vote:

VOTE: AYES: _____

NAYS: _____

ABSENT: _____

ROBERT L. CROWELL, Mayor

ATTEST:

AUBREY ROWLATT, Clerk-Recorder

**STAFF REPORT FOR THE GROWTH MANAGEMENT COMMISSION MEETING OF
JUNE 26, 2019**

FILE NO: GM-19-081

AGENDA ITEM: 4.A

STAFF CONTACT: Lee Plemel, AICP, Community Development Director

AGENDA TITLE: For Possible Action: Discussion and possible action regarding a recommendation to the Board of Supervisors for a Resolution establishing the maximum number of residential building permit allocations under the Growth Management Ordinance for the years 2020 and 2021 and estimating the maximum number of residential building permits for the years 2022 and 2023; establishing the number of building permit allocations within the Development and General Property Owner categories; and establishing a maximum average daily water usage for commercial and industrial building permits as a threshold for Growth Management Commission review.

STAFF SUMMARY: The Growth Management Commission is required to make annual recommendations to the Board of Supervisors to establish the number of residential permits that will be available for the following calendar year. This has historically been based upon a maximum growth rate of three percent. The commercial and industrial daily water usage threshold is 15,000 gallons per day annual average in 2019, above which Growth Management Commission approval is required.

PROPOSED MOTION: “I move to recommend to the Board of Supervisors approval of a maximum of 679 residential building permit entitlements for 2020, with an allocation of 292 entitlements for the general property owner category and 387 entitlements for the development category, and to continue the commercial and industrial development annual average water usage threshold of 15,000 gallons per day for Growth Management Commission review, and distribution and allocations for future years as further provided in the draft Board of Supervisors Resolution.”

BACKGROUND:

The Planning Commission serves as the Growth Management Commission per the Carson City Municipal Code Title 18, Chapter 18.12 (Growth Management Ordinance). The Growth Management Commission is responsible for annually reviewing the information provided by various affected city departments and outside agencies and for submitting a recommendation to the Board of Supervisors to:

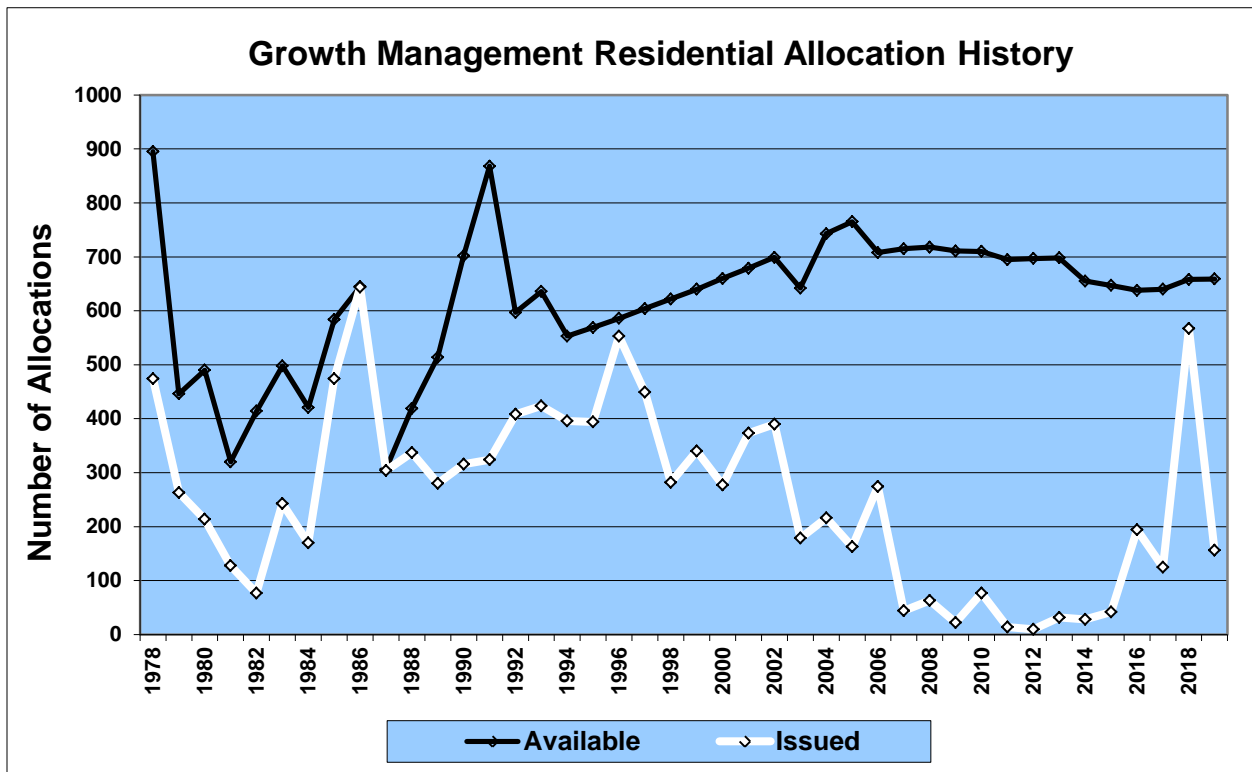
1. Establish a fixed number of residential building permits to be made available in the following two calendar years (2020 and 2021, on a rolling calendar basis) and estimate the number to be made available in the third and fourth years (2022 and 2023).
2. Establish a distribution of the total building permit entitlements between the “general property owner” and “development project” (31 or more lots or units) categories.
3. Establish a maximum average daily water usage for commercial and industrial building permits as a threshold for Growth Management Commission review.

Section 18.12.050 (Purpose) of the Carson City Municipal Code, Growth Management Ordinance, states, in applicable part:

2. *The board declares that the following essential resources shall be considered for the managed growth of Carson City:*
 - a. *City water: quantity, quality, supply, capacity, infrastructure;*
 - b. *City sewer: treatment and disposal capacity; system or infrastructure ability to transport sewage from a residential dwelling unit of the treatment system;*
 - c. *Sheriff protection services;*
 - d. *Fire protection services;*
 - e. *Traffic and circulation;*
 - f. *Drainage and flooding;*
 - g. *School enrollment and capacity;*
 - h. *Parks and recreation; and*
 - i. *Other resources or services as determined by the board.*

The Growth Management Ordinance was originally implemented in the late-1970's to address the City's ability to provide the necessary water and sanitary sewer infrastructure to keep pace with growth occurring at that time. For most of the Growth Management program's history, the total number of building permit entitlements in a given year has been roughly based upon a maximum growth rate of 3%. Entitlements have historically been allocated between the "general property owner" and "development project" (owners/developers with 31 or more lots/units) categories in a 43%-57% split, respectively, for the first allocation period (January through March—see Attachment C for the detailed distribution by category).

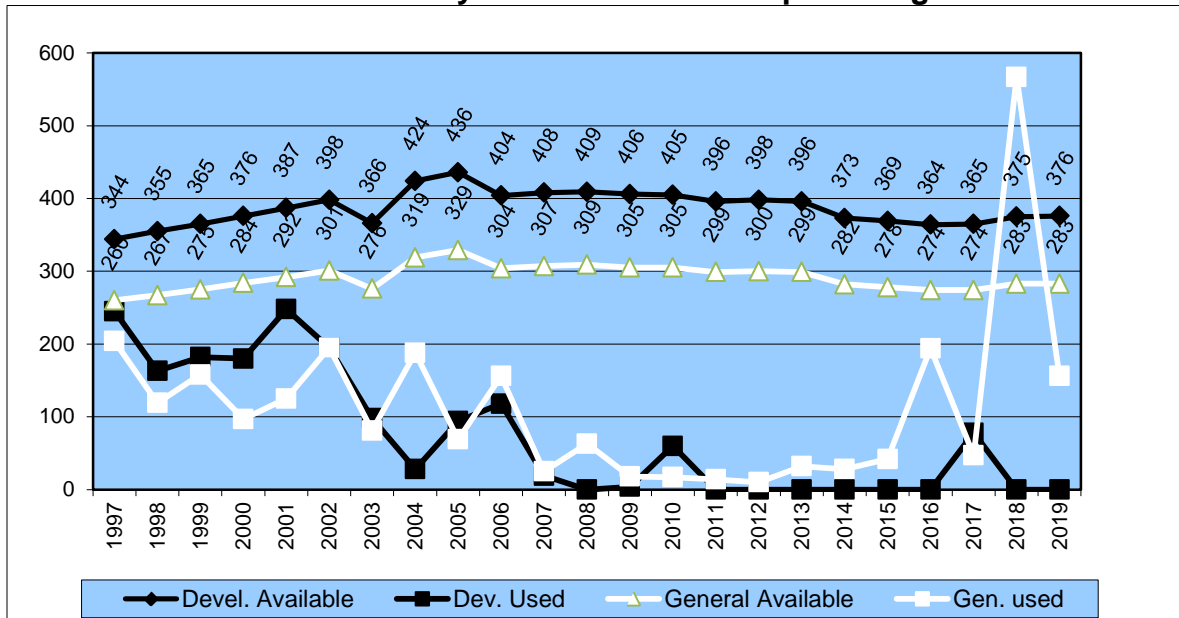
The following graphs provide historical data regarding the number of permits available, the total number of permits used, the number of permits used by the general property owner and development categories, and permits used by type of residence.



Through May 2019 (Source: Carson City Building Division)

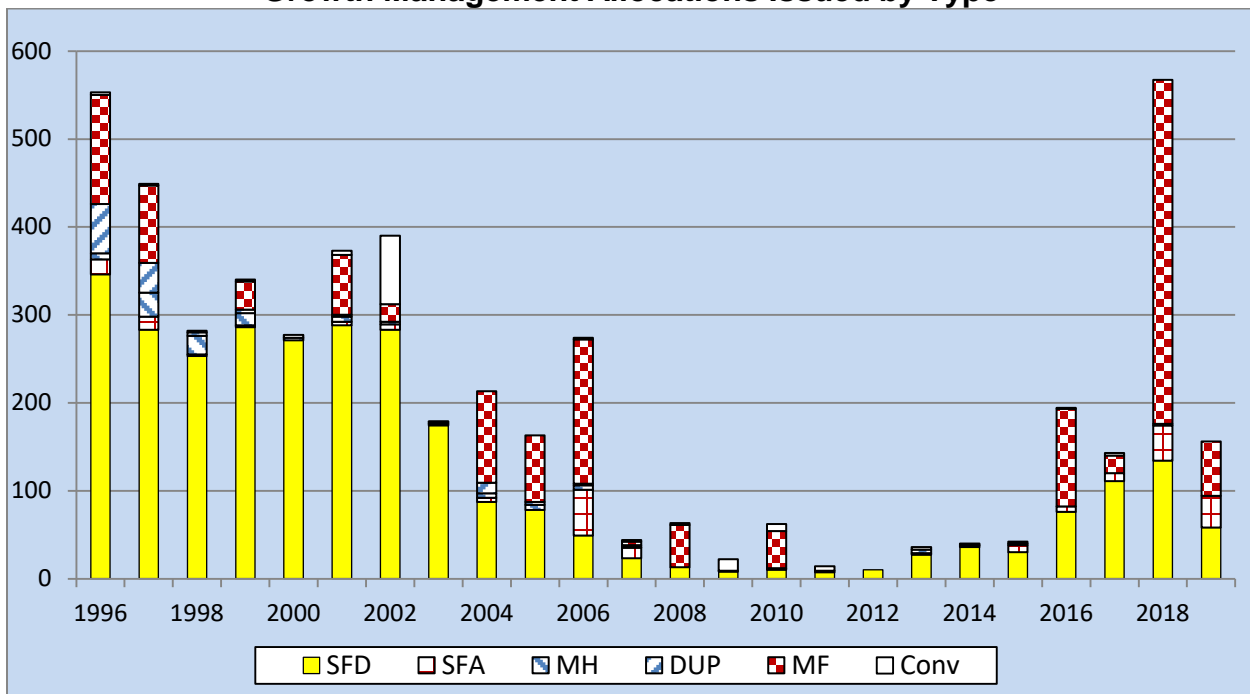
Note in the above graph that 370 of the 567 allocation issued in 2018 were for one project, the Carson Hills apartment project on Clearview Drive above the Galaxy Theater on Curry Street.

Allocations by General and Developer Categories



Note: Available allocations by category are for Period 1 only (January through March)

Growth Management Allocations Issued by Type



Through May 2019 (Source: Carson City Building Division)

SFH – Single Family Detached
 SFA – Single Family Attached
 MH – Mobile Home
 DUP – Duplex
 MF – Multi-family attached (3+ units, single ownership)
 Conv – Conversion of existing unit from well to water system

Historic Averages and Maximums

	Average issued/yr.
1988-2017 (30 years)	242
1998-2017 (20 years)	172
2008-2017 (10 years)	111
2013-2017 (5 years)	191

Maximum number issued in last 30 years: 567 in 2018.

DISCUSSION:

The Planning Division has solicited comments from various City departments, the Carson City School District, Carson Tahoe Hospital, and various agencies regarding their ability to accommodate growth within Carson City and, if applicable, what limits should be set on the issuance of residential permits for 2020. Written comments received are attached to this staff report.

Though City departments continue to note limitations in their ability to accommodate City growth at current resource levels, no City Department comments include a recommendation to reduce the number of residential permits to be made available in 2020. The Board of Supervisors continues to incrementally address City staffing and service needs as revenues continue to recover from recession levels. See the discussion later in this staff report regarding comments from the Carson City School District. Refer to the attached department and agency comments for more detail.

The Planning Division annually provides various informational data for the Commission's and Board of Supervisors' review and consideration in determining the number of residential allocations that will be made available, as well as the average daily water usage threshold for Growth Management review. The following information is provided for consideration.

- Where does the City currently stand in relation to residential "buildout" capacity?

Carson City land use, water, sewer, and transportation long-range planning has been based on an estimated "buildout" population of 75,000 to 80,000. Carson City currently has approximately 24,000 residential units (per Assessor's data), with a population of approximately 56,057 (2018 State Demographer's estimate). Approximately 32,000 residential units would be required to accommodate a population of 75-80,000 (assuming approximately 2.5 persons per unit per 2010 US Census data). This leaves approximately 8,000 residential units—about one-third of our current residential unit count—remaining to be constructed before the City's planned build out population is reached.

For the annual Growth Management report in 2018, staff conducted an analysis of vacant and underdeveloped properties that have a residential Master Plan designation to determine if development on those properties would exceed the projected buildout population. The analysis showed that buildout of the Master Plan designated residential areas, plus mixed-use and commercial areas with approved projects, will not exceed the buildout population and leaves capacity for additional residential development in mixed-use and commercial areas.

The Public Works Department recently completed a water capacity analysis, which was presented to the Planning Commission on February 27, 2019. This analysis was for a buildout scenario that included all land in Carson City, including residential and non-residential land

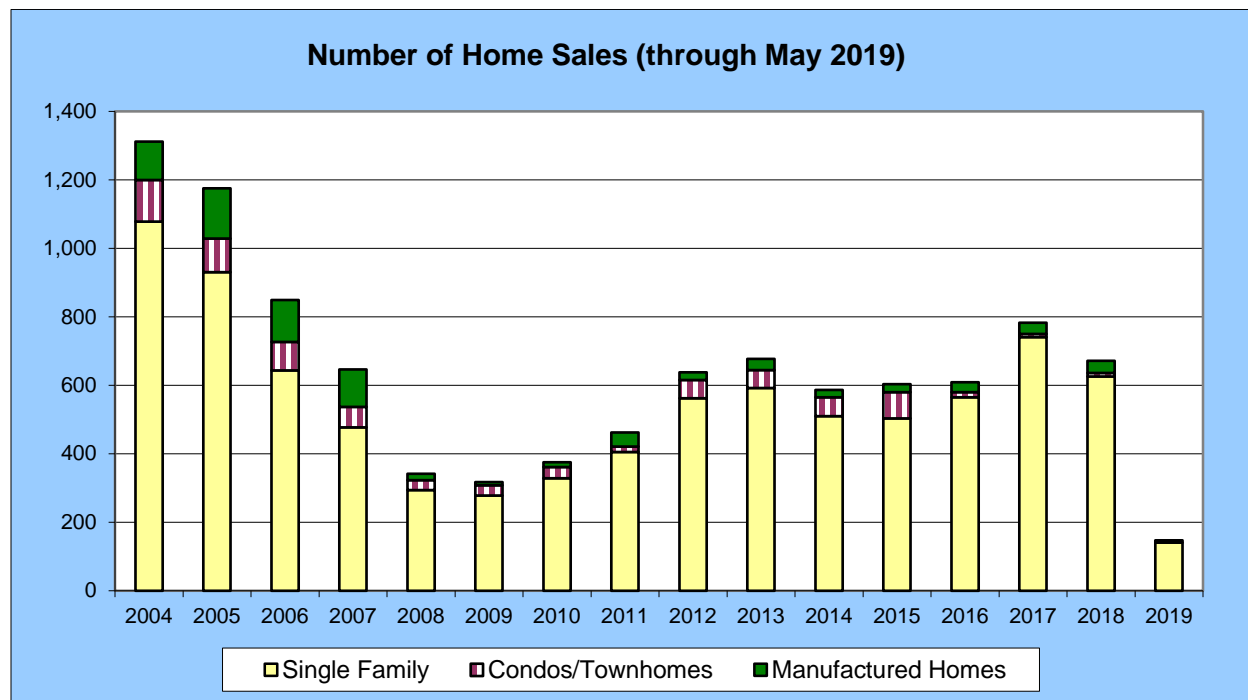
uses. The analysis was also conservative in that it studied the impact of more residential development than the City’s current Master Plan residential land use designations would permit. The result of this analysis found that Carson City has adequate water rights to accommodate Master Plan buildout, and plans are established to continue to meet the ongoing supply needs.

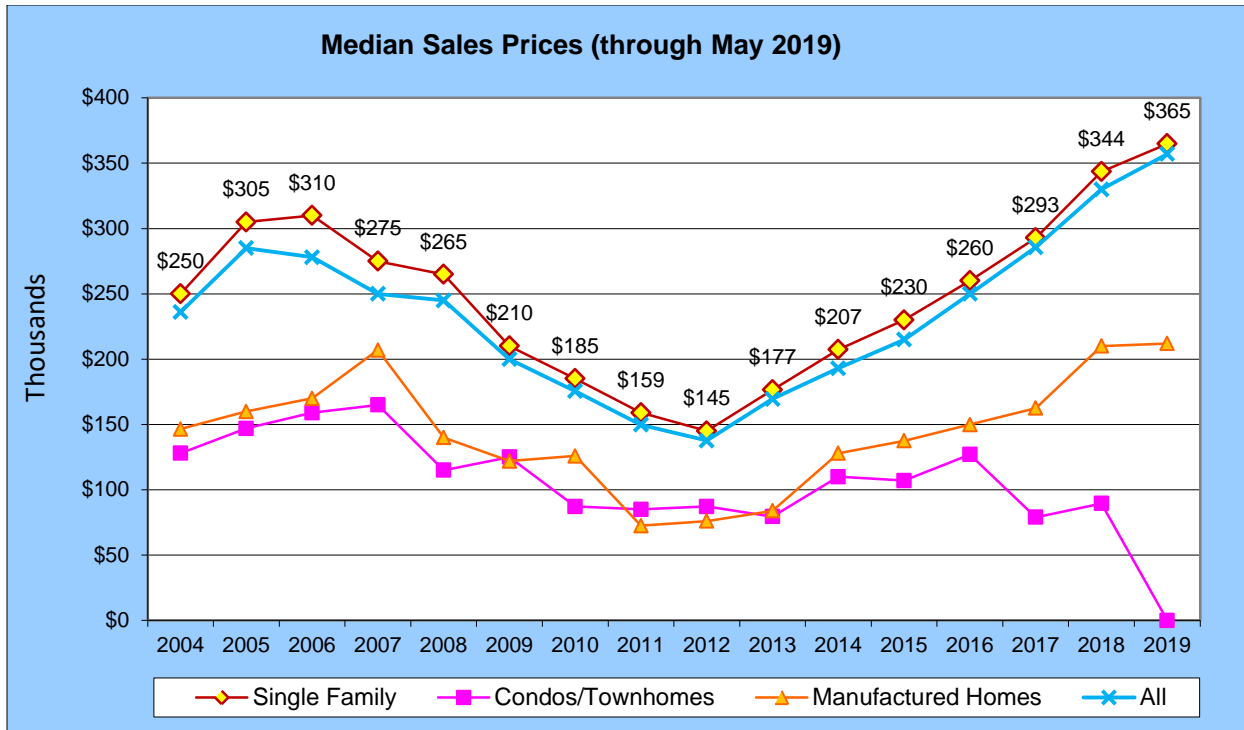
In conjunction with this water capacity analysis, City staff is working to better align the water capacity analysis with the land use capacity analysis, and integrate it all into the City’s GIS mapping system to monitor and update the analysis on an ongoing basis for Growth Management purposes. Once the tool gets refined over the next few months, staff will bring a report to the Planning Commission.

Attachment E shows remaining lots for all approved subdivisions and approved multi-family residential projects. There are currently 230 vacant lots within recorded subdivisions (down from 390 at this same time last year), with another 1,506 unrecorded lots approved by Tentative Map. The total units with tentative or final approvals includes 1,529 single-family detached lots, 207 single-family attached lots (i.e. townhomes), and 233 multifamily apartment units, for a total of 1,736 units. A Growth Management allocation will ultimately be required for each of these units as well as for other residential units constructed throughout the City.

Note that these subdivisions and approved projects do not necessarily represent all the projects that will be developed within the next few years. Some of these projects (e.g. Lompa Ranch) will take 10 years or more to develop, while other unknown projects may be approved and added to the list as new applications are received. The associated Growth Management allocations for each residential unit would correspondingly be spread out over time.

The number of home sales and sales price, as well as many other factors, can have an impact on the demand for construction of new homes. The following charts show sales and price data.



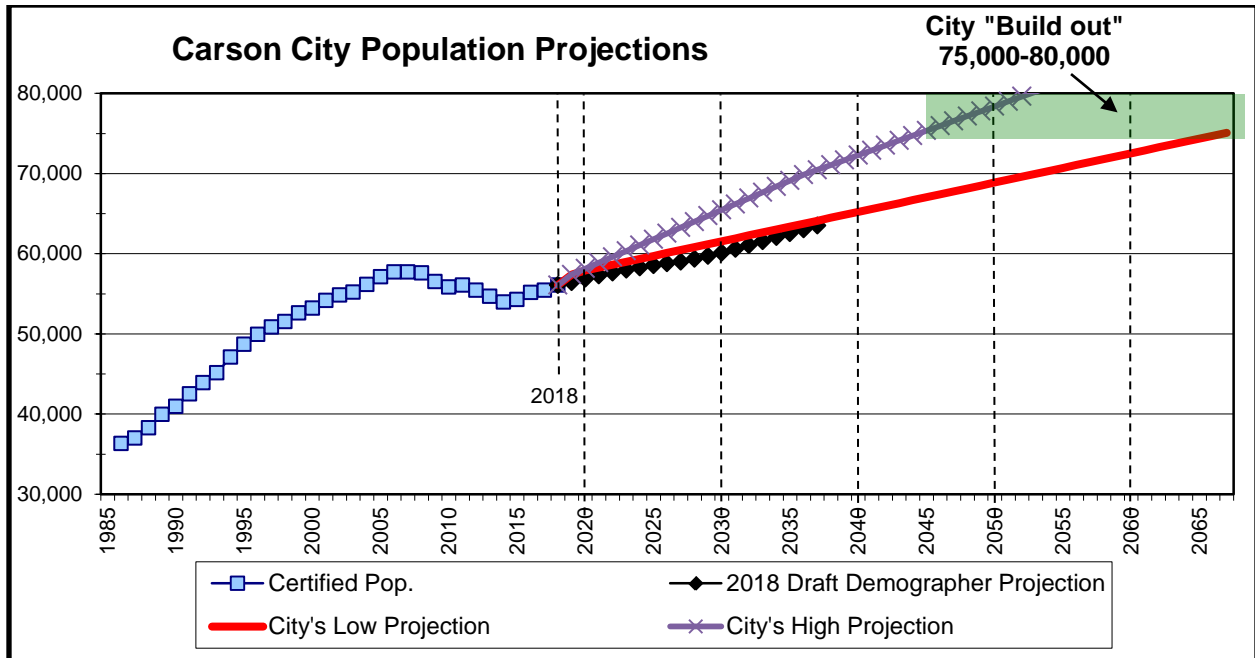


Source: Carson City Assessor's Office

Note: No Condo/Townhome sales recorded in 2019 through May 2019

As the above graph shows, the median sales price of housing is continuing to rise for the seventh straight year. An affordable house for a family with a household income of \$50,000—approximately the median household income in Carson City—would be approximately \$250,000. Of the 672 total homes that were sold in 2018, 18% of them were sold for \$250,000 or less. Of the 626 single-family homes (non-condo/townhome and non-manufactured homes) sold, 12% were sold for \$250,000 or less.

The following table shows population projections provided by the State Demographer as well as projections used by Carson City for long-range planning purposes. The City uses these projections for long-range regional transportation plans, and water and sewer capacity planning. For planning purposes, Carson City is anticipating average long-term growth of approximately 0.7%-1.3%.



Source: Nevada Demographer; Carson City Planning Division

- Given current City staffing levels, does City staff have the capacity to process 679 permits and accommodate that much growth if the maximum amount were submitted in any given year?

The building permit center is an “enterprise fund,” meaning it uses revenues directly generated by permits to fund the permit center functions. When more permits are submitted, this immediately generates revenues that can be used to ensure that appropriate staff is hired to handle the permit processing workload. This includes funding the time for staff in the Community Development, Public Works, Fire, and Health Departments to review and inspect building permit plans. Staffing levels for building permit reviews and inspections have been increased over the last two years to handle the recent increase in permitting activity, including an increase in non-residential construction.

Some City departments have noted that they cannot accommodate growth while maintaining current levels of service at existing staffing and resource levels. However, the growth would also bring with it additional City revenues to be able to pay for additional resources to meet the growth demand. Significant growth in the residential sector of the economy would be an indicator that the overall economy is strong, which would also result in additional City revenues. It should also be noted that there would be a delay of a few months between the issuance of a building permit and the completion and occupancy of a residence, delaying the associated population growth impacts.

- How is the number of available allocations determined each year?

The Growth Management Ordinance does not specify how to determine the number of allocations that should be made available each year, only that “essential resources” must be considered in determining that number. For most of the Growth Management Ordinance’s history, a general rule of allowing up to 3% growth has been used.

Various methods of determining the exact number of allocations to be made available have been used over the program's history, resulting in a wide range of allocation maximums over the years, particularly before 1992. Unused allocations were carried over to the following years during a certain period, with adjustments made every few years. During a period in the 1990's, the available allocations were increased by 3% each year, even though actual population growth was occurring at a slower rate during that same period. The Growth Management files from prior to 2006 do not indicate the exact methodology used in determining the number of allocations.

In 2006, the current method of determining the number of allocations was established. This method uses the most recent available State Demographer population estimates for Carson City (usually one year behind the current year) as the base for establishing the number of permits that would, in theory, result in 3% growth. This method also uses the latest available Census data for the average number of persons per household (2.54) to calculate the allocations. The details of the methodology used in determining the recommended allocations for 2020 are included in Attachment D. The methodology has been included in each report since 2006 to establish a consistent method that can be tracked through time.

While the ordinance requires establishing the number of allocations to be made available in the second year and estimating the number for the third and fourth years, the ordinance also requires that these numbers be evaluated and set annually. Therefore, if certain service capacity issues arise in any given year, the estimated number of allocations for future years can be adjusted. Also, the number of allocations can only approximate how much actual growth will occur in the City. For example, the State Demographer estimated that the City's population decreased slightly through the recent recession years, primarily due to employment impacts, even though new residential units were constructed during that time. Potentially, the City could see an actual growth rate of more than 3% in any given year even though all of the available residential allocations are not used.

- Is it anticipated that the maximum number of allocations will be used in 2020, and is the annual Growth Management residential limitation necessary even if it is not anticipated that the full allocation will be utilized?

The Growth Management program was developed in response to a moratorium by the State Division of Water Resources on new subdivisions in Carson City in the 1970's due to wastewater and water capacity issues. The program was developed in cooperation with the State to address their issues. Those specific issues were addressed by the City years ago.

With numerous approved projects potentially starting construction soon, it is possible that the proposed limit of residential permits could be reached in 2019 and 2020. However, many in the building industry believe that other limiting factors—such as increasing construction costs and labor shortages—will not allow the building industry to construct more than 679 units this year or next year. Last year (2018), was a particularly high year in residential allocations primarily due to one apartment complex (Carson Hills) taking permits for 370 units. Those units are still under construction and may not all be completed by the end of 2019.

Even during times of slow growth when there are no apparent, imminent capacity issues, staff believes the program should remain in place, in part, to stay in good standing with the State on water- and wastewater-related issues. The current potential growth and development pressures emphasize the need to continue the Growth Management program so that the impacts of residential growth can continue to be monitored and appropriately limited.

- Is the Carson City School District able to support continued growth?

“School enrollment and capacity” is one of the essential City resources that must be considered as part of the Growth Management allocation process. As growth occurs in the City and within the School District, the School District must continue to increase overall capacity to meet its educational responsibilities.

The School District notes that its facilities are currently nearly at capacity and that the impacts of recent residential growth should be “studied” and allocations reduced appropriately (see attached comments from the School District). City Planning Division staff participates in regular meetings with the School District’s bond oversight committee to inform the School District of upcoming residential developments and help them anticipate future school needs. Staff anticipates that the School District will also be available at the June 26 Planning Commission meeting to answer questions and give more information regarding the current school capacity and plans for accommodate growth within the District.

- Is the local health care system able to support continued growth?

This issue has been raised recently as a concern at the Planning Commission. Health care system capacity is not one of the essential City resources identified in the Growth Management Ordinance that must be considered as part of the allocation process. However, comments are annually solicited from Carson Tahoe Health (CTH) and the Carson City Health and Human Services Department. While comments have not been received from CTH as of the writing of this staff report, it is noted they have a campus master plan that provides for expansion of services, which includes expansion recently approved by the Planning Commission and for which building permits have been submitted.

Comments from the Carson City Health and Human Services Department notes the need for additional staff to accommodate growth but does not recommend a further limit on the number of annual residential permits.

Commercial and Industrial Average Daily Water Usage Threshold

The Commission is also required to establish the average daily water usage threshold for Growth Management Commission review. A threshold of 15,000 average gallons per day was adopted in 2016, up from 7,500 gallons that was used for years prior to that. To give an idea of how much water this is, 7,500 gallons per day is approximately the average amount used by a large restaurant, including landscape irrigation. With recent and continued improvements to the water system and additional water resources being produced and delivered from the Carson Valley, Public Works staff recommends retaining the average daily water usage threshold at 15,000 gallons.

In addition to the water infrastructure improvements, the City’s development standards and building codes have improved over the years to where water conservation measures, such as low-flow fixtures, are included as part of the standard requirements for new commercial and industrial development. The Public Works Department has the ability to require improvements with building permits that are necessary to meet water demands for each project without Growth Management Commission review. Furthermore, the Public Works Department will continue to use the recently completed water capacity analysis to monitor the impacts of each development individually and in aggregate for the long-term impacts to water capacity.

ALTERNATIVES AND CONCLUSION:

Per the Growth Management Ordinance, the Growth Management Commission must recommend the total number of available permits and the distribution between categories for the years 2019 and 2020 and recommend an estimated number of total permits available for 2021 and 2022. A distribution of 43% to the “general property owner” category and 57% to the “development project” category has historically been established and is recommended by staff to continue. The following table shows allocation alternatives for various growth rates and how these rates would affect the number of available allocations.

Permit Allocation Alternatives

Rate	Category	2020	2021	2022	2023
3.0%	Total	679	699	720	742
	General	292 (43%)	300 (43%)	--	--
	Development	387 (57%)	399 (57%)	--	--
2.5%	Total	566	580	595	609
	General	243 (43%)	249 (43%)	--	--
	Development	323 (57%)	331 (57%)	--	--
2.0%	Total	453	462	471	480
	General	195 (43%)	199 (43%)	--	--
	Development	258 (57%)	263 (57%)	--	--

Carson City has historically based the number of available permits in a given year on allowing a maximum growth rate of 3%. Note that future allocation estimates assume a continued actual growth rate of 3% and are adjusted each year based on actual estimated population growth figures—i.e. actual growth of less than 3% would result in fewer allocations in future years.

Staff recommends continuing the allocation system based upon a maximum growth rate of 3%. Refer to Attachment C to see how the allocations would be distributed throughout the year per the requirements of the Growth Management ordinance. The recommended allocation would allow the maximum flexibility in providing building permits as new development occurs, though longer-term growth is expected to continue on a moderate pace. Unnecessarily limiting the number of building permits could have a negative impact on the ability of developers to obtain financing for proposed developments and have a generally suppressive effect on the Carson City economy. Should a lower limit actually limit developers to increase the housing supply to meet market demand, it could also reduce the affordability of housing in Carson City.

Please contact Lee Plemel in the Planning Division at 283-7075 or lplemel@carson.org if you have any questions regarding the Growth Management program.

Attachments:

- A) Agency comments
- B) Draft Resolution
- C) Building Permit Distribution Table for 2013 (3%)
- D) Methodology, Number of Available Permits
- E) Carson City Recorded Subdivision Vacant Lot Informations



CARSON CITY NEVADA
Consolidated Municipality and State Capital
PUBLIC WORKS

MEMORANDUM

TO: Carson City Planning Commission
FROM: Darren Schulz, Public Works Director
DATE: June 13, 2019
SUBJECT: Growth Management Report 2019

Thank you for the opportunity to inform you of the status of our operations and our ability to serve Carson City at a projected growth rate up to 3% through 2019.

The operational reports are as follows:

WATER OPERATIONS:

Carson City's existing usable water rights are 18,648 acre-feet per year.

Carson City must allocate approximately 1,803 acre-feet to remaining approved undeveloped lots. As required by the State Engineer's Office, additional parceling is also being accounted for. It is estimated that in 2019, Carson City's water usage will be approximately 10,280 acre-feet. This number includes State, commercial and industrial usage.

Subtracting the predicted 2019 water usage of 10,280 acre-feet and outstanding water commitments of 1,445 acre-feet from Carson City's usable water rights of 18,648, leaves a balance of approximately 6,923 acre-feet, which may be allocated towards new development.

Carson City continues to utilize conjunctive use water management. Carson City fulfills its annual water demands from approximately 75% groundwater and 25% surface water sources. Through conjunctive resource management, Public Works operates the water system so Carson City's needs are met through a combination of groundwater and surface sources, making the best use of the water resource available. The goal of conjunctive management is to maximize surface water when available to allow the groundwater aquifers to rest.

Carson City will continue the outside water management program during the 2019 irrigation season, which includes a THREE-DAY-A-WEEK schedule where odd-numbered addresses water on Tuesday, Thursday and Saturday and even-numbered addresses water on Sunday, Wednesday and Friday, with no watering between the hours of 10:00 a.m. to 6:00 p.m. Watering on Mondays is prohibited. This allows time for resting of the system and filling of tanks.



CARSON CITY NEVADA

Consolidated Municipality and State Capital

PUBLIC WORKS

State Engineer's Order 1140 allows Carson City to pump additional Eagle Valley groundwater during drought years. This allows Carson City to pump a maximum of 11,700 acre-feet from the Eagle Valley ground water basin for a one-year period provided that the average ground water pumped from Eagle Valley over a period of five consecutive drought years will not exceed 9,900 acre-feet annually.

Carson City has always used a drought as the design scenario to meet peak summer demands. Currently, there is approximately 24 million gallons per day (MGD) of production supply for a drought year. The maximum-day demand from 2010 to 2018 was approximately 20 MGD. There is approximately 4 MGD of peak supply capability remaining.

Carson City Public Works can accommodate the projected 3% growth for the remainder of 2019 through 2020, dependent on the completion of the planned capital improvement projects regarding storage, treatment, distribution and production facilities.

With regards to the threshold for Growth Management review, we recommend to keep the threshold at 15,000 gallons per day.

WASTEWATER OPERATIONS:

The Water Resource Recovery Facility (WRRF) is permitted to process a sewage flow of 6.9 million gallons per day (MGD) averaged over a 30-day (monthly) period. The 2018 maximum monthly average flow was 5.2 MGD. With respect to the planned growth, a potential development rate of 3% through 2020 could be accommodated by the WRRF and wastewater operations.

LANDFILL OPERATIONS:

The Landfill has a projected life expectancy of approximately 37 years. With respect to the planned growth, a potential development rate of 3% through 2019 could be accommodated by the Landfill.

TRANSPORTATION:

The Carson City Public Works Department is responsible for the construction and maintenance of the City's street network as well as bicycle and pedestrian facilities. Additionally, the City operates a public transit system. The City also works closely with the Nevada Department of Transportation, which owns and operates State highways in the City. The State-owned roads include the Carson City Freeway, which connects U.S. 395 at U.S. 50 (Spooner) to Reno.

With respect to the planned growth of the City and how that may be expected to impact the City's transportation system, the potential development rate of 3% through 2019 could be accommodated by the existing and planned transportation system.



CARSON CITY NEVADA

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PUBLIC WORKS


Public Works' staff, who serve both the Carson City Regional Transportation Commission (CCRTC) and the Carson Area Metropolitan Planning Organization (CAMPO), are familiar with the current system, the improvements that are planned to be implemented by the year 2020, and the planned improvements through the year 2040. With this knowledge, we have determined that the current system is operating well with respect to capacity. Certain areas of Carson City have increased the pace of development. These include Southeast Carson City and Center Carson City near 5th Street, just east and west of the I-580 freeway. As development occurs, staff must be mindful of project impacts to the transportation system and ensure fair and appropriate mitigation measures are implemented.

One of the important tools available for these evaluations is a travel demand model developed and maintained as part of CAMPO responsibilities. This model, based on existing and forecasted land use and socio-economic data developed in cooperation with the Carson City Planning Division, forecasts traffic volumes to the year 2040. The model was updated and extended in 2019 and is undergoing continual maintenance and improvements to account for ongoing local development projects and external regional growth. This model allows for evaluations of the impacts of changes in the land use base, the transportation network, or both. The model can be used to support subarea analyses as needed.



CARSON CITY, NEVADA
CONSOLIDATED MUNICIPALITY AND STATE CAPITOL

To: Lee Plemel, Community Development Director

From: Jennifer Budge, CPRP, Parks and Recreation Director 

Subject: Growth Management Impacts on Parks and Recreation Services

Date: June 15, 2019

From 2007-2011, Carson City's Parks and Recreation budget sustained significant reductions throughout the recession, reducing staff, supplies, and ultimately the level of service to the community. The impact of these cuts placed great strain on staff resources and eliminated many preventative maintenance practices.

With the generous support of the voters passing Question 18 more than 20 years ago, the City has acquired over 8,000-acres of open space to enhance the quality of life in Carson City for future generations. While the majority of acquisitions are complete, the city's maintenance responsibilities are only increasing due to the impacts of a growing population. Question 18 was an innovative effort, but unfortunately even during healthy economic times, it does not generate enough funding to address our deferred park maintenance and capital project needs.

The Parks staff has done a tremendous job in keeping the City's parks system functioning, while the demand for services has increased. With more parks per capita than the national average, and over 64-acres of developed park acreage per Park Maintenance Worker, a lack of investment in addressing aging infrastructure and deferred maintenance, the City's parks facilities, fleet and equipment are significantly deteriorating.

With an anticipated population growth rate of 3%, there will be significant impacts on the community services provided by the Parks, Recreation and Open Space Department for Carson City residents. As new subdivisions are constructed, additional neighborhood parks will be contemplated consistent with the City's Park Master Plan, and funded partially through Residential Construction Tax (RCT) as outlined in Nevada Revised Statutes. While RCT contributes positively to new park development, it doesn't generate enough funds to adequately construct parks without a significant contribution from developers to supplement the RCT. In addition, RCT is not a sustainable funding source, as it does not contribute to deferred maintenance and infrastructure preservation needs. Efforts to update the City's Park Master Plan and limit the amount of new parks within the City, while reinvesting/reimagining existing aging parks should be utilized with these funds where possible.

Increased growth will also contribute to an already existing shortage of recreation facilities, especially athletic fields. The lack of sufficient athletic fields represents one of our most serious service challenges. To accompany the demand for field use from local youth and adult sports is a significant increase in traveling tournaments, which contributes significantly to the City's economic vitality. In addition, an increase in growth will most likely lead to an increase in demand for recreation and cultural programs, aquatics, and regional trail connectivity. While the City has made a tremendous effort to increase staff for outdoor recreation, such as trails and the rifle range, the Department is still not staffed at pre-recession levels. Additional growth will require supplementing staff and facilities to meet the recreational demands of a growing community.





CARSON CITY, NEVADA

CONSOLIDATED MUNICIPALITY AND STATE CAPITOL

There is also a need for additional recreation facility diversity including dog parks and large scale interactive splash/spray parks. Should the growth occur, it is encouraged to buildout existing parks such as Pete Livermore and Centennial Sports Complexes, while rehabilitating aging facilities, like Mills Park, rather than acquire additional lands for active recreation.

While the economy has improved tremendously in the past few years, increased insurance, employee, and construction costs require that the City operate conservatively with its staff and financial resources. It is encouraged to not limit residential permits, as it would be counterproductive toward continued economic recovery and growth. This is subject to a sustainable maintenance program for new parks facilities. Maintenance and infrastructure preservation should be 100% funded by Homeowners or Maintenance Associations, with a Landscape Maintenance District as a secondary measure, to not further create additional burden on the city's general fund.

Additional growth in parks and recreation will also have impacts to the community's water system. Efforts should be made to reduce turf, incorporate low impact development best management practices, utilize artificial turf, install recycled water systems, and utilize reclaimed/effluent water resources whenever possible.





CARSON CITY FIRE DEPARTMENT

"Service with Pride, Commitment, Compassion"

June 17, 2019

Lee Plemel, Planning Director
Carson City Planning Division
Carson City Planning Commission
108 E. Proctor St.
Carson City, NV 89701

Dear Lee and Commission Members,

The mission of the Carson City Fire Department is to serve the community with pride, commitment, and compassion.

The Carson City Fire Department is the busiest fire department per capita in northern Nevada. The fire department is experiencing an increase in call volume of approximately 5% per year. The fire department was able to add one 40 hour ambulance in 2017; this was the first increase in resources in over 18 years. During that time period emergency responses have increased by over 108%. This call volume continues to grow at a time of slow population growth in Carson City. Additionally, Carson City has not added any additional fire stations in over 40 years. With the current increase rate of emergency responses and no additional resources to meet the demand, Carson City Fire will be challenged to provide the same excellent service we provide today.

The fire department does support growth and development in Carson City; however, in order to meet the expected increase in demand the fire department will need to increase the number of personnel and resources. To meet the anticipated increases in the emergency call volume the fire department would need the following:

- One (1) additional fire station with:
 - a. One (1) Staffed Ladder Truck and Nine (9) FTEs
 - b. One (1) Rescue Ambulance and Six (6) FTEs



CARSON CITY FIRE DEPARTMENT

"Service with Pride, Commitment, Compassion"

June 17, 2019

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This resource request is in line with the Abbey Group Study (2001) and the Accompanying Citizens Ad Hoc Committee to Study Public Safety Services (2008). Both studies recommend additional resources and staffing for the fire department in order to meet the increased demand on services. This request could be phased in as growth and call demand dictate.

Please contact me if you need any additional information.

Sincerely,

Sean P. Slamon
Fire Chief



CARSON CITY, NEVADA
CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

To: Lee Plemel, Community Development Director

From: Nicki Aaker, Director
Dustin Boothe, Disease Control and Prevention Manager

Date: June 14, 2019

Subject: Growth Management for 2020 Residential Allocations and Commercial Average Daily Water Usage.

- 1. Does your department or agency have any extraordinary service capacity issue that would be negatively impacted by residential growth in 2020-21? If so, identify the issues.**

With current staffing at pre-1998 levels in the Environmental Health Program, increased growth in the community will have a direct impact to the workload of current staff. With growth in our residential population we would likely see an increased work load and the increase in the time needed to complete the building permit review process. Increased residential growth will also increase the number of customer complaints in regards to unsanitary conditions in their neighborhoods and commercial establishments in our community.

- 2. Do you recommend limiting the number of residential building permits (new construction) that will be made available for the 2020 calendar year to address these issues? If so, what limit, and how will this limit on residential growth help resolve your service capacity problem?**

No we do not recommend limiting the number of residential building permits.

- 3. What is needed by your department or agency to solve any service capacity issue identified above?**

Increasing Environmental Health staff to 1998 levels, three (3) field staff, so that one (1) staff member could be dedicated liaison to the building department.

Carson City Health & Human Services

900 East Long Street • Carson City, Nevada 89706 • (775) 887-2190 • Hearing Impaired-Use 711

Clinical Services (775) 887-2195 Fax: (775) 887-2192	Public Health Preparedness (775) 887-2190 Fax: (775) 887-2248	Human Services (775) 887-2110 Fax: (775) 887-2539	Disease Control & Prevention (775) 887-2190 Fax: (775) 887-2248	Chronic Disease Prevention & Health Promotion (775) 887-2190 Fax: (775) 887-2248
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Carson City Planning Division

108 E. Proctor Street
Carson City, Nevada 89701
(775) 887-2180
planning@carson.org
www.carson.org/planning

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Carson City School District responses to question below.

TO:

FROM: Lee Plemel, Community Development Director

DATE: May 30, 2019

SUBJECT: **Growth Management for 2020 Residential Permit Allocations and Commercial Average Daily Water Usage**

The Carson City Growth Management Commission (Planning Commission) will hold its annual meeting on Wednesday, June 26, 2019, to recommend residential building permit entitlements and maximum average daily water usage for commercial and industrial uses for the Growth Management program for the 2020 calendar year, as required by Carson City's Growth Management Ordinance (CCMC 18.12). The Board of Supervisors will take final action on the allocations on July 18, 2019.

This letter is intended to solicit your input in accordance with the Growth Management Ordinance in order to assemble data and comments relative to the effect that residential growth and commercial water usage has on services your department or agency provides to the citizens of Carson City. Specifically, the Growth Management Commission and Board of Supervisors are interested in determining how the allocation of permits for residential construction in 2020 will impact your department's or agency's ability to serve the citizens of Carson City and what level of residential growth could be accommodated. (Note: The number of residential permits made available annually has historically corresponded to a number that would result in approximately 3% residential growth.)

Please address the following questions in your response:

1. *Does your department or agency have any extraordinary service capacity issues that would be negatively impacted by residential growth in 2020-21? If so, identify the issues.*

Yes, the Carson City School District is currently nearly at capacity at all of its schools.

2. *Do you recommend limiting the number of residential building permits (new construction) that will be made available for the 2020 calendar year to address these issues? If so, what limit, and how will this limit on residential growth help resolve your service capacity problem?*

The school district is confident in the city's abilities to manage growth in Carson City and continues to involve them in the school district's facility master plans. The 2018 spike in allocations issued, the most in recent history, is concerning and should be studied and appropriately reduce. Although available allocations have trended fairly flat this century, the gap has grown closer.

3. *What is needed by your department or agency to solve any service capacity issues identified above?* Bonding capacity and other available funding. Nearing the end of our most recent Bond sale, we have noticed roughly a 30% increase in construction costs, which caused an inability for us to complete all our projects and defer major maintenance repairs.

Thank you in advance for providing this valuable information to the Carson City Planning Division no later than Monday, June 17, 2018. It is important that any issues are identified in advance of the public meetings so staff can incorporate appropriate Growth Management measures and alternatives.

Attached is the "Purpose" section of the Growth Management Ordinance to identify the scope of the Growth Management program and assist you in assembling your information and comments. Also attached, for your information and reference, is a summary of the Growth Management residential allocation history and population projections for Carson City. If your agency or department provided a comment letter last year, it is also attached for your reference.

Thank you again for your timely response in providing your comments and information. Please direct your correspondence to me at the Planning Division (see letterhead address) or at my email below. If you have any questions regarding Growth Management or this information packet, contact me at 283-7075, or email at lplemel@carson.org.

Sincerely,

Lee Plemel, Director

Attachments:

- 1) Growth Management Ordinance Excerpt
- 2) Residential Allocation History Chart
- 3) Population History and Projections Chart

**2020 Building Permit Distribution Table (3% alternative)
Per CCMC 18.12.055(1)**

	Period 1 January, February & March	Period 2 April, May & June	Period 3 July – December
Total Available	679 allocations available	Any remaining permits available	Any remaining available
Development Category (31 or more lots or units)	<p>387 building permits available (57%)</p> <p>Permits divided equally among the qualified development projects on the list as of January 2.</p> <p>Where a development project has less units or lots than the total number of building permits allocated to it, the remaining units shall be divided equally among the remaining development projects.</p> <p>Additional development projects may be added to the list during Period 1 and use any remaining building permits if the units or recorded lots of the qualifying projects on the list total less than the number of building permits allocated to the development category.</p>	<p>A maximum cumulative total of 581 permits (50% above the maximum number originally allocated to the category) may be obtained on a first come, first served basis, or until the total number of available permits run out, whichever comes first.</p>	<p>Any remaining building permits available on a first come, first served basis</p>
General Category	<p>292 building permits available (43%)</p> <p>A maximum of 30 permits may be issued to an individual property owner during this period.</p>	<p>A maximum cumulative total of 584 permits (100% above the maximum number originally allocated to the category) may be obtained on a first come, first served basis, or until the total number of available permits run out, whichever comes first.</p>	<p>Any remaining building permits available on a first come, first served basis</p>

Methodology for Determining Number of Residential Allocations

Assumptions:

- The 2018 certified Carson City population estimate is 56,057. (The most current State Demographer population estimate.)
- This certified 2018 population estimate is used as the “baseline” for establishing 2020 residential allocations
- 2.54 persons per household is assumed per 2010 US Census.
- 2018 Allocations Issued = 567

Methodology:

- 1) (2018 pop.) + (2018 allocations issued x 2.54) = 2019 pop. est.
- 2) (2019 pop. est.) x (% growth rate) = 2020 population estimate
- 3) (2020 pop.) – (2019 pop. est.) = 2020 pop. growth estimate
- 4) (2020 pop. growth) ÷ (2.54 pop./unit) = **Number of 2020 allocations**

2018 Population:

56,057

2018 Res. Permits Issued:

567

At 3.0% growth rate:

- 1) 56,057 + 1440 = 57,497
- 2) 57,497 x 1.03 (3.0%) = 59,222
- 3) 59,222 - 57,497 = 1,725 persons
- 4) 1,725 / 2.54 = **679 allocations**

Estimated Subsequent Years

2021	699 at 3%
2022	720 at 3%
2023	742 at 3%

At 2.5% growth rate:

- 1) 56,057 + 1440 = 57,497
- 2) 57,497 x 1.025 (2.5%) = 58,935
- 3) 58,935 - 57,497 = 1,437 persons
- 4) 1,437 / 2.54 = **566 allocations**

Estimated Subsequent Years

2021	580 at 2.5%
2022	595 at 2.5%
2023	609 at 2.5%

At 2.0% growth rate:

- 1) 56,057 + 1440 = 57,497
- 2) 57,497 x 1.02 (2.0%) = 58,647
- 3) 58,647 - 57,497 = 1,150 persons
- 4) 1,150 / 2.54 = **453 allocations**

Estimated Subsequent Years

2021	462 at 2%
2022	471 at 2%
2023	480 at 2%

Carson City Recorded Subdivision Vacant Lot Information

Recorded Subdivision Lots (10 or more vacant lots remaining)

Subdivision Name	Approval Date	Parcels Recorded	Vacant Parcels	Location and Notes
Lakeview	May-79	258	27	South of Carson City/Washoe County line, west of US Hwy 395 North
Silver Oak PUD (1,074 total)** Phase 21 Phase 22 Phase 23A	Oct-93	31 44 30	9 19 29	West of N. Carson Street north of Winnie Lane ** Recorded lots plus remaining future phases.
Timberline	Oct-78	101	12	West end of Combs Canyon Rd
Schulz Ranch Phase 1 Phase 2 Phase 3	Oct-05	100 105 111	12 6 53	Race Track Road (east end of Topsy Lane)
Arbor Villas Townhomes		54	40	Little Lane
Ross Park		23	23	Snyder Ave. & Appion Way

Through April 2018 **Total of Vacant Subdivision Lots: 230**

Approved Tentative Maps with Lots Pending to Record

Subdivision Name	Approval Date	Parcels Approved	Parcels Remaining	Location and Notes
Silver Oak PUD	Oct-93	1,074	377	West of N. Carson Street north of Winnie Lane.
Clearview Ridge	Sep-06	73	73	West side of Cochise, south side of Roventini.
Schulz Ranch	Oct-05	424	100	Race Track Road vicinity, east of Center Dr.
Schultz Investments LLC	Aug-14	6	6	Old Clear Creek Rd.
Jackson Village	Sep-15	41	41	Eagle Station Lane
Arbor Villas Townhomes		154	100	Little Lane
Mills Landing Townhomes		105	51	State Street
Vintage		212	212	Mountain St., Ormsby Blvd.
Edmonds Townhomes		16	16	
Lompa/Blackstone Phase 1		189	189	Saliman Rd. & Robinson St.
Lompa/Blackstone Phase 2	Oct-18	204	204	North side of 5th St, west of I-580
Lompa Ranch East	Feb-19	137	137	West of Airport Rd., south end of N. Lompa Rd.

Total Approved Tentative Map Lots Pending: 1,506
Total of Vacant and Pending Subdivision Lots: 1,736

Carson City Recorded Subdivision Vacant Lot Information

Approved Multi-Family Residential Projects (MPR's and SUP's)

	Development Name	Review Date		Proposed units	Location and Notes
	Silver Oak, GS Richards Blvd	Apr-15		90	GS Richards Blvd. at Ivy Baldwin Circle
	Cochise Street	Mar-19		143	Cochise St. at Appion Way

Total Potential Multi-family Units: 233
Total Vacant, Pending, and Multi-Family: 1,969