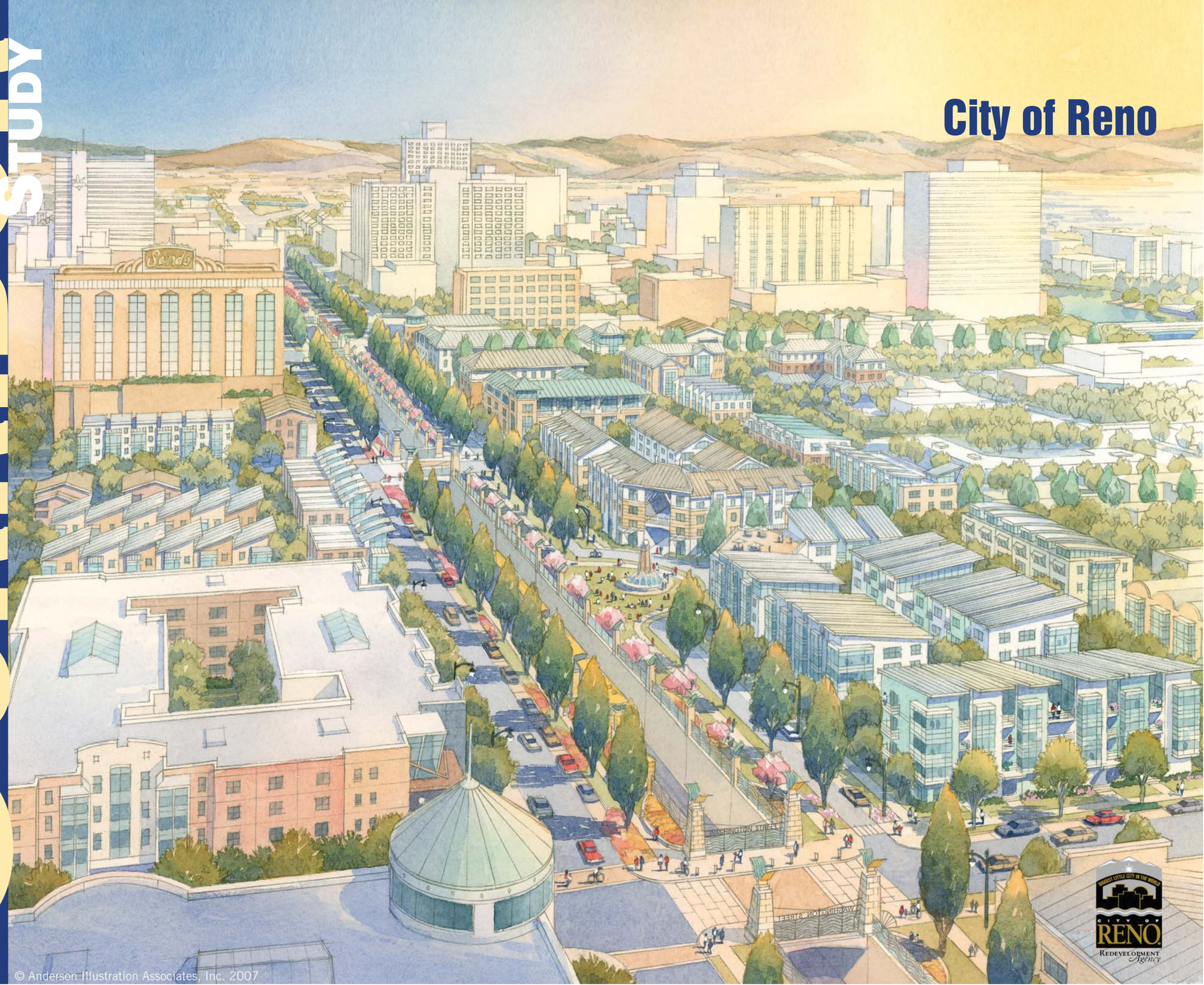
# The Retrac Corridor Study

## City of Reno

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CITY OF RENO, NEVADA

# THE RETRAC CORRIDOR STUDY

PUBLIC REVIEW DRAFT

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Prepared for the City of Reno
Redevelopment Agency

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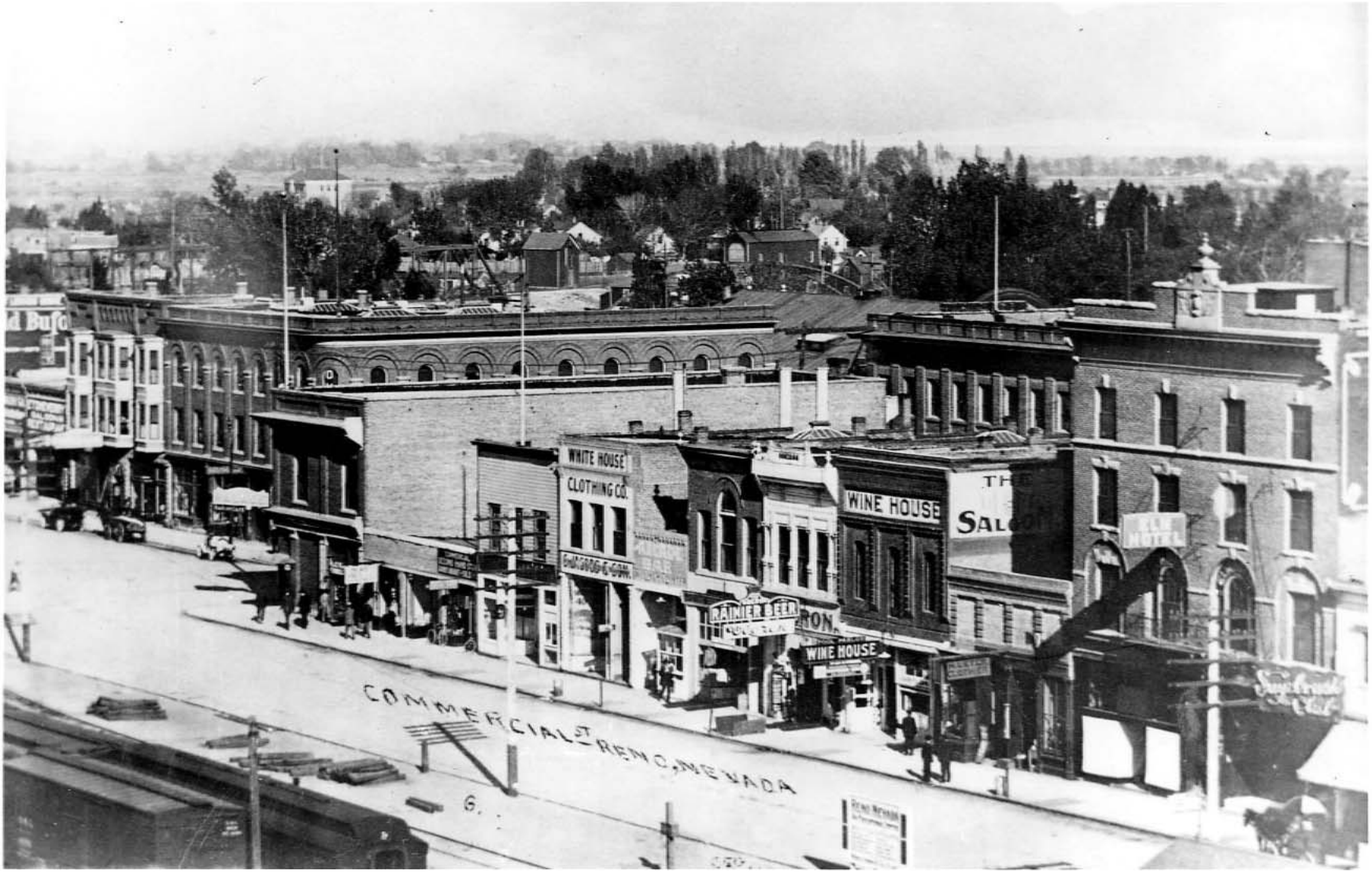
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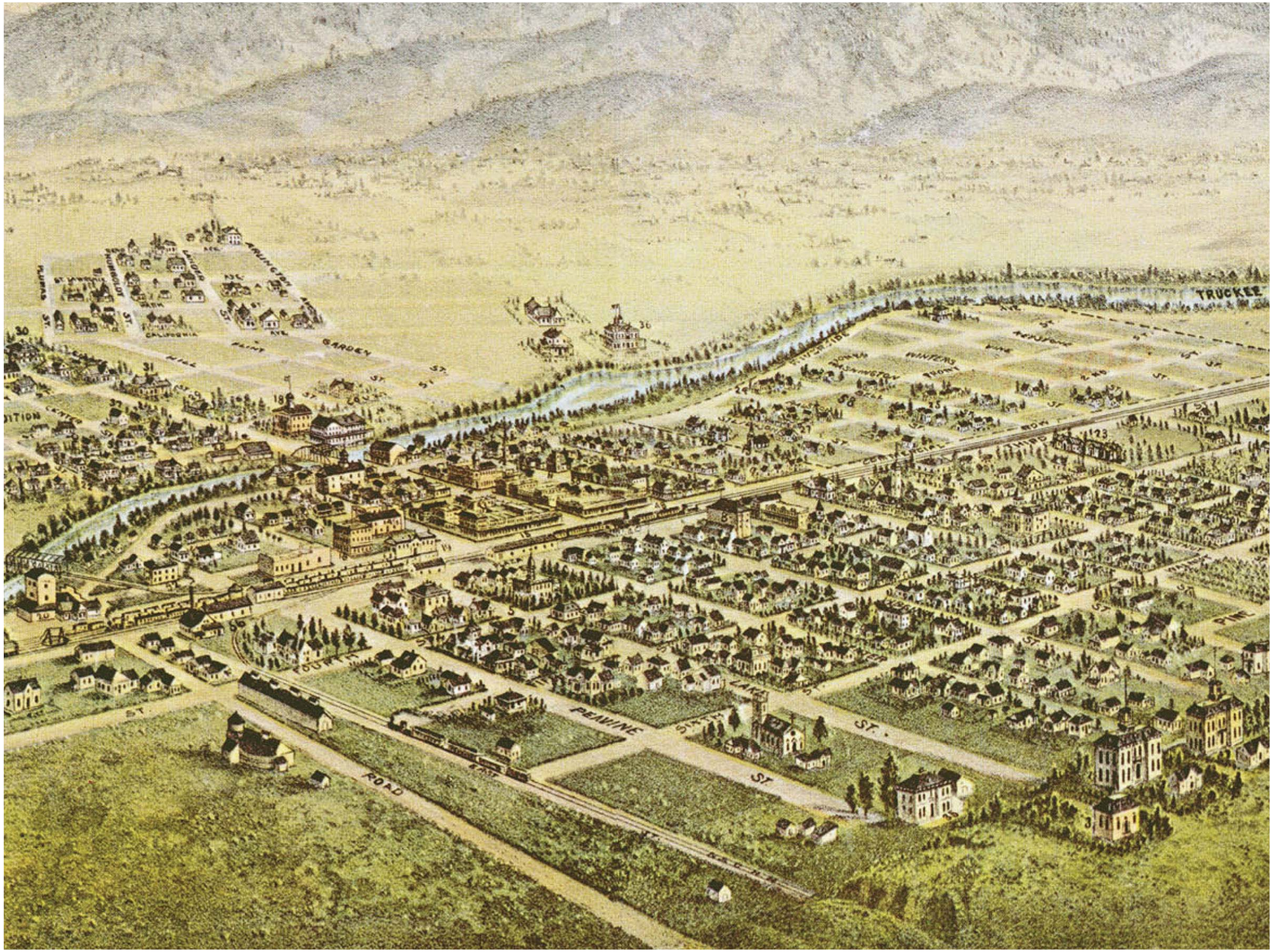


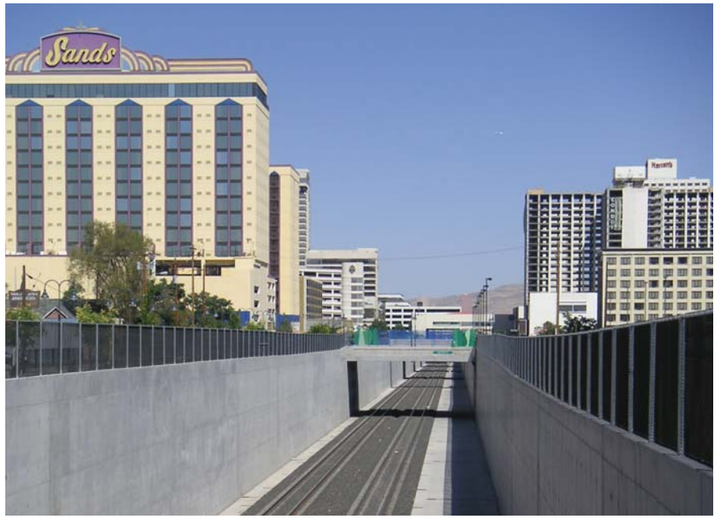

i.1. Historic Reno divided by the railroad

image provided by Nevada Historical Society

## i.1. Background – the ReTRAC Project

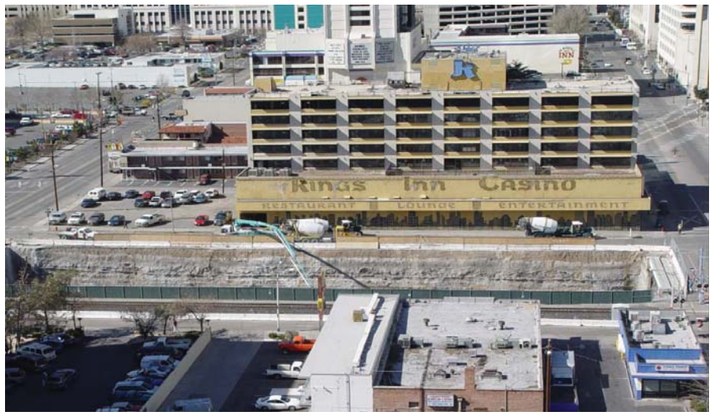
The Reno Transportation Rail Access Corridor (ReTRAC) project was a landmark public infrastructure effort on the part of City, State, and Federal government, the Union Pacific Railroad, Reno businesses, and the community of Reno to move existing surface-mounted Union Pacific train tracks into an engineered trench down below city streets and blocks through the heart of downtown. The railroad tracks are a key east-west transcontinental railroad linkage and have divided downtown Reno into northern and southern portions since its founding in 1868. Before trenching, the "disamenity" effects of trains impacted downtown for decades with traffic interruptions, exhaust fumes, horns, train noise, and vibrations. The character of surrounding streets and blocks was similarly negatively affected in street layouts and site access, land uses, building entrance and access orientations, the level of building and site maintenance, and perceptions of district character. Public safety access and downtown quality of life would have been further compromised by a projected increase of up to 22 freight and passenger trains per day, up from 11 trains per day.

The trench concept was introduced in 1942 when the Reno City Engineer responded to a suggestion from the United States Bureau of Public Roads that the railroad be elevated. The Engineer recommended that to avoid creating a barrier through the city, the tracks should be depressed. The Chamber of Commerce endorsed the depressed trainway project as the "number one civic improvement for the readjustment period after the War." The project finally began in 1998 and was officially completed and opened in November 2005. It successfully lowered 2.25 miles of the trackway into an engineered concrete-lined trench up to 32 feet below grade. It replaced eleven at-grade railroad crossings with never-to-be-interrupted bridge crossings, and reduced train-related noise and vehicular pollution associated with idle times.




i.2. the ReTRAC trench in the downtown core

i.3. "Disamenity" affects of Railroad tracks

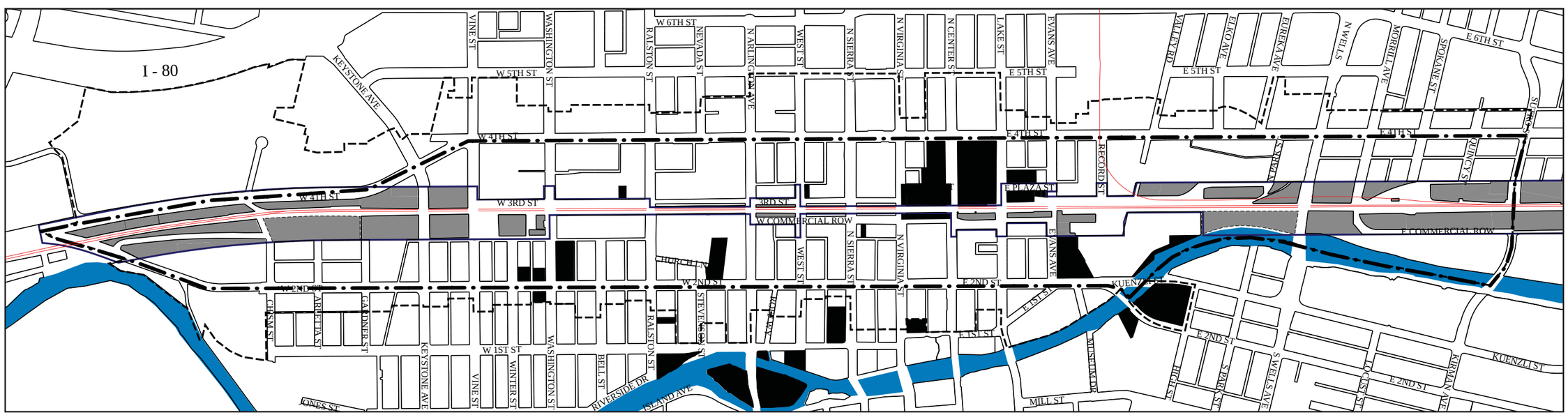



i.4. Construction of the ReTRAC Trench

image provided by Reno Redevelopment Agency

As a part of the project, the City of Reno acquired approximately 120 acres of land immediately north and south of the corridor from Union Pacific Railroad (often referred to as "ReTRAC" land). A substantial proportion of this land was unparcelized. The use and development of both these and other private parcels near the train was constrained by their proximity to the noise and disruption from the tracks. Many ReTRAC areas and parcels had few or no structures on them, and some had been used as construction staging areas or served as the "shoo-fly" (temporary train track alignment) during construction of the ReTRAC project. A number of ReTRAC properties had previously been leased on a month-to-month basis from Union Pacific, another factor limiting long-term private investment on the parcels. Additional description of urban conditions in and around the site at the time of the Study is found in the following section entitled Starting Point - Existing Conditions.

i.6. VACANT RETRAC CONSTRUCTION STAGING AREAS & "SHOO-FLY"




i.5. PUBLICLY OWNED LAND

As the railroad was closely associated with Reno's historic founding and expansion, three of these transferred properties include historically-significant architectural sites: The Southern Pacific Railroad Freight House, The Southern Pacific Railroad Passenger Depot (currently the site of the Amtrak Station), and the American Express Freight Building (currently the site of the Men's Club).

Fourth Street, another focus of this study, runs about one block parallel to the train track corridor on its north side. Up until the 1950's, it was the site of the historic east-west US 40 Lincoln Highway through Reno, catering to visitors with motels, road houses and auto services until Interstate 80 took over in the late 1950s. Today it still functions as Interstate Business Loop 80 ("Business 80") and remains a service and trucking route for many industrial businesses, particularly east of the downtown core. As on many arterial "strips" superseded by Interstates, disinvestment took hold once its original economic basis declined and visibly affects the corridor today. Fourth Street has been designated a "Transit-Oriented Development" corridor in recently adopted policies, signaling a potential new future.

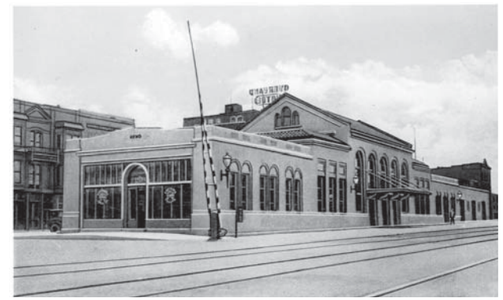
## I.2. Purpose

This ReTRAC Corridor Study is established in response to the community's desire to follow up on the completion of the ReTRAC Project with a vision for the potential future of its surrounding downtown streets and blocks, and how this major east-west "swath" of downtown can figure in ongoing downtown revitalization efforts. During the course of the ReTRAC planning and construction, the trackway lowering was already seen as the key to consolidating a more strongly unified downtown core district in Reno and furthering its ongoing revitalization. Opportunities for open space, public art, and urban development on previously unavailable and often poorly accessible land were also discussed as possibilities, and a number of these opportunities were incorporated into the ReTRAC Project itself. Now that the "disamenity" aspects of the former surface trains and tracks have been mitigated to a great extent, how can the promise of the potential value of this piece of the city – both economic value and community value – be realized?

Within the project boundaries, this Corridor Study examines possibilities for structuring the facing streets and city blocks to take best advantage of parcels, land uses, adjacencies, and physical configurations – in short, what it will take to achieve the promised benefits of the ReTRAC project in terms of improved mobility, renewed emphasis on livability, and sites for infill development whose possibilities had previously been compromised or denied by the presence of the surface tracks.

Externally, the Study is aimed at determining how the Study Area can reinforce the momentum of ongoing downtown revitalization planning and investment efforts - such as the spectacular success of the adjacent "Truckee River District and Downtown Reno Regional Center", the rollout of significant downtown infill housing projects, and the recently adopted "Transit-Oriented Development" policies for East and West 4th Street.

i.7. Southern Pacific Railroad Freight House



i.8. Southern Pacific Railroad Passenger Depot

i.9. American Express Freight Building

i.10. Historic 4th Street

i.11. Industrial Use on 4th Street

i.12. Disinvestment on 4th Street

i13. 4th Street today

images above provided by Nevada Historical Society

## I.3. Plan Boundaries

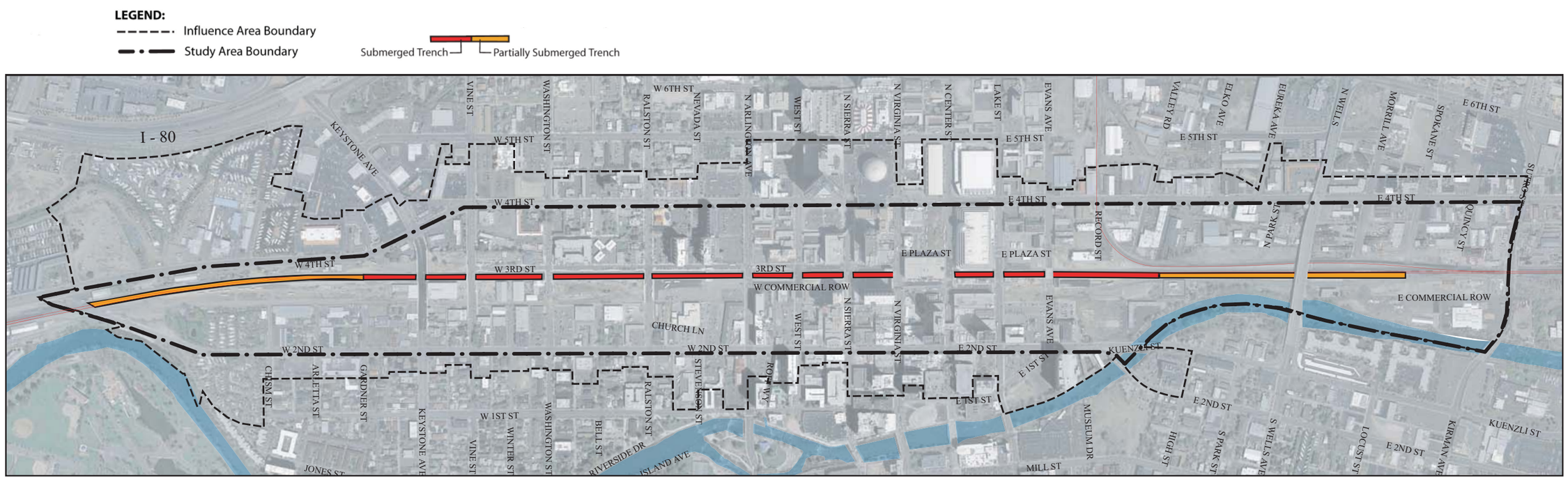
### I.3.1. Initial Study Area Boundary

The ReTRAC Corridor Study Plan Area is situated in Downtown Reno and is centered on the (former) intersection of North Virginia Street and the Union Pacific railroad tracks. The northern boundary defined for the study area was the centerline of 4th Street, once the historic Lincoln Highway (old US 40), which connects Reno to Sparks to the east. The southern boundary was 2nd Street from the western project limit up to where it crosses the Truckee River; from that point further east, the border is formed by the north bank of the Truckee River. The western limit of the study area is the former West 2nd and West 4th Street intersection (north of Idlewild Park, near where the eastern leg of Cemetery Road intersects 4th Street). The eastern boundary is Sutro Street on the east. These limits were defined in the original the Request For Qualifications (RFQ) issued by the City of Reno Redevelopment Agency (see appendix).

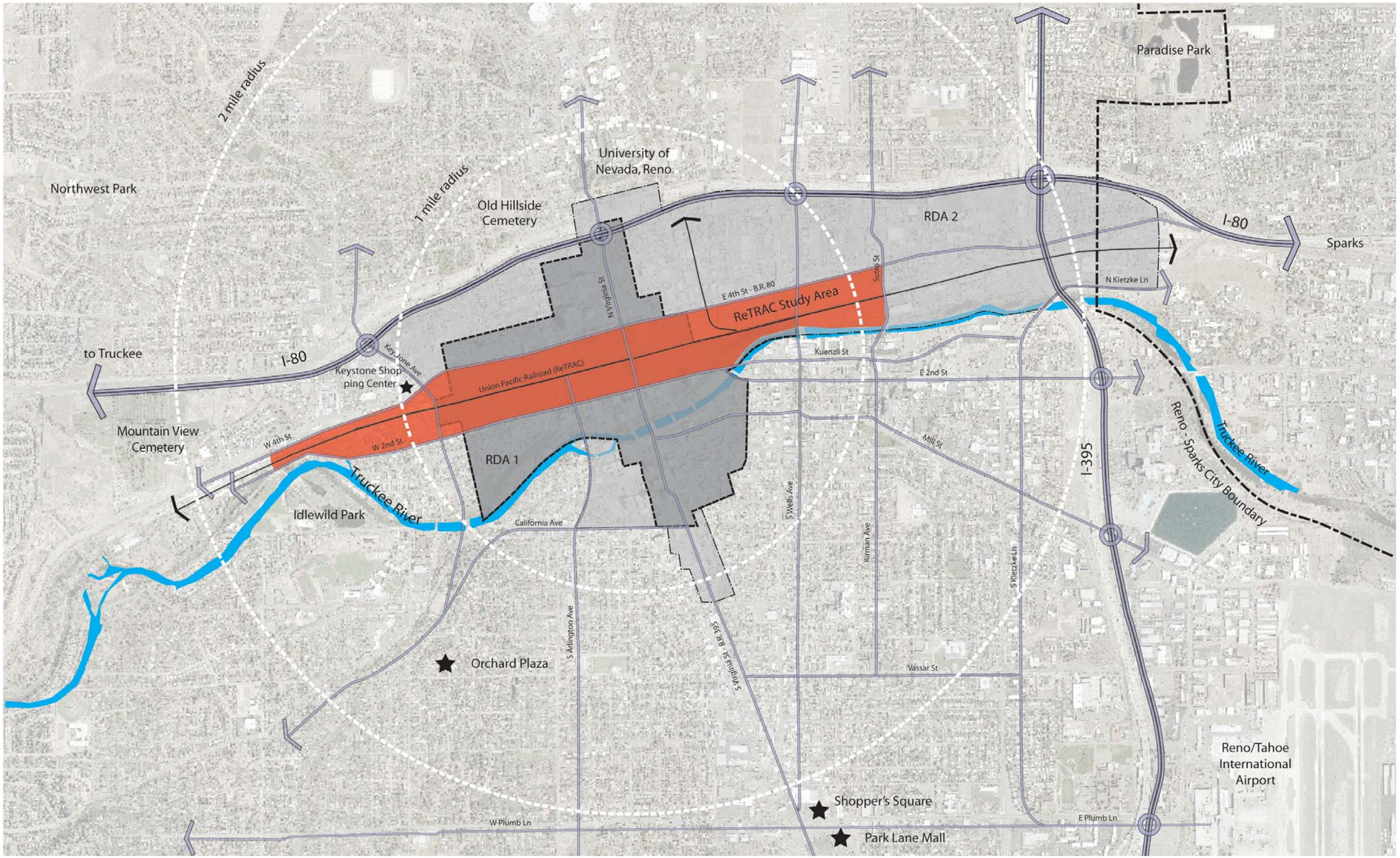
The context map depicts two important Redevelopment Area Boundaries (RDA1 and RDA2) which overlap the Study Area boundaries. The major transportation routes are represented by heavy lines with arrowheads, and key access points to Interstate Highways I-395 and I-80 are indicated by gray circles. Large parks and retail centers are highlighted as major amenities and destinations. The 1 mile and 2 mile radii centered on the intersection of Virginia Street and the ReTRAC Trench illustrate the scale of the project area within the city.

### I.3.2. Influence Area Boundary

2nd and 4th Streets form arterial street corridors of considerable length and influence within the study area. As corridor planning today is understood to be a unified consideration of street design and land use policy affecting frontage parcels on both sides of the street, the consultant team recommended that an Influence Area Boundary be added to include frontage properties on the south side of 2nd Street and north side of 4th Street. This Influence Area and a small number of other individual parcels beyond the original project boundaries were directed by the City to be included in the final plan boundaries.




i.14. Project Boundary & Influence Area Boundary




i.15. Context Map

## I.4. Document Organization

The ReTRAC Corridor Study is organized into an introduction, five sections, and an appendix.

Sections 1-4 describe the envisioned physical outcomes the Corridor Study is intended to instigate and the primary means by which the community intends to make those outcomes happen. They describe the project background, the primary goals, the envisioned form the Corridor will take, and the strategy to achieve those intended results.

Section 5 describes the investments and City resources that the community intends to utilize in order to complement private investments and to achieve the objectives of the Corridor Study.

The Appendix contains background information on the planning process and in-depth supporting analysis for preceding Sections.

***i - Introduction***

***Section 1 - Intent***

***Section 2 - Starting Point – Existing Conditions***

***Section 3 – The Future ReTRAC Corridor***

***Section 4 – Strategic Action Plan***

***Section 5 – Planned City Actions***

- *A. Capital Improvements*
- *B. Policy Updates*
- *C. Circulation*
- *D. Parking*

***Appendix***

- *A. Summary of Public Participation*
- *B. Market Study*
- *C. Envisioned Development Build-Out and Prototypical Development Sites*
  - *1. Envisioned Build-Out – Illustrative Plans*
  - *2. Prototypical Development Sites*
    - *a. Freight House Deep Parcel Opportunity Site*
    - *b. In-Town Neighborhood Deep Parcel Opportunity Site*
    - *c. East 4th Street Shallow Parcel Opportunity Site*
    - *d. West of Keystone Avenue ReTRAC Shallow Opportunity Site*
    - *e. Secondary opportunity sites (not analyzed for economic feasibility)*
  - *3. Feasibility Analysis of Prototypical Development Alternatives*
- *D. Historic Resources Existing Conditions Report*
- *E. Participants*

# SECTION 1: INTENT

It is the intention of the Reno community and the purpose of this Study to envision the evolution of the ReTRAC Corridor and surrounding blocks, to stem the forces of past disinvestment and put in place a framework to enhance the primacy, vitality and beauty of this critical spine of downtown. More specifically, it is the community's intention to:

## 1.1. Re-Position disinvested ReTRAC Corridor properties to capture value in the contemporary marketplace.

"Heal" decades-old "market damage" to downtown properties caused by the presence of surface tracks and trains that previously split apart downtown neighborhoods and blocks and compromised property values and livability.

## 1.2. Transform the visual appearance of the ReTRAC corridor and related areas.

Create a planning framework and urban design direction that instigates the delivery of high quality of public settings and buildings to:

**1)** Restore economic and community value to the ReTRAC/4th Street/2nd Street corridor.

**2)** Upgrade the largely industrial look and feel of the corridor to more attractive, livable and downtown-complementary settings supportive of higher value residential, commercial and workplace uses.

**3)** Exploit the unique width and view corridor opportunity of the ReTRAC corridor between Vine Street and Virginia Street, relative to other east-west street corridors in downtown.

**4)** Capitalize on unique assets and locations along the corridor to infill a unique and vibrant part of Downtown Reno.

## 1.3. Build on downtown's ongoing revitalization.

Continue the vision of the Downtown Blueprint, the Downtown Regional Center Plan, and other ongoing efforts by strengthening district structure, further defining compatible land uses (and development form), and strengthening the armature of public realm spaces.

## 1.4. Build on recent development trends in downtown – particularly the stronger "market drivers" such as residential and mixed-use development.

Create the basis for "convenience living." Maximize the private market's ability to serve as the engine of change.

## 1.5. Reduce investment uncertainty by defining land uses that work well together, along with supportive street types.

Organize them according to recognizable corridor segments.

## 1.6. Insure that public development of the ReTRAC corridor – its streets, paths, amenities, and infrastructure - adds to a great public network of public places in downtown Reno.

Take advantage of linear corridor structures, infrastructure pathways and edges, and related connectivity opportunities to extend the network. Along these routes, support and "choreograph" streetlife activity by strategic arrangement of ground floor uses and doorways, exciting destinations, informative wayfinding signage, and convenient location of parking facilities.

## 1.7. Make pedestrian and bicycle usability and comfort a priority.

Both on their own, and when they are in combination with vehicular traffic.

## 1.8. Maximize investment in transit along TOD corridors.

Defining supportive streetscapes and land-uses to cluster livable housing and/or jobs at or walkable to transit stops.

## 1.9. Support historic character and resources where they occur along the corridor.

Beyond physical restoration and upkeep of individual buildings, integrate them with district settings and supportive adjacent land uses as ways to keep them vital and well used.

## 1.10. Where ReTRAC properties are used as opportunities for much-needed new City facilities.

Insure that larger district goals are furthered by excellent design and planning, and that near-term projects serve as "quality statements" that set the tone for neighboring private investment.

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# SECTION 2: STARTING POINT
# EXISTING CONDITIONS

2.1. Aerial Photo of Reno, Nevada

## 2.1. Publicly-owned land and the ReTRAC property acquisition

The City of Reno and the Redevelopment Agency own a significant amount of public land within the project boundaries and influence area.

### 2.1.1. ReTRAC lands

Approximately 120 acres in the form of 75 parcels and a large quantity of unparcelized land were acquired by the City of Reno from the Union Pacific Railroad in property transfers as part of the ReTRAC project (often informally referred to as ReTRAC lands or property). Some of these properties lie outside the project boundaries, east of Sutro Street. Within the project boundaries, this land is concentrated in "strips" along the north and south sides of the trench in two significant areas: west of Washington Street, and east of Valley Road. A small number of narrow ReTRAC parcels occur between Washington Street and Valley Road, and in a number of cases are associated with the three historic buildings received by the City.

Much of this land was previously administered by the Union Pacific Railroad as month-to-month lease holds, which tended to inhibit long-term investment. Many of these properties were also transferred to City ownership with their ongoing leases and tenants. The City is more legally constrained than the Railroad was in making potential changes to these leases, which will have an effect on the ability to readily make changes to these properties.

Within half a block of the train tracks, downtown Reno's street grid is less dense and properties abutting the rail trench (including ReTRAC properties) frequently have less road access than other downtown properties – another factor affecting potential site development or redevelopment.

### 2.1.2. West of Washington Street, extending to the western project limit (near Cemetary Road)

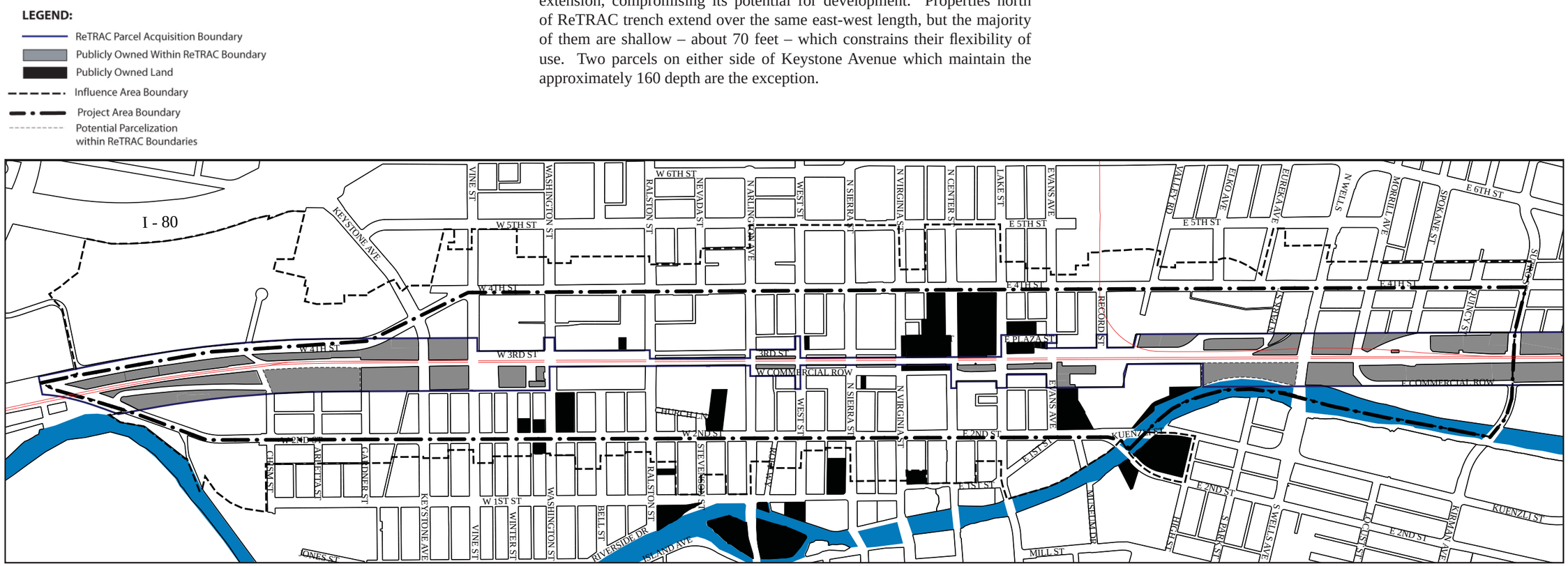
One of the largest of these ReTRAC sites is a strip of 8-acre, mostly contiguous City-owned parcels south of the ReTRAC trench between Washington Street and the bend in Truckee River. These properties have been designated as the intended site for a Community Service and Public Safety Center. The "strip" generally has a north-south width of approximately 160 feet. The portion between the north-south portion of Chism Street and where Chism Street's east-west extension rejoins with Second Street is bisected by that east-west extension, compromising its potential for development. Properties north of ReTRAC trench extend over the same east-west length, but the majority of them are shallow – about 70 feet – which constrains their flexibility of use. Two parcels on either side of Keystone Avenue which maintain the approximately 160 depth are the exception.

### 2.1.3. East of Valley Road, extending eastward to Sutro Street

The majority of these properties have been transferred with previous leases attached to them, as described above. ReTRAC properties north of the Truckee River and south of the tracks are particularly affected by limited road access, since street access is only available from Evans Avenue, Kuenzli Street, Sutro Street, and the "dead end" segment of Commercial Row off of Sutro Street.

### 2.1.4. Other City-owned properties within the Study Area

The greatest proportion of City-owned land within the project area occurs in public street, alley, and pathway rights-of-way. Significant City-owned properties include major downtown public facilities such as the National Bowling Stadium, Fitzgerald's Parking Structure, Reno Fire Department Administration (200 Evans St.), Reno Police Department Main Station (455 East 2nd St.). Other parcels include parking lots at the north-east corner of Stevenson and 2nd St. Also included are significant parcels at Fourth Street and Evans that are earmarked for relocation of the fixed-route bus transit center; this will replace the existing facility just west of the National Bowling Stadium.



2.3. View East on East Commercial Row

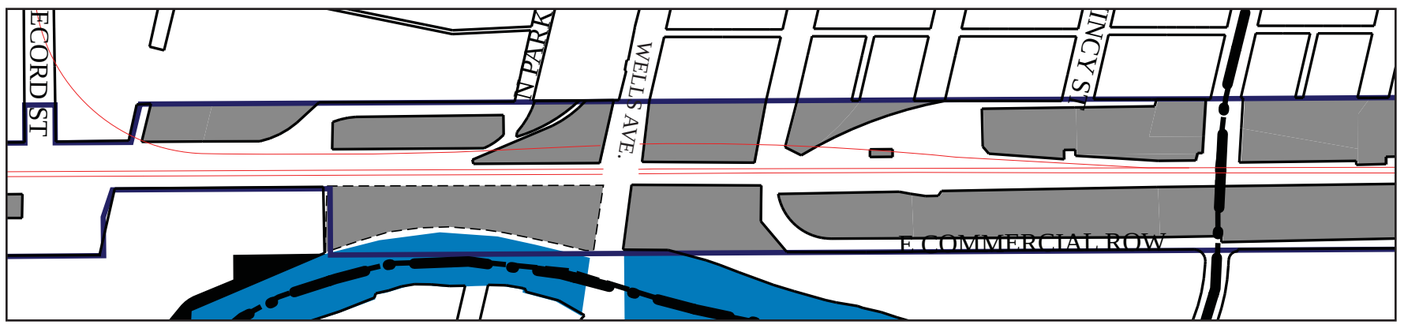
2.4. Future Site of Community Service and Public Safety Center

2.7. Future Site of Bus Transit Center

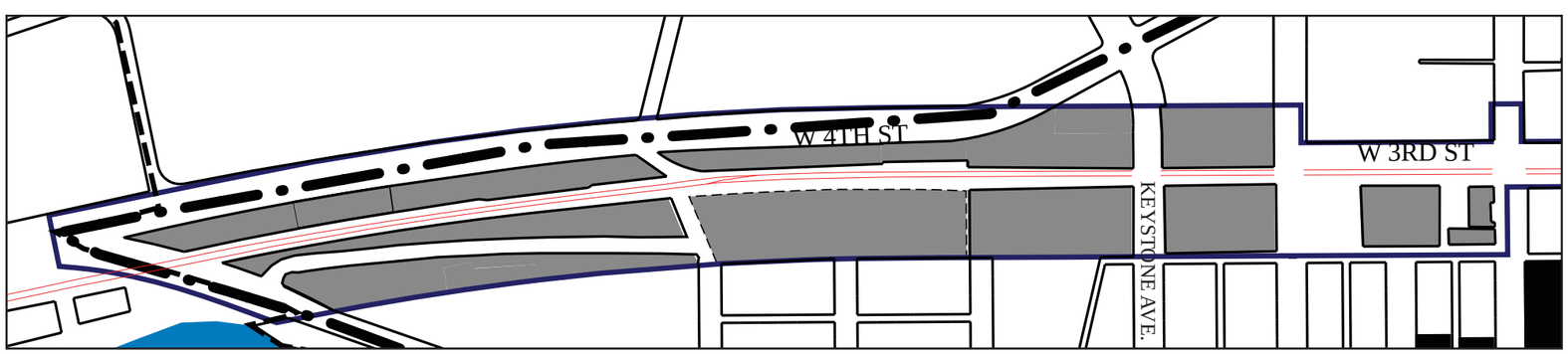
2.8. Reno Police Station

2.9. Reno Fire Department Administration

image provided by Microsoft Live Search




2.5. Publicly Owned Land - East of Valley Road




2.6. Publicly Owned Land - West of Washington Street

2.10. Fitzgerald's Parking Structure

2.11.National Bowling Stadium

# 2.2. Street and Block Patterns

## 2.2.1. Block Pattern:

The grid pattern of downtown streets and blocks is generally orthogonal within the project area and results in a typical rectangular block of approximately 315 to 330 feet in length on its east-west dimension and 400 to 490 feet in length on its north-south dimension. These blocks are often bisected by an alleyway. However, there are a number of variants:

### 1) Large blocks

A number of blocks are greatly enlarged in their east-west dimension through absence of a one-block street segment and are much larger with an east-west length 680 to 690 feet and in one particular example, extending past 900 feet. Very few blocks are "doubled" along their north-south lengths, since First, Second, Third/ReTRAC, and Fourth Streets are uninterrupted except by the Truckee River.

### 2) Affect of long east-west blocks adjacent to ReTRAC trench

In many instances, north-south streets within downtown come to a halt within one or two blocks of approaching the ReTRAC trench. South of the ReTRAC trench, examples of this condition include street corridors such as Stevenson, Bell, Winter, Gardner, and Arleta Streets; north of the ReTRAC trench, examples include Bell, Nevada, Elko, and Eureka Streets. Coupled with the discontinuity of frontage streets next to the ReTRAC trench (3rd Street, Commercial Row, and Plaza Street), these conditions reduce street access to land and parcels adjacent to the ReTRAC trench and make the blocks and parcels immediately adjacent to the ReTRAC trench less known and accessible to Reno workers, shoppers, residents, and visitors. While this condition is understandable given the historic disamenity of the train tracks, it poses a substantial challenge for redevelopment of ReTRAC edge parcels.

### 3) West of Keystone Avenue

A very large "superblock" bordered by West 4th Street, Keystone Avenue, and a "blind" edge of I-80. Two other large, irregularly shaped blocks occur west of Chism Street and bordered by the Truckee River. Superblocks and very large blocks tend to discourage pedestrian movement and street life and weaken local familiarity and imageability of the internal areas of these blocks.

### 4) Narrow blocks next to ReTRAC

There are a number of small blocks adjacent to the ReTRAC trench, narrow in the north-south dimension and long in the east-west dimension due to special streets such as Commercial Row and Plaza Street.

### 5) Non-rectangular blocks

There are blocks east of Evans Avenue whose north-south streets are angled relative to major east-west streets, resulting in parallelogram- or trapezoidal-shaped blocks. Others in this vicinity have curved shapes where they follow the contours of railroad sidings, or the Truckee River.

### 6) Alleyways

As mentioned, many blocks are further subdivided by internal alleyways, mostly along north-south centerlines of blocks, though there are numerous east-west alleyways as well. Some alleyways lie on an "angled" alignment, creating further variation in block size and shape.

### 7) Walkable block scale

With north-south roads spaced apart at approximately every 370' to 380' on center and alleyways often in between, the pattern creates a potential basis for a quite walkable, pedestrian-oriented downtown, particularly when moving in an east-west direction. By comparison, the street grid in downtown Portland, OR is approximately 260 to 280 feet square on center, and a typical Manhattan block can be 260 feet (north-south) by 520 feet (east-west).

2.13. Blocked Access due to ReTRAC Trench

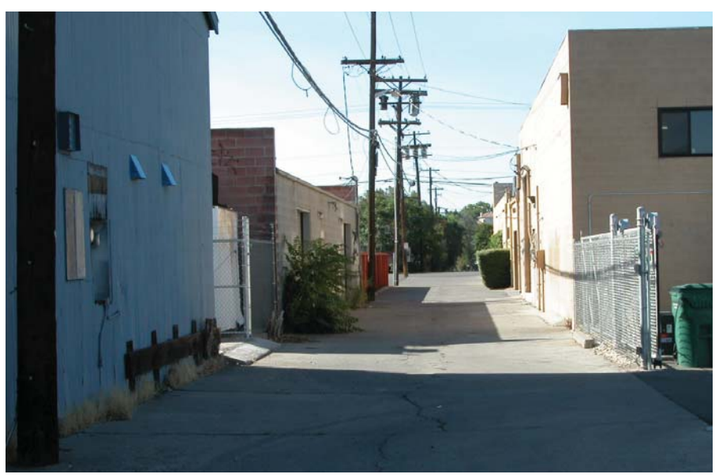
2.12. Street and Block Structure

0' 250' 500' 1000' 1/4 mile

2.14. Narrow Blocks along Commercial Row

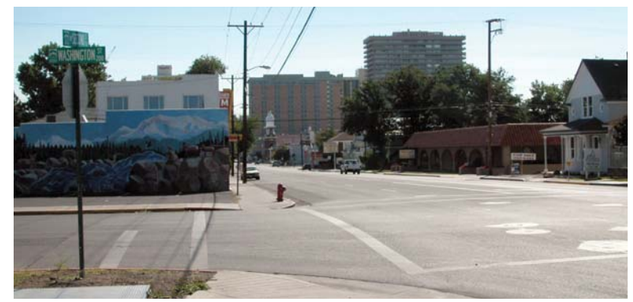
image provided by Google Earth

2.15. Keystone Avenue ReTRAC Crossing

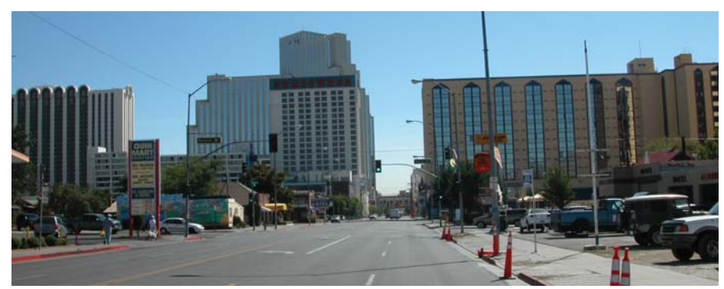


2.16. Typical Alley in West Reno

2.17. Virginia Street Looking North




2.18. 2nd Street Looking East



2.19. 4th Street Looking East

2.20. Wells Avenue Bridge Over ReTRAC Trench

## 2.2.2. STREET PATTERN:

### 1) North-south streets and ReTRAC crossings

The placement of railroad tracks into the structured trench has eliminated 11 at-grade railroad crossings and replaced them with direct vehicular connections between the north and south sides of Reno's downtown core. These new bridge crossings have changed the downtown street pattern from Keystone Avenue to Sutro Street. Of these 11 new at-grade crossings, 4 occur on primary north-south roads within the project area - Keystone Avenue, and Virginia, Sierra, and Center Streets - that connect the downtown core to Interstate 80 on the north and to the neighborhoods to the south. Of the other major north-south streets within the project area, Wells Avenue was previously grade-separated from the train tracks by means of the Wells Avenue Bridge (extending from Kuenzli Street to East Fourth Avenue), while Sutro Street's at-grade railroad crossing remains unchanged.

Sierra and Center Streets are paired one-way streets on either side of Virginia Street, downtown's centerpiece "Main Street." As a couplet, they serve as major vehicular arteries and are the continuation of US 395 Business and State Route 430. They will increasingly take on higher traffic demand with the completion of Virginia Street Improvements that have widened pedestrian sidewalks and correspondingly have reduced the number of vehicle travel lanes.

A number of local north-south streets within the downtown grid come to a halt before they reach the ReTRAC trench – see the discussion under **Affect of long east-west blocks adjacent to ReTRAC trench** in the preceding **BLOCK PATTERN** section.

### 2) East-west Streets

Major east-west traffic is carried by both 2nd and 4th streets and both are configured as arterial streets with two lanes in each direction – except a three-lane segment at 2nd Street west of Keystone Avenue. Segments of streets parallel to and alongside the ReTRAC trench – 3rd Street, Commercial Row, and Plaza Street, are intermittent, discontinuous, and currently function as local streets. 4th Street is designated as Business 80 and has been designated by the East and West 4th Street Transit-Oriented District (TOD) Corridor Studies to carry pedestrian, bike, vehicular and bus rapid transit lines.

2.21. 3rd Street Looking East

## 2.3. BUILDING PATTERN DIAGRAM

The building pattern diagram shows the "footprints" of buildings within downtown core and in doing so reveals the pattern of spaces between buildings.

**Downtown Core – the Densest Building Cluster:** The heart of the entertainment district within the downtown core can be seen by the central cluster of large footprint buildings which almost entirely cover the parcels. These large footprints (many of casino complexes) often extend over multiple blocks. The density of the building complexes they signify can create three-dimensional bulk that can block out the sky from street level and overwhelm human scale, if not composed and "broken down" by skillful architectural massing and articulation and relieved by open space. The current western and eastern limits of this very densely covered portion of the core are between West Street on the west and Lake Street on the east; the blocks to either side are substantially less covered. These edges may expand outward as additional building development in the heart of the district proceeds.

**The River Corridor is the most distinctive break in the building pattern:** By serving as the largest "break" in downtown's building pattern, the east-west oriented open space corridor formed by the Truckee River stands out as the signature permanent open space of downtown Reno. Its organic form contrasts strongly with the man-made orthogonal street and block grid. It provides for changing vistas when moving through or along it, and creates a setting for architecture to stand out.

**ReTRAC Corridor is another major break in the downtown building pattern:** The ReTRAC corridor provides the second substantial east-west-oriented open space; in comparison with the narrower building-to-building widths on the 2nd and 4th Street corridors, the greater width between the buildings walls that face across it stands out. Within this corridor, the proposed capping of the two blocks of the open ReTRAC trench from Virginia to West Streets may create an extensive urban plaza that may significantly increase the amount of open space in the downtown core and help to provide more occupiable pedestrian space to offset the heavy coverage of very large buildings in the core.

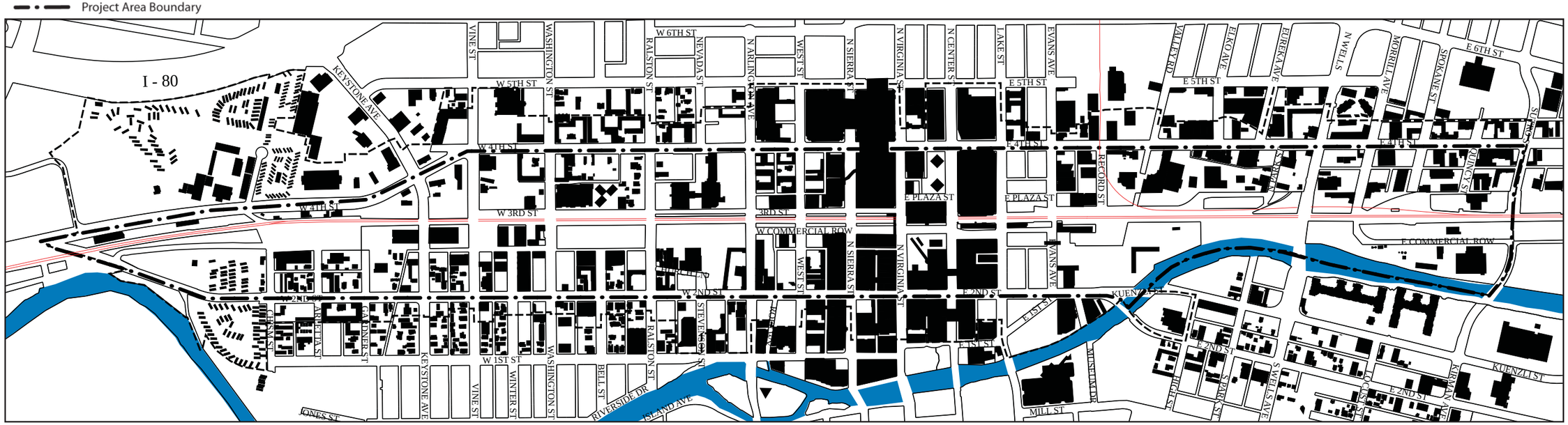
**Notable single open space breaks in downtown:** Another particular and notable "relief" to the intensity of downtown block coverage is created by the current Regional Transit Plaza located southwest of the intersection of 4th & Center Streets. As its functions are transferred to its new site further to the east and bounded by Plaza, Evans, Fourth and Lake Streets, infill of the original site will add to the core's sense of denseness.

Outside the core, areas of dense concentrations of smaller footprint buildings generally denote single-family residential blocks with a correspondingly more intimate neighborhood character.

2.23. Large, Featureless Structures Overwhelm Human Scale

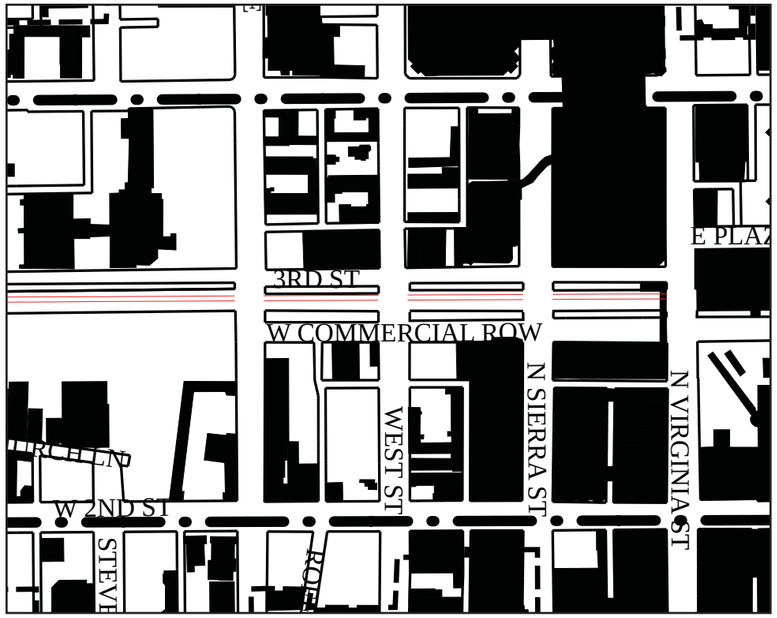
**LEGEND:**

- Influence Area Boundary
- Project Area Boundary




2.22. Building Pattern

0' 250' 500' 1000' 1/4 mile




2.24. ReTRAC / 3rd Street Corridor Relative to 2nd Street and 4th Street

2.26. ReTRAC Corridor in Downtown Context

2.28. Existing Regional Transit Plaza

2.25. Truckee River as a major open space

2.27. The Truckee River in the Downtown Core

## 2.4. KEY VIEW CORRIDORS

**The Downtown street grid creates view corridors:** From cascades on the Truckee River to the Sierra Nevada peaks that ring the city, downtown Reno enjoys scenic vistas that are unique and essential to its identity. While it is possible to see these vistas from most places in downtown Reno, the impact and scale of views are strongly influenced by the city's urban fabric. The generally orthogonal grid orientation of streets and the height and massing of buildings play an important role in defining views – both urban and natural – and establishing the "sense of place" of a particular downtown neighborhood or street corridor. When blocks and buildings shape such views, they are referred to as view corridors. It is essential to identify key view corridors in order to maintain and protect them.

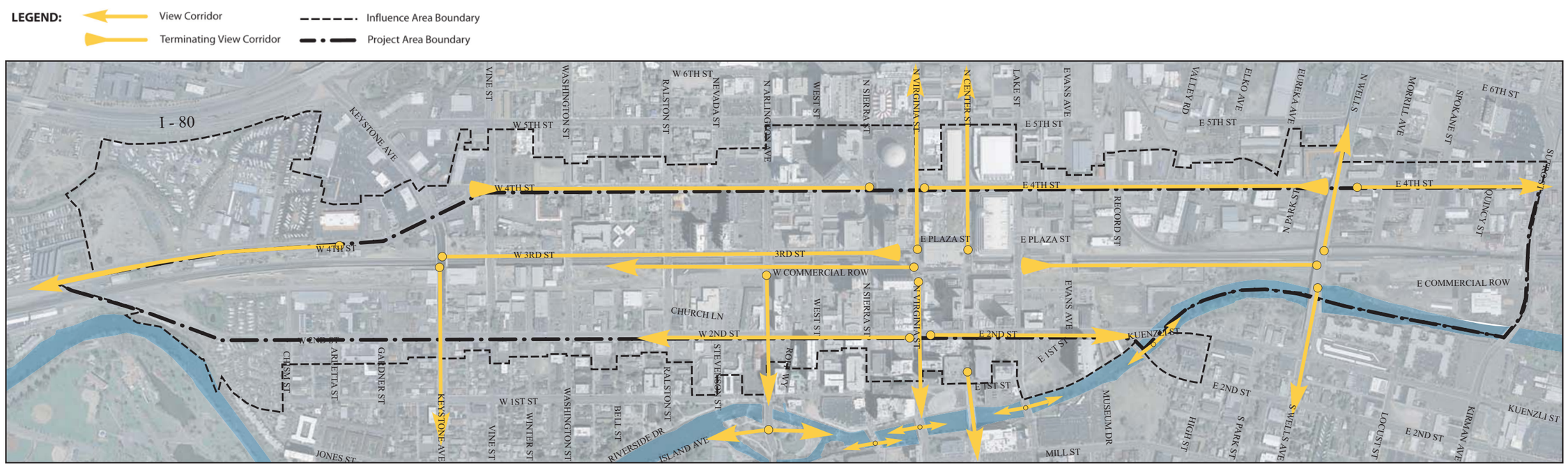
**Downtown View Corridors previously affected by tall buildings and skybridges:** Many important view corridors exist in Reno but a number of them are affected by intensity of development in the downtown core. View corridors exist along the major East-West arterial corridors such as 2nd and 4th Streets, and similarly along primary North-South roadways in the downtown core where the facades of buildings channel one's line of sight into the distance. But a number of pedestrian overpass structures connecting various buildings downtown and crossing these major city streets have effectively blocked downtown view corridors. While in most cases a successful view corridor will still exist in one direction in spite of these bridges, caution should be taken in determining locations for future pedestrian bridges. Important examples of this within the downtown core are Sierra, Virginia, and Center Streets.

**The Truckee River Corridor the greatest and most distinctive downtown view corridor:** By interrupting the orthogonal city grid with its meandering form, the Truckee River creates a series of view corridors in which the River's natural beauty predominates. The river's curves and the resulting angling of river-facing facades and city blocks contrast strongly with the structure of the rest of the downtown core. When distant mountains can be seen in combination with river and city, the result is magical. Thus, the sequence of view corridors created by the river is by far the strongest and most distinctive in downtown.

**View locations created by "artificial terrain"**: Distinctive view locations are also created by elevated locations such as the crest of Wells Avenue bridge, where motorists momentarily enjoy a panoramic view in nearly all directions. The bridge itself is a major structure spanning the equivalent of five city blocks and is highly visible from the eastern portion of downtown and from aircraft on final landing approach to Reno-Tahoe International Airport.

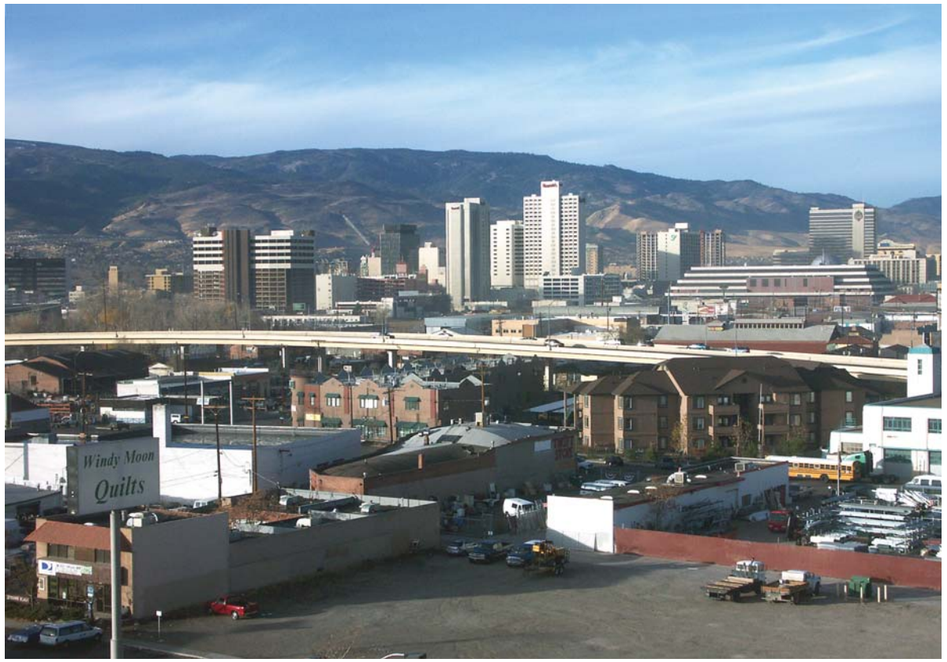
**The ReTRAC project site has the potential to be the second greatest urban view corridor in the city,** after the Truckee River corridor. With city blocks and buildings having been historically set back from the train track corridor and the lack of major development within this space, a "canyon" space has been created in the high-rise core. People can are still able to see spectacular and substantial mountain views to the West from the very heart of the city within this corridor. This opportunity will be further enhanced when the planned capping of the ReTRAC trench in the downtown core is achieved with plaza spaces, along with the planned removal of the Fitzgerald's pedestrian bridge as well.

2.30. Tall Buildings Help Frame View Corridors




2.29. View Corridors

2.31. A Pedestrian bridge Blocks the View Corridor on Sierra Street




2.32. The Wells Avenue Bridge

2.33. The ReTRAC Trench Has Potential to be a Great View Corridor

2.34. Truckee River View Corridor Looking West

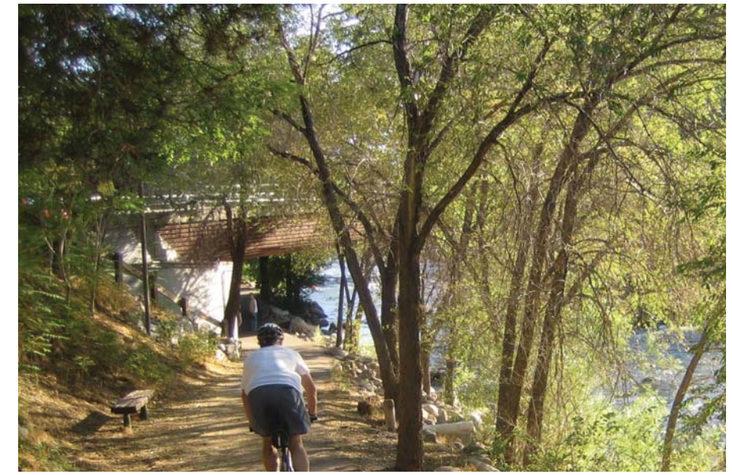
## 2.5. Parks and Public Open Space Within and Nearby the Study Area

Outside of the Downtown core, Reno enjoys substantial parks and open space resources. Paradise Park, Northwest Park, Idlewild Park, Mountain View Cemetery, and the University of Nevada Reno all provide major open space resources within the greater context of the city. The downtown core has a considerably smaller share of open space. Recent improvements have increased the quality and usability of existing resources.

The Parks and Public Open Space analysis diagram documents the parcels and property dedicated to natural and hardscape open space. The majority of parks and public open space in downtown Reno are clustered about the Truckee River and as such fall outside the influence area. These spaces include a bicycle / pedestrian trail that follows the south side of the river; Idlewild Park, which lies just outside the study area to the west and borders the south side of the river; and Wingfield Park, which lies in the middle of the river on an island in the heart of downtown. Wingfield Park Complex has active recreation amenities such as an amphitheatre and playground, as well as memorable views of and extensive access to the newly-created Truckee Whitewater Park, a white-water rafting course on the Truckee River.

Hardscape public open space within the downtown core has expanded recently with the addition of 10 North Virginia, a public plaza and ice skating rink developed on the river at the site of the former Mapes Hotel. This will soon be supplemented by a pair of urban plazas approved on October 11, 2006 to be built over the ReTRAC trench between Virginia and West streets. These urban plazas constitute the largest public spaces in the ReTRAC project area. The existing Regional Transit Center bus station also features a public plaza and will be relocated two blocks east to its new location. Harrah's Plaza on the east side of Virginia Street between 2nd Street and East Commercial Row provides a substantial private open space as well. Along with the recently completed widening of Virginia Street's sidewalks, these resources will combine with the natural open space along the river to help create a series of areas of streetlife activity and relief from the dense urban fabric of downtown buildings.

With the rapid introduction of housing developments into the Downtown Core within the last five years, parks and public open space resources will increasingly become key aspects of downtown livability. As well as creating opportunities for plaza and park space where possible, it will be important to make strategic use of existing streets and infrastructure to enhance connections to and between parks and open spaces, and to become livable places in their own right through skillful design and management.



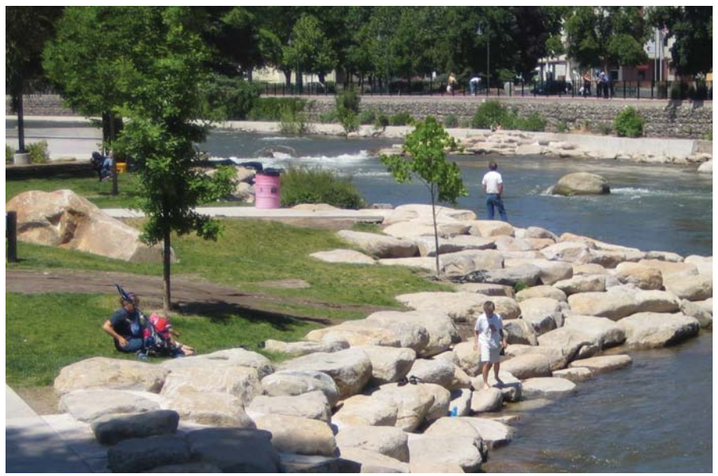
2.36. Bike/Pedestrian Trail Along Truckee River

2.35. Parks and Public Open Space

2.37. Idlewild Park
image provided by Google Earth

2.39. View of Wingfield Park from Sierra Street

2.41. Regional Transit Center Plaza



2.38. Access to Truckee Whitewater Park from Wingfield Park

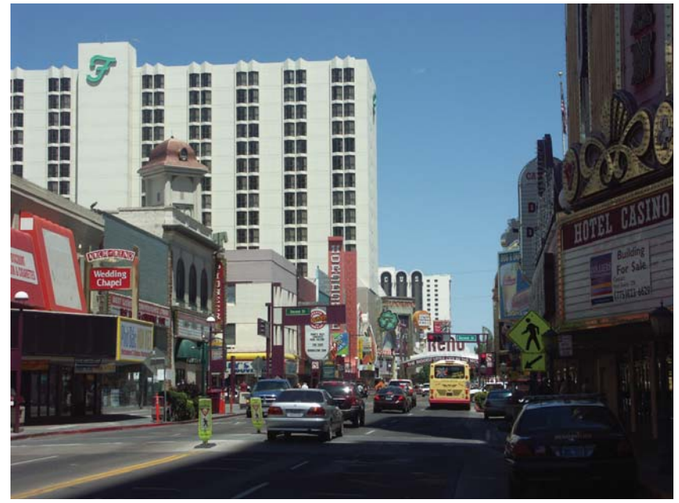
2.40. The Amphitheater at Wingfield Park

2.42. Harrah's Plaza on Virginia Street at Commercial Row

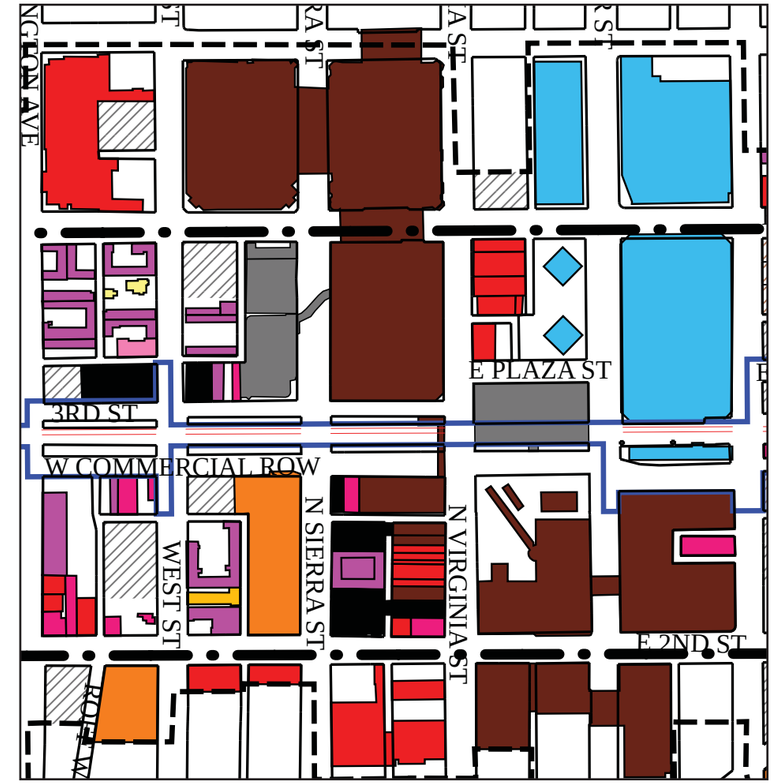
## 2.6. GROUND FLOOR LAND USES

A great variety of land uses can be found within ReTRAC Master Plan Study Area and Influence Area; these are shown by colors on the Ground Floor Land Use map. Ground floor land uses are critical to map because they so strongly condition the character and development potentials of individual blocks and streets. A change of use from one storefront or property to the next (particularly if the frontage form improperly engages the street for pedestrian or automotive use) may determine the difference between success or failure of a business or investment.

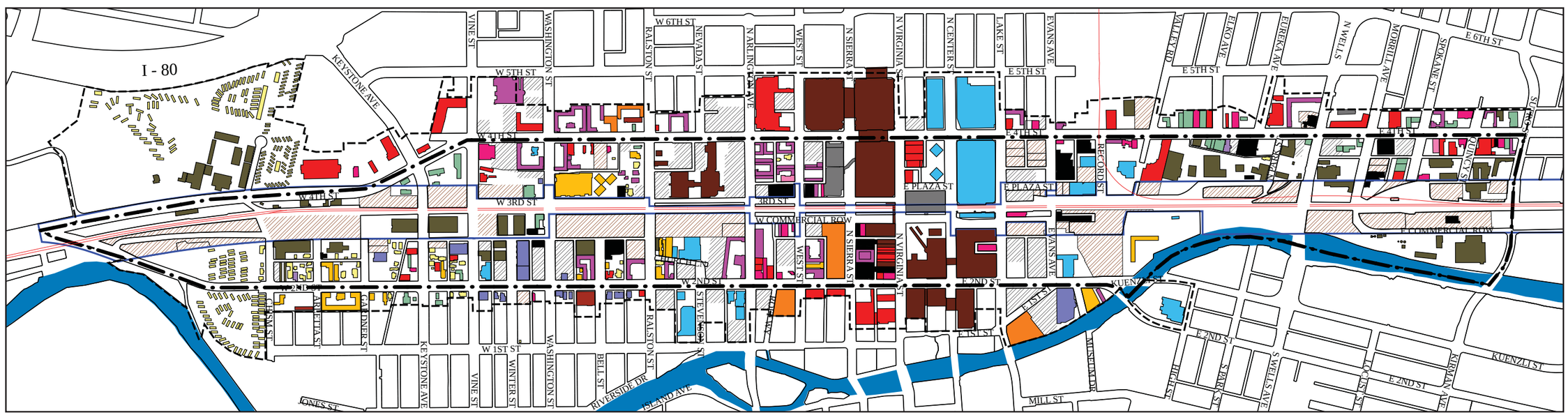
Casino uses dominate the downtown entertainment core; their large footprint buildings occasionally include retail use in the form of gift shops at their perimeters. Immediately outside of the downtown core, a much fuller range of uses appears, some of which support the entertainment core such as lodging in the form of hotels and motor courts, and long-term resident lodging for casino workers. Along 4th Street, auto-related development dominates the landscape in the form of auto-serving retail uses, motorcourt motels, convenience retail, typically with buildings set well back from the street and a significant amount of surface parking. Light industrial and manufacturing uses such as cement plants and utility uses including a city dump, recycling yards, and a waste water treatment plant comprise the eastern side of the study area, while the western portion is a mixture of vacant land, parking lots, single and multi-family residential and lodging buildings, and scattered service retail uses near the intersection of Keystone Avenue and West 2nd Street. Concentrations of mobile home parks and single family residences form existing project area residential neighborhoods west of Keystone, as well as in neighborhoods north of West 4th Street and south of West 2nd Street.




2.44. Casinos Dominate the Downtown Core

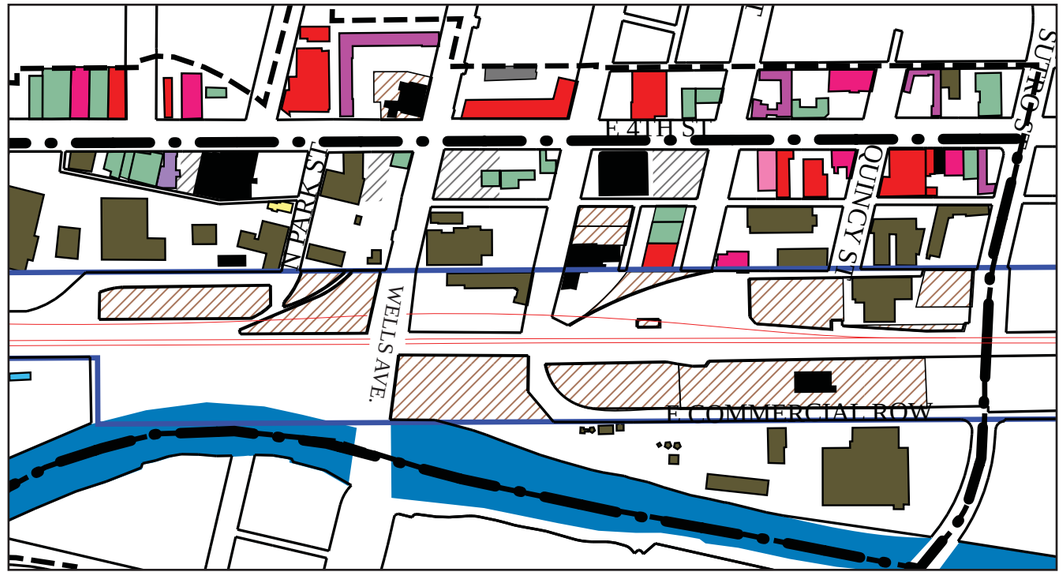



2.45. Ground Floor Land Use - The Downtown Core




2.43. Ground Floor Land Use

0' 250' 500' 1000' 1/4 mile

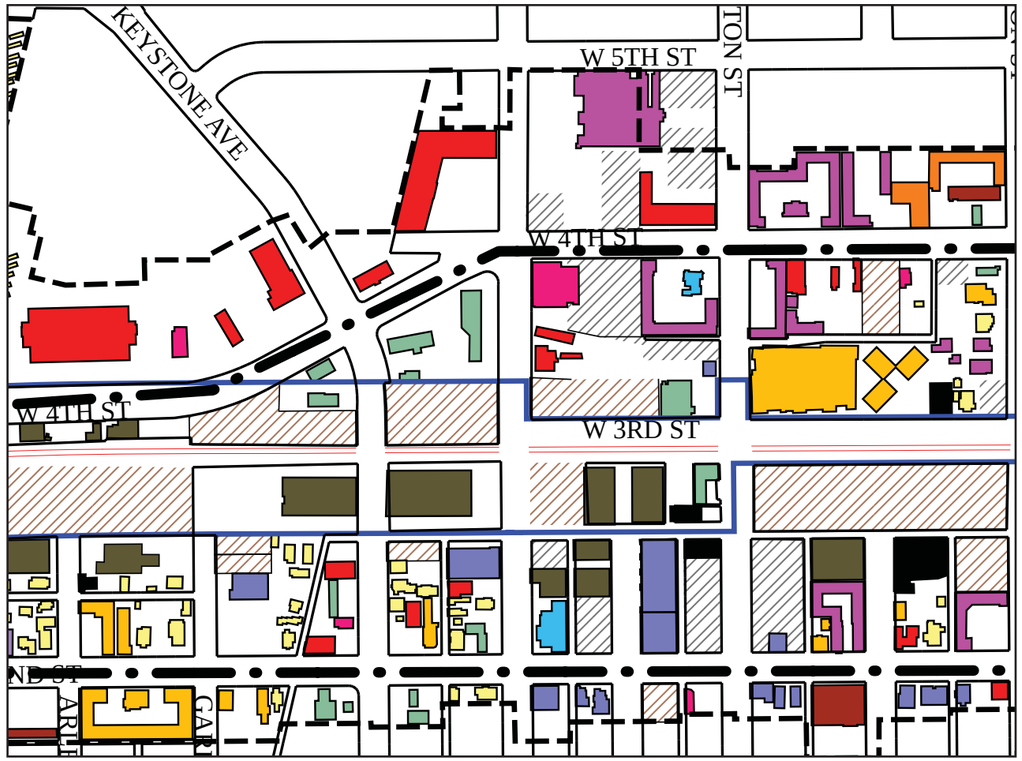



2.46. Ground Floor Land Use - Eastern Portion of Study Area

2.48. Industrial uses are Prevalent in the East Side of the Study Area

**LEGEND:**

- ER - Entertainment-oriented retail (restaurant, bars, nightclubs, bowling allys, rinks)
- L - Lodging (hotel, motel, inns and bed & breakfast)
- R - Retail (shops)
- LER - Casino
- AS - Auto (Service and Sales)
- BPS - Business and personal services (banks, copy shops, salons, photo shops)
- SC - Support Commercial (vacuum cleaner & sewing supply, party rental, medical supply
- O - Office (business and professional/ research offices)
- OM - Office Medical Service (hospitals, medical/ dental offices, veterinary clinics)
- IND - Industrial (warehousing, services, light and heavy manufacturing)
- LR - Low-Density Residential (single-family homes)
- MR - Medium-Density Residential (townhomes and rowhouses)
- HR - High Density Residential
- C - Civic (public and quasi-public buildings, recreational, religious, or cultural uses, day/child care centers, adult education, AA/support centers)
- OS - Open Space
- PS - Parking Structure
- PL - Parking Lot
- VB - Vacant Building
- VL - Vacant Lot
- ReTRAC Parcel Acquisition Boundary
- ReTRAC Trench Wall
- Influence Area Boundary
- Project Area Boundary




2.47. Ground Floor Land Use - Western Portion of Study Area

2.49. Auto-Accessed Development on 4th Street

2.50. Residential Development in Western Reno

## 2.7. POTENTIAL FOR CHANGE

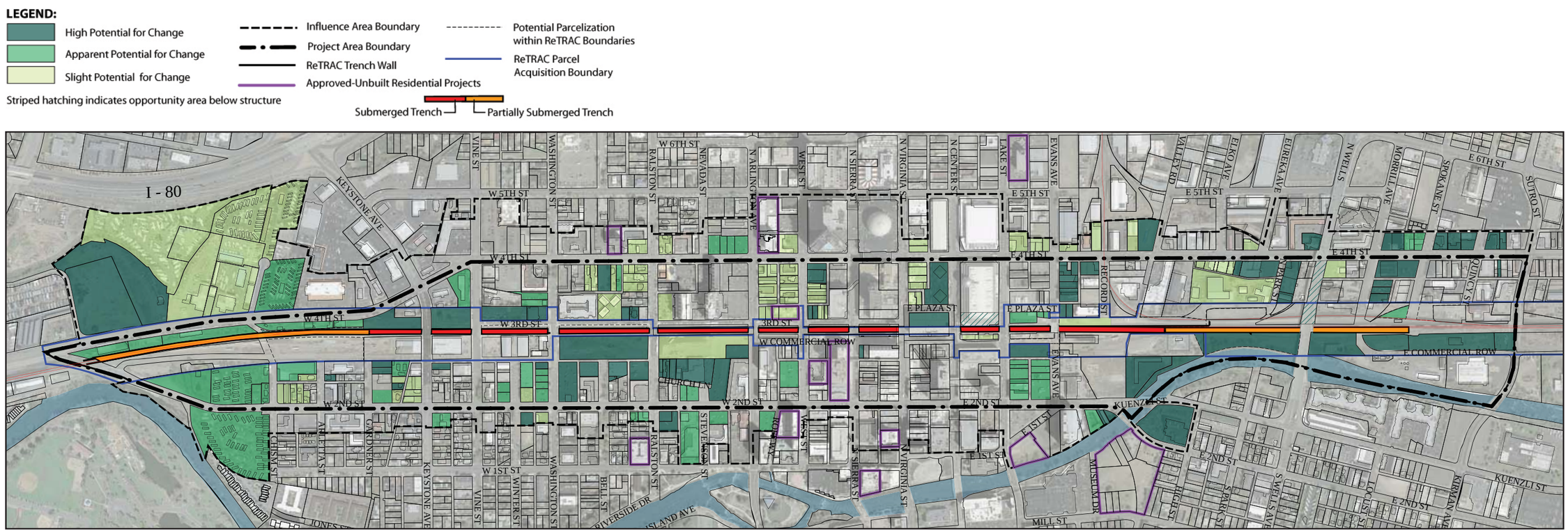
An important element of development planning in a focused area is to first look at the likely *propensity for change* (or potential for change, also called vulnerability to change) of the land parcels within it. For example, a site with buildings, parking and other facilities in new or well-maintained condition would be likely have a low or no propensity for change, in comparison with a vacant parcel – the built-out parcel would be costly to demolish (on top of the lost value of the existing development) in order to put new development on it, in contrast with the vacant parcel which would present few obstacles to development.

The city can control the form and use of *public* land such as street rights-of-way and city-owned parcels, but the majority of land in an area in most cases is privately held and it is assumed that changes to parcels will be market-driven. Discerning any patterns of parcels that may be likely to change (such as concentrations, or lack of concentration) can help to guide where implementation of City land-use policies and resources may be highly effective.

The Potential for Change map identifies three levels of tendency towards change for properties within the project and influence boundaries. The evaluations and distinctions are qualitative and are not based on detailed economic analysis – instead, they are initial assessments to rapidly get a sense of patterns in order to guide policies and recommendations. The levels of change potential indicated on the map below are illustrated in dark green, medium green, and light green to represent high, apparent, and slight potential for change, respectively.

### 2.7.4. Approved-unbuilt Residential Projects

Areas outlined with a magenta border indicate "Approved-unbuilt Residential Projects" within or adjacent to the Influence Area. While only a few of these projects are under construction at the time of this report, these projects are identified by the Redevelopment Agency as projects that have been approved as of November 2006.




2.51. Potential for Change

### 2.7.1. High Potential for Change:

Parcels illustrated in dark green represent those sites which indicate a high opportunity for change. These parcels typically represent vacant land, parking lots that are not intensely used, or parcels with vacant or low-value buildings or structures; there no major obstacles to development or redevelopment of the land.

2.52. High Potential for Change

### 2.7.2. Apparent Potential for Change:

Parcels illustrated in medium green represent an apparent potential for change. These parcels typically represent land that is underutilized, such as sites with small or low value buildings that do not appear to be difficult to remove, but there may be known conditions that make change less obvious such as unclear ownership.

2.53. Apparent Potential for Change

### 2.7.3. Slight Potential for Change

Parcels illustrated in light green represent a slight potential for change. These parcels typically indicate properties that may be developed with buildings but may not be the highest value use for their site. As such, use or development change could be possible should the economic and physical conditions be right. There may be existing buildings or facilities on the site which would impose higher development costs than vacant sites, but higher-value uses may be readily envisioned in comparison with existing development.

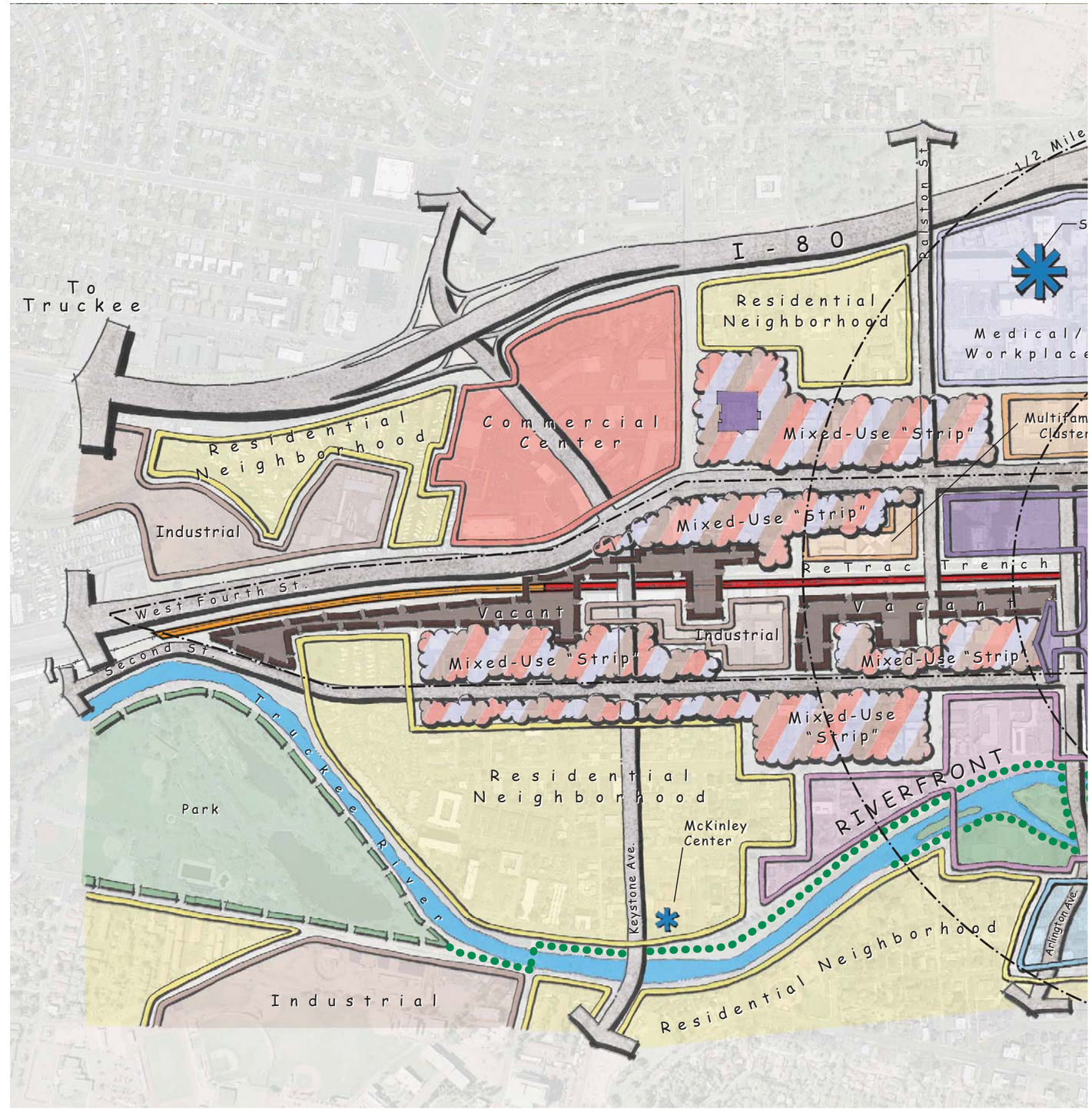
2.54. Slight Potential for Change

# 2.8. Patterns of Development and Change

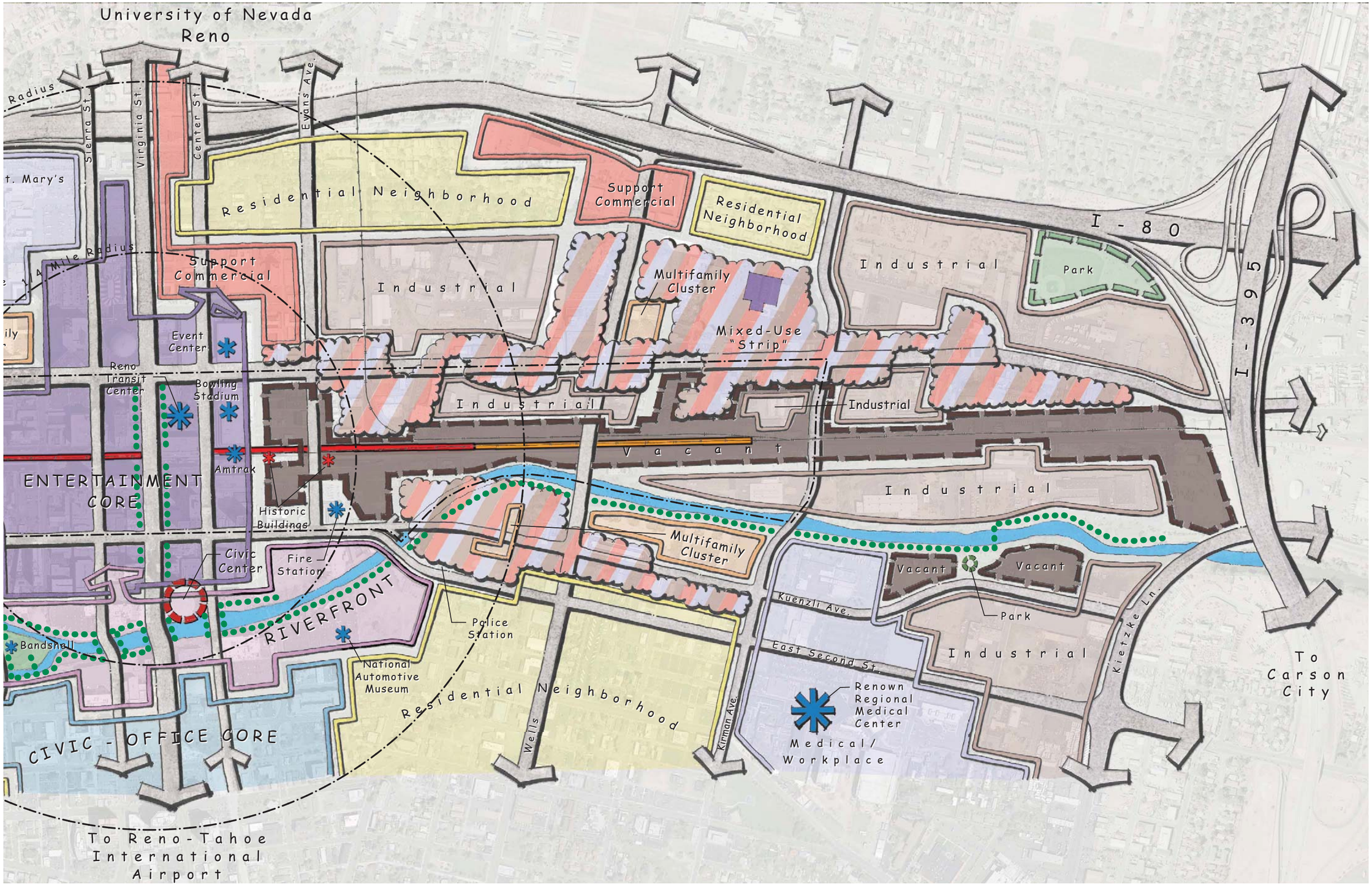
The Patterns of Development and Change Diagram is an illustrative analysis of the current development trends in the project area and its surrounding environs. Unlike the City's current map of Regional Center Districts which represents areas of policy, the Patterns of Development and Change Diagram represents observable existing urban character and investment patterns as features of recognizable size and consistency - a bit like a weather report. This interpretive diagram is meant to provide a visual summary of these trends and highlight important preliminary conclusions.

## 2.8.1. Findings

Both strengths and challenges of downtown's structure and development trends and what they might mean for the ReTRAC Master Plan effort are represented in the Patterns of Development and Change Diagram (PDC Diagram). These can help to guide future decisions and planning decisions significantly.




2.55. Patterns of Development and Change Diagram


University of Nevada Reno
Radius
Sierra St.
Virginia St.
Center St.
Evans Ave.
t. Mary's
1/4 Mile Radius
Residential Neighborhood
Support Commercial
Support Commercial
Residential Neighborhood
Industrial
Multifamily Cluster
Mixed-Use "Strip"
Industrial
Park
I - 80
I - 395
Event Center
Reno Transit Center
Bowling Stadium
Industrial
Industrial
Vacant
Amtrak
ENTERTAINMENT CORE
Industrial
Historic Buildings
Multifamily Cluster
Civic Center
Fire Station
Vacant
Vacant
Kuenzli Ave.
Park
RIVERFRONT
Bandshell
Police Station
East Second St.
Industrial
Kietzke Ln.
To Carson City
National Automotive Museum
Residential Neighborhood
Renown Regional Medical Center
Wells
Kirman Ave.
Medical/ Workplace
CIVIC - OFFICE CORE
To Reno-Tahoe International Airport

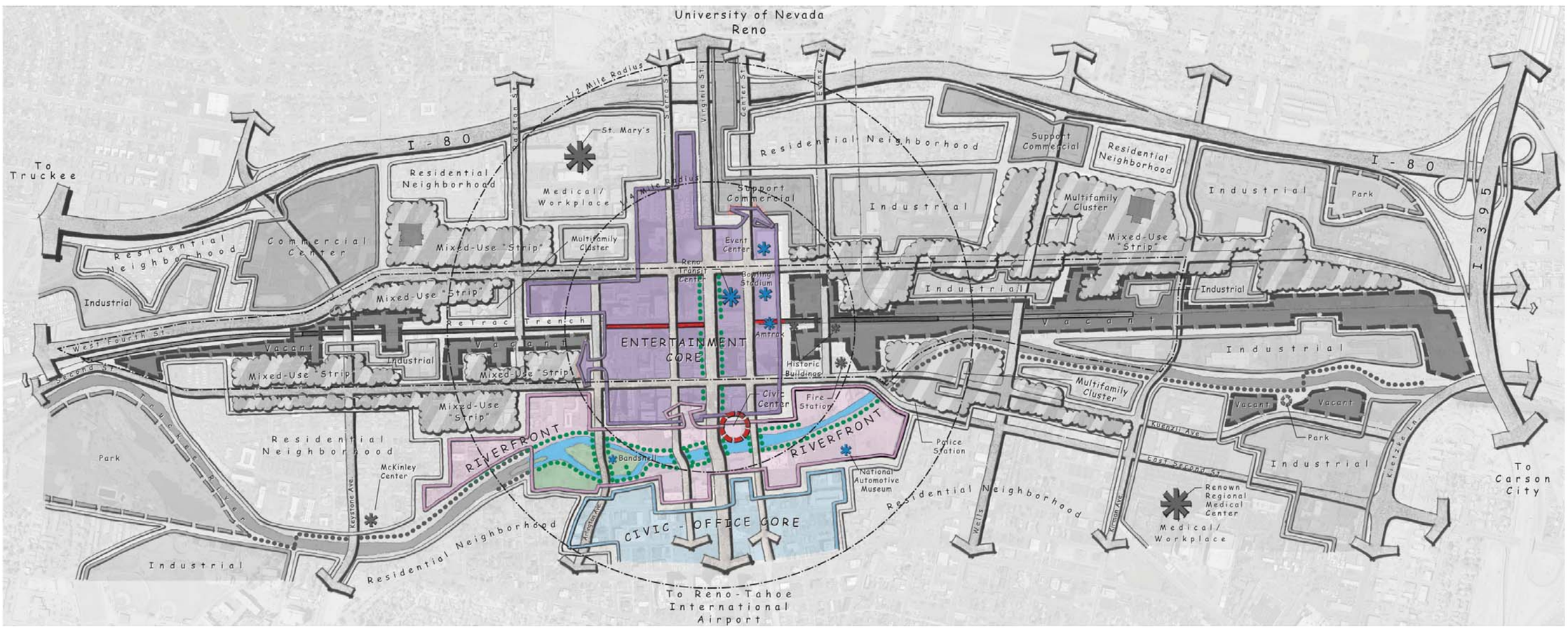
## 1) Major Patterns of Strength

There are three major patterns of strength, as follows:

### a) Three clear central focus districts

There are three focal downtown districts that both distinguish downtown Reno and validate a true big-city downtown character (as named on the PDC Diagram, the Entertainment Core, the Truckee Riverfront, and the Civic-Office Core). Of these, the Entertaiment Core and Civic-Office Core are decades-old subdistricts that have continued to evolve in the face of suburban competition and structural challenges to the gaming industry, while the Truckee Riverfront district has spectacularly sprung to life as a successful revitalization effort over the last decade. Their structure and presence are essential building blocks for Downtown Reno.

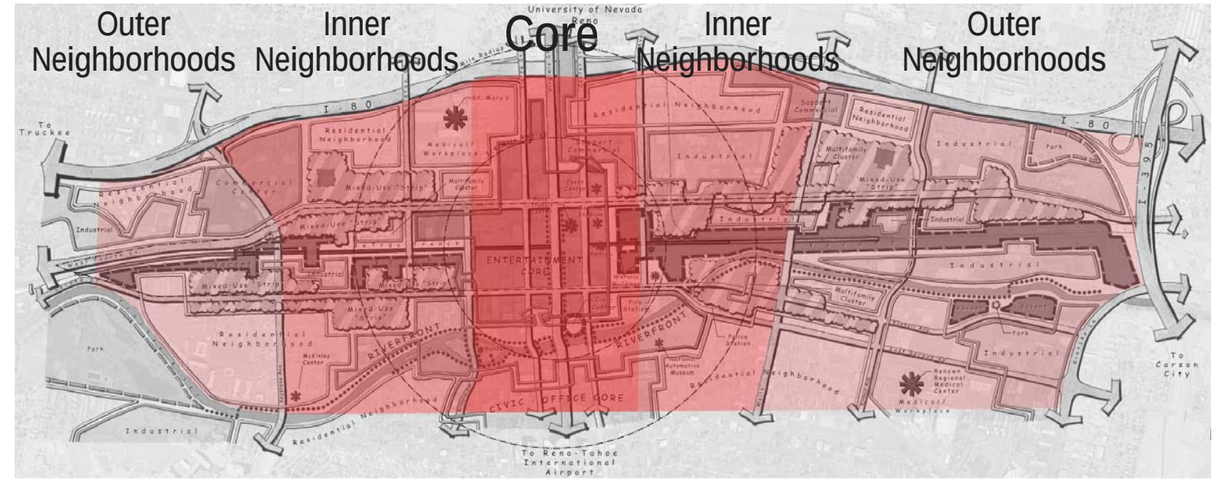
2.57. Patterns of Development and Change - Central Focus Districts



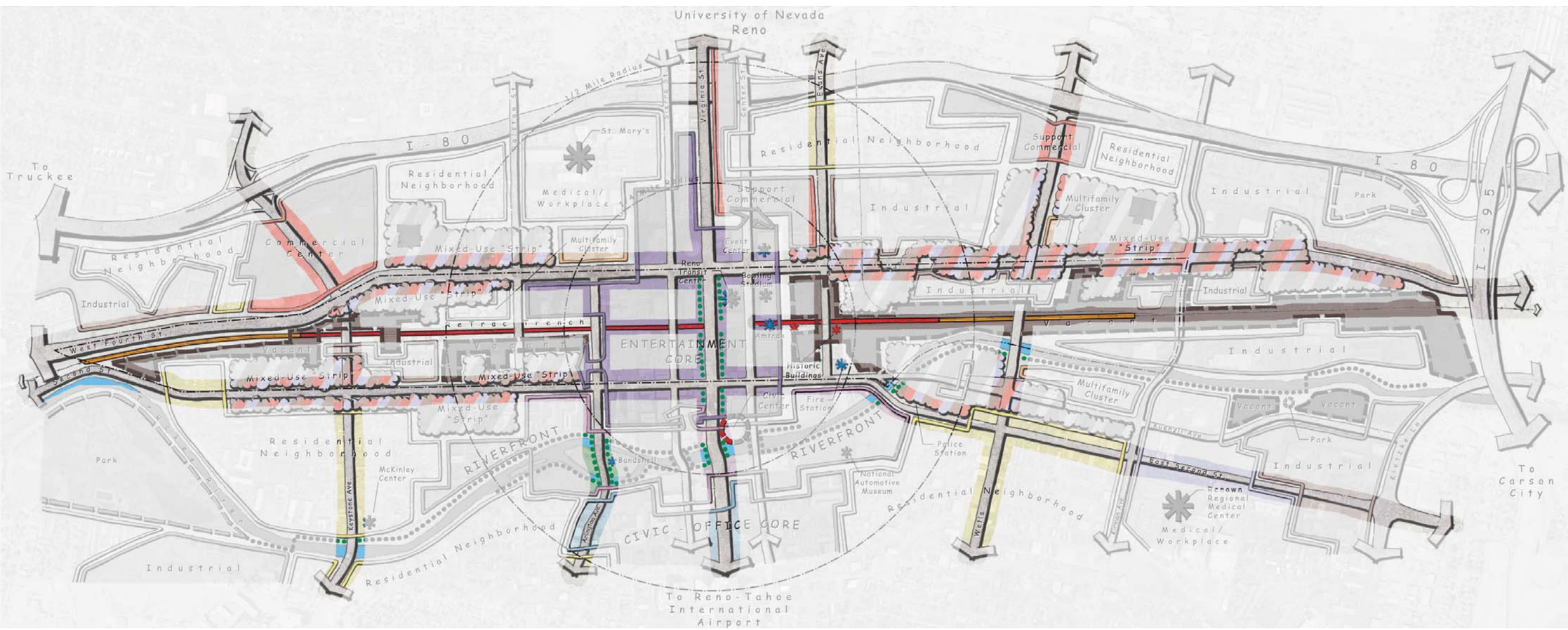

2.56. Patterns of Development and Change - Central Focus Districts

b) Distinct district spines and boundaries

Downtown is bounded and structured by strong geographic features. Its north-south spine is Virginia Street and it has a set of east-west spines – 4th Street, the Union Pacific train tracks, and 2nd Street. Above- and below-grade I-80 to the north and the Truckee River through its southern center are its most immediate northern and southern boundaries. It has a series of north-south boundaries and spines to the east and west: close in, Arlington Avenue and Evans Avenue define the core, Keystone Avenue and Wells Avenue represent intermediate urban edges, and the I-80/Truckee River "pinch" to the west and I-395 to the east represent its outer limits. While the actual urban environments within some of these features are not always positive, they are distinct and thus allow for the possibility of a policy or design response.



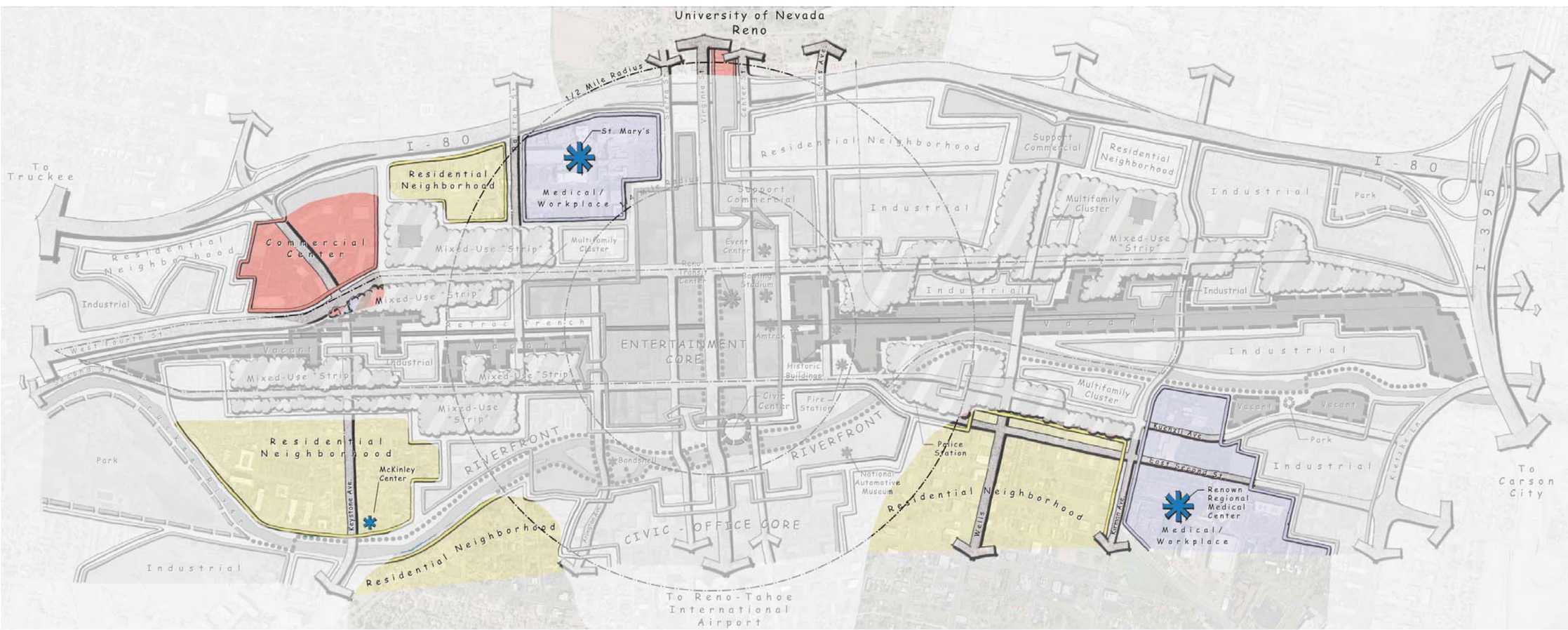

2.59. Spines and Boundaries Establish the Structure of Downtown




2.58. Patterns of Development and Change - Distinct Spines

## c) Sound supporting subdistricts

Unlike most subdistricts within the Study Area, several neighborhoods to its north and south are better-anchored and show better structure and upkeep. These are residential districts with a workplace or institutional core, centered on the University of Nevada, Reno campus, St. Mary's Regional Medical Center, and the Renown Regional (formerly Washoe) Medical Center. While there is a relatively stable western residential area centered on Keystone Avenue and bounded by the ReTRAC and the Truckee River, the influence of its northern edge with ReTRAC has weakened its value in comparison with the others.




2.60. Patterns of Development and Change - Sound Supporting Subdistricts

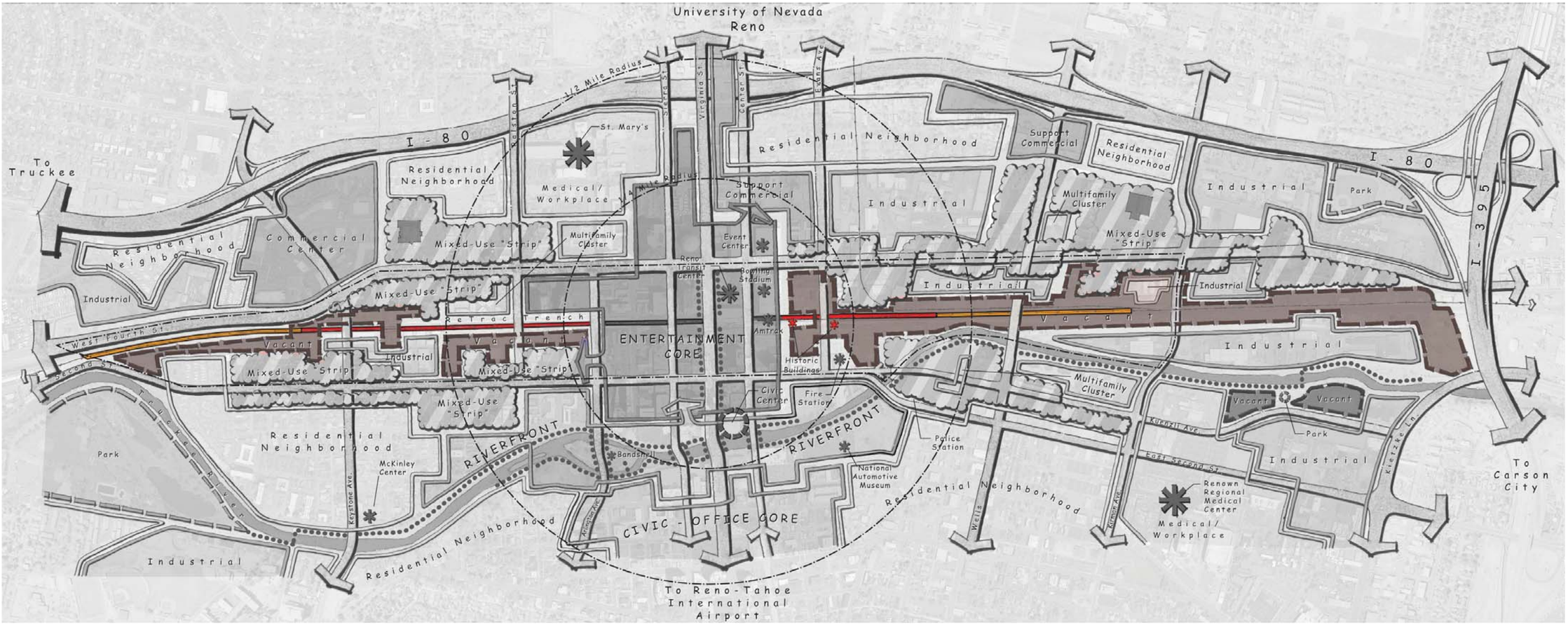
## 2) Major Pattern of Challenges

The patterns of major challenges can be categorized into three areas:

### a) ReTRAC as a divider and a historic investment "repellent"

The ReTRAC trench, the rail lines that extend beyond it, and its adjacent historically vacant and disinvested properties essentially separate the north and south sides of the city from one another in all but the heart of the Entertainment Core. In cases where buildings and site investments were made near the tracks, most historically "turned their backs on" the tracks – either by setting well back from the tracks, or turning a "blind" (e.g. windowless) architectural side to the tracks. Where a parallel street runs adjacent to the trackway, it is more likely that buildings and sites can face towards the trackway with a formal front façade and entry door. However, where properties abut directly on the ReTRAC retaining wall, there remains a tendency for developments to turn their backs on the ReTRAC. This is problematic where parallel frontage streets appear and disappear along the ReTRAC edge, creating inconsistent development conditions. While the lowering of the trackway is an outstanding success in enhancing the connectivity between the two sides as well as substantially mitigating train noise, vibration, fumes, and distraction, the physical artifact of the ReTRAC trench itself does not yet represent a strong visual and place amenity that is an attractive and obviously desirable neighbor for downtown investment.

2.62. Disinvestment Along the ReTRAC Corridor



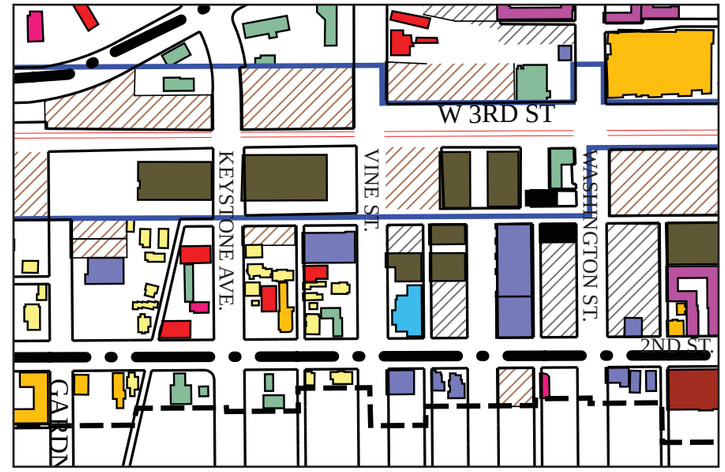

2.61. Patterns of Development and Change - Disinvestment and Division Along the ReTRAC Corridor

Submerged Trench — Partially Submerged Trench

## b) Strips of Uncoordinated Mixed-Use and Unclear Value

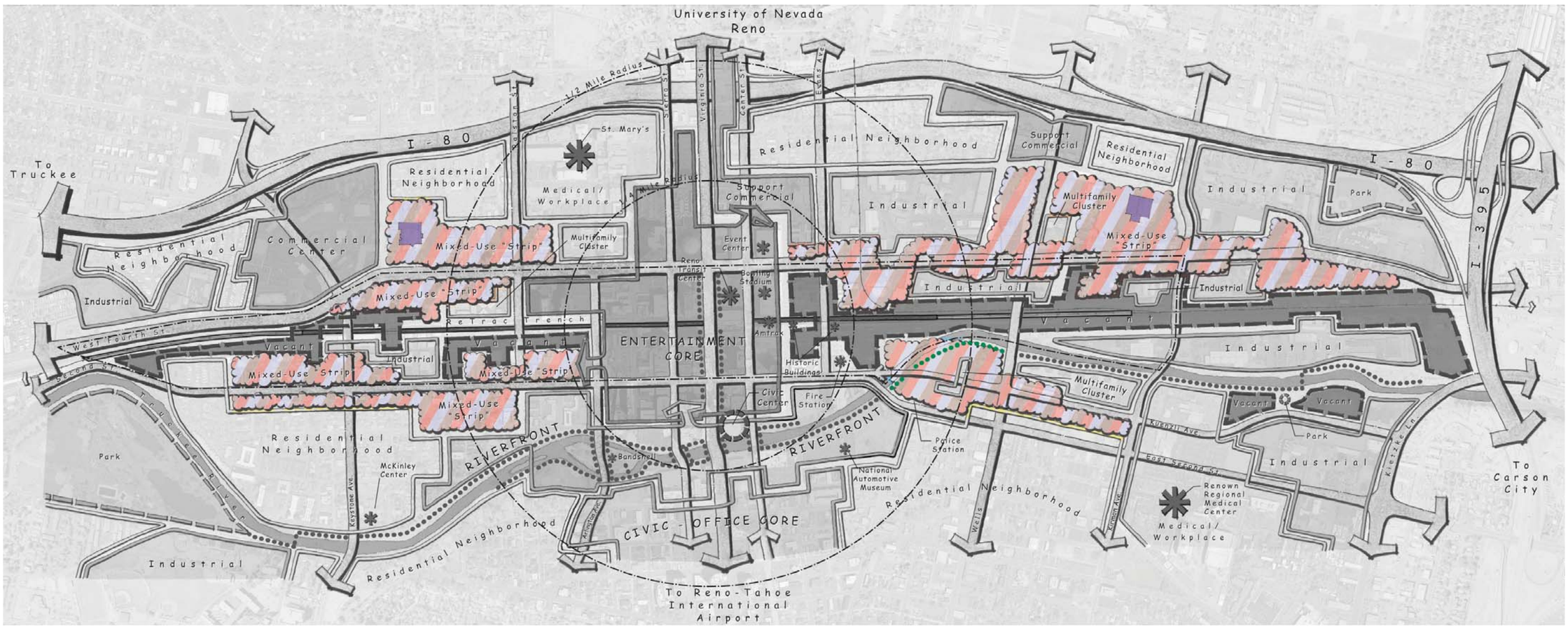
The diagonally-striped and clouded areas highlighted on the Patterns of Development and Change Diagram – typically along arterial strip corridors both east and west of the entertainment core - represent areas of relatively low building densities and land values that have a hodge-podge of mixed uses. By mixed-use, we are not referring to the contemporary trend of intentionally planned and designed complementary use (for example, ground floor retail with housing above). In this case, uses are horizontally mixed, property by property, with results that range from benign (for example, a compatible mix such as a welding shop next to an auto body repair facility) to problematic (for example, a poorly compatible adjacency of lodging next to an auto repair facility).

The uses in these strip corridor areas consist mostly of industrial, commercial, and older lodging uses. A fair amount of vacancy or opportunistic land use is prevalent. They are generally auto-oriented in terms of access and site character. In many cases, the "look" of these districts is dominated by unpaved lots, paved lots with old cracked asphalt, chain-link fenced edges, leftover




2.64. A Random Assortment of Land Uses

2.65. Aerial View of Typical Mixed-Use Area




2.63. Patterns of Development and Change - Uncoordinated Mixed-Use Strips

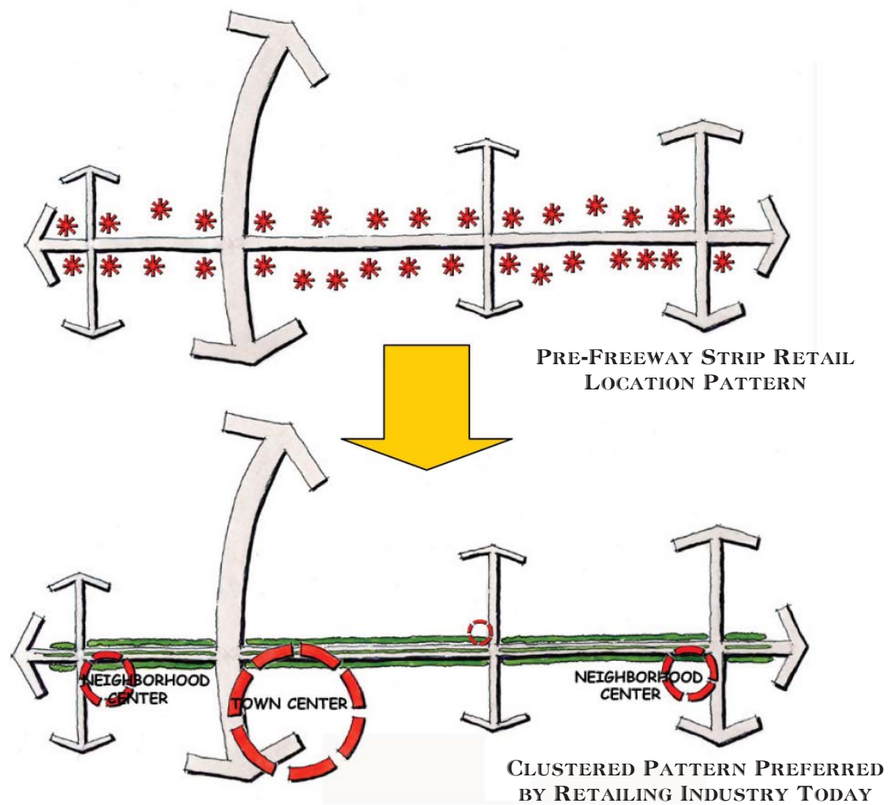
signage from past uses, and other signs of low investment. Buildings are in a variety of conditions, with the majority being utilitarian in nature – some in adequate condition and others in poor state of maintenance. While it is possible for districts of mixed use to attract investment, the mix must be clear and compatible to provide assurance of maintainable value to investors.

4th Street, for example, is the original east-west arterial road corridor in downtown Reno. It was previously the Lincoln Highway – US 40, the nation's first designated east-west national road corridor, connecting west to Sacramento and San Francisco, and east to Salt Lake City. In the early automotive pre-freeway era of the first half of the 20th Century, it grew up as a classic arterial strip of motels, gas stations, restaurants, and automotive repair shops which positioned themselves to market to the growing auto tourist trade. But as a parallel route one block north of the train tracks through downtown as well, it was also a locale for industrial businesses that took advantage of both train and vehicular access and to this day, 4th Street remains Business 80.

As was true of many arterial strips across the United States, the advent of the interstate highway system - in the form of I-80 - and changes and consolidation in lodging, gaming, retail, and transportation industries led to 4th Street's (and 2nd Street's) economic decline. This began in the 1960s and 70s and accelerated in recent decades. Since the 1990's, the national trend has been for higher value forms of commercial and industrial investment (i.e. national tenants) to leave arterial "strips" and instead cluster at freeway interchanges and arterial intersections, or in defined pedestrian-oriented downtown districts and lifestyle centers (in the case of storefront retail). The uses also are drawn to more organized site development formats of coordinated shopping centers, automalls, industrial parks, and workplace clusters, typically on large assembled parcels. The remaining older and less-coherent strip environments as exemplified by the "clouded" segments of 2nd Street and 4th Street do provide low rent opportunities for incubator and creative businesses, and continue to provide space at the right price for longstanding industrial businesses and employment. But their appearance of disinvestment and incompatibility with new forms of downtown investment (housing and retail use) drags down adjacent and overall downtown district values and attractiveness.

### c) Incompatibility of Riverfront potentials with adjacent Heavy Industrial Uses

The success of the downtown Riverfront district has sharpened the misfit between the high amenity value of the extended riverfront for tourism, recreation, restaurant, retail and residential opportunities, and adjacent established locations of heavy industry and waste site uses. This is especially true of the northern riverfront east of Wells Avenue and extending towards I-395. In many cases, the positions of train lines, industrial areas, and the Truckee River create narrow "wedge" areas of properties with limited access and not enough proximity to compatible like uses to be used for anything other than industrial uses.




2.66. STRIP CORRIDOR RETAIL CLUSTERING DIAGRAM

2.67. LOW AMENITY VALUE RIVERFRONT DEVELOPMENT

2.68. HIGH AMENITY VALUE RIVERFRONT DEVELOPMENT

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# SECTION 3: THE FUTURE RETRAC CORRIDOR

3.1. Concept Design for the 3rd Street Greenway

## 3.1. A Vision for the Corridor

From the Study Area boundaries of Cemetery Road on the west to Sutro Street on the east, the corridor of rail trackways, city blocks, and streets encompassing the ReTRAC Project runs just over two miles in length and includes the heart of downtown Reno as well as outlying neighborhoods. It is composed of privately held and public properties and public rights-of-way that are under the ownership and control of a variety of public agencies. The overarching purpose of the Corridor Study is to set forth a vision for "city regrowth" in the wake of the ReTRAC project – in order to achieve the downtown community and economic development potentials anticipated to be unleashed by the lowering of the trackway. It is to orchestrate individual public and private investments to produce greater value than any separate project could ever achieve by providing a common purpose that all investors can rely upon, contribute to, and derive value from. This section describes the common purpose to which all investments are recommended to be directed: the realization of a vision of the future that is sufficiently specific to provide a common purpose, yet loose enough to respond to opportunities and changes in the marketplace that will inevitably arise.

### Now

A downtown rail corridor swath encompassing an active entertainment core but flanked by many underinvested city blocks and bracketed by two wide east west arterial street corridors with segments of uncoordinated mixed-use.

### The Future

A central greenway and entertainment spine flanked by livable and transit-oriented arterial corridors – each with defined segments of clear character and value – linked to the Truckee Riverfront at both ends.

This Study envisions the transformation of the "swath" of the 3rd Street rail corridor and its flanking blocks and arterial street corridors (2nd and 4th Streets) from substantial areas of underutilized and unclear use and value to a ReTRAC-centered 3rd Street Greenway. Together with the revitalized downtown Riverfront, this Greenway would establish a Downtown Greenway-Riverfront pedestrian and bicycle "loop" bordered by livable, transit-oriented arterial corridor streets.

The history of the rail corridor in downtown Reno has been one where the presence of the surface trackway imposed a heavy-industrial character of traffic interruptions, noise, vibration, dust, and fumes on adjacent city blocks and streets. The result was decades of physical and market limitations on land uses. As a consequence, property investment and upkeep was low throughout the corridor - except along four core blocks between West and Lake Streets, where Reno's traditional strength in gaming and entertainment managed to prevail (but even these blocks were not unaffected, as the closed character of building facades that face the trackway reveal).

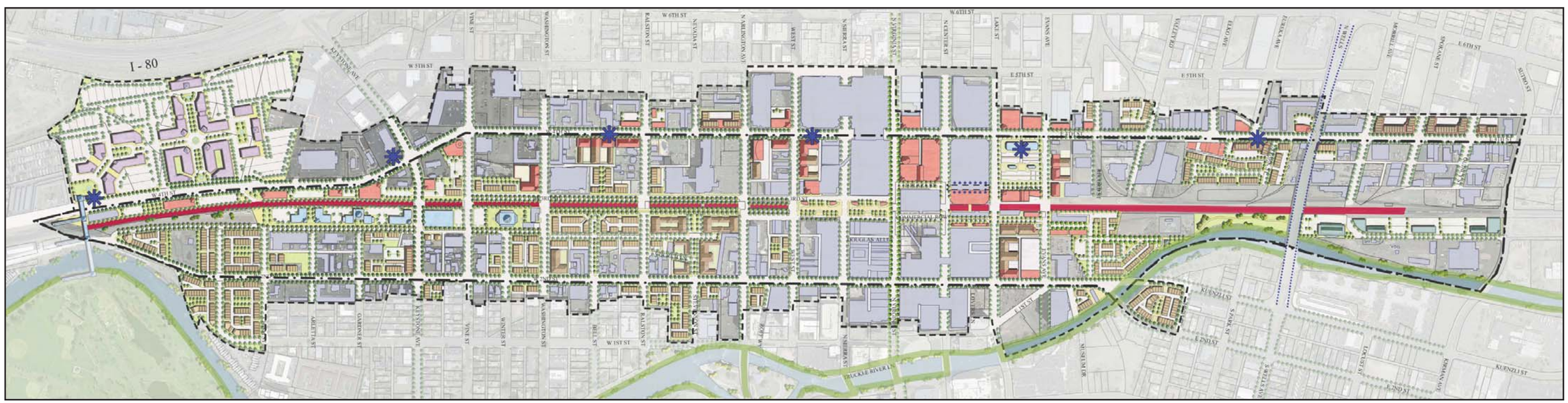
In the wake of ReTRAC, the greatest change in city fabric development potentials has occurred in and around where the rail tracks are entirely or mostly submerged below street grade (see red graphic in diagram). This is where all previous railroad crossing interruptions have been removed and closely-spaced downtown street connections re-established, and also where previous visual, auditory, vibrational and olfactory impacts of trains have been eliminated or sharply reduced. Where the tracks remain fully at or mostly above surrounding grade, the previous train-related detriments have not been as substantially reduced, and market impediments to community and land values remain for those sites. But the length and magnitude of the great change is such where it would not be unreasonable to look for the possibility of "spillover" benefit effects in terms of change in the market in these areas beyond full track submersion, fueled in part by adjacent revitalization.

3.3. Existing Blank Building Facades Facing ReTRAC Trench

3.4. Existing At-Grade Railroad Crossings

3.5. Existing "Unkempt Edges" on Parcels Adjacent to Tracks

LEGEND:
- Proposed Transit Stop Locations
- Influence Area Boundary
- Study Area Boundary
- Unique Decorative Lighting
- Riverwalk Paths
- ReTRAC Trench
- New Retail/Restaurant
- New Civic/Community Facility
- New Workplace
- Single Level and Stacked Townhomes
- Townhomes Above Ground Floor Retail
- Stacked Flat Homes
- Stacked Flat Homes with Ground Floor Retail
- New Light Industrial
- Existing Development




3.2. The Submerged ReTRAC Trench with Envisioned Change

0' 250' 500' 1000' 1/4 mile

This "spillover" requires, however, that revitalization of the areas of greatest change in city fabric development potentials is actually driven by a major change in district structure and character (and resulting market perceptions). In other words, there must be compelling changes in the character of the district that are more than could be expected by just the removal of detriments – the legacy of disinvestment and negative perceptions has been too long established. The sense of the district – i.e., What its a center? What is an edge? Where is the activity? What is attractive and memorable about it? - must be restructured so that the whole (the district pattern and structure and the kind of city life they enable – and the district-wide investment and stability of values that can result) is greater than the sum of the parts (individual properties and their individual values).

The ReTRAC trench itself represents a great change of this nature: 1) It is a district-restructuring feature, in that it has changed how vehicular and pedestrian movement occurs within a major portion of the downtown and removed or reduced previous train-related physical detriments; 2) It is a public investment whose affects spread over many blocks, influencing dozens of individual private properties; and 3) It is a catalytic project that has "broken the ice" in demonstrating serious government commitment to change and improvement, moving forward with major investment and starting the transformation of value relationships between properties and settings.

The ReTRAC trench and its landscaped walkways, lighting, and public art installations are a profound improvement in comparison with past conditions. To a new visitor, however, long stretches of the new corridor setting remain utilitarian in character. The trench is a centerpiece of an unusually wide downtown street corridor (3rd Street), but over much of its length its physical presence is that of a utilitarian low concrete wall – not unlike a "K-rail" - topped by a tall chain link fence. The segments of landscaped pathways and periodically placed public art installations, while attractive, are generally dwarfed by the physical scale of the corridor and length of the trench and flanking street segments. As a result, it is unclear as to whether the space of the corridor is intended to be a "front" or a "back" – is it a foreground place in downtown (given its extraordinary width and quality of east-west views) or is it a service back street, as the old trackway frontage streets were? The built fabric of facing buildings and properties do not yet offer cues – with the exceptions of a few recent buildings that formally front on the corridor with entrances, such as The Montage and the Redevelopment Agency-sponsored Courtyard Centre Apartments.

3.6. Typical Utilitarian Concrete Wall and Chain Link Fence at the ReTRAC Trench

3.7. Existing Courtyard Center Apartments

3.8. Existing Public Art is Dwarfed by the Corridor's Scale

The history of large-scale rail-related infrastructure projects in downtowns across the United States and around the world shows that these transportation engineering interventions into an existing urban fabric are extraordinary opportunities for redefinition and "stepping up" to the next level of downtown evolution. For example, Park Avenue in central Manhattan was once a "ReTRAC Project" – it was an open rail trench leading up to Grand Central Station in the late 19th and early 20th Century until a coalition of the City, the railroads, and property owners capped the trench and transformed it into a grand metropolitan residential boulevard, which then developed a major southern office highrise segment decades later. Similarly, Millennium Park in Chicago (completed in July of 2004) was also a kind of "ReTRAC project"– the "air rights" above acres of open downtown railyards in a prime lakefront location were transformed into a grand central park and gathering space for the region, not just the City of Chicago – with powerful civic, business, tourism, and residential development consequences, especially on surrounding city blocks. While these examples are of much larger cities than Reno, they illustrate how the built-up nature of major downtowns make the presence of large, infrastructure-based open space corridors and spaces into precious opportunities for urban distinctiveness and regional advantage that should not be neglected.

These cases also illustrate that undertaking a focused design of the public realm treatment of infrastructure is an essential transformative step to be undertaken in order to realize the full potential of infrastructure-driven restructuring and revitalization. For Downtown Reno, the opportunity comes at a decisive time. Reno's mid 20th Century visitor economy offered gaming and entertainment (as well as ready marriage and divorce) in a mountain setting – when these features were not much available outside Nevada. Social, legal and economic changes have erased that exclusivity, and Reno's 21st Century visitor and resident economy now focuses on its special combination of natural and urban amenities as a city in the mountains: close access to outdoor wilderness recreational activities (and views) combined with the possibility of an urban lifestyle with dining, nightlife, and a mountain riverfront just steps away. Nationwide, urban livability and lifestyle has become a key element in attracting both visitors and high-value businesses competing for skilled employees. It also features in demographic shifts affecting the choice of downtown housing and lifestyle alternatives for baby boomers, recent graduates, single adults, and young families who are opting for alternatives to single-family suburban housing predominantly available in the Reno area.

In the case of the ReTRAC project, the major work of the trench itself is done. The opportunity is to determine what "threads" of possibility given by existing downtown identity, uses, and activities can be woven together with the raw "armature" of ReTRAC trench structure to achieve a new synthesis and value for a more economically vital, livable and beautiful downtown Reno. It starts with the potential reshaping of the physical character of the visible "artifacts" of and around the ReTRAC trench, in concert with a new guiding vision for the place.

3.9. New York City's Park Avenue Being Capped

image provided by Wikipedia

3.10. New York City's Park Avenue Today

image provided by Wikipedia

3.11. Millennium Park in Chicago, IL

3.12. Existing Outdoor Recreation in Downtown

3.13. The Beauty of the Truckee River

3.14. Existing Outdoor Dining in Downtown

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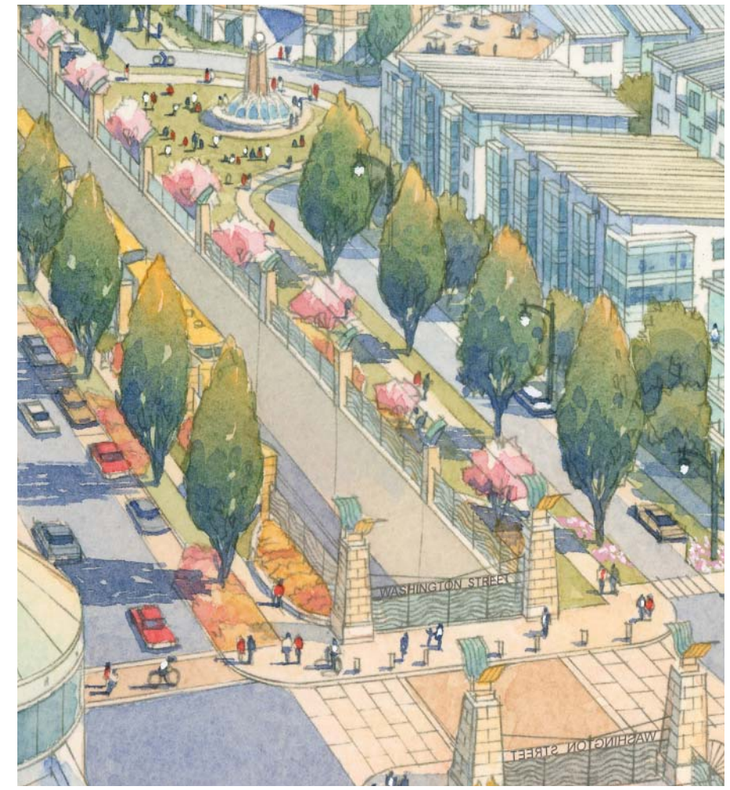
## 3.2. The 3rd Street Greenway Corridor

### 3.2.1. Downtown District Scale: A Framework for a Downtown Greenway-Riverfront Loop.

**1) A Downtown Greenway-Riverfront Loop composed of two important and complementary corridors:**

The 3rd Street and ReTRAC trench corridor will form a 3rd Street Greenway Corridor. It provides attractive and continuous pedestrian and bicycling paths that move from urban core to downtown residential segments, often accompanied by vehicular road segments. This corridor would in turn connect at its eastern and western ends with the riverwalks of the Truckee Riverfront Corridor to create a Downtown Greenway-Riverfront Loop. To create a stronger and better connection between downtown and Idlewild Park, a proposed pedestrian/bicycle bridge across the Truckee River to Idlewild Park at the loop's western end would be a significant component.

The loop would enhance livability for both downtown residents and visitors and tie together downtown entertainment, neighborhoods, and community and cultural institutions. But more importantly, it would impart a new dimension of place and downtown Reno identity to the properties and blocks along its length – connecting the natural/civic public realm quality of the Riverfront and drawing it northward into the heart of downtown and the entertainment core. The scope and length of the Loop for walking and bicycling, beginning from the Wells Avenue Bridge along the riverwalk to the proposed Idlewild Park pedestrian bridge, back along the ReTRAC greenway to Virginia Street, through the entertainment spine and back to Wells Avenue, would add up to a 3.8 lmiles. Finally, proposed, strategically located "gateway" components of the loop would create eastern and western gateway landmarks to downtown to strengthen its identity.

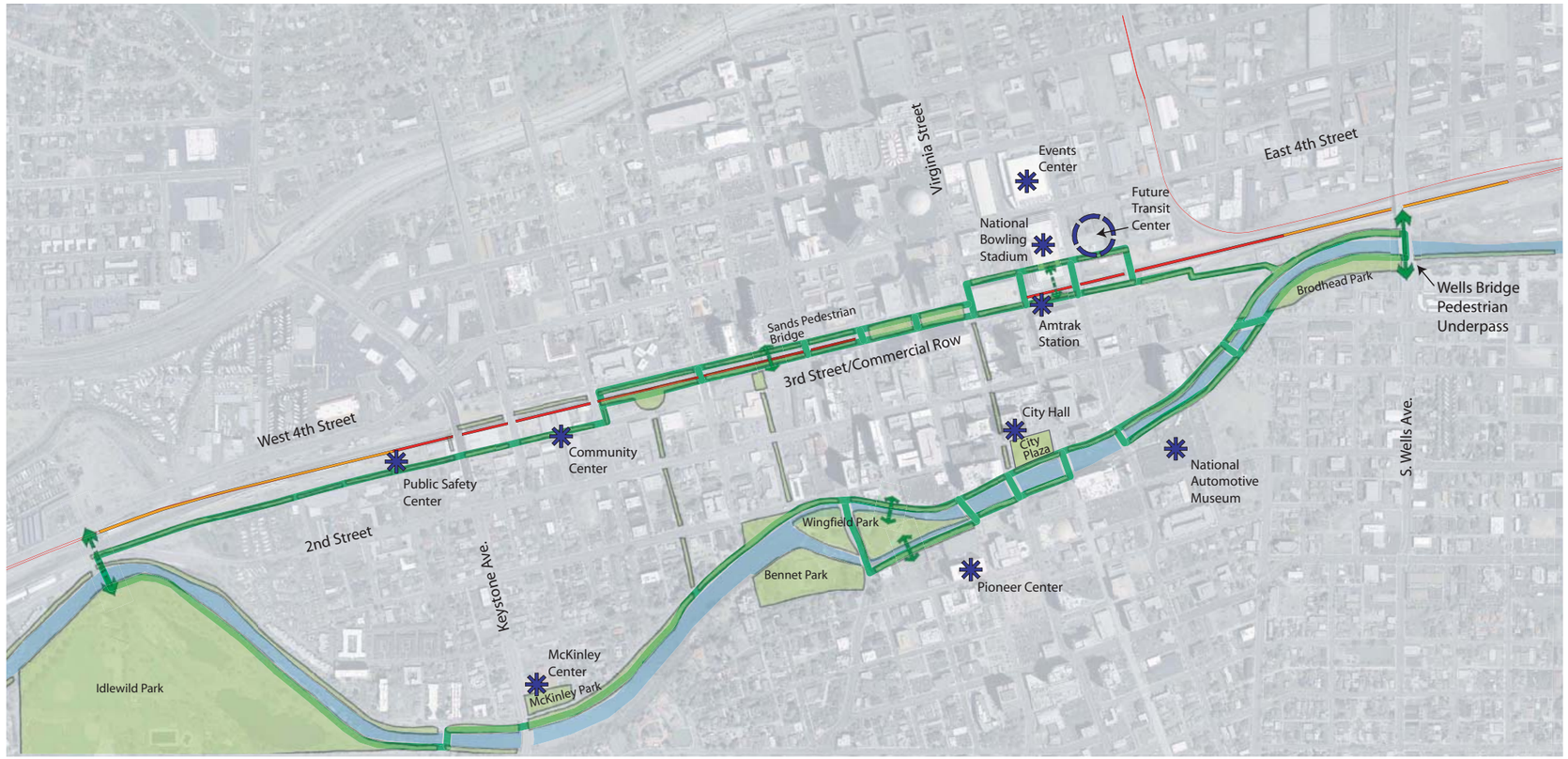



3.16. Enhanced Livability along the ReTRAC Trench

3.15. The Downtown Greenway-Riverfront Loop in the Context of Envisioned Change

3.17. The Western Edge of the Downtown Greenway-Riverfront Loop

3.18. The Eastern Edge of the Downtown Greenway-Riverfront Loop




**LEGEND:**

- Primary Loop
- Pedestrian/Open Space Zone
- Potential Pedestrian Bridge
- Existing Pedestrian Bridge
- Primary Civic Destinations

3.19. The Downtown Greenway-Riverfront Loop

## 2) The 3rd Street Greenway Corridor:

The 3rd Street Greenway, formed from the ReTRAC trench and its adjacent 3rd Street street and path rights-of-way, would be designed as a distinctive landscaped open space and combined pedestrian/bicycle/vehicular/rail corridor that would soften the trench's infrastructural character and anchor its flanking revitalizing neighborhoods.

### a) Central Segments:

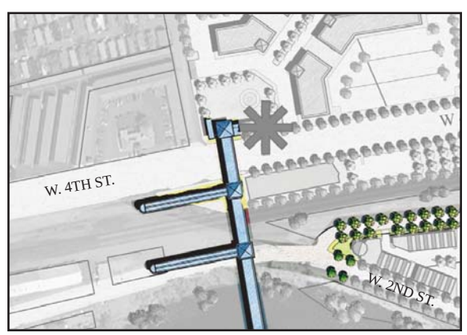
The central areas of the 3rd Street Greenway would be formed by two focal segments: a "Grand Residential Boulevard" segment from Keystone Avenue to Virginia Street, and a pedestrian-oriented Entertainment Spine segment on existing east-west frontage streets and alleys from Virginia Street to the Freight House site on Evans Avenue.

### b) End Connector Segments:

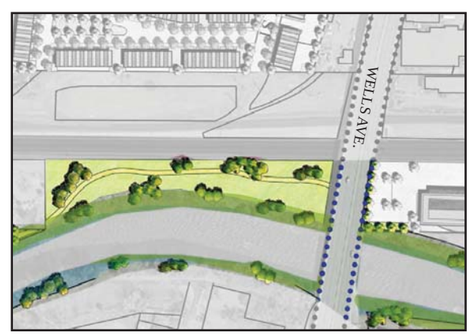
The outer reaches of the 3rd Street Greenway would be completed by more intimately scaled connector segments further west of Keystone Avenue and east of Evans Avenue, both of which would culminate at Truckee River pedestrian/bicycle bridge crossings (one proposed and one existing) and linkages with riverfront pathways. Landmark gateway features would be associated with these endpoints.

Detailed descriptions of sub-segments and their design features follow.

3.20. The Envisioned Entertainment Spine

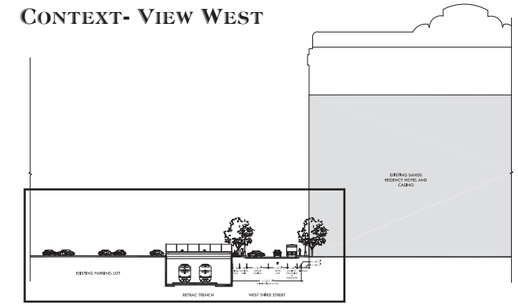



3.21. West Loop Connector

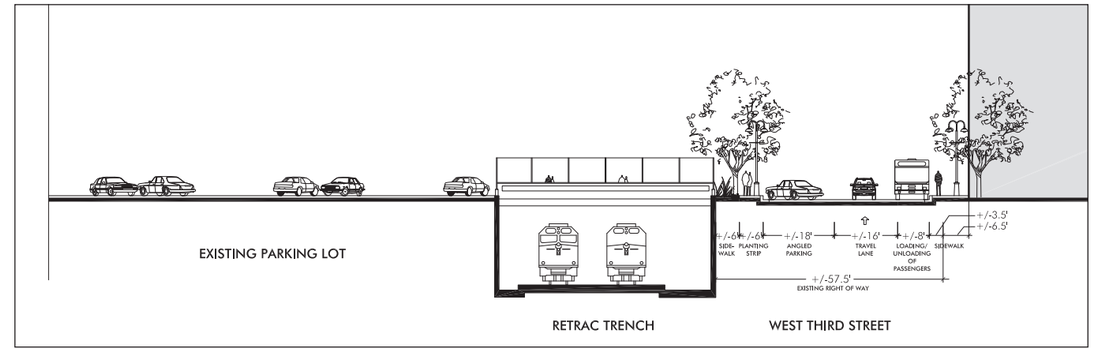



3.22. East Loop Connector

Context- View West

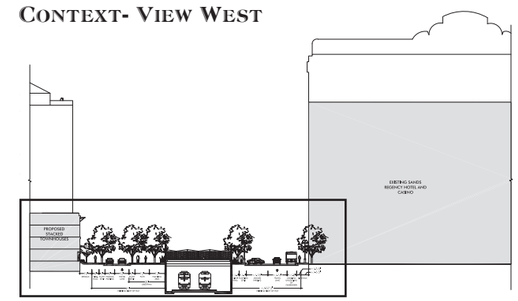


Detail- View West

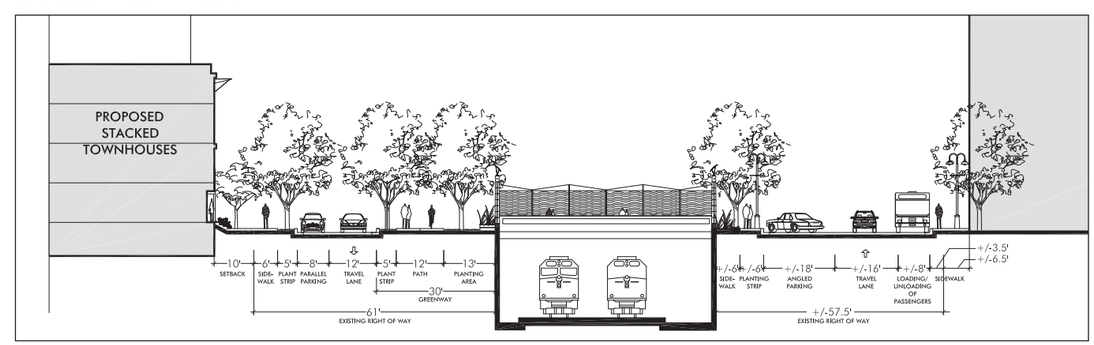



3.23. Context and Detail of Existing ReTRAC Trench and 3rd Street

Context- View West



Detail- View West




3.24. Context and Detail of Envisioned "Grand Residential Boulevard"

## 3) The Downtown Riverfront

Growing out of the vision of the Downtown Blueprint of the early 1990's, the Truckee Riverfront has since become an essential part of Reno's identity and draw for residents and visitors. Much of the riverfront is lined on its north and south banks by public pathways, including the well-amenitized segment of Raymond I. Smith Truckee River Walk. This dual coverage, north and south, is a key aspect of its success – providing different points of view and interest, and having economic impacts on both sides. Its current influence, however, is mostly on immediately fronting properties and blocks. There are instances on either side where the continuous public path access has been interrupted by a built private parcel or are as yet unbuilt or unimproved. These remain as challenges to achieve the River Walk's maximum community and economic benefit; a number of these are slated for near term infill and improvement as part of Redevelopment Agency-sponsored projects.

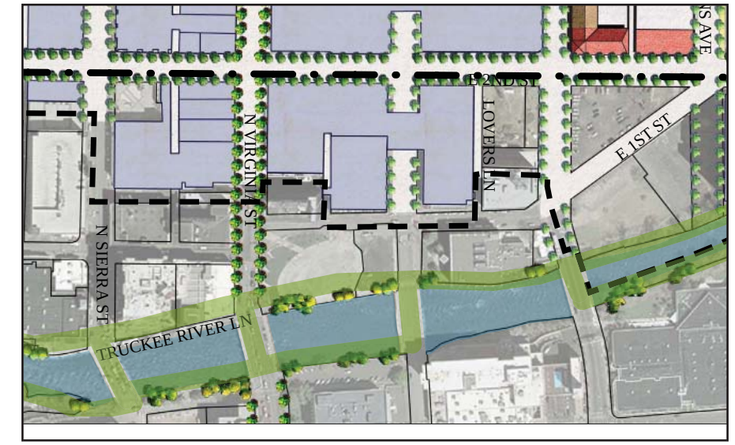
## 4) 3rd Street Greenway and Downtown Riverfront Corridor Connections

The Downtown Riverfront's pathways and the proposed ReTRAC Greenway converge at the eastern and western ends of downtown, creating the potential for a loop. In addition, numerous intermediate north-south street and path connections in between the two corridors already exist and are recommended to be identified and in some cases enhanced as linkages. These would enable smaller local loops to be created within the larger greenway loop framework. Some of these linkages that are already in place include Virginia Street and the Wells Avenue pedestrian bridge; others shown as to be enhanced within this Plan include Bell Street, Arlington Street, Stevenson Street, and North Sierra Street, both under the City's current policy of developing "complete streets," and as depicted in the Prototypical Development Alternatives in Appendix C. A program of Wayfinding signage throughout the loop to identify features and destinations along the loop.

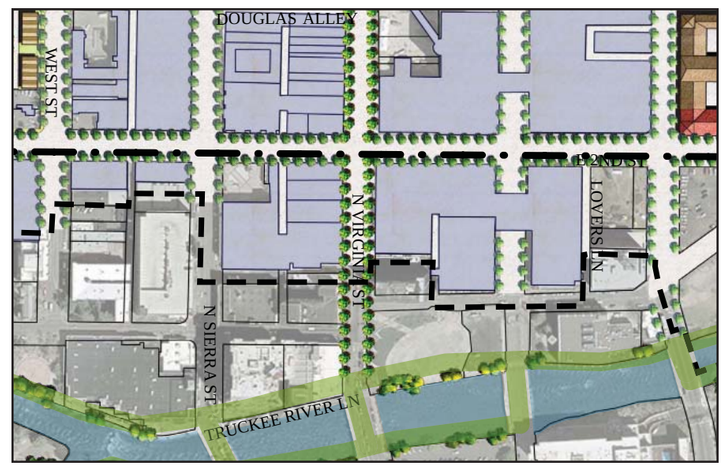
## 5) Strengthening linkage between Downtown and Idlewild Park with a new Loop-related river crossing

At 49 acres, Idlewild Park is the largest urban park space near downtown and is located across the Truckee River from downtown. Its two most direct points of connection over the river to downtown are the Keystone Avenue bridge (an elevated high speed arterial road bridge without pedestrian or bicycle access) and the Booth Street bridge (a short, local bridge with pedestrian and bicycle access). The latter bridge connects from a somewhat hidden location on Riverside Drive west of the Keystone Avenue bridge to the easternmost corner of Idlewild Park. These connections are relatively limited, potentially constraining its benefit to downtown residents as residential infill continues to buttress downtown's ongoing revitalization. There is no other river crossing connection to the west until South McCarran Boulevard (2+ miles distant) and none to the east until Arlington Avenue (0.6 miles distant). The Plan's proposed Truckee River pedestrian/bicycle bridge at the western end of the Greenway Loop would provide an entry point at the northern end of the park. It would be a more visible and accessible location for downtown users and visitors and serve as an important "draw" to the west end of the Loop. An extended bridge structure to 4th Street over the ReTRAC trench would also enable a direct linkage from Idlewild Park to 4th Street transit lines.

3.25. Existing Raymond I. Smith Truckee River Walk



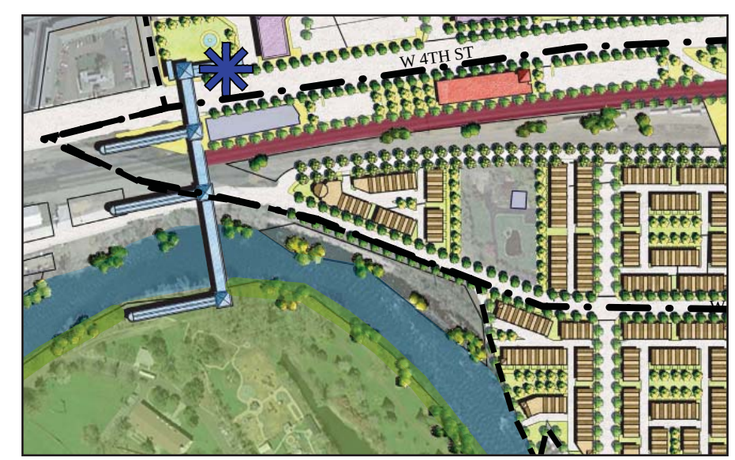

3.26. Interrupted Riverwalk Access




3.27. Existing Corridor Linkage at Virginia St.

3.28. Enhanced North-South Corridor Linkages

3.29. Idlewild Park




3.30. The Envisioned Pedestrian and Bicycle Bridge Connectivity to Idlewild Park

## 3.2.2. Corridor Scale: Urban Design of the 3rd Street Greenway Corridor

### 1) Greenway Corridor Central Segments:

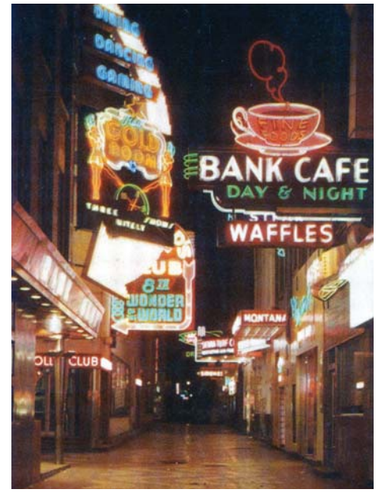
a) Entertainment Spine Segment – Evans Avenue to Virginia Street:

This strategic 3-block central segment connects the planned trench cap plazas between West Street and Virginia Street and Virginia Street's shops and pedestrian activity on the west, and the new bus terminal and Freight House development site (with its potential connection to the riverwalk) to the east. It consists of the two east-west parallel alley streets – Plaza Street and Commercial Row; segments of pedestrian walkways abutting the ReTRAC trench walls (currently existing along the south edge of ReTRAC trench between Virginia Street and Lake Street, and along the north edge of ReTRAC trench between Center Street and Lake Street); and trench-crossing north-south street bridges and a new pedestrian bridge at the Amtrak Station block. The Greenway path through this segment occurs along these streets and paths.

Key historic ReTRAC buildings are located along these narrow streets and paths – The Amtrak Station, the Men's Club, and the Freight House - as well as significant fronting downtown destinations such as the Bowling Stadium and the north edge of Harrah's Casino as well.

The presence of these alley streets combines the history of Reno's founding with small block urban development character and structure, a relatively rare presence in downtown Reno that should be fully exploited to create a unique, intimately-scaled and memorable center city walkable urban environment. This historic identity zone would be a complement to the Truckee Riverfront and Virginia Street's streetscape revitalization, and would be steps away from the Events Center for discovery by visitors. In previous decades, this type of environment existed in downtown Reno in pockets, such as along Douglas Alley. Recent "lifestyle center" type retail developments often attempt to recreate such places from scratch at great expense, whereas the armature of historic buildings and spaces for this type of environment already exists in this part of downtown Reno.

The character of existing frontage developments on these streets poses significant challenges in that ground floors of many structures are walled-off or contain few active windows and doors, and other sites are edges of parking lots. These include Fitzgerald's parking structure, parking spaces along the north edge of Harrah's Plaza, the vacant ground floor space at the south end of the Bowling Stadium, Harrah's parking structure, and the long (south) side of the Men's Club building.




3.31. Historic Douglas Alley in Reno

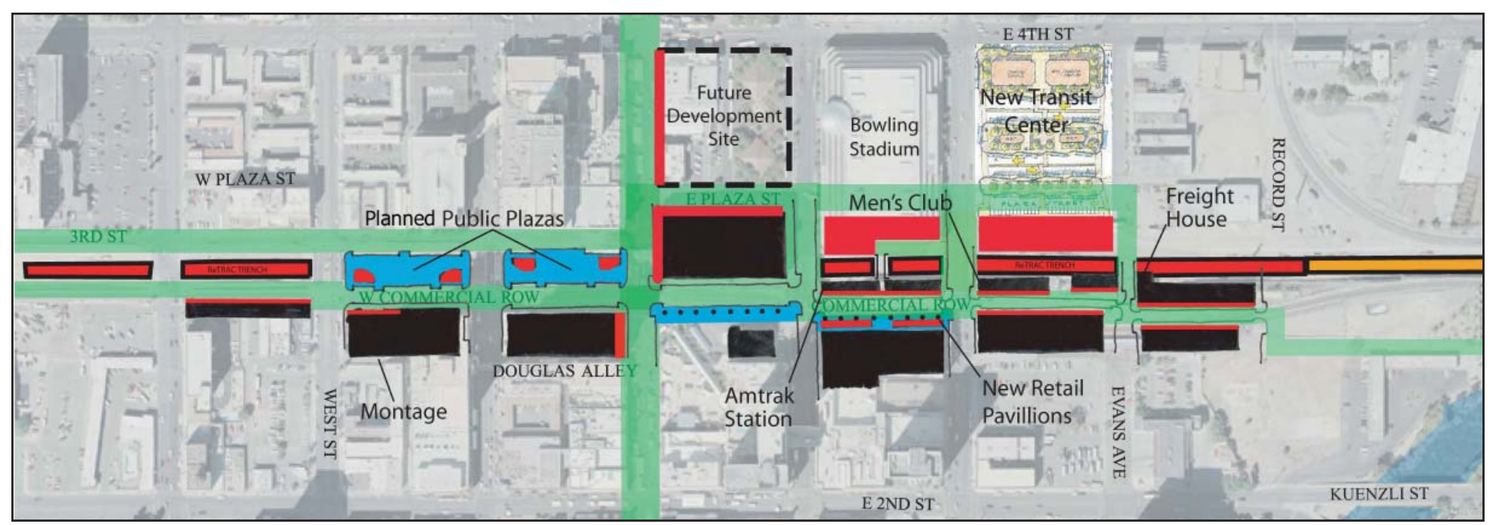
image provided by Nevada Historical Society

3.32. A Modern "lifestyle Center" Development in Los Angeles, CA

3.33. Historic Central Reno

image provided by Nevada Historical Society

3.34. The South East Side of Historic Men's Club




3.35. Entertainment Spine Segment Concept

However, the long term opportunity is too critical to downtown Reno's continuing revitalization to ignore. To enhance connectivity and street liveliness amongst these facilities and buildings and support their long-term economic viability and success, dining and entertainment uses should be prioritized on and near this spine. The spine's urban design treatments include the following:

i) East-west Entertainment Spine streets set up as "slow streets" that prioritize pedestrian use and comfort by means of narrow lane widths, vertical street elements such as street trees, streetlight poles, and bollards placed to create visual "narrowing" effects, and pedestrian-oriented paving treatments such as imprinted or unit paver surfaces.

ii) Entertainment Spine streets and paths treated with a thematically-identifiable pedestrian-scale streetscape treatment, especially configured to support nightlife – including warm white lighting, thematic decorative streetlight fixtures, decorative furnishings such as trash and recycling receptacles and seating, hanging flower baskets, wayfinding signage and kiosks, and public art placements – using the riverwalk as inspiration. Visible light sources in this segment would be lower in height and more intimate than the existing very bright downtown streetlights elsewhere, for contrast. Art and Reno identity would be emphasized via "civic art" treatments of ReTRAC walls and surfaces, street lighting, and furnishings, as much as by individual public art installations.

iii) Visible and "touchable" ReTRAC walls and fences are upgraded from utilitarian to architectural walls (with base and cap) and regularly spaced piers topped by decorative fencing, with decorative wall wash lighting where possible. As an extension of Reno's existing nighttime character, use of colored "wall wash" lighting of the interior walls of the trench itself should be explored for this segment.

iv) Buildings have urban frontages, with facades generally located at the back of sidewalk. There may be occasional setbacks for entry courts and plazas.

v) ***North edge of Harrah's Plaza***: Encourage the re-orientation and redevelopment of the north edge of Harrah's Plaza with activity generating uses and spaces – that encourage pedestrian flow to and from Harrah's, and along Commercial Row towards Virginia Street. Strengthen the "gateway" configuration at the northwest corner of the plaza with a a vertical tower or gateway landmark feature.

*Maiden Lane in San Francisco, CA*

*Post Alley in Seattle, WA*

*Stone Street in New York, NY*
image provided by Antonio Zito

**3.36. Pedestrian-Oriented "Slow Streets"**

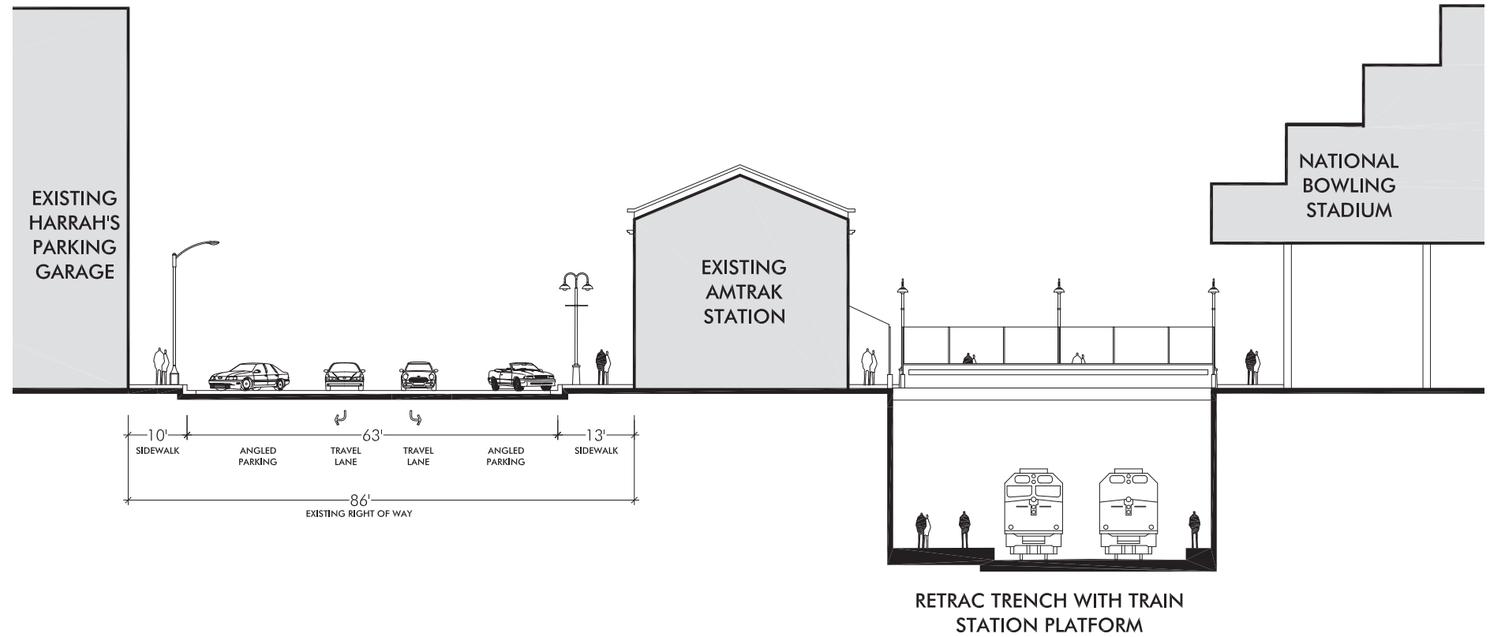
**3.37. Existing Riverwalk Amenities**

**3.38. Decorative Fencing in San Jose, CA**

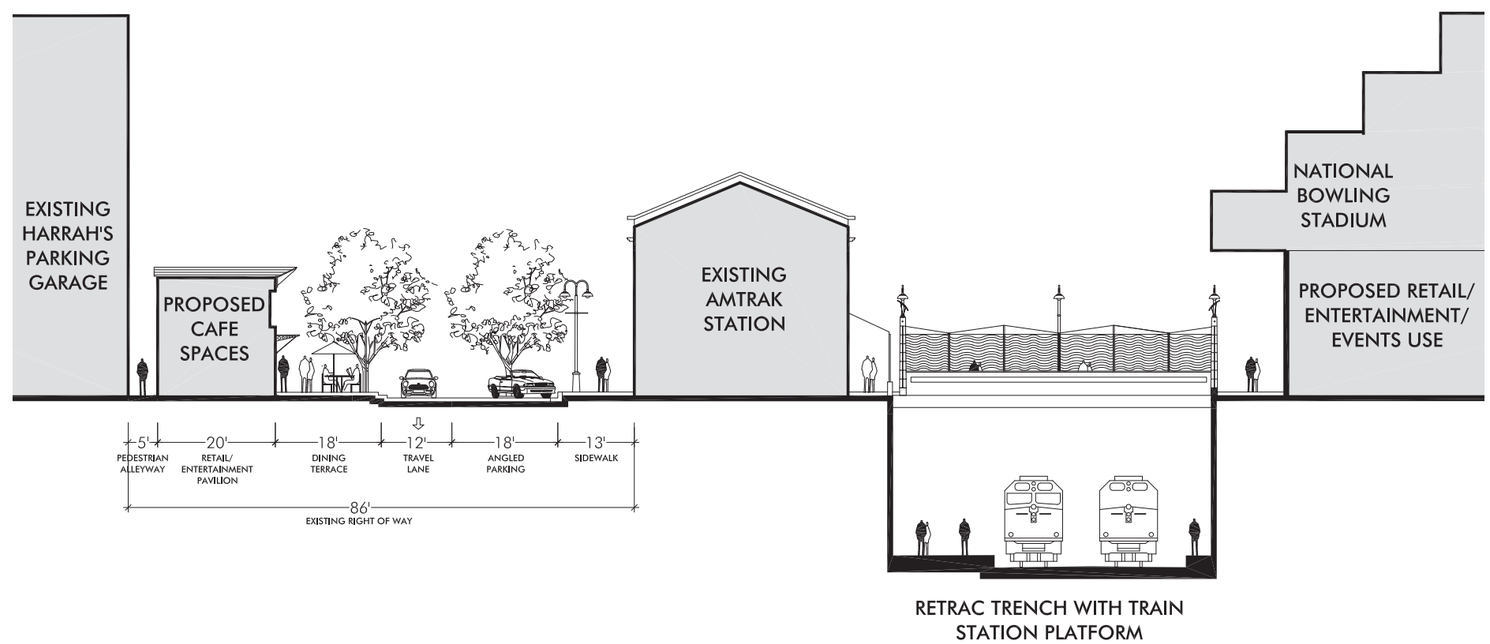
**3.39. Seating Wall with Decorative Fencing in New York City**

vi) ***Amtrak Station block of Commercial Row***: At locations with adequate right-of-way width, introduce dining and retail pavilion and kiosk structures facing onto the streetscape environment to support and stimulate streetlife. The row of angled parking on Commercial Row opposite the Amtrak Station and in front of Harrah's parking structure could trade off existing street parking to provide space for these pavilions to activate the station frontage, complement the station's museum use, and serve as another means of achieving food service for waiting Amtrak passengers described in the station's development program. The slow-street streetscape would be designed to have outdoor dining areas in front of pavilions and be paved with pedestrian materials to cue drivers to move slowly.

**Before- View West**




**After- View West**




**3.40. "Before" and "After" At the Amtrak Station Block of Commercial Row**

3.41. Existing Conditions on Commercial Row

3.42. Envisioned Entertainment Spine Streetscape and Frontage Uses on Commercial Row

vii) ***Vacant ground floor space of the Bowling Stadium between East Plaza Street and ReTRAC trench***: The vacant ground floor space at the south end of the Bowling Stadium is transformed into a tall, dramatic glass window-walled space which is uplit by night. Its frequent entrances and lighting serve as a day and nighttime magnet for the surrounding blocks. Its jewel-like character is the opposite of the blank walls that unfortunately typify the immediate area. The architecture of its glazed facades and illuminated tall ceiling spaces is especially focused on activating the covered Plaza Street frontage and pedestrian pathway adjacent to the ReTRAC trench. The dark and foreboding "tunnel" space of Plaza Street beneath the Bowling Stadium Overhead is transformed by sculptural canopy elements and lighting into a memorable and welcoming arched downtown passage, one which emphasizes pedestrian access. Possible uses include:

(1) A downtown produce and foods marketplace – which could open out and utilize the Plaza Street space as an outdoor market area at selected times..

(2) An adjunct Events Center facility of exhibition and/or meeting spaces.

(3) A Downtown Reno visitor center, relocated from the Bowling Stadium lobby if a more visible and independent identity is desired.

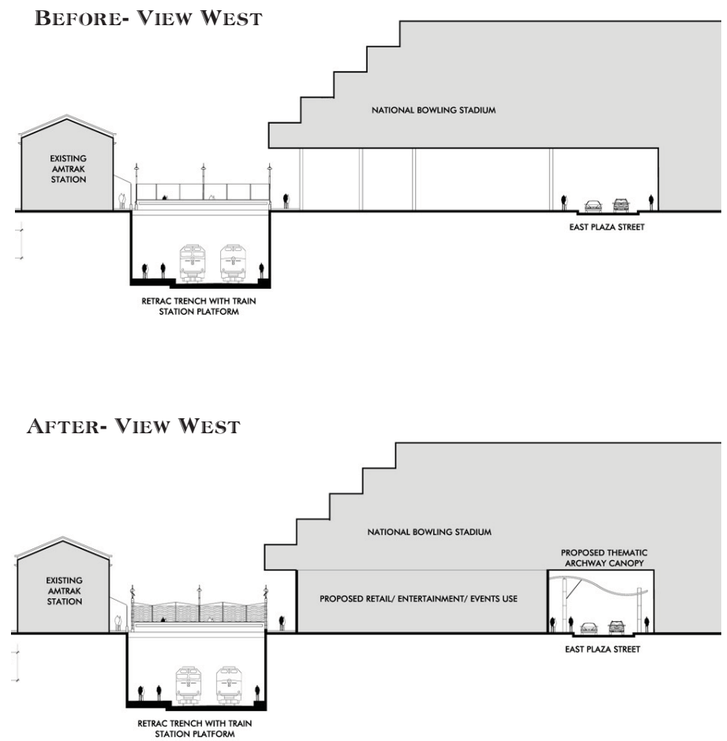
(4) Restaurant space, with the possibility of capturing the covered East Plaza Street space as a seasonal outdoor dining plaza.

(5) A combination of the above uses.

Along the south frontage of this space, the building should present windows and doors to the existing pedestrian walkway along the ReTRAC trench. The walkway itself is also enhanced to the level of surrounding streets and alleys. While developing and finishing this space for a level of memorable character and visibility might be relatively high, its location is pivotal in linking important and immediately adjacent downtown visitor activities and uses, and the need to eliminate the negative image impacts of the "missing tooth" appearance of the current vacant and unbuilt space is great.

viii) Complete the linkage of Commercial Row from Lake Street to the front of the Freight House building on Evans Avenue, at a minimum with a pedestrian paseo, but best with a narrow "slow street" environment. The Freight House development site would separately extend this linkage eastward towards Truckee river paths.

ix) Configure the east end of East Plaza Street to strongly link from the new transit center to this Entertainment Spine with wayfinding signage, pedestrian-scale lighting, and streetscape amenities.




3.43. BEFORE AND AFTER OF PLAZA STREET BENEATH BOWLING STADIUM

3.44. PORTLAND, MAINE'S DOWNTOWN MARKET
*(Closed in 2006)*

3.45. OUTDOOR DINING AT BELDEN PLACE IN SAN FRANCISCO

3.46. Existing Condition of National Bowling Stadium at Plaza Street Underpass

3.47. Envisioned Condition of Infilled Use and "Gateway Canopy" Treatment at National Bowling Stadium and Plaza Street Underpass

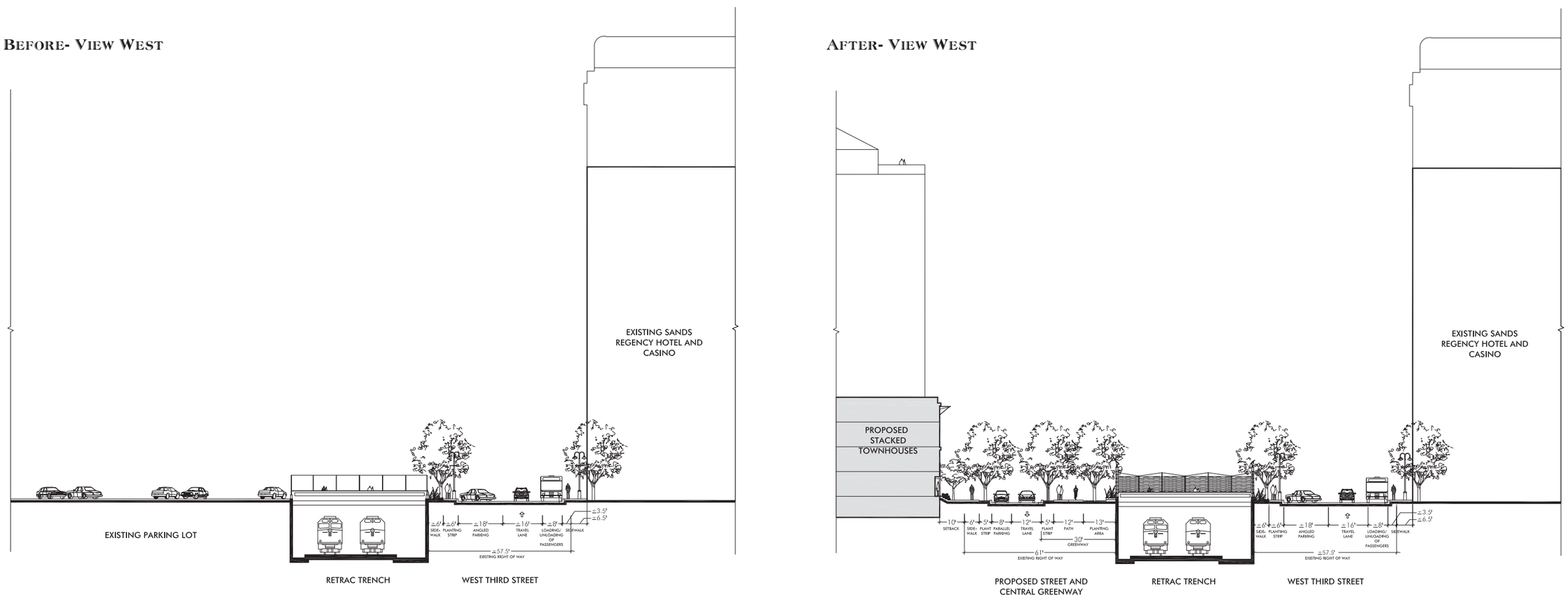
## b) Grand Residential Boulevard Segment – Virginia Street to Keystone Avenue

In this central 9 block segment, the ReTRAC trench and its flanking walkways are treated as an amenitized landscaped median within a wide "Grand Boulevard" corridor. Due to the segment's grand width, its being lined with buildings with formal fronting orientation and architectural character, and its framed views of surrounding landscapes towards the east and west, it is one of the great urban open spaces of downtown Reno.

The Greenway path occurs along this boulevard on both the north and south sides of the ReTRAC trench throughout. However, beginning at Washington Street and continuing westward, the primary Greenway path moves southward along the east-west midblock alley (between 2nd and 3rd Streets). Beyond Keystone Avenue it continues only as a south-of-ReTRAC-trench alignment to eventually reach the Truckee Riverfront.

In support of a residential boulevard character, residential and lodging buildings along the Greenway generally have a small continuous landscaped setback from 5 to 10 feet, with entry courts that may have deeper setbacks. Amongst these frontages, occasional individual "corner stores" or clustered retail/restaurant frontages have an urban (paved) zero-to-10 foot setback.

3.49. The Envisioned Grand Residential Boulevard from Keystone Avenue to Virginia Street




3.50. "Before" and "After" of Grand Residential Boulevard

i) Sub-segments:

**(1) Virginia Street to Washington Street**: The boulevard segment is fronted on primarily by residential uses that orient toward the corridor with lobbies, front doors, and front facades. Hotels and other lodgings are also suitable frontage uses, and there may be instances of ground floor retail use (i.e. new "corner stores" or remaining existing uses). Narrow one-way streets with on-street parking both north and south of the ReTRAC trench median would extend from Washington Street to Virginia Street. This would involve the construction of new street segments on the south side of the ReTRAC trench from Arlington Avenue to Washington Street, as part of redevelopment of those blocks (see Appendix C2 - In-Town Neighborhood Deep Parcel Opportunity Site). The Greenway passageways for pedestrians and bicycles are made up of the amenitized walkways and biking ways both north and south of the trench; the display of active frontages and doors makes the user experience interesting and meaningful.

***(a) Trench Cap Plaza(s):*** The pair of urban "trench cap" plazas under current conceptual development between West Street and Virginia Street will be a landmark destination on the Greenway Loop. The amenity quality of the pathways is at its highest along the route here, in keeping with the urban quality of the Entertainment Spine segment in terms of architectural treatments of walls and fencing, furnishings, lighting, landscaping, and public art.

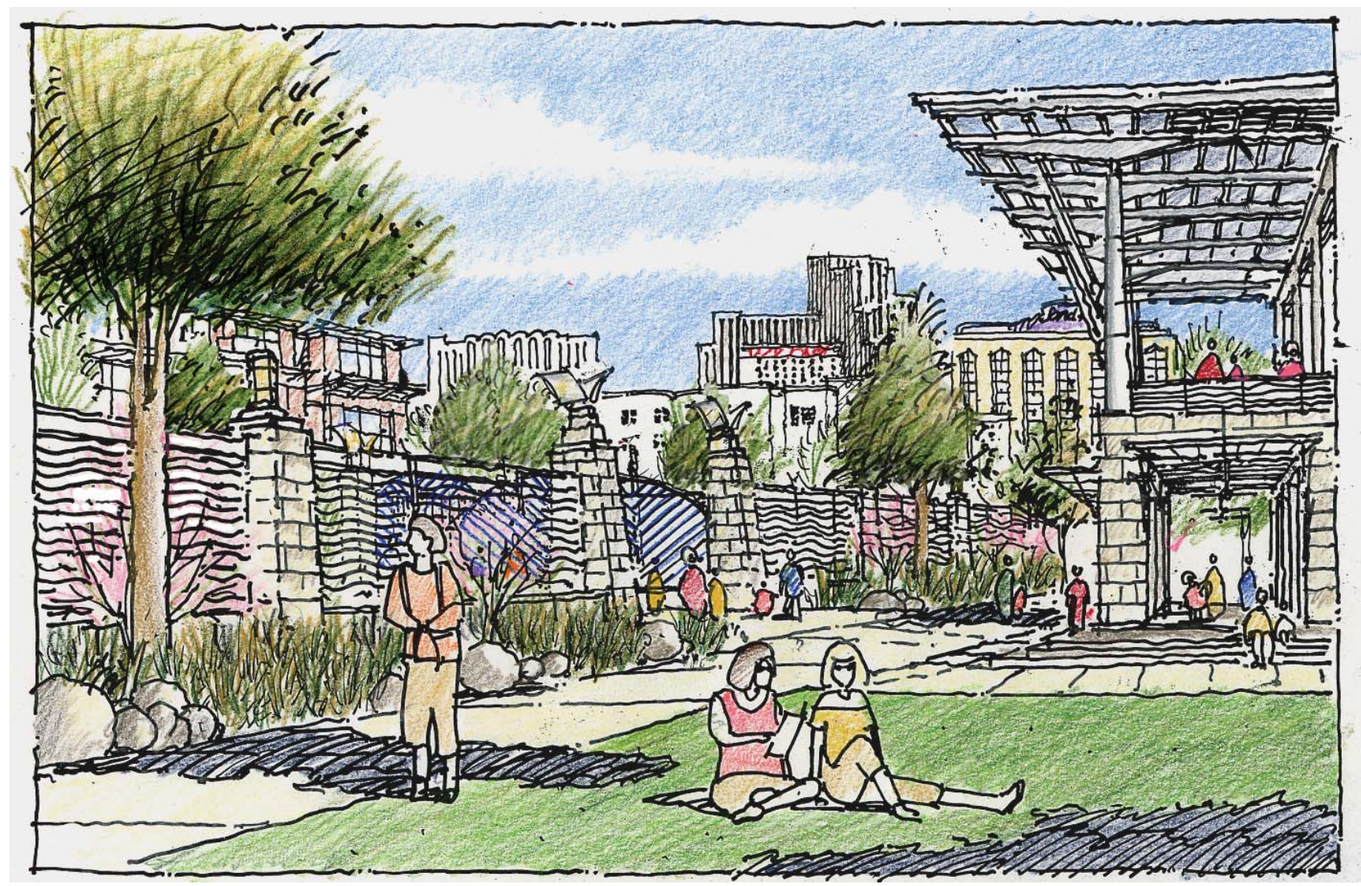
(b) Frontage plaza and greens that open toward right-of-way space at points along this boulevard segment are provided by infill developments as part of their site plans. They embellish and punctuate its open space character and break up excessive linearity, and provide interest and variety to its "Grand Boulevard" character.

**(2) Washington Street to Vine Street:** The existing westbound one-way West 3rd Street segment continues on the north side of the ReTRAC trench and ends at Vine Street, while the south side would contain a pedestrian linkage through this block that would shift the alignment of the greenway's pedestrian and bicycle access southward (and indicate this with signage), from along the trench to along the existing east-west alleyway axis that occurs between 3rd Street and 2nd Street. Similarly, eastbound Greenway users would be directed by signage to proceed northward to the 3rd Street lanes and walks.

***(a) Community Center site and Greenway path shift:*** The shift of the primary Greenway path from along the ReTRAC trench to the more southerly alley alignment would take place through the site of a community center or facility previously proposed as part of the Public Safety complex. The location of this community center to this block between Washington and Vine, the easternmost portion of city-owned ReTRAC properties, creates a central placement between westside downtown neighborhoods north and south of the Greenway and thus help serve as a focal and unifying facility and place between the two.

3.51. Existing Condition of Proposed Community Center Site

3.52. Plan of the Envisioned Community Center Site



3.53. Envisioned Community Center Site Along ReTRAC Greenway

Its siting as the Greenway "alignment shift" location, civic design, surrounding landscaping and small open spaces, symmetrical architectural composition, and axial alignment specifically as the "terminated vista" at the north end of Winter Street add to its role as a local landmark and prominent "event" along the Greenway.

**(3) Vine Street to Keystone Avenue**: The primary Greenway path occurs in this block along the existing east-west midblock alley between West 3rd Street and 2nd Street. Other pedestrian walkways continue on both the north and south sides of the trench wall from Vine Street to Keystone Avenue. Wayfinding signs indicate that the Greenway continues westward along the southern "alleyway" or narrow street alignment along the south edge of the new Public Safety campus west of Keystone Avenue and south of the ReTRAC trench.

ii) Public Realm Character of the segment:

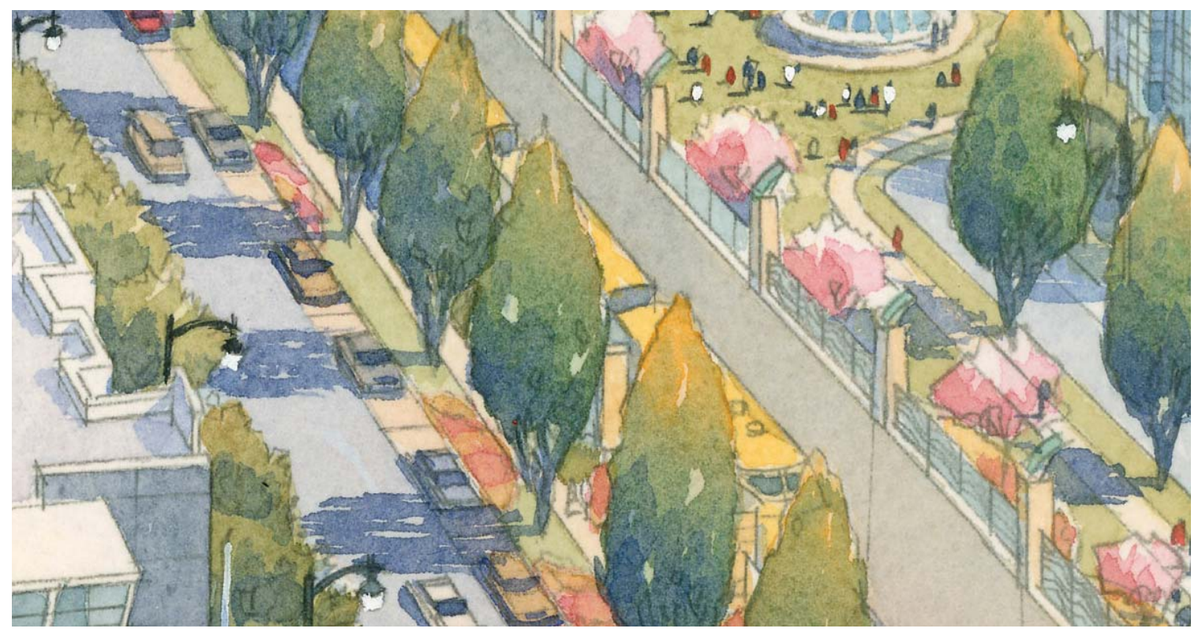
**(1) Landscape and Streetscape:** Strong and visible landscaping along the Greenway in this segment plays a critical role in asserting a downtown Greenway and Grand Boulevard identity and a resulting quality statement for intended levels of investment and livability. The visual prominence of the landscaping makes it recognizable at a distance and sets the "street" corridor apart from all others.

Vegetative and floral masses along the wall/fence trench edges strengthen the buffering of both pedestrians and building frontages from the view and effects of the open rail trench. The low plantings along the base of the wall would have an organic massing and character to assert the natural Reno-area environment into downtown, further reinforcing the relationship with the nearby river. Some portions of recently installed landscaping along ReTRAC walls and pathways will potentially fulfill this at maturity.

In contrast, rows of evenly-spaced trees with species selected for defined "architectural" canopy shapes (e.g oval-headed or columnar) establish a grand boulevard effect along contiguous segments of blocks. The larger scale of the trees is matched to the grand width of the corridor. Trees are spaced no greater than 30 feet on center in order to establish a continuous overhead canopy and provide adequate density of foliage for buffering residential uses from traffic. Tree planting would start as close to intersections as possible to maintain the sense of corridor-wide continuity. The Greenway would continue to provide settings for both existing and future public art installations.

3.54. Existing Landscaping Along ReTRAC

3.55. Street Trees Would Create a Continuous Overhead Canopy and Act as a Buffer



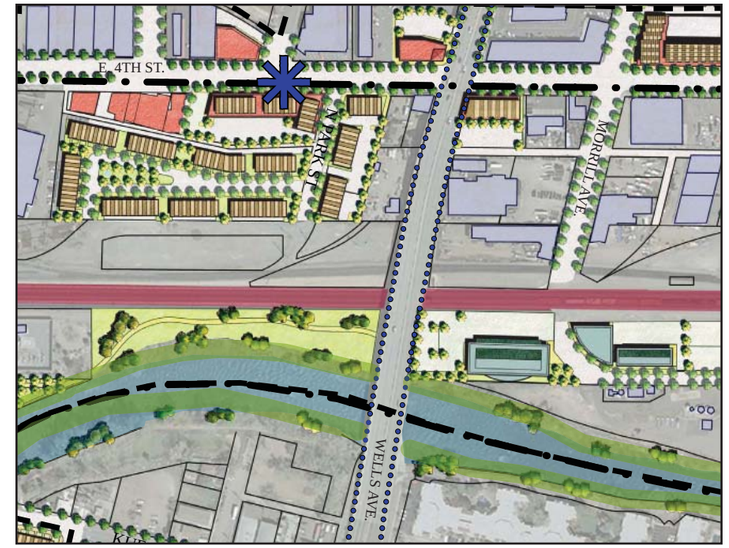
3.56 . Envisioned Landscaping Along ReTRAC Corridor

**(2) ReTRAC wall and fence treatment:** The visual and design character of proposed enhancements to the exposed ReTRAC walls and fences would be thematically linked and consistent with the character of similar wall, lighting, and furnishings along the Riverwalk. These would include a "civic art" treatment of architectural base walls, regularly-spaced landmark piers, decorative fencing to replace chain link fence panels, and accent lighting.

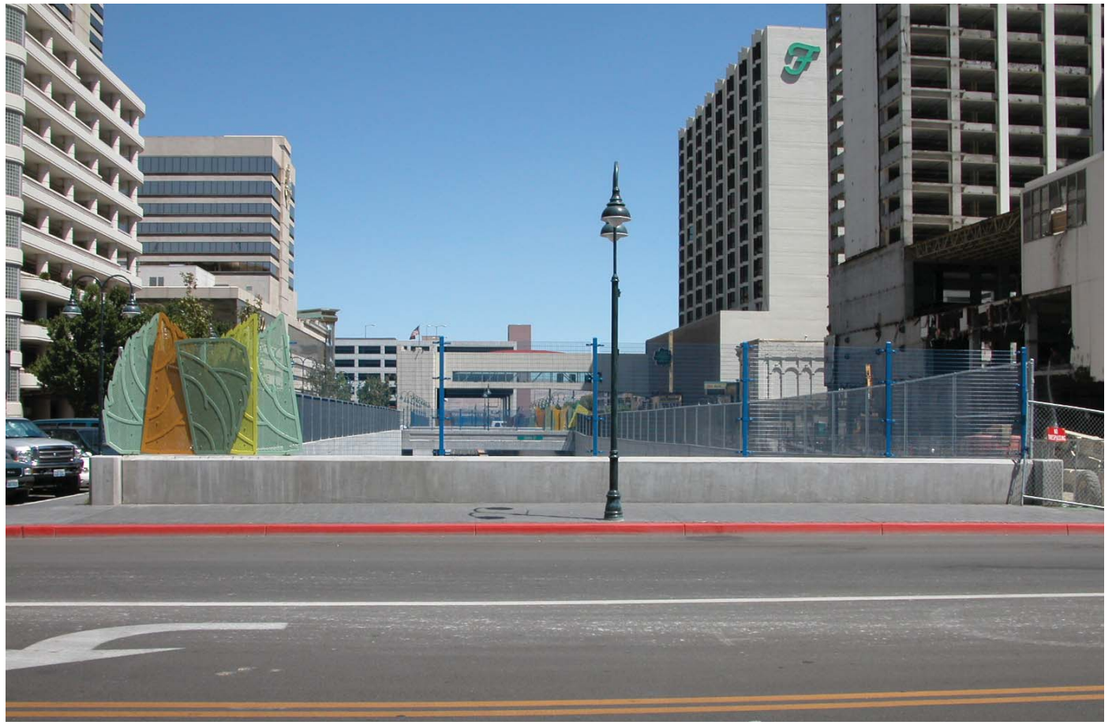
**(3) Streetscape Furnishings**: Similar to the Entertainment Spine segment, pedestrian-scale decorative streetlights, trash receptacles, seating, and public art establish a high quality public realm character, though with a more parklike emphasis in this residential segment. Placement and spacing of streetlights are deliberately coordinated as multiples of tree spacings, in order to compound the grand boulevard effect.

**(4) Bridge Crossings over the ReTRAC trench**: At the 11 existing north-south road and path bridge crossings over the ReTRAC trench, these decorative wall and fence treatments used along the length of the trench would impart a landmark character in order to give a civic emphasis to the crossings – as a further evolution of the "trembling leaves" public art treatment currently located at existing crossings. These would also be supplemented by new and existing pedestrian-only bridge connections at Idlewild Park (proposed), the Sands Casino (existing), the Amtrak Station (under development), and the Wells Avenue underpass (existing).

3.57. Existing Riverwalk Amenities




3.58. Wells Avenue Underpass



3.59. Typical Existing ReTRAC Crossing

3.60. Typical Envisioned Improvements to ReTRAC Crossings

## c) Greenway Corridor End Connector Segments

i) ***West Side – from Keystone Avenue westward to Chism Street:*** The Greenway continues westward from Keystone Avenue towards Chism Street alongside a new narrow east-west street that forms the south edge of a planned City of Reno Public Safety campus. The campus site is planned on a ReTRAC parcel bordering the south side of the trench. The Greenway and narrow street serves to:

(1) Avoid transforming Arletta and Gardner Streets solely into north-south "driveway" access streets for the Public Safety complex from Second Street, and prevent the western portions of the campus from becoming too isolated.

(2) Link the northern ends of Chism, Arletta, and Gardner Streets from Keystone Avenue and enhance access to both the campus and its neighboring mixed-use neighborhood. If necessary, traffic impacts could be minimized by configuring it as a one-way street.

(3) Establish the southern frontage of the Public Safety complex as a landscaped street frontage, thereby affecting the adjacent blocks of private properties located across the new street with a revitalizing presence. New value would be created by the street access and frontage onto an attractive landscaped street corridor with a downtown-wide identity, as well as the immediate presence of the new public investment.

(4) By siting the Greenway along the north side of the new street (the Public Safety campus side), enable it to be monitored and maintained from the Public Safety facility, enhancing its security along this segment.

(5) Link the Greenway's accessibility and public open space character with the Public Safety campus itself, and strengthen the campus' identity as a "good neighbor" presence in the neighborhood. The Greenway and street serve as a green "buffer" between the Public Safety campus and the mixed-use residential neighborhood to the south.

ii) ***West Side - Chism Street to 2nd Street/Chism Street Extension/ Truckee River:*** The Greenway continues as a walkway/bikeway along north side of the east-west Chism Street extension as it continues westward towards linking back to West 2nd Street/Dickerson Road. Where the ReTRAC property becomes too narrow for building or parking use, it is configured as a parkway segment for the Greenway.

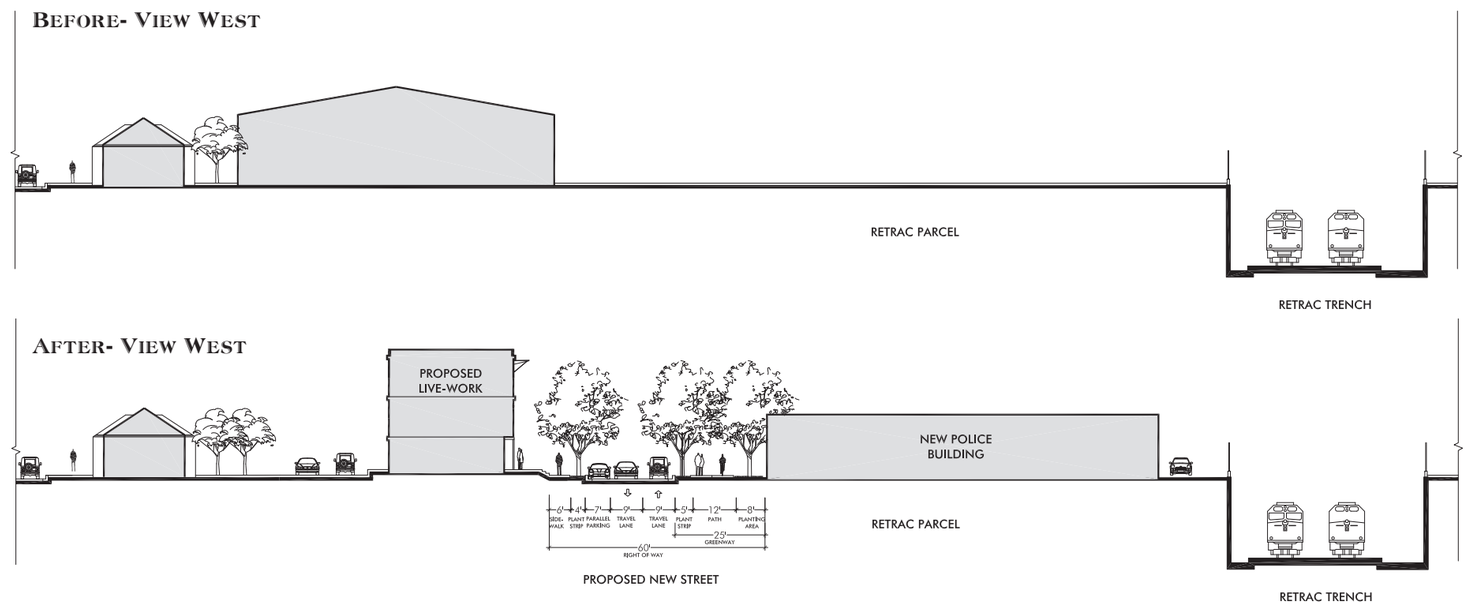
A. Envisioned, narrow east-west street

B. Envisioned Public Safety campus

C. Envisioned new north-south street

D. Proposed pedestrian/ bicycle bridge

**3.61. The Envisioned ReTRAC Corridor from Keystone Avenue to Proposed Idlewild Park Pedestrian / Bicycle Bridge**




**3.62. "Before" and "After" of New Street at Proposed Public Safety Campus**

iii) ***West Side - New Greenway Pedestrian/Bicycle Bridge connecting between Idlewild Park and West 4th Street***: The western terminus of the Greenway is a new pedestrian/bicycle bridge that at a minimum, connects from the north side of 2nd Street southwards across the Truckee River to the northern edge of Idlewild Park. It would help to more strongly link the park – the immediate area's largest nearby green open space – to downtown and enhance downtown livability, especially for residential growth.

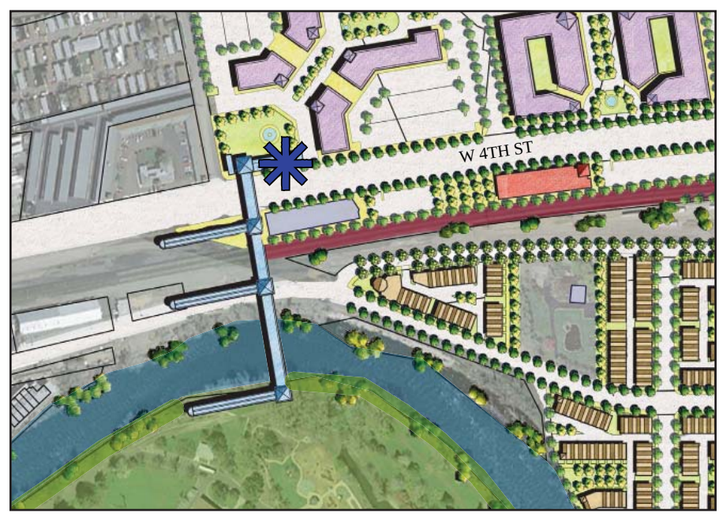
Bridge segments extending further northward - built in phases if necessary - connect over the tracks to both the south and north sides of West 4th Street, thus linking to existing recreational bicycle use there. Bicycle and wheelchair ramps could be stretched westward parallel to the tracks in order to attain necessary elevations. The bridge and its connections here have the following additional district-wide impacts:

**(1) Transit-Oriented Development (TOD) potential**: This site coincides with one of the planned transit station stops identified in the West 4th Street TOD Corridor Plan. A pedestrian-bicycle bridge would serve to link Idlewild Park, the Greenway and River paths, the Public Safety campus, and large frontage properties north of West 4th Street with the future east-west transit line.

**(2) A Western Gateway for Downtown Reno**: An overhead pedestrian bridge structure, designed in the "civic art" mode of existing downtown riverwalk improvements and incorporating its mixture of naturalistic and urban themes, would serve as a visually powerful western gateway to downtown Reno and continue the tradition established by downtown's arch. The geographical convergence of river, train tracks and major streets at this point enable a single overhead bridge structure to affect many ways of arriving into downtown Reno from the west.

iv) ***East Side – from Evans Avenue eastward to the Wells Avenue vehicular bridge and pedestrian bridge***: South of the front of the Freight House building, the Greenway continues eastward as a designed open space passage sequence through a future mixed use development site (described in Appendix C.1). Wayfinding signage enables pedestrians and visitors to find their way to and from river paths to downtown core attractions. A clear walkway and bikeway with lighting and landscaping marks the path as it continues through the site and eastwards along the south end of the electrical substation via an easement. East of the substation, a bikeway and pedestrian path linkage connects to the pedestrian bridge across the Truckee River in the shadow of the overhead Wells Avenue Bridge structure. Paths along the south bank connect further to other important open space resources such as Brodhead Memorial Park and John Champion Memorial Park.

3.63. Envisioned Pedestrian/Bicycle Bridge from Idlewild Park Across Truckee River and UPRR Tracks also Creates a Western Downtown Gateway on W. 4th Street



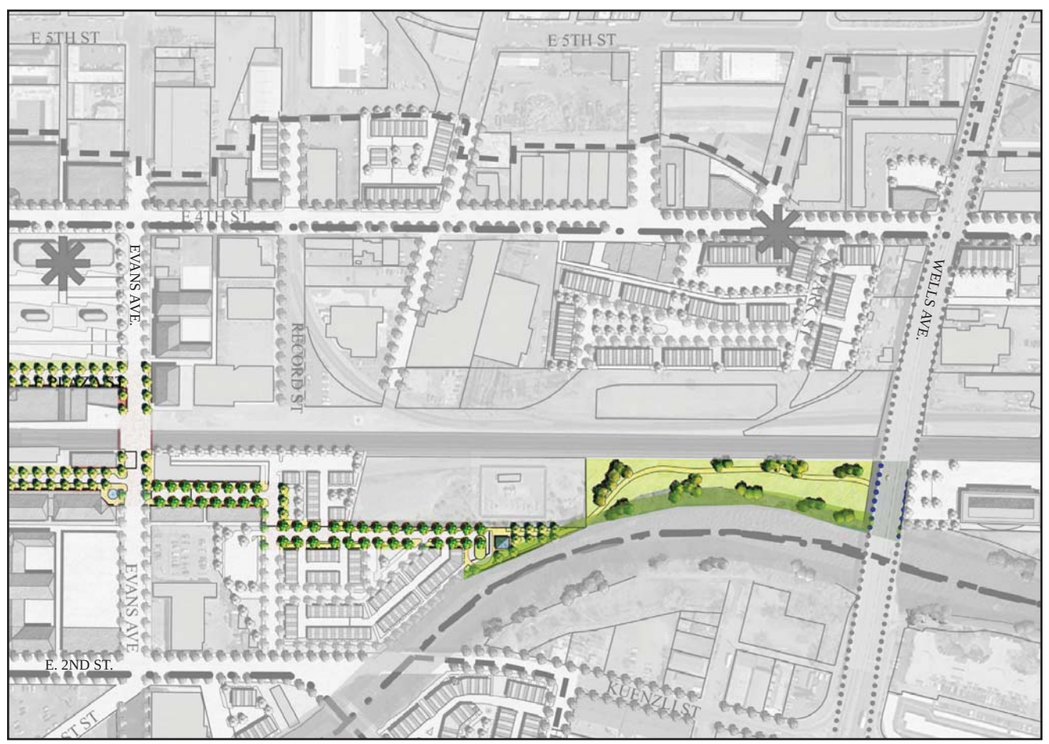

3.64. Proposed Pedestrian / Bicycle Bridge

3.65. Existing Downtown Riverwalk Pedestrian Bridge

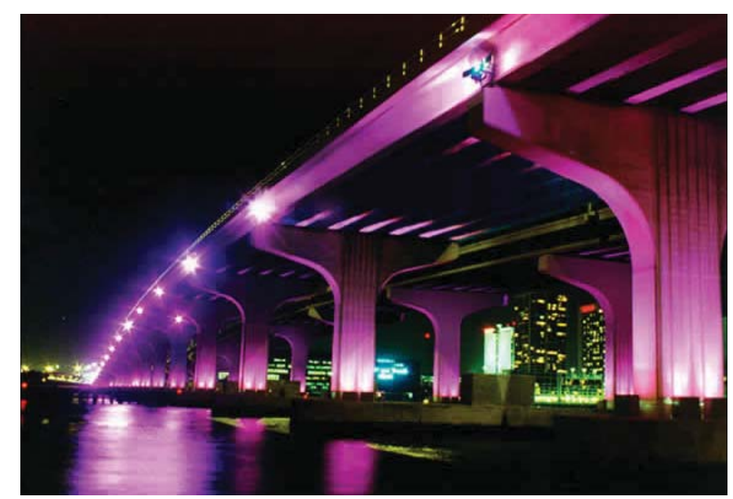
**(1) Colored Night illumination of the Wells Avenue Bridge structure – A Night-time Eastern Gateway for Downtown Reno**: The existing Wells Avenue Bridge structure extends over 2,000 feet in length from Kuenzli to East 6th Street and is easily visible from passenger aircraft landing at Reno-Tahoe International Airport as well as from westbound 4th Street traffic entering downtown Reno. A colored uplighting of the bridge structure would be an inexpensive, powerful and memorable way of adding a civic contribution to downtown Reno's existing night skyline. It would add a contrasting horizontal "arc" shape to the aggregate of downtown's color uplit casino hotel buildings, powerfully visible from aircraft and throughout the region. Such a colored uplighting has been utilized to memorable effect, for example, by the City of Miami on its MacArthur Causeway Bridge over Biscayne Bay between the cities of Miami and Miami Beach.

3.66. Wells Avenue Bridge from North East

3.67. Reno at Night




3.68. Envisioned ReTRAC Greenway Between Evans and Wells Avenues



3.69. Miami's MacArthur Causeway Bridge at Night

project lighting design and image provided by Brilliant Lighting Design

# 3.3. The 4th Street Corridor through Downtown – a Livable Transit-Oriented Urban Arterial Corridor

## 3.3.1. 4th Street Corridor-wide character

### 1) How 4th Street's currernt corridor form came to be:

4th Street has a fabled history among thoroughfares in Nevada, beginning with its roots as Lincoln Highway/US40 (the first transcontinental highway corridor) and its pre-freeway, early automotive heritage of roadhouses, motels, gas stations, and Streamline Moderne and "Googie"-styled neon signs. It has an existing 4-block downtown core segment with buildings coming up to the back of sidewalk and forming a continuous "street wall" with urban sidewalks between West Street and Lake Street. However, much of 4th Street's length through the study area and flanking the core segment to the west and east has a commercial "strip" corridor character. With the Union Pacific track alignment running parallel and one block to the south, within the project area the 4th Street corridor has also functioned as a service street for industrial businesses utilizing nearby freight train access, particularly along East 4th Street. Over the years, the corridor's image has been eroded as it has succumbed to roadway widenings, strip centers, customer loss and disinvestment brought about by the freeway system, and by the shifting preference of the shopping and hospitality industries for large sites visible from the freeway. This disinvestment, manifested in various properties that have exhibited lack of maintenance, frequent turnover, abandonment, or vacancy, has negatively affected perceptions of investment value and on-street social behavior as well.

### 2) Corridor disinvestment a national phenomenon:

The phenomenon of corridor disinvestment is not limited to 4th Street. Disinvestment in formerly all-commercial zoned strip corridors due to structural changes in demographic, retailing, and transportation patterns of the last three decades is a widespread trend that has been identified by national development industry organizations such as the Urban Land Institute[1]. The economic sustainability of urban strips, in particular, has also been damaged by a more marked misfit between the arterial street design, or type, and the forms and types of frontage development[2]. The City of Reno has already pursued such policies of corridor restructuring successfully in locations such as South Wells Avenue.

1 See "Ten Principles for Reinventing America's Suburban Strips" by Michael D. Beyard and Michael Pawlukiewicz, Washington D.C.: Urban Land Institute, 2001.

2 See "Civilizing Downtown Highways" by Sarah Pulleyblank. San Francisco: Congress for the New Urbanism, 2002.

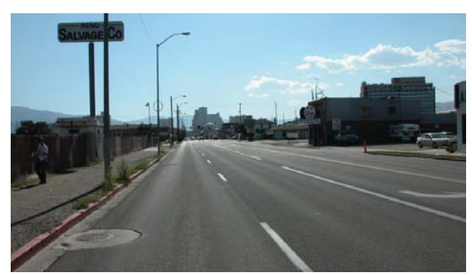
3.70. Historic 4th Street

image provided by Nevada Historical Society

3.71. Existing 4th Street East of Downtown

3.72. Existing Remnants of 4th Street's Heritage

3.73. Existing 4th Street West of Downtown



3.74. Existing Disinvestment Along 4th Street

### 3.3.2. Reno's ongoing 4th Street corridor restructuring efforts:

With strip development types falling out of favor with retail investors, the Reno community has already resolved via the Downtown Reno Regional Center Plan and East and West 4th Street Transit Oriented Development Corridor Plans to make the most of the long term potential of mixed-use residential and transit-oriented development as an "engine of reinvestment" to revitalize the fortunes of disinvesting commercial properties. Over time, 4th Street will be transformed from a strip to a livable transit-oriented urban arterial corridor to:

**1) Reinforce ongoing downtown revitalization**

**2) Provide additional housing choices and options for Reno**

**3) Reinforce local and regional transit use by clustering residential and workplace uses within walking distance of transit stops**

**4) Make street settings that balance usability and comfort in walking, driving, and transit use**

**5) Support streetlife activity throughout the day and week for safety and vitality**

**6) Build on existing corridor character by segments of differentiated use and development scale**

**7) Match smaller-scaled corridor infill sites and parcels with right-sized, in-demand land uses**

**8) Create enough consistency and critical mass of desired uses for market assurance and stable investment values**

**9) Build on its historic corridor heritage in an economically sustainable way for today's patterns of living and working**

Existing businesses that remain will be encouraged to improve their frontages to support corridor revitalization, in keeping with the direction of aiding in the marketing of the corridor environment as whole, and not just of a single business on a corridor.

## 3.3.3. 4th Street Corridor Segmentation and Fronting Development

### 1) Corridor disinvestment and uncoordinated uses:

Many existing 4th Street corridor parcels with underutilized or disinvested motel, retail, light industrial, auto services related, or vacant uses are envisioned as potential opportunity sites for infill development (see the discussion on "Potential for Change" in Section 2 on existing conditions). Much of this opportunity, however, is the result of disinvestment generated in part by unclear district value – in this case, manifested as unclear corridor segment use character and resulting low value. Uses that occupy corridor parcels and sites opportunistically (in particular, based on inexpensive purchase or lease) are often not complementary – as when, say, an auto body shop locates next to a motel. Districts of strong single use character such as single family homes in residential-zoned neighborhoods or office campus buildings in a business park, typically derive much of their value from the consistency and reliability of supportive use adjacency – as well as a supportive physical environment of street design. Commercial arterial corridors, however, by both nature and practice are the places where diverse types of businesses that need automotive access and visibility will go.

### 2) Retailing patterns have changed on the corridor:

The national retailing industry now prefers anchored, clustered, and interchange-located formats for new retail investment (as locally exemplified by the Keystone Shopping Center and the new and successful Walgreens above I-80 at North Center Street). National retailers have thus tended to abandon the stretches of arterial corridors in between clusters and major intersections. These areas (often now overzoned for commercial retail) now have to find other ways to create new value to avoid becoming default choice of marginal retail uses and continue to perpetuate corridor disinvestment. As well as those marginal uses, corridors also face the issue of specific uses that prefer and need corridor sites such as auto repair services (in face, their business models are tied to them) – but as they have historically had little enforcement in terms of design and visual characteristics, they are generally not seen as positive presences though their services are in demand by the community.

### 3) General principles of 4th Street corridor restructuring:

In keeping with the Downtown Regional Center Plan and TOD Corridor Plans, the emphasis would be on higher densities of residential and mixed-use in accordance with transit-oriented development policies; workplaces of sufficient worker density would also be desirable. Smaller parcels may require assembly to form development sites of adequate size to address modern on-site parking requirements. Building types whose viability has been proven elsewhere but may be new to downtown Reno area are promoted to fit corridor sites and enable desired mixing of uses. In a number of cases, corridor housing will serve to buffer existing single family neighborhoods behind the corridor from corridor impacts. Corridor-fronting developments will form the "streetwalls" and add to the place definition of the corridor, varying from a more urban condition of continuous buildings walls with little or no setback in densest segments, to having spaces between buildings and a greater setback in less dense areas. The site planning and architecture of all buildings will present entrances and a public "face" to the street, in keeping with a strong and active corridor character. Where possible, historic Lincoln Highway era motel signs are preserved, even where their accompanying original buildings might be removed and their building sites redeveloped.

3.75. Keystone Shopping Center

3.76. Urban Corridor Frontage in Chicago, IL

3.77. Suburban Corridor Frontage in Albany, CA

## 4) Corridor segmentation as a means to focus identity, investment, and value:

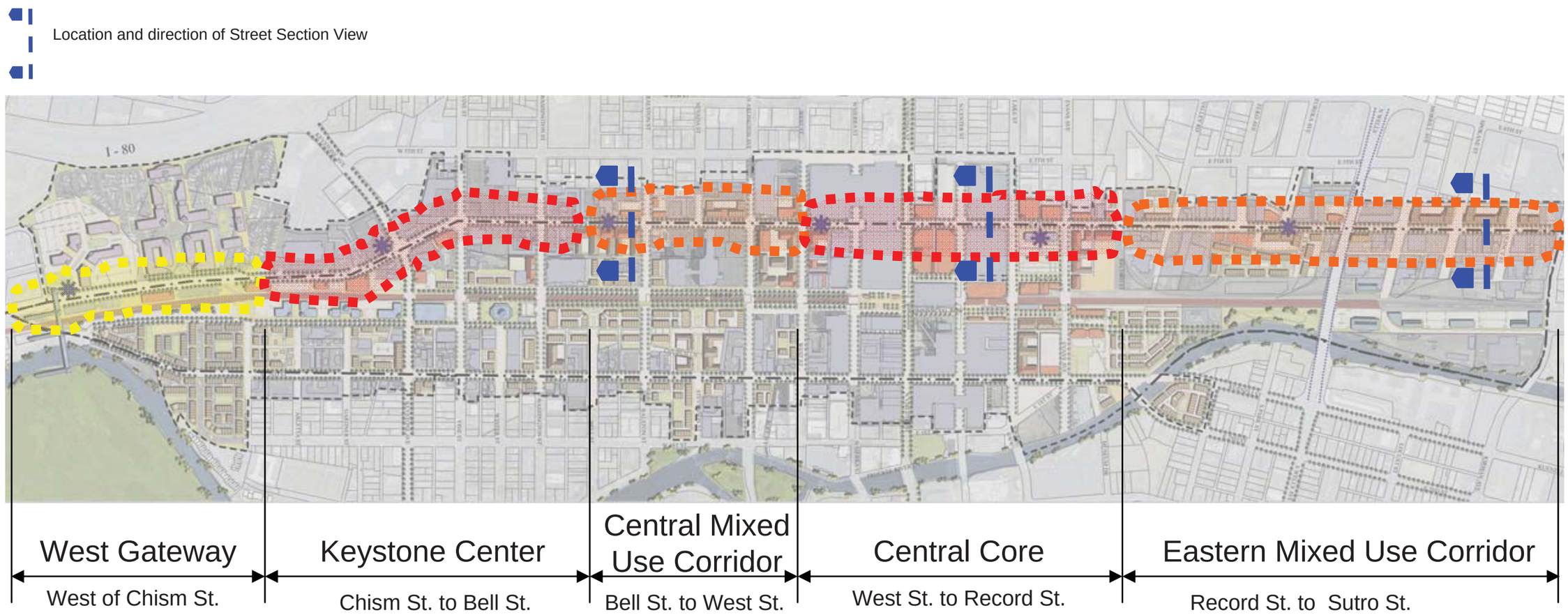
Existing character and use patterns provide the basis for a potential segmentation of 4th Street that can provide better defined places, stronger land use and investment sustainability, and coordinated and supportive street design treatment. A pattern of 5 potential segments within the project area, building on and growing out of existing patterns, suggests two central 4th Street corridor segments that roughly correspond to the Downtown Regional Center Plan's Entertainment District boundaries for 4th Street (Ralston Street to Evans Avenue), and three additional corridor segments beyond that overlap the four flanking Downtown Regional Center's Keystone Avenue District, Wells Avenue District, West 4th Street District, and East 4th Street District. The map diagram describes projected extents of segments, which would be subject to some adjustment based on development opportunities. From west to east, the segments are as follows:

### a) West Gateway Segment

Beginning with the new western Downtown Reno gateway structure and pedestrian/bicycle bridge on the west end, this segment would be a tree-lined corridor leading to the edge of the Keystone Center. The majority of property frontages currently have buildings set back from the street, except where properties are shallow or where they are clustered to create front entry emphasis. Uses on the north side would potentially be transit-oriented and walkable from the West 4th Street TOD Plan's identified station stop location, such as the existing residential mobile home parks, or if in the long term instigated by private initiative, a workplace cluster. Uses on the south side would remain as service uses taking their cue from north side uses, due to their shallow depth.

### b) Keystone Center Segment

The existing Keystone Shopping Center and the Keystone Avenue intersection set the tone for this segment as an arterial-intersection based cluster of mostly retail and commercial use. The current corridor development character is open and suburban where most buildings set back behind parking. Some opportunity sites may enable individual infill developments to be of the zero-setback "streetwall" type; this would be appropriate beginning at the Keystone/4th intersection and continuing eastward towards the core. The predominant existing motel lodging uses at northside and southside 4th Street-fronting sites east of Vine Street would be candidate locations for future denser and mixed-use housing with street walls and shallow landscaped setbacks, though current potential for change is seen as low.




3.78. 4th Street Corridor Segmentation Diagram

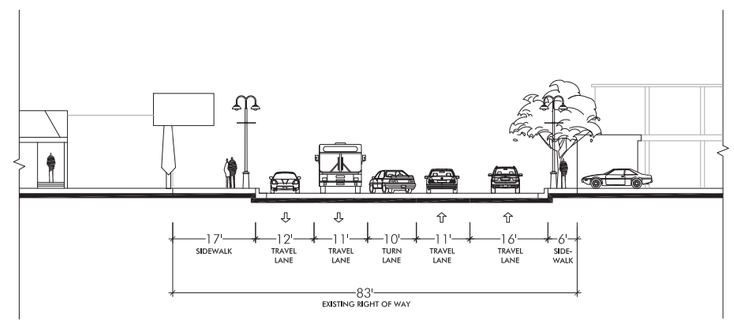
## c) Central Mixed Use Corridor Segment

This segment would not be as dense and continuously built out as the Central Core Segment immediately to the east, but would contain developments of substantial height and mass such as the existing Sands Regency Casino and Hotel. Opportunity sites along this segment are envisioned as locations for residential mixed use development, where larger assembled sites may support stacked flats over ground floor retail, and smaller sites may support small retail developments and loft townhomes above ground floor retail spaces.

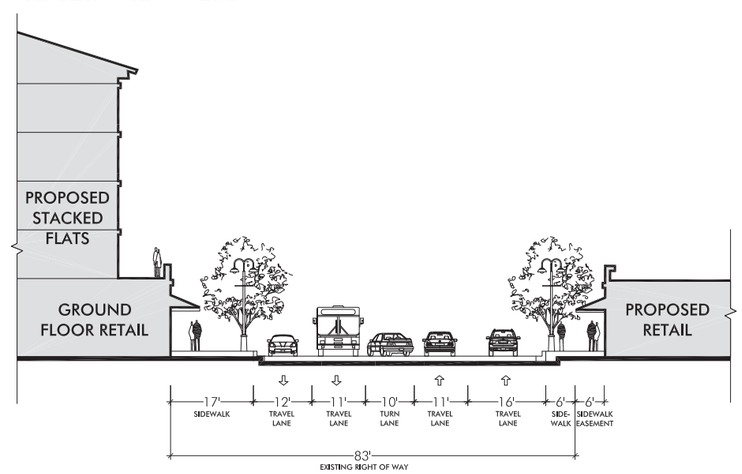
## d) Central Core Segment

Block frontages along this segment are already dominated by landmark downtown facilities such as the Star Dust Lodge, Silver Legacy Resort Casino, Reno Events Center, National Bowling Stadium, and the future CitiCenter Transit Center. Nearly all have urban frontages with continuous, multistory-height zero-setback street walls that strongly define the street corridor space. The focus on these blocks would be infill development and refinement and restoration of existing ground floor facades, in order to reduce "blank walls," increase street activity and vitality, and display attractive and generous public façades to the street. Similarly, streetscape treatments would enhance the continuity of street tree plantings and furnishings and insure that already strong pedestrian and transit use would be attractive and comfortable.

**Before- View West**

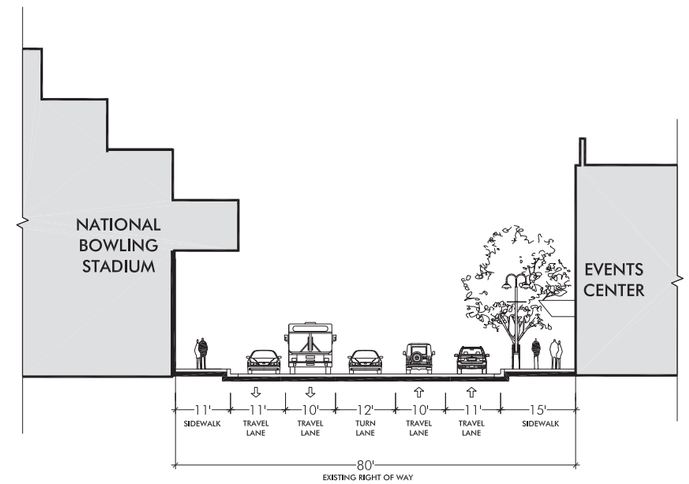



**After- View West**

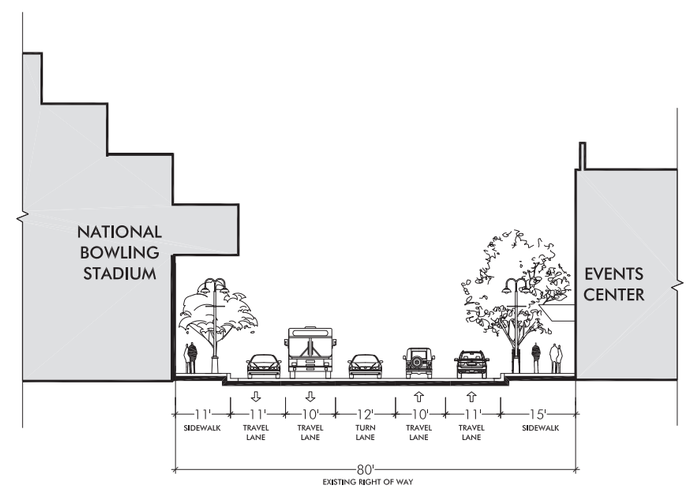



3.79. "Before" and "After" of 4th Street at Ralston Street

**Before- View West**




**After- View West**

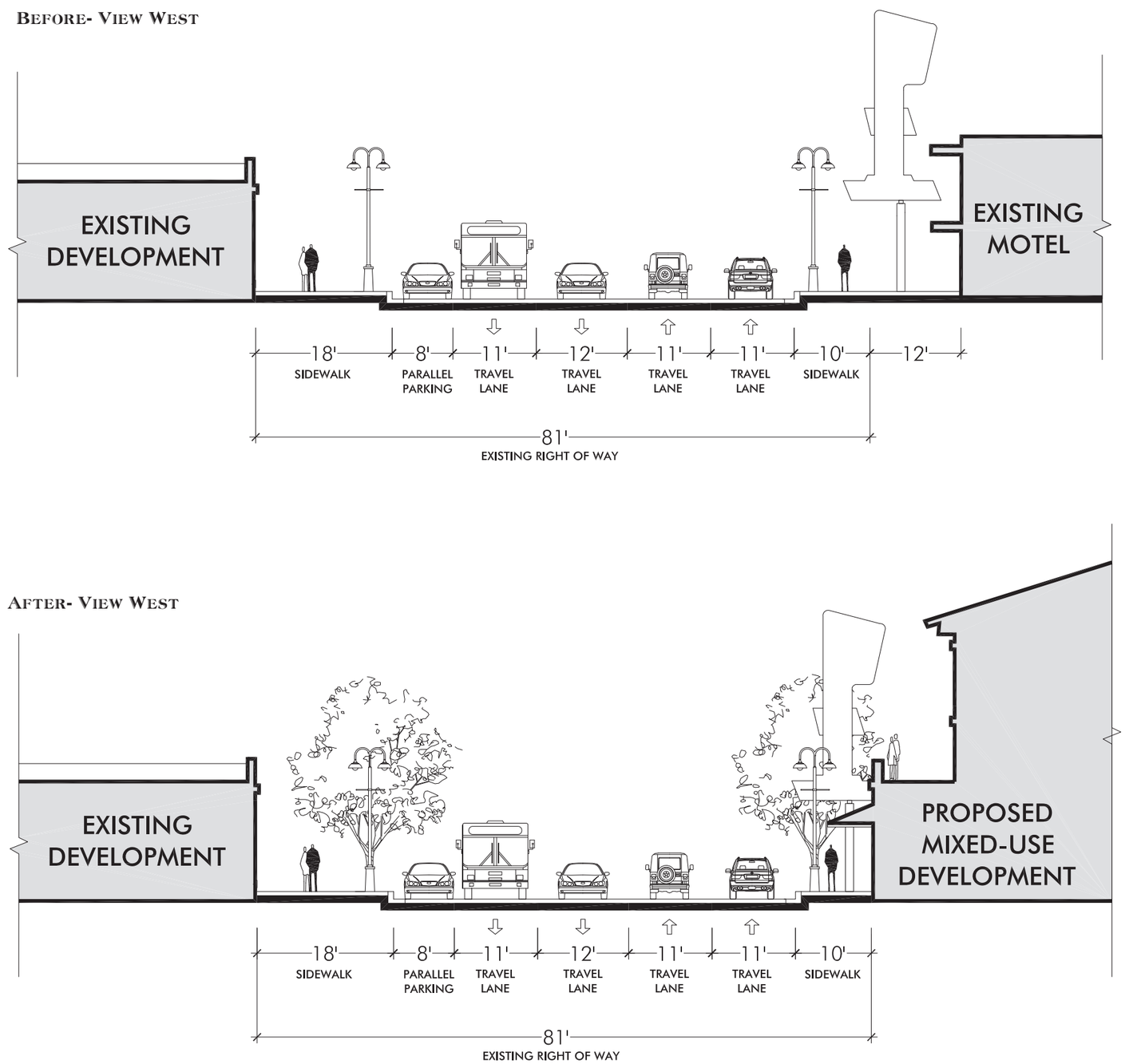



3.80. "Before" and "After" of 4th Street at Lake Street

## e) Eastern Mixed Use Corridor Segment

Lake Street currently marks a sharp density and height boundary between downtown core high-rise and full block coverage development and East 4th Street's characteristic low-to-medium density and height urban strip development. Much of the latter dates back to the heyday of Lincoln Highway, with brick and art-deco motels and hotels, light industrial buildings, auto service buildings, and neon signs. Development of the new CitiCenter Transit Center and higher density development of adjacent parcels suggests that this boundary will shift eastward to Record Street. East of Record Street, the continued presence of industrial uses along with remaining train track spurs will tend to maintain the segment's mixed-use character. New mixed-use development types such as loft townhomes over ground floor storefront retail use may be suitable for available parcels of relatively shallow depth, and provide appropriate corridor investment. Preservation of historic neon signs as part of new uses will help to retain the unique historic Lincoln Highway identity of the corridor (see Appendix C3). When historic signs are preserved, historic marker signs or plaques should be provided to display information on their role in the history of East 4th Street as a part of the original US 40 - Lincoln Highway in Reno.

3.81. Loft Townhomes Over Retail in Berkeley, CA




3.82. "Before" and "After" of 4th Street at Quincy Street

3.83. Existing Condition at Lucky Motel

3.84. An Existing Historic Marker

3.85. Envisioned Preservation of Lucky Motel Sign with Redevelopment of the Building Site

## 3.3.4. 4th Street Corridor Segmentation and Streetscape Design

### 1) The street type must support the desired development type:

4th Street's original commercial arterial street design prioritized motorist movement, access, and business visibility. Its streetscape was minimal - cobrahead streetlights, few furnishings, no trees, and little buffering of pedestrians from the effects of heavy traffic. In order to support and help set the stage for mixed uses, the "street type must support the development type" and a more livable streetscape will focus on balancing car, transit, and pedestrian movement, access, and comfort. This will be accomplished by means of selected "trade-offs" in design. Transformation of the continuous center left turn lane by introducing landscaped center medians with left turn pockets, or transfer of the center lane's width into curbside parking or wider sidewalks will take place in selected areas. Adequate "buffering" of pedestrians on sidewalks and of residential front rooms from the effects of roadway traffic is a formative factor in shaping the proportions of sidewalk versus asphalt width and placement of on-street parking, street trees, and other buffers in the design of the street section. This buffering is an important aspect of the "complete streets" concept and provides assurance of livability and sustainable value for residential mixed development. The quality of streetscape elements will also be a means to create a distinct visual identity and character for 4th Street as a major element of Reno's downtown public realm network.

### 2) Successfully installed improved white-colored street lighting a substantial benefit to corridor revitalization:

4th Street's unified place identity within the study area has been recently strengthened with corridor-wide installation of new, closely spaced and visually prominent downtown street lighting standards. Their arched semicircular twin-arms and decorative fixtures and poles are recognizable as the signature streetlight used throughout downtown and the Truckee Riverfront and are a definitive statement of 4th Street's inclusion into the downtown core. Their strong, high quality white lighting has dramatically improved the street's night illumination for safety and ambience and will help to change market perceptions and potentials for retail and residential investment.

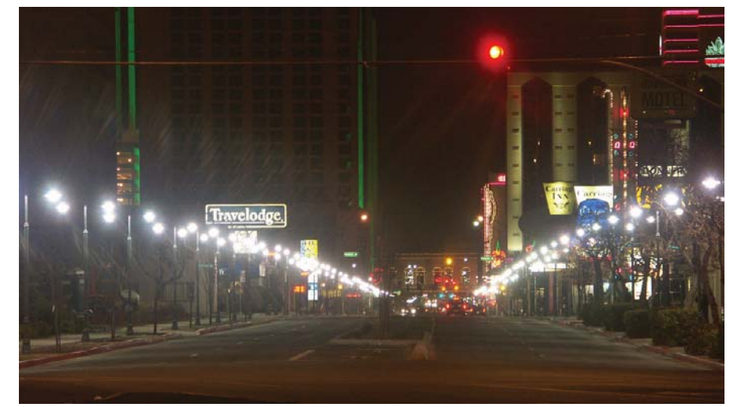
### 3) Systematic street tree planting is an essential follow-up support measure for planned corridor mixed-use residential infill:

A strategic segmentation of street tree planting will be a complement to the unified streetlighting scheme, in which closer spaced, large-canopy, shadier tree species are needed reinforce areas of greater residential character by providing visual buffering between cars and residences. Wider spaced, more open habit tree species are used at areas of greater commercial use and visibility. Consistency of street tree planting (e.g. one-block minimum length segments of the same species and typical tree-to-tree spacing, and preferably longer) is important in establishing a sense of quality and continuity of the public realm. The use of structural soil installations in tree pits is necessary to assure that urban trees will flourish and not merely survive.

3.86. East 14th Street in San Leandro, CA Before Tree Planting

3.86. East 14th Street in San Leandro, CA After Tree Planting

3.88. New 4th Street lighting



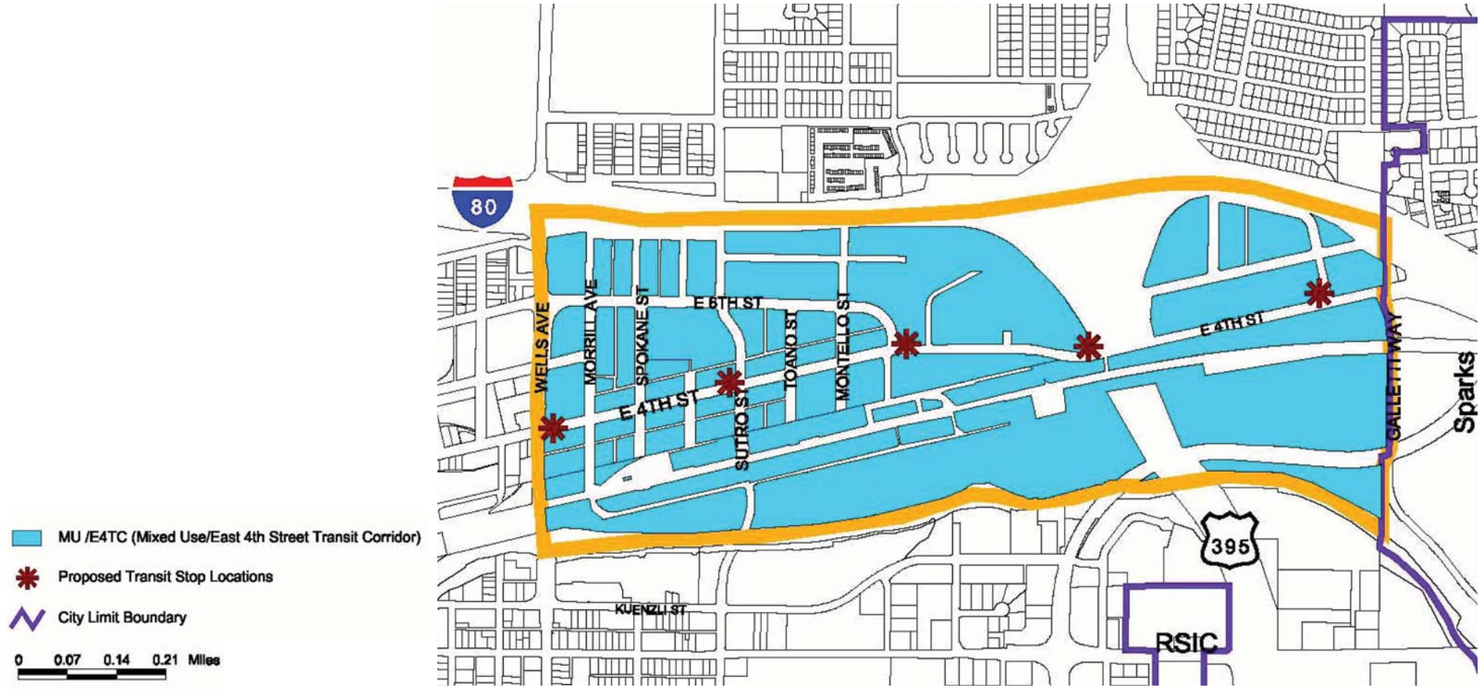

3.89. New 4th Street Lighting at Night

3.90. Consistent Street Tree Planting in Rochester, NY

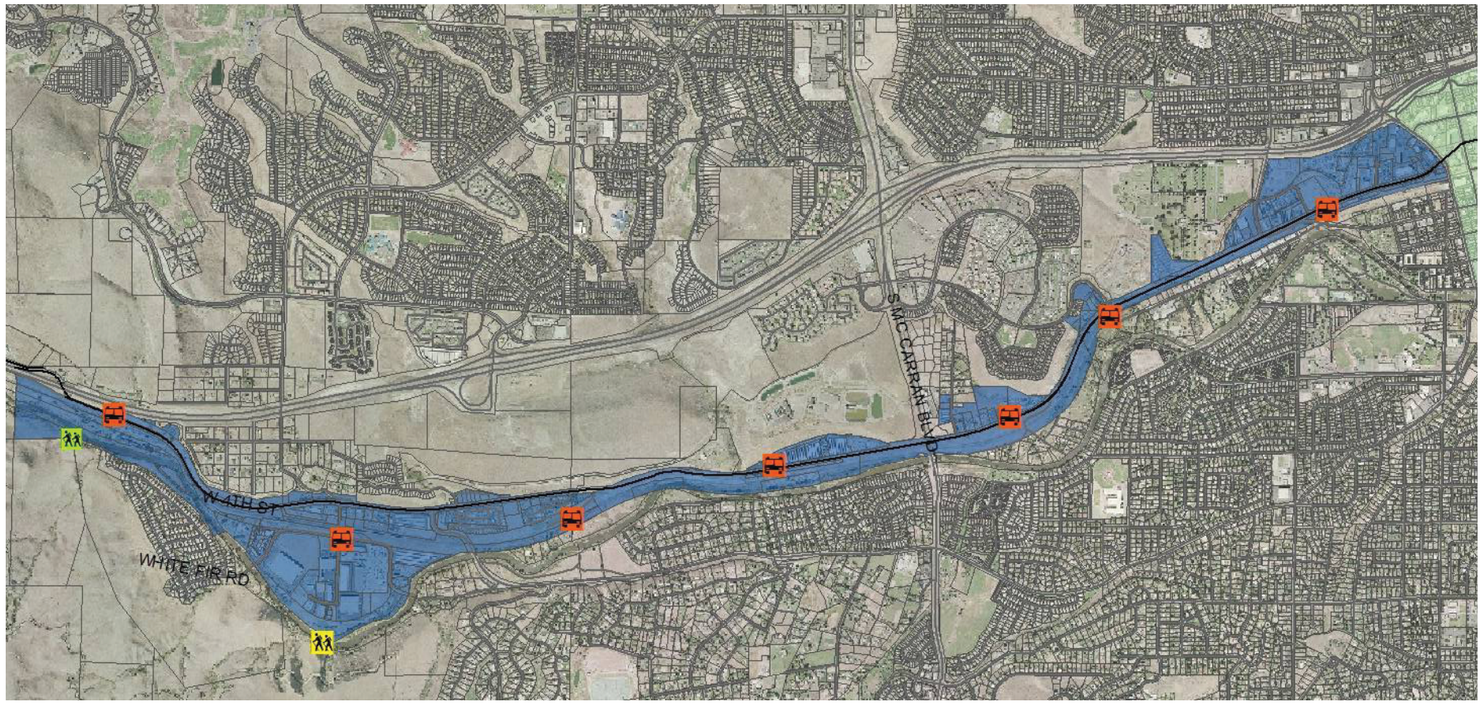
## 3.3.5. Pattern of Future 4th Street TOD Transit Station/Stop Locations:

The East and West 4th Street Transit Oriented Development Corridor Plans have established recommended future Transit Station locations within the Study Area at Cemetery Road and West 4th Street (W. 4th St. TOD Corridor Plan), the east side of the Wells Avenue at East 4th Street intersection (E. 4th St. TOD Corridor Plan), and the west side of the Sutro Street at East 4th Street intersection (E. 4th St. TOD Corridor Plan). The West 4th St. TOD Corridor Plan has established Station spacings at approximately ½ mile apart, and the East 4th St. TOD Corridor Plan has established Station spacings at approximately ¼ mile apart.

In this Corridor Study, an anticipated pattern of stations at approximately ¼ mile spacing is continued for 4th Street between Cemetery Road and Wells Avenue, in keeping with the promotion of the highest density and walkability in this stretch. Station sites are approximate and would be subject to adjustment for specific site configurations.




3.91. East 4th Street TOD Corridor Plan




3.92. West 4th Street TOD Corridor Plan

**Transit Station/Stop Sites - listed from east to west**

**1) West side of Sutro Street/East 4th Street intersection (per E. 4th St. TOD Corridor Plan).**

**2) West side of Eureka Avenue/East 4th Street intersection: This shifts the North Wells Avenue station site (per E. 4th St. TOD Corridor Plan) 1 block to the west, in order to equalize the distances between the next stations east and west.**

**3) Mid-block between North Lake and Evans Streets: New Transit Center.**

**4) East side of West Street/West 4th Street intersection: Silver Legacy Hotel.**

**5) ½ Block west of Ralston Avenue/ West 4th Street intersection.**

**6) West side of Keystone Avenue/ West 4th Street intersection.**

**7) East side of Cemetery Road and West 4th Street intersection (per W. 4th St. TOD Corridor Plan): Adjacent to proposed pedestrian bridge to connect north and south sides of 4th Street, Greenway/ Riverfront Loop and north side of 2nd Street, and Idlewild Park/South Bank of Truckee River.**

3.93. Proposed 4th Street TOD Corridor Transit Station Stop Locations

0′ 250′ 500′ 1000′ 1/4 mile

## 3.4. 2nd Street

### 3.4.1. 2nd Street Corridor-wide character, Segmentation and Fronting Development

#### 1) 2nd Street Corridor Form:

2nd Street is the largest east-west street between the Truckee River and the ReTRAC trench, but does not have as much history and through-connectivity of 4th Street. It crosses the Truckee River and leaves the study area just east of Evans Avenue such that its length within the study area is substantially shorter than 4th Street's. 2nd Street's existing segmentation character shares similar features to 4th Street's, consisting of a denser downtown core portion from Evans Avenue to Arlington Avenue, a less dense mixed commercial "strip" to the west from Arlington Avenue to Chism Street, and a quieter, narrower residential portion further west from Chism Street to the edge of the study area where 2nd Street becomes Dickerson Road.

#### 2) Downtown Core segment:

Within the core area, 2nd Street is a busy and wide street corridor with downtown buildings built up to the back of sidewalk forming a well-defined street wall and urban sidewalk environments. Redevelopment projects have generally reinforced this pattern in this area, and new private investment in infill opportunities will continue this.

#### 3) "Strip Corridor" segment:

The "strip" segment west of Arlington Avenue and extending to Chism Street, however, has been impacted by the same strip corridor disinvestment trends that have affected 4th Street (described above) and faces similar challenges. Frontage properties along this segment currently consist of a varied mix of small office and service oriented uses with front and side parking lots, and scattered remnant residential and retail building types mixed in. In many cases, the street has been widened to the point where sidewalks are minimal at six feet or less in width. in comparison to the width of travel lanes. In combination with the street's wide and multiple lanes and low scale, often set-back and intermittent buildings, a strongly "auto-dominated" character has resulted – one that is furthered by minimal streetscape, generally utilitarian architecture and inconsistent site and building maintenance .

a) Principles of 2nd Street Corridor Restructuring:

But behind and beyond these fronting blocks of "strip" development are the revitalizing blocks of the Riverfront district to the southeast (east of Washington Street), existing single-family residential neighborhoods to the southwest (west of Washington Street, extending south to the Truckee River), and blocks to the north (up to the ReTRAC trench) which are change areas with previously identified revitalization potential. 2nd Street corridor restructuring and revitalization is important here, both for the benefit to the properties and the corridor itself, but also as a means to stabilize investment and value in these adjacent neighborhoods. Introducing corridor residential use of the right "boulevard" scale, density, and character to replace underperforming retail and commercial uses, permitting compatible office uses, clustering retail uses to fit local-serving patterns, and installing supportive and walkable streetscapes are all means to guide former strip corridor patterns to a more attractive and economically self-sustaining future.

b) Changed street access and development potentials west of Keystone Avenue:

Prior to the ReTRAC project, West 2nd Street connected to West 4th Street via a railroad underpass near this Dickerson Road junction; this underpass was removed as part of the restructuring of the trackway. With Dickerson Road ultimately reaching a "dead-end" further to the west, 2nd Street's through-traffic role was sharply reduced west of Keystone Avenue. This has several impacts:

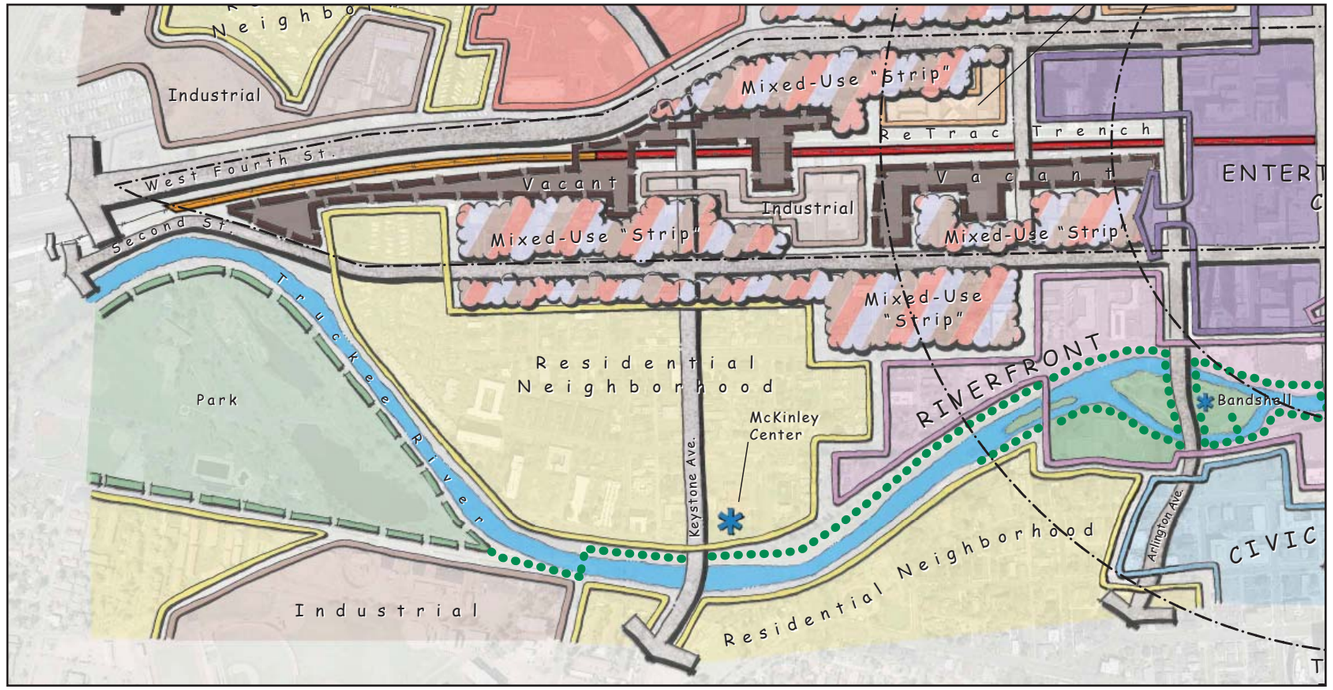
i) The existing triangular mostly single-family home neighborhood bounded by the UPRR tracks, the Truckee River and Keystone Avenue now orients entirely to Keystone Avenue for outside access.

ii) Commercial frontage properties on 2nd Street west of Keystone Avenue are less attractive to businesses seeking visibility and access to through-traffic, further jeopardizing their long-term prospects.

The installation of the envisioned pedestrian/bicycle bridge at the juncture of 2nd Street, Dickerson Road, and Chism Street extension in combination with the existing Booth Street bridge will increase the neighborhood's connection to Idlewild Park and add to its livability and long-term access to 4th Street transit. In combination with ongoing downtown residential infill trends associated with the riverfront and reduced through-traffic, 2nd Street frontage areas west of Keystone may be readily attractive as infill housing sites.

3.94. Existing 2nd Street in the Downtown Core

3.95. Existing 2nd Street West of the Downtown Core




3.96. Patterns of Development and Change - West 2nd Street Corridor Context

3.97. Envisioned West 2nd Street Corridor Context

## 3.4.2. 2nd Street Corridor Segmentation and Streetscape Design

### 1) The street type must support the desired development type:

This principle applies as much to 2nd Street as it does to 4th Street in terms of creating settings for desired infill uses such as boulevard housing. In addition to the minimal character of cobrahead streetlights and absent or sparse street trees, 2nd Street in particular has instances of existing sidewalks of inadequate width (six feet or less) due to roadway widenings not accompanied by right-of-way widenings. While such sidewalks may not have been problematic in front of parking lots, they are not supportive of boulevard housing environments in which fronting rooms of residences as well as pedestrians on the sidewalk must be buffered from the proximity of vehicular traffic moving at speed. A combination of a residential setback dependent on building type, curbside parking, street trees, planter strips, and adequate sidewalk width is necessary to set up such buffering. Where curbside parking is not available, a mimimal configuration of an 8 foot sidewalk with a 4 foot wide continuous planting strip or a 12 foot sidewalk with street trees in wells with tree grates – both with street trees at a minimum of 30 feet on center - would be necessary to create a setting for 3 or more story boulevard housing frontages.

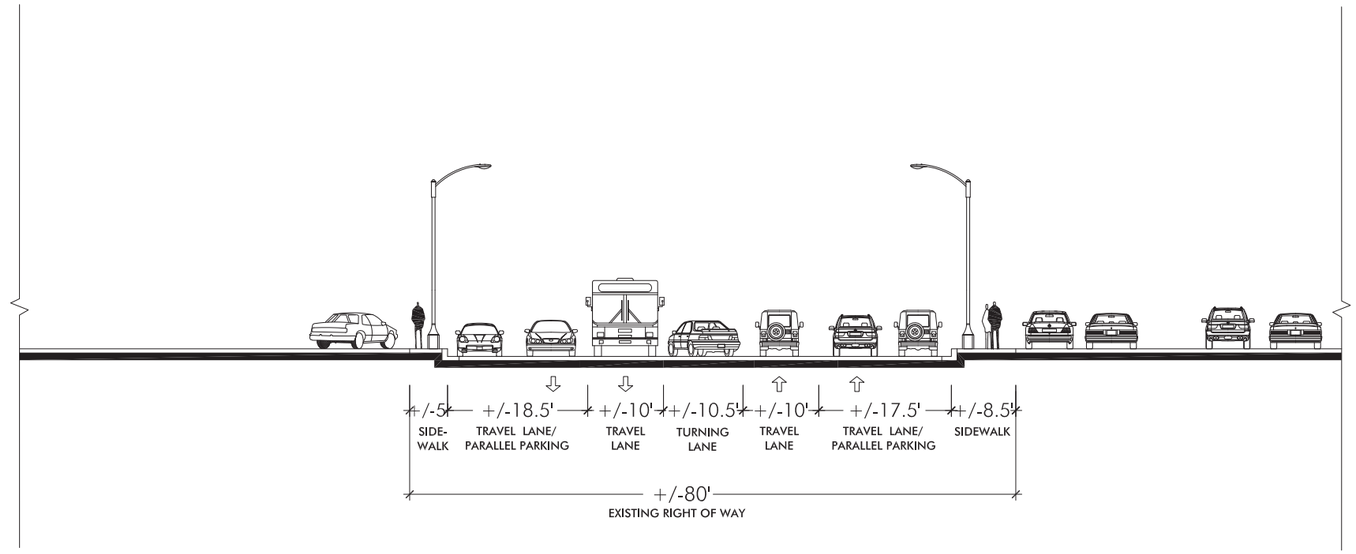
### 2) Successfully installed improved white-colored street lighting a substantial benefit to corridor revitalization:

To extend the continuity of downtown identity, the downtown street lighting standards and their white lighting that has been applied to the 4th Street corridor are installed along 2nd Street within downtown core. More "shielded" streetlights types that prevent excess "spill" lighting from being cast onto residential windows and the night sky are used on residential boulevard segments to the west.

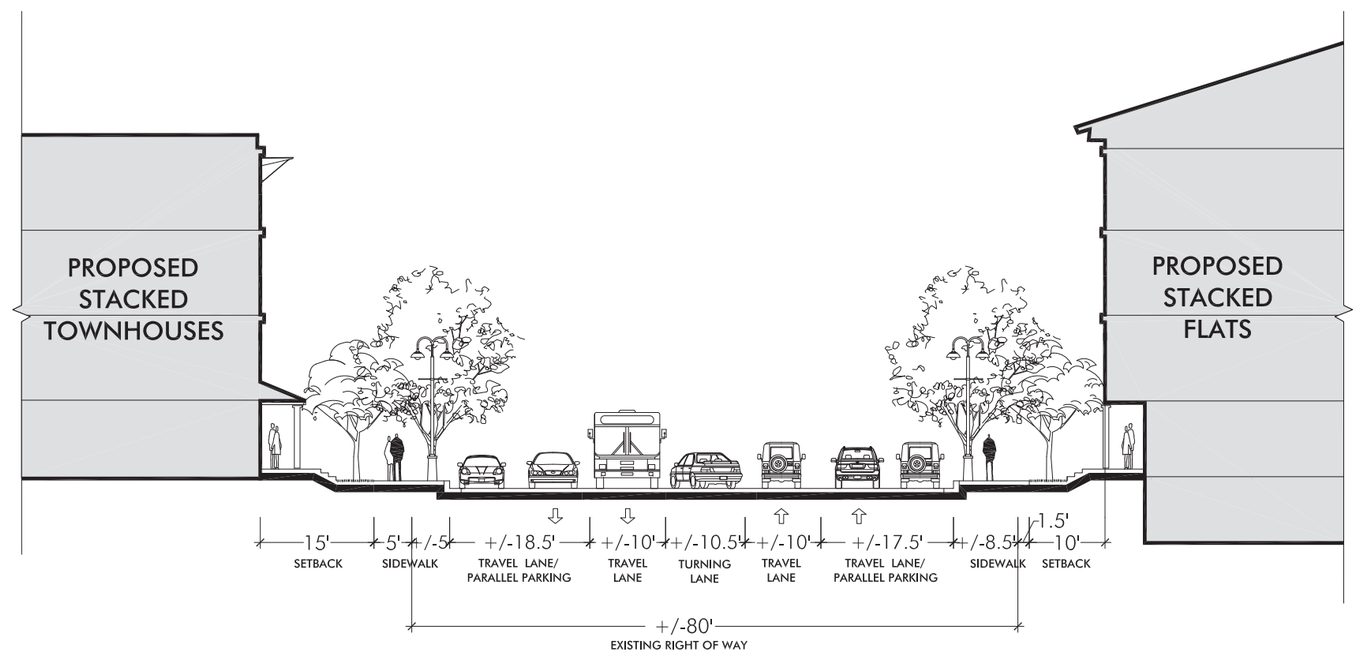
### 3) Systematic street tree planting is an essential follow-up support measure for planned corridor mixed-use residential infill:

Like on 4th Street, a strategic segmentation of street tree planting is used on 2nd Street, in which closer spaced, large-canopy, shadier tree species reinforce areas of greater residential character by providing visual buffering between cars and residences. Wider spaced, more open habit tree species are used at areas of greater commercial use and visibility. Consistency of street tree planting (e.g. one-block minimum length segments of the same species and typical tree-to-tree spacing, and preferably longer) is important in establishing a sense of quality and continuity of the public realm. The use of structural soil installations in tree pits is necessary to assure that urban trees will flourish and not merely survive.

Before- View West




After- View West




3.98. Before and After of 2nd Street at Stevenson Street

## 3.5. Major North-South Corridors

### 3.5.1. Keystone Avenue

As the major north-south street route on the west side of downtown, a boulevard-scale streetscape lighting treatment of Keystone Avenue, similar to that of 4th Street, provides it a strong public realm identity in keeping with its prominent role in the downtown street hierarchy. The use of the downtown streetlight standard and its white lighting, similar to 4th Street, extends the quality, safety, and enhanced image of the night time environment. A boulevard street tree planting supplements this to provide additional definition and "civilizing" of the mostly commercial fronages, while recognizing that business visibility and frequent driveway access may make regular tree spacing a challenge.

### 3.5.2. Virginia Street

Virginia Street's recent streetscape improvements in lighting, decorative paving, furnishings, and public art set the tone for it as the most important, most pedestrian-oriented, and most central north-south corridor in downtown.

### 3.5.3. Wells Avenue

North-south Wells Avenue traverses the study area as an elevated concrete bridge overcrossing while connecting from Kuenzli Street to 6th Street. Envisioned colored bridge uplighting (previously described) marks it as a night-time east side gateway to downtown; use of a signature "architectural" roadway light standard (with a base, shaft, and decorative and recognizable top) atop the bridge would help to establish its daytime role as a gateway structure as well as the major east side north-south street.

3.99. 40th Street Bridge in Emeryville, CA

3.100. Existing Wells Avenue Bridge

The image of the ReTRAC corridor as offered at the time of this Study (see Starting Point: Existing Conditions section and the corresponding Appendices) contrasts vividly with the image of the Corridors portrayed in the Future ReTRAC Corridor section that immediately preceded this one. To revitalize the Corridor in keeping with this vision, the City leadership intends to promote and guide new investment and change by employing municipal policies and resources strategically. Keeping in mind that strategy must always remain sufficiently nimble to respond to unexpected opportunities and to make best use of resources as they come available, the strategic action priorities that the City leadership intends to pursue are the following:

## 4.1. Bring About ReTRAC's Intended Boost to Downtown's Market Potential.

### 4.1.1. Place the highest priority on "finishing" ReTRAC and achieving its intended transformative effects on surrounding blocks.

Despite its enormous achievement, to the eye of the first-time visitor (or for that matter, Reno residents who don't come downtown), ReTRAC hasn't yet finished transforming the "rough" looking areas immediately around it into potentially attractive downtown neighborhoods. The rail trench artifact and its adjacent surroundings still feel largely utilitarian and hard to imagine as a setting for investment and activity.

### 4.1.2. Focus the first moves closest to where tracks were lowered and city blocks stitched back together - along 3rd Street and Plaza Street/Commercial Way, between Keystone and Evans Avenues.

Install physical improvements to substantially upgrade the appearance of the ReTRAC trench and its surrounds from chain link fencing atop austere concrete walls into a heavily tree-lined "grand boulevard" corridor with a landscaped median west of Virginia Street (the 3rd Street Greenway), and a network of pedestrian-scaled, decorated "urban paseo" streets east of Virginia Street (the Entertainment Spine) connecting towards the Ballpark site. Extend the existing combined "nature and grand public works" theme of the riverwalk environment northward into the ReTRAC corridor as a consolidated downtown Reno public realm aesthetic. Set the stage for a great place.

### 4.1.3. Leverage Public Investment to Stimulate Private Investment.

Leverage city investments in street and path improvements, civic buildings, and public spaces to stimulate private development of the first portion of the Greenway and Entertainment Spine. Shape the design of city facilities in current planning (such as the planned "trench cap plazas," the envisioned Public Safety campus and community facility, and the new cross-ReTRAC pedestrian bridge between the Amtrak Station and the relocated CitiCenter Transit Station) to install the first key linkages of the Greenway and set a high bar for the quality of investment that follows.

## 4.2. Set up a ReTRAC-Based Greenway and Entertainment Spine as an Address for Retail and Residential Investment.

### 4.2.1. Move Swiftly.

To leverage current investor preferences for medium-scale residential development projects and to take advantage of the wave of recent downtown residential and entertainment investments, move as swiftly as possible to establish a definition and timetable for capital improvements to realize the 3rd Street Greenway and Entertainment Spine.

### 4.2.2. Create the Greenway/ Entertainment Spine as a path for both activity and value.

Instigate the development of substantial first phase residential and mixed-use projects along the Greenway and Entertainment Spine so as to begin to build a critical mass of residences, active entry doors and ground floor frontages, entertainment destinations, restaurants, and ambiance. Connect the Virginia Street core (where private investments are already underway, such as the Montage) and planned Ballpark sites, and move outward from there. Make the Greenway begin to function as a recognizable feature and a valuable downtown address for both visitors and the larger community.

### 4.2.3. Promote new residential and mixed-use development product types suitable for corridors with development policies; provide specific design guidance to match development types to street types.

Update plan documents to support principles of corridor planning and design, in which corridor-fronting private development and physical character of the street right-of-way are planned together as a unit. Identify and illustrate desired development types. Focus development regulations on physical form (such as in frontage massing and orientation of buildings, and building entry and frontage types) that insure that building types are a good fit to their corridor street environments.

### 4.2.4. Create downtown neighborhoods.

In particular, insure that residential developments and policies help create downtown residential and mixed-use neighborhoods with defined compatible adjacent land uses that utilize the Greenway's amenities and connectivity, more than just individual projects. This is the strongest way to reduce risk and encourage investment, as well as create the "captive base" for downtown retail and restaurants that in turn makes them more authentic and attractive for visitors.

## 4.3. Create the Downtown Greenway-Riverfront Loop.

### 4.3.1. West of Keystone Avenue, extend the Greenway and its enhancements along the south edge of ReTRAC to connect to the Truckee Riverfront and trails.

Incorporate the landscaped Greenway walkway and a new narrow east-west street as the south edge of the proposed Public Safety Campus within its current planning effort. On public land, extend the Greenway path further west along the north edge of the Chism Street extension, particularly where the land is too narrow for economic use. Plan and construct the envisioned pedestrian/bicycle bridge to connect the Greenway over the Truckee River to Idlewild Park, and northward over the ReTRAC trench to the north and south sides of West 4th Street.

### 4.3.2. East of Evans Avenue, extend the Greenway through the Freight House/Ballpark site to connect to the Wells Avenue pedestrian bridge over the Truckee River and riverfront trails.

Insure that site plans for the Freight House/Ballpark site are organized with a strong and clear public path and bikeway connection from East Commercial Way through to the east edge of the site. Pursue the creation of a further path and bikeway linkage past the south edge of the Electrical Substation. East of the Ballpark and electrical substation sites, complete a landscaped public path and bikeway linkage to the Wells Avenue Pedestrian Bridge and its connections to riverfront trails.

### 4.3.3. Promote the goal and progressive completion of the Greenway-Riverfront Loop with publicity campaigns and wayfinding signage.

Promote the Loop's connection with Reno history, community, recreation, and 21st-Century downtown livability. Emphasize the Loop's linkage to successful riverfront revitalization as another way to extend that revitalization emphasis northward into ReTRAC corridor areas, past former and now eradicated impediments.

## 4.4. Revitalize the 4th Street and 2nd Street Corridors within the Study Area.

Substantial areas of disinvested and uncoordinated mixed use along the 2nd and 4th Street corridors are a result of pre-freeway commercial zoning. Refocus community and economic value in these portions of the ReTRAC corridor with the following strategies:

### 4.4.1. Identify distinct corridor segments and promote a supportive mix of compatible uses, development character, and streetscape design for each one.

The commercial strip pattern of retail and commercial development has fallen out of favor with national retailers, often resulting in disinvestment and low value. While supporting successful existing retail ventures already in place along the corridor, provide policy support and encouragement for the transition to the pattern of larger clustered centers at major crossroads that is favored by contemporary customers and investors, and infill of the "in-between" segments with residential and mixed-use residential infill development.

### 4.4.2. Promoting clustered residential or workplace developments that are walkable to envisioned corridor transit station stop locations.

### 4.4.3. Promote new residential and mixed-use development product types suitable for corridors with development policies; provide specific design guidance to match development types to street types.

Update plan documents to support principles of corridor planning and design, in which corridor-fronting private development and physical character of the street right-of-way are planned together as a unit. Identify and illustrate desired development types. Focus development regulations on physical form (such as in frontage massing and orientation of buildings, and building entry and frontage types) that insure that building types are a good fit to their corridor street environments.

### 4.4.4. At envisioned residential segments on 2nd Street where existing sidewalk width is inadequate due to road widenings, implement easement requirements along with required setbacks according to frontage type – to insure long term sustainable value for new developments.

### 4.4.5. Build on precedent of recent Virginia Street streetscape improvements and the new 4th Street lighting to enhance corridor street environments on 2nd and 4th Streets.

On 4th Street, plan and install a corridor sequence of street tree planting in coordination with recent street lighting. Trees should be regularly spaced, tall, and provide a substantial shade canopy in residential segments, and have a more open canopy habit in mixed-use and commercial areas. On 2nd Street, plan and install enhanced street lighting and street trees to create settings to set the stage for desired corridor investment.

### 4.4.6. Exploit district gateway opportunities.

At West 4th Street, shape the envisioned TOD-stop pedestrian bridge into a western downtown Reno gateway structure. Extend and use the "nature and grand public works" theme of downtown riverfront improvements as an aesthetic for this combined bridge/gateway. At East 4th Street at Wells Avenue, enhance the Wells Avenue Bridge Overcrossing structure as an east-side downtown gateway at night with a colored uplighting treatment.

## 4.5. Provide a Streamlined Project Approval Process.

Provide clear, detailed and appropriately flexible development regulations. Streamline the development application review and approval process. Provide investors with complete and detailed specifications for new development required for City approval.

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# SECTION 5: PLANNED CITY ACTIONS

The completion of the transformation and revitalization of the ReTRAC Corridor, building on the success of the ReTRAC project itself, will require a program of actions and investments. Given the length of the corridor and the multiplicity of needs represented, this program will need to be implemented in phases over an extended period of time in accordance with the availability of City resources. The vision of the future ReTRAC corridor has been articulated in Section 3 of this document. The prioritization of City Actions to realize the vision will be guided by the goals and strategies outlined in Sections 1 and 4, respectively. The strategic investment of limited public resources planned in this chapter are intended to accelerate the revitalization process and add to the appeal and success of the corridor as one of the most important east-west spines of downtown Reno, second only to the riverfront.

City actions will be guided by the community intent described in Section 1. As opportunities arise that were not known at the time of this study, the City may consider alternative investment strategies and projects to more effectively realize the community vision for the ReTRAC Corridor.

# 5.A. Capital Improvements

The east-west 3rd Street/ReTRAC Corridor, the 4th Street Corridor, and the 2nd Street Corridor are three inter-related linear "pieces of city" whose root function is based upon the circulatory infrastructure they provide. Their community value and economic value, however, are profoundly influenced by the kind of *places* they are. Each is a dynamic combination of a public right-of-way facility engaged with its flanking (and mostly private) properties. With the removal of previous surface-train-induced "disamenities" by the ReTRAC project, the community is looking forward to the rapid transformation of disinvested portions of these corridors. Further away from the train tracks, however, certain disamenity conditions still remain – such as disinvested "strip corridor" environments.

Since most of the properties that line these corridors are privately owned, or are anticipated to be redeveloped via private investment, the "ice must be broken" in terms of transforming previous market impressions (on the part of potential investors) of future value on the corridors. This is necessary for both long-time owners and business operators who may have ingrained beliefs about what the corridors are, and for potential new investors who make decisions based on what they currently see on the corridors.

The community's greatest ability to leverage change in these attitudes and potentials lies in actions focused on things it controls, namely, capital improvements that can rapidly change the physical appearance and character of a public street right-of-way - so as to stimulate and elevate its market potential, and create settings to enable types of development not previously assumed to be likely or possible. The physical and visual character of improvements also creates a two-fold "quality statement" effect, in demonstrating the gravity of public commitment, and setting higher expectations for ensuing private investment.

The following descriptions of capital improvements to change the potentials for the ReTRAC corridor(s) are globally in order of importance, in terms of the 3rd Street/ReTRAC Corridor as the first priority, 4th Street a second priority, an Eastern Gateway treatment as a third priority, and 2nd Street a fourth priority (while also acknowledging that simultaneous actions may be necessary to take advantage of specific opportunities). Similarly, within each corridor description, segments of improvement are also listed in order of importance.

The vision and transformed character that these capital improvements represent is described in Section 3, "The Future ReTRAC Corridor." Please refer to this section for illustrations of recommended capital improvements.

## 1) General Capital Improvement features

### a) Street and Open Space Lighting

i) ***Color*** – maintain downtown's use of high quality white lighting (3000 or 3200 degrees Kelvin). Exploit advanced energy efficient and long life lamp sources as they become available and cost-effective to maintain, such as advanced metal halide, induction, and LED sources.

ii) ***Poles and fixture***s – use the downtown decorative globe and pole standard for most streets and walks; at narrower locations, use bollard and sconce lighting where space is limited. Use special decorative lighting at special plaza and segment locations. Avoid use of polycarbonate globes that yellow rapidly.

iii) ***Glare reduction*** – work with the Sternberg Company (manufacturer of the current downtown globe fixture standard) to develop further refined versions (compatible with current installations) that shield upward directed light to preserve the dark sky, shield residential upper story windows, reduce glare, and increase efficiency.

iv) ***Placement*** - To the extent possible, locate street light poles in between the curb and the sidewalk walking path to help buffer pedestrians from the effects of moving traffic.

### b) Street Trees

i) ***Types and spacing*** - Develop a palette of tree types and regular spacing guidelines to provide significant visual definition and shading/canopy function to various corridor segments.

(1) Broad canopy shade trees such as the London Plane at residentially-supportive segments; correct pruning will maintain business visibility

(2) Transparent canopy shade trees such as the Idaho Locust at mixed-use segments will allow business visibility

(3) Columnar trees will support business visibility where it is paramount and distinct segment identity where it is prioritized

ii) ***Structural Soil Pits*** - Develop detailing and budgeting for urban tree pits utilizing structure soil installations for long term tree health and return on investment.

iii) ***Holiday lighting*** - Identify needs for electrical outlets for holiday lighting and festival use as part of tree pit planning.

iv) ***Pruning and maintenance*** - Insure that adequate funding and guidelines for proper pruning and maintenance are established at the time of street tree installations, at a minimum for the first 5 years. This is critical for the "performance" of the trees on many levels.

v) ***Placement*** - To the extent possible, locate street trees in between the curb and the sidewalk walking path to buffer pedestrians from the effects of moving traffic.

## 5.A.1. The ReTRAC Greenway and Entertainment Spine

The ReTRAC trench and associated streets and walkways have already created most of the ReTRAC Greenway and Entertainment Spine. The capital improvements listed involve focused visual upgrades along existing portions to realize the full potential of the special corridor space, or involve infill of "missing links" of the Greenway.

## 1) Core Segment – West Street to Evans Avenue

### a) Trench Cap Plazas and Greenway edges – West Street to N. Virginia Street.

Two conceptual "trench cap plazas" under current planning by the City have been envisioned as urban plazas atop the ReTRAC trench, with existing 3rd Street to the north and West Commercial Way to the south. In addition to providing much-needed downtown public open space north of the Truckee River, these plazas perform a critical function in extending pedestrian focus and activity from Virginia Street westward towards the "Grand Residential Boulevard" environment envisioned for the ReTRAC Greenway corridor space, extending westward to Washington Street. To the north and south of the planned plazas, westbound West 3rd Street and eastbound Commercial Row serve as a one-way couplet. Each should be configured as a "slow street" that supports bicycle passage, and each lined with pedestrian sidewalks and substantial landscaping. Establish both sides, north and south of the trench, as Greenway routes.

i) ***Capital Improvement:*** Implement the 2 trench cap plazas to have them serve as public activity plazas as planned, but also as landscaped medians for the building-to-building street space. These plazas play a focal role in the Greenway corridor sequence by anchoring the center of the Greenway/ Entertainment Spine extending both westward and eastward.

ii) ***Capital Improvement:*** When ground floor building frontages along West Commercial Way and West 3rd Street are modified to provide active ground floor uses, provide Greenway corridor streetscape treatments - regularly spaced shade trees and street lights at the south sidewalk of West Commercial Way and north sidewalk of 3rd Street - that are extensions of Greenway streetscape treatments and tree planting treatments extending both westward and eastward along the Greenway and Entertaiment Spine, respectively.

b) Core/Entertainment Spine Segment – N. Virginia Street to Evans Avenue.

This segment is made up of a unique network of narrow streets to form the pedestrian-oriented "Entertainment Spine," fronted upon by important entertainment, civic, historic, and visitor-oriented uses. Streets are passable by cars but visually emphasize pedestrian use and scale.

i) ***Capital Improvement:*** Upgrade the visible chain link fencing and utilitarian concrete ReTRAC wall to decorative fencing, periodic architectural pillars with decorative lighting elements, and base wall articulations; apply a "civic art" approach to the ReTRAC wall and fence that is related or a direct extension of the "nature and grand public works" aesthetic of riverwalk improvements.

ii) ***Capital Improvement:*** Apply "urban paseo" streetscape treatments to Plaza Street, Commercial Row, and pedestrian-only pathways in this segment, and infill "gaps" in streetscape treatment on cross-streets bridging ReTRAC between Plaza Street and Commercial Row. "Urban paseo" describes a treatment to support a pedestrian-intensive, narrow street environment using a combination of regularly spaced decorative white street lighting standards; street paving materials that emphasize pedestrian preferential use, such as unit pavers, colored and/or pattern stamped asphalt, or decorative scoring; strategies to aggressively insert street trees to visually "narrow" the space, such as placement between parked cars where sidewalk width is inadequate; and hanging flower baskets to extend Riverfront theme into the Entertainment Spine. Establish both east-west streets and their cross-connections, north and south of the trench, as continuations of Greenway routes.

iii) ***Capital Improvement:*** At planned Amtrak pedestrian bridge across ReTRAC trench, coordinate its aesthetic appearance to match future Greenway and Entertainment spine aesthetic by directing it to extend the aesthetic of existing Riverwalk amenities into this area.

iv) ***Capital Improvement:*** At the "covered" one-block segment of East Plaza Street beneath National Bowling Stadium, plan and build a decorative ceiling/archway treatment with strong uplighting and drivable "plaza" paving to promote and encourage passage use and enable special event use of the street space as a covered plaza, while maintaining controllable passage for loading and service use. If appropriate, coordinate this with the redevelopment of the adjacent unbuilt space as a public-private partnership.

## 2) Western Gateway Segment – Proposed Idlewild Park Pedestrian/Bicycle Bridge site to Keystone Avenue

a) Plan and build the Idlewild Park pedestrian/ bicycle bridge across the Truckee River, and across the ReTRAC trench and West 4th Street.

i) ***Capital Improvement:*** The Truckee River crossing may be pursued as a Phase I, with the ReTRAC trench crossing and extension over West 4th Street as a Phase II. Switchback ramps may be extended westward parallel to the ReTRAC trench to accommodate grade changes. The bridge should be designed with a "nature and grand public works" aesthetic to complement the river setting and serve as a Western Downtown Gateway structure over West 4th Street.

b) Implement the Greenway connection as a component of development of City-owned ReTRAC land.

i) ***Capital Improvement***: As part of the site planning of the envisioned Public Safety campus development between Chism Street and Keystone Avenue, implement an east-west narrow street along the south edge of the property. Implement the Greenway path along the north side of this street and as part of the landscaped frontage of the Public Safety site. Provide residential scale lighting and street trees along both sides of the street in this segment. Locate street trees and streetlights in between the Greenway path and the street to provide adequate buffering.

ii) ***Capital Improvement:*** Implement a pathway extension of the Greenway along the north edge of the Chism Street extension. Provide residential scale lighting and street trees along both sides of the Chism Street extension in this segment. Locate street trees and streetlights in between the Greenway path and the street to provide adequate buffering. Where the property narrows too much for parking or other uses as the extension converges towards the ReTRAC trench wall, create a linear park segment for the Greenway and screen the ReTRAC wall and fence with substantial vegetation.

c) Plan and build a signalized pedestrian and bicycle crossing across Keystone Avenue at the alleyway alignment south of the ReTRAC trench and north of 2nd Street.

i) ***Capital Improvement:*** Configure this as a synchronized signal with 2nd Street intersection and 4th Street intersection signalization cycles.

## 3) Westside Neighborhood Segment – Keystone Avenue to West Street

a) Plan and build the Washington Street to West Street segment as a "grand residential boulevard" segment.

Extend the pattern of westbound West 3rd Street (north of the ReTRAC trench) and eastbound Commercial Row (south of the ReTRAC trench) as a one-way couplet, each as a "slow street" that supports bicycle passage, and each lined with pedestrian sidewalks and substantial landscaping. Establish both sides, north and south of the trench, as Greenway routes. Provide curbside parking and planting strips between sidewalk and curb to the degree possible.

i) ***Capital Improvement***: Extend West Commercial Way for two blocks westward from Arlington Avenue to Washington Street. If appropriate, explore public-private partnerships with property owners/ developers to install the street and create the added value of the address.

ii) ***Capital Improvement***: Where new street connections are planned, implement small "greens" or parkway medians at focal intersection locations, such as Bell Street at (extended) West Commercial Way, and Stevenson Street at (extended) West Commercial Way. Locate focal features such as fountains within these greens. If appropriate, explore public-private partnerships with property owners/developers to install the greens and create the added value of the address.

iii) ***Capital Improvement:*** Upgrade the visible chain link fencing and utilitarian concrete ReTRAC wall to decorative fencing, periodic architectural pillars with decorative lighting elements, and base wall articulations; apply a "civic art" approach to the ReTRAC wall and fence that is related or a direct extension of the "nature and grand public works" aesthetic of riverwalk improvements. Provide screening planting with color and "pulsed" plant massing in front of walls.

iv) ***Capital Improvement:*** Install two parallel "colonnades" of tall, vertical form, regularly-spaced trees at the outer edges of the "central median" created by the ReTRAC trench and its Greenway edges, to define the "grand boulevard" segment, screen residential views of the trench, and match the scale of the wide width of the corridor.

b) Plan and build the Keystone Avenue to Washington Street segment as a Greenway connector to the "grand residential boulevard" segment.

Extend the "grand residential boulevard" treatment onto the single block of West 3rd Street between Vine and Washington Streets. Shift the primary Greenway and bicycling path southward at Washington Street to the east-west alley between 2nd Street and the ReTRAC trench. Provide landscaped pedestrian paths from Keystone Avenue to Vine Street adjacent to and north of the trench, and from Keystone to Washington Street adjacent to and south of the trench

i) ***Capital Improvement***: As part of the planned community facility on ReTRAC land at the south edge of the trench and between Vine and Washington Streets, plan and build the primary Greenway path along the Washington Street frontage and along the south alley frontage (between Vine and Washington Streets). Provide residential scale lighting and street trees along the alley in this segment. To the degree possible, locate street trees and streetlights in between the Greenway path and the alley to provide adequate buffering. Provide wayfinding signage to direct pedestrians and bicyclists from the "grand residential boulevard" segment west of Washington Street to the alleyway alignment east of Washington Street and vice versa. Configure the site plan and architecture of the community facility to serve as a landmark and "pivot point" for this shift in Greenway alignment. Continue the alley treatment westward between Vine Street and Keystone Avenue to meet the signalized pedestrian/bicycle crossing previously described in 3.1.1-2c.

ii) ***Capital Improvement:*** Upgrade the visible chain link fencing and utilitarian concrete ReTRAC wall to decorative fencing, periodic architectural pillars with decorative lighting elements, and base wall articulations; apply a "civic art" approach to the ReTRAC wall and fence that is related or a direct extension of the "nature and grand public works" aesthetic of riverwalk improvements. Along West 3rd Street between Vine and Washington Street, provide screening planting with color and "pulsed" plant massing in front of walls.

iii) ***Capital Improvement:*** Install landscaped pedestrian paths with path illumination from Keystone Avenue to Vine Street adjacent to and north of the trench, and from Keystone to Washington Street adjacent to and south of the trench.

iv) ***Capital Improvement:*** To the degree possible, extend the installation of the two parallel "colonnades" of tall, vertical form, regularly-spaced trees at the outer edges of the "central median" created by the ReTRAC trench westward from Washington Street to Vine Street.

### 4) East Connector Segment – Evans Avenue to Wells Avenue Pedestrian Bridge

a) Plan and build the Greenway/bikeway connection from the electrical substation to the Wells Avenue Pedestrian Bridge.

i) ***Capital Improvement:*** Install a landscaped and illuminated Greenway pedestrian and bicycle path on ReTRAC property between the ReTRAC wall and Truckee River, to connect from the eastern edge of the electrical substation to the Wells Avenue pedestrian bridge.

ii) ***Capital Improvement:*** Work with the electrical utility to enable a path connection (or easement, if needed) past the southeast corner of the electrical substation facility.

iii) ***Capital Improvement:*** As the sequence of development allows, plan and build a river path connection with illumination and landscaping along the north bank of the Truckee River from the northside East 2nd Street sidewalk to the path connection at the southeast corner of the electrical substation.

b) Plan and build the Greenway/bikeway connection through the "Freight House site" from the Commercial Row alignment at Evans Avenue to the Greenway/bikeway connection.

i) ***Capital Improvement:*** Work with private developer(s) in a public-private partnership as needed to plan and build an extension of the Greenway path past the south face of the Freight House buildings, and shifting southwards toward the south edge of the electrical substation. Design the path with width for pedestrian and bicyclists, illumination, seating, wayfinding signage, and landscaping. Configure a safe pedestrian crossing of Evans Avenue at Commercial Row.

## 5.A.2. 4th Street Streetscape Improvements

With the installation of improved, decorative street lighting on 4th Street throughout the majority of the study area, streetscape improvements listed below are generally supplementary in nature. The planting of a continuous canopy of mixed-use corridor street trees is of the highest priority, in order to create supportive settings for residential and mixed-use residential development.

### 1) Mixed-Use Eastern Segment – Evans Avenue to Sutro Street

a) Plan for undergrounding of overhead utility lines.

i) ***Capital Improvement:*** As funding permits, plan for the undergrounding of pole-mounted utility lines along the street frontage to create a supportive setting for desired higher value development, and enable the provision of substantial street trees.

b) Plan and install mixed-use corridor street trees.

i) ***Capital Improvement:*** Install continuous, regularly spaced street trees on both sides of the street with an irrigation system. Optimal spacing is at approximately 30 feet on center, with maximum preferred spacing at approximately 50 feet on center. The tree species should be a broad canopy tree providing substantial shade, fast growing, but capable of being pruned so that branching and canopy foliage will not block business visibility of frontages at early maturity and that canopies will be thinned. The London Plane tree is a good candidate for this type, assuming that overhead utility lines do not conflict. Otherwise, select a lower height tree from utility agency guidelines. Locate trees in a regular spacing relationship to streetlight poles to avoid conflicts (i.e. centered between streetlight poles). As sites redevelop, relocate or close 4th Street driveways to permit a more consistent installation of trees.

### 2) Mixed-Use Western Segment – Vine Street to West Street

a) Plan for undergrounding of overhead utility lines.

i) ***Capital Improvement:*** As funding permits, plan for the undergrounding of pole-mounted utility lines along the street frontage to create a supportive setting for desired higher value development, and enable the provision of substantial street trees.

b) Plan and install mixed-use corridor street trees.

i) ***Capital Improvement:*** Install continuous, regularly spaced street trees on both sides of the street with an irrigation system. Optimal spacing is at approximately 30 feet on center, with maximum preferred spacing at approximately 50 feet on center. The tree species should be a broad canopy tree providing substantial shade, fast growing, but capable of being pruned so that branching and canopy foliage will not block business visibility of frontages at early maturity and that canopies will be thinned. The London Plane tree is a good candidate for this type, assuming that overhead utility lines do not conflict. Otherwise, select a lower height tree from utility agency guidelines. Locate trees in a regular spacing relationship to streetlight poles to avoid conflicts (i.e. centered between streetlight poles). As sites redevelop, relocate or close 4th Street driveways to permit a more consistent installation of trees.

### 3) Core Segment – West Street to Evans Avenue

a) Plan and install infill street trees.

i) ***Capital Improvement:*** At block faces where trees have not yet been planted, install continuous, regularly spaced street trees to match existing trees and spacings across the street, or those on adjacent blocks. Locate trees in a regular spacing relationship to streetlight poles to avoid conflicts (i.e. centered between streetlight poles). As sites redevelop, relocate or close 4th Street driveways to permit a more consistent installation of trees.

### 4) Keystone Avenue Segment – Edwards Way to Vine Street

a) Plan and install commercial corridor street trees.

i) ***Capital Improvement:*** Install continuous, regularly spaced street trees on both sides of the street. The tree species should be a vertical canopy tree or a palm tree to provide good business visibility of frontages. Locate trees in a regular spacing relationship to streetlight poles (i.e. centered between streetlight poles). As sites redevelop, relocate or close 4th Street driveways to permit a more consistent installation of trees.

### 5) Western Gateway Segment – Cemetery Way to Edwards Way

a) Plan and install gateway corridor street trees.

i) ***Capital Improvement:*** Install continuous, regularly spaced street trees on both sides of the street. The tree species should be a vertical canopy tree or a palm tree to provide good business visibility of frontages. Locate trees in a regular spacing relationship to streetlight poles (i.e. centered between streetlight poles). As sites redevelop, relocate or close 4th Street driveways to permit a more consistent installation of trees.

## 5.A.3. Eastern Downtown Gateway Feature

Note: a Western Gateway is described in Section 3.1.1-2a, above.

### 1) Exploit the existing Wells Avenue Overpass Bridge structure as a inexpensive, high impact means of creating an Eastern Downtown Feature.

i) ***Capital Improvement:*** Plan and build an inexpensive means of creating a high visibility, high impact night-time Eastern Downtown Gateway Feature, by means of colored uplighting of the Wells Avenue Overpass Bridge structure. Such colored uplighting (achieved by means of colored metal halide lamps, or similar high-intensity discharge lamps with filters) has been successfully applied, for example, by the City of Miami to bridges crossing Biscayne Bay as gateways to the city. They add a signature element and are visible for many miles. With the length of the structure extending from Kuenzli Street to East 6th Street (just over 2,000 feet), the uplit structure would be visible from I-80, I-395, and from aircraft on approach to Reno International Airport.

ii) ***Capital Improvement:*** Take advantage of the high visibility location and replace existing "cobrahead" style bridge light standards with a thematic decorative street lighting luminaire and pole, to strengthen the bridge's gateway form and the importance of Wells Avenue as a downtown corridor.

## 5.A.4. 2nd Street Streetscape Improvements

### 1) Core Segment – Arlington Street to Evans Avenue

a) Plan and install downtown decorative street lights.

i) ***Capital Improvement:*** Similar to 4th Street, plan and install a regularly spaced installation of downtown decorative street lights to emphasize this segment's continuity of district identity, activity, pedestrian ambiance, and safety relative to Virginia Street, 4th Street, and other key downtown streets.

### 2) Mixed-Use Western Segment – Keystone Avenue to Arlington Street

a) Plan and build selected sidewalk widenings to achieve a minimum 10 foot width, in coordination with policy updates and potential public-private agreements.

i) ***Capital Improvement:*** To provide appropriate downtown walkability, street buffering, and quality of development settings, plan and build block-long sidewalk replacements and widening onto potential property easements. A ten foot minimum width standard should be applied.

b) Plan for undergrounding of overhead utility lines.

i) ***Capital Improvement:*** As funding permits, plan for the undergrounding of pole-mounted utility lines along the street frontage to create a supportive setting for desired higher value development, and enable the provision of substantial street trees.

c) Plan and install mixed-use corridor street trees.

i) ***Capital Improvement:*** Install continuous, regularly spaced street trees on both sides of the street with an irrigation system. Optimal spacing is at approximately 30 feet on center, with maximum preferred spacing at approximately 50 feet on center. The tree species should be a broad canopy tree providing substantial shade, fast growing, but capable of being pruned so that branching and canopy foliage will not block business visibility of frontages at early maturity and that canopies will be thinned. The London Plane tree is a good candidate for this type, assuming that overhead utility lines do not conflict. Otherwise, select a lower height tree from utility agency guidelines. Locate trees in a regular spacing relationship to streetlight poles to avoid conflicts (i.e. centered between streetlight poles). As sites redevelop, relocate or close 4th Street driveways to permit a more consistent installation of trees.

d) Plan and install decorative residential character street lights.

i) ***Capital Improvement:*** Plan and install a regularly spaced installation of decorative residential character street lights to emphasize this segment's continuity of district identity, activity, pedestrian ambiance, and safety relative to Virginia Street, 4th Street, and other key downtown streets.

# 5.B. POLICY UPDATES

As outcomes of the ReTRAC Corridor Study, the following policy updates may be considered:

## 5.B.1. Update the "Downtown Blueprint"

By definition, the ReTRAC Corridor Study focuses on the vision and recommended priorities to accomplish goals for the study area. It does not pursue recommendations for other downtown districts (particularly those north of I-80 and south of the Truckee River). A decade and a half before this study, the vision for greater downtown Reno was set by the Downtown Blueprint process, in which a new vision for riverfront revitalization and well-defined downtown districts was established. That vision has been largely realized in the time since and has been further articulated in the Downtown Regional Center Plan as well as numerous other planning documents and programs. However, the economic, demographic, and cultural circumstances for downtown Reno have substantially evolved since that time, and Reno faces new challenges.

In the ReTRAC Corridor Study, the community has proposed a bold public-realm based development vision for 21st Century downtown Reno, using the foundation of the ReTRAC project. It is a vision to grow downtown livability, place-uniqueness, and value on downtown's "sunk assets" of rail infrastructure and public streets and ways, in order to promote private reinvestment and revitalization. It is a vision that supports both a Reno resident and a visitor economy, and is in line with the City's maxim to "Make It Great." It also "piggybacks" onto Reno's visionary transit-oriented development policies for West and East 4th Streets, which along with the Virginia Street TOD corridor and others, anticipate downtown-connected population growth that will need convenient, user-friendly and energy-efficient transportation and other livability incentives to use land efficiently.

In order for this type of sub-area vision to be equitably integrated into greater downtown needs and to create synergies with efforts and initiatives in other Reno neighborhoods as well, the time may be ripe for an updated Downtown Blueprint vision.

## 5.B.2. Update the Downtown Regional Center Plan

The Downtown Regional Center Plan's district definitions currently define the district structure of downtown as a series of "tiles" of areas of uniform minimum density requirements within their boundaries. In a number of cases, the boundary lines between district areas lie on key arterial street corridors such as Keystone Avenue and Wells Avenue. From the perspectives of real estate, economic activity, and urban design practice, arterial and major street corridors (i.e., the arterial street right-of-way and enfronting properties on two sides) are typically linear "subdistricts" in and of themselves, where properties on both sides of the street share characteristics and a common address. They typically need to be managed as singular entities in terms of land use, development standards and design guidelines, maintenance, and economic promotion and performance.

Corridors also are more specialized as pieces of city fabric than larger districts composed of typical city streets and blocks, due to their linear nature and generally higher traffic counts (and passing eyeballs and wallets). Because of their higher traffic loads and visibility, they often represent the character and quality of the greater district more so than other places to both visitors and residents. Building types and site development types tend to be specialized in relation to their corridor sites, often applying national formulas from national chain businesses and their lenders – with potentially positive and negative results. The fabric of neighborhoods immediately behind the first row of corridor properties often has very different needs and development tendencies than on the corridor.

In addition, the long, linear nature of corridors typically results in a natural segmentation – for better or worse, in the absence of a specific city policy. The retail industry's preference for visibility and access tends to create clustering at arterial intersections and freeway interchanges. Various types of businesses – auto services, motels, convenience food, for example – seek corridor locations, balancing price versus access and visibility. The flight of national retailers from suburban strip corridors towards clustered and anchored formats within the last 20 years has resulted in wholesale abandonment and disinvestment of often commercially-overzoned corridors. Corridors are often the "last frontier" for housing sites when downtowns and nearby neighborhoods of cities are built-out, but their often unattractive and uncontrolled character tends to inhibit investment.

Cities have the power to shape this specificity to better ends. At a minimum, it would be to the advantage of the Downtown Regional Center Plan to be updated to recognize and incorporate the subdistricts of corridor form, and to recognize and shape the different and more specialized circumstances and needs of corridors and their fronting properties. A form-based code approach, in which development regulations are composed to achieve the envisioned physical form for the Corridors, provides the greatest level of investor assurance of "what my investment will be next to" and thus supports corridor revitalization. Rather than using policy to separate land uses, development regulations of form-based codes are focused on physical specifications that permit a more harmonious mixture of uses on neighboring properties and that foster the creation of a more attractive public realm and city identity.

The most constrained development condition with the study area is on 2nd Street, where actual sidewalk widths within the public right-of-way have often been whittled down to six feet or less in width with no curbside parking. This condition is a disincentive to residential or mixed-use investment, in that dwelling rooms are likely to be set too close to the road (let alone the overhead utility wires). A corridor-wide or segment-wide policy in which a requirement for a 10 foot wide minimum sidewalk width should be established in minimum one-block long increments. If necessary, a public-private partnership should be exercised to create an easement and mechanism to achieve this. In addition, for residential frontages, a 10 to 15 foot landscaped front set back should be incorporated to provide further necessary buffering between arterial traffic movement and dwelling rooms (see the envisioned 2nd Street corridor configurations in Section 3) to insure that corridor residential development will hold value and maintain livability over time.

## 5.B.3. Update Transportation Plan aspects in the Downtown Regional Center Plan and Downtown Transportation Plan

The envisioned changes in streets, signalized intersections, bicycle and pedestrian routes and bridge connections (see Section 3) should be incorporated into the transportation aspects of the Downtown Regional Center Plan and Downtown Transportation Plan.

In particular, assuming that no roadway widenings requiring building demolition are to be considered, the inherent conflicts in the indicated and potentially over-programmed circulatory roles of 4th Street shown in the Downtown Regional Center Circulation Plan (note the red, yellow, and blue colors shown for 4th Street on figure 1 in Section 5C) – Business 80, vehicular artery, transit route, bicycle route, pedestrian-friendly street, and as a TOD corridor, a livable mixed-use residential street – should be resolved and clarified, as recommended in the Circulation section of this document.

## 5.B.4. Update "Open Space & Greenways Plan" with ReTRAC Corridor elements, especially the Greenway-Riverfront Loop

The envisioned provision of the Greenway paths and open spaces which in combination with riverfront paths will create the 3.8 mile Greenway-Riverfront Loop should be incorporated into the Open Space Plan, including the pedestrian and bicycle bridge connection between Idlewild Park, 2nd Street, and 4th Street.

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# Reno ReTRAC Project Traffic and transit Report

## Prepared by CHS Consulting Group

## 5.C.1. Introduction

This report assesses whether the projected mid-term and long-term infill development on sites evaluated as having "Potential for Change" (see Figure X, Page Y of Section 2) would cause significant traffic impacts, and determines the potential benefits and impacts of these potential infill developments on the proposed Transit Oriented Development (TOD) Corridor Plans along 4th Street in Reno. The City of Reno published two documents in 2006: one for the East 4th Street TOD Corridor Plan (generally between Wells Avenue and the City boundary of Sparks), and the other for the West 4th Street TOD Corridor Plan (generally between Keystone Avenue and 4th Street, ending at Interstate Highway 80 [I-80]).

4th Street was formerly part of U.S. Highway 40 (US 40), and currently has low-density development and low transit services. Both of the TOD Corridor Plans present TOD development concepts and policies, including intensity and density of development.

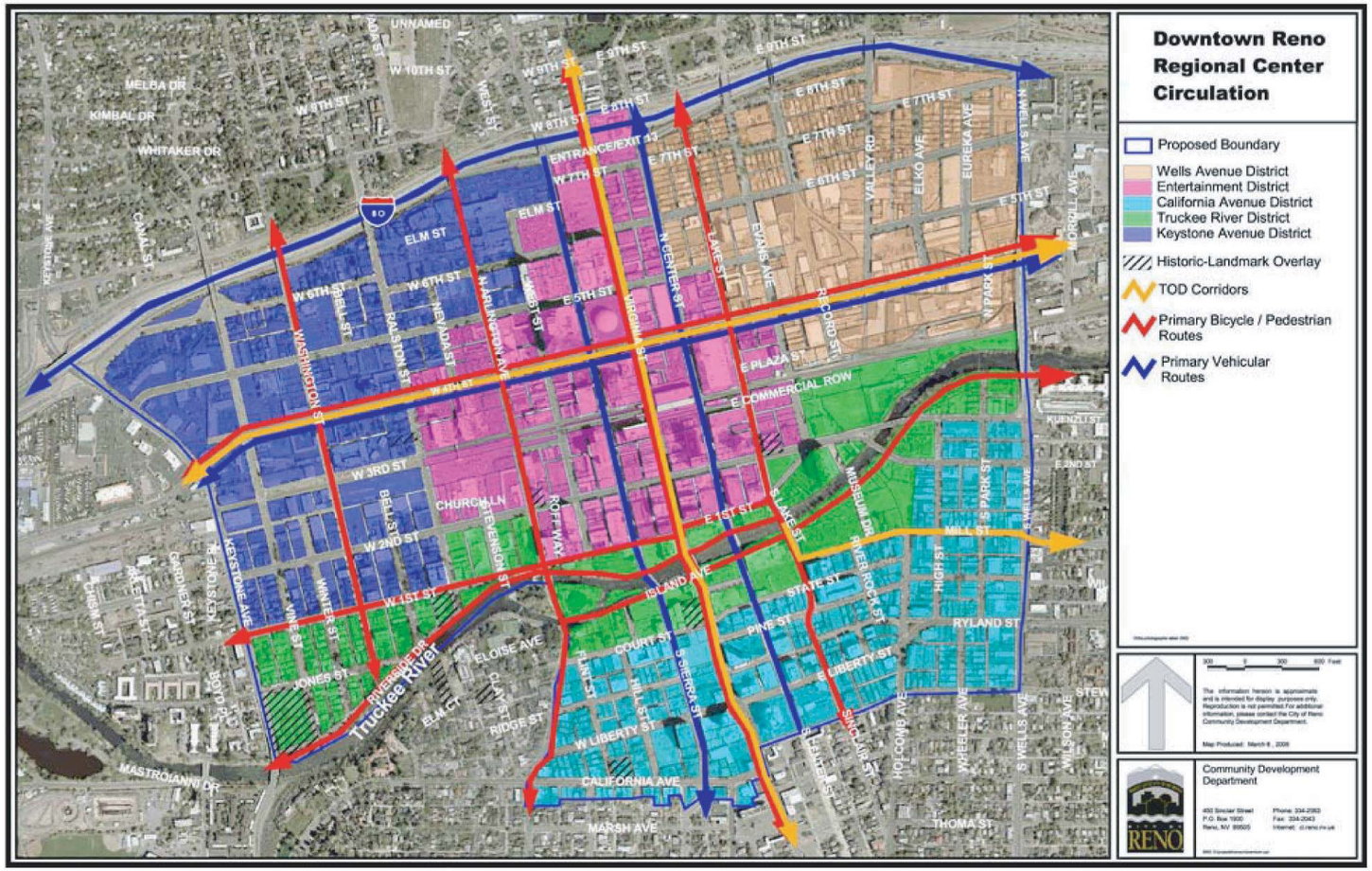
## 5.C.2. Existing Traffic and transit Conditions

Existing traffic and transit services conditions were obtained from the following documents:

- *Downtown Reno Circulation and Parking Plan*, Fehr & Peers, November 2006
- Traffic Operations Analysis for Narrowing Virginia Street, Fehr & Peers, July 2006
- *East and West 4th Street Transit Oriented Development Corridor Plan*, City of Reno Community Development Department, June 2006
- *ReTRAC Enhancements Transportation Analysis*, Fehr & Peers, March 2006
- *Short Range Transit Plan FY 2005-1009 Final Report*, Regional Transportation Commission, March 2005
- *2030 Regional Transportation Plan*, Regional Transportation Commission of Washoe County, November 2004
- *Downtown – Putting It All Together*, City of Reno Community Development Department, December 2002
- *CitiStation Transit Center Final Environmental Assessment*, September 2002
- *Central City Master Circulation Plan*, City of Reno, January 2002
- *Reno Railroad Corridor Draft EIS*, May 2000

### 1) Transportation Plan Policies

The Downtown Reno Regional Center Plan, City of Reno Community Development Department, March 2006 identifies street classifications in Downtown Reno (Figure 1), which include primary vehicular routes, primary bicycle/pedestrian routes, and TOD corridors. The primary vehicular routes include Keystone Avenue, N. Sierra Street, N. Center Street, and N. Wells Avenue. The primary bicycle/pedestrian routes include Washington Street, N. Arlington Avenue, N. Virginia Street, N. Lake Street, 4th Street, 1St Street, Riverside Drive, and Island Avenue. TOD corridors include 4th Street and N. Virginia Street.




CHS Consulting Group

Figure 1
Downtown Reno Roadway Classification System

## 2) Roadway Circulation System

The Reno Downtown roadway system generally forms a grid, with Virginia Street functioning as the north-south spine for the main entrances to the major casinos. N. Sierra and N. Center Streets form a one-way couplet on the east and west sides, respectively, of N. Virginia Street, functioning as major vehicular routes to and from Reno Downtown and I-80 ramps. 4th and 2nd Streets carry the majority of east-west traffic.

**N. Virginia Street** is also Nevada State Highway 395. It is the structural north-south spine of Downtown Reno and serves as a major transit corridor. It has four travel lanes (two lanes in each direction), and curbside parking is generally not permitted. Within the Downtown area, it serves the main entrances to the major casinos. The right-of-way is 80 feet wide and the curb-to-curb distance is 42 feet.[1]

**N. Sierra Street** is a north-south arterial, operating one way in the southbound direction south of I-80 in Reno Downtown. It provides vehicular access to several major casino parking garages, and has an overpass over I-80 to areas to the north. The right-of-way is 80 feet wide and the curb-to-curb distance is 55 feet.

**West Street** is a north-south street, west of N. Sierra Street. It has two travel lanes (one lane in each direction) and a center left-turn lane and on-street parking on both sides. The right-of-way is 80 feet wide and the curb-to-curb distance is 55 feet.

**N. Arlington Avenue** is a north-south street, west of West Street. It has four travel lanes (two lanes in each direction) and a center left-turn lane and on-street parking on both sides. The right-of-way is 80 feet wide and the curb-to-curb distance is 66 feet.

**Vine Street** is a major north-south street, with an overpass over I-80. It has four travel lanes (two lanes in each direction) and on-street parking on both sides. The right-of-way is 80 feet wide and the curb-to-curb distance is 66 feet.

**Ralston Street** is a major north-south street, with an overpass over I-80. It has four travel lanes (two lanes in each direction) and on-street parking on both sides. The right-of-way is 80 feet wide and the curb-to-curb distance is 66 feet.

**Washington Street** is a major north-south street, with an overpass over I-80. It has four travel lanes (two lanes in each direction) and on-street parking on both sides. The right-of-way is 80 feet wide and the curb-to-curb distance is 66 feet.

**Keystone Avenue** is a major north-south arterial street, with a major freeway interchanges at I-80. It has four travel lanes (two lanes in each direction) and a center left-turn lane and on-street parking on both sides. The right-of-way is 80 feet wide and the curb-to-curb distance is 66 feet.

**N. Center Street** is a north-south arterial, operating one way in the northbound direction south of I-80 in Reno Downtown. It has three travel lanes with on-street parking on both sides. The right-of-way is 80 feet wide and the curb-to-curb distance is 55 feet.

1 *Reno Railroad Corridor Draft EIR*, May 2000.

**N. Lake Street** is a north-south street, east of Center Street. It has two travel lanes (one lane in each direction) and a center left-turn lane and on-street parking on both sides. The right-of-way is 80 feet wide and the curb-to-curb distance is 63 feet.

**Evans Avenue** is a north-south street, east of N. Lake Street. It has two travel lanes (one lane in each direction) and on-street parking on both sides. The right-of-way is 80 feet wide and the curb-to-curb distance is 40 feet.

**N. Wells Avenue** is a major north-south arterial street providing a direct access to I-80. Within the project area, it spans between Kuenzli Street and East 6th Street on an overpass structure. A significant section of Wells Avenue is divided with six travel lanes (three lanes in each direction). The curb-to-curb distance is 80 feet. South of East 5th Street, Wells Avenue is a viaduct and portions of the alignment Wells Avenue has two levels.

**Sutro Street** is a north-south street, east of Wells Avenue and is the ReTRAC Corridor Study's eastern project limit. It has four travel lanes, two in each direction. The curb-to-curb distance varies from approximately 51 to 70 feet.

**W. 4th Street** is the old US 40 and is designated as Business 80 within the project area. It has four travel lanes (two lanes in each direction), a center left-turn lane, and on some blocks on-street parking on both sides. The rights-of-way vary in width, and the curb-to-curb distances range from 53 to 63 feet.

**East Plaza Street** is a three-block long local street between N. Virginia Street and Evans Avenue. National Bowling Stadium extends above the block of East Plaza Street between N. Center and N. Lake Streets.

**W. 3rd Street** is an east-west local street, north of the Union Pacific Railroad (UPRR) track, between N. Virginia Street and Vine Street. It has two travel lanes (one lane in each direction) and on-street parking on both sides. The right-of-way is 80 feet wide and the curb-to-curb distance is 42 feet.

**W. Commercial Row** is a six-block long local street between N. Arlington Avenue and approximately Evans Avenue. The section between N. Sierra and N. Lake Streets is one-way eastbound.

**W. 2nd Street** is an east-west street, with four travel lanes (two lanes in each direction) and on-street parking on both sides. Prior to the ReTRAC project, it crossed the UPRR tracks below grade at an underpass located approximately 3,500 feet west of Keystone Avenue and continued further to merge with W. 4th Street. This crossing was closed as part of ReTRAC improvements, and W. 2nd now continues westward from this point as Dickerson Street, south of the UPRR tracks. The right-of-way is 80 feet wide and the curb-to-curb distance is 42 feet.

**W. 1st Street** is an east-west street, with four travel lanes (two lanes in each direction) and on-street parking on both sides. It connects E. 2nd Street at Evans Street and W. 2nd Street at Chism Street. The right-of-way is 80 feet wide and the curb-to-curb distance is 42 feet.

The City of Reno in 2006 completed the depression of approximately 2-mile long Union Pacific rail tracks in its downtown, located just south of Third Street, into a 33-foot open trench. The depressed section begins at the intersection of Fourth Street and Second Street on the west and ends at the intersection of Sutro Street and Commercial Row on the east. This project significantly improved traffic circulation and safety in Downtown Reno. Vehicles are no longer delayed at the downtown intersections for the train crossings.

## 3) Existing Intersection Levels of Services

Traffic operating characteristics of intersections are described by the concept of level of service (LOS). LOS is a qualitative description of an intersection's performance based on the average delay per vehicle. Intersection LOS ranges from A (which indicates free flow or excellent conditions with short delays) to F (which indicates congested or overloaded conditions with extremely long delays). LOS A, B, C, and D are considered excellent to satisfactory service levels, while LOS E and LOS F are considered unacceptable. Appendix A presents the LOS descriptions for signalized intersections.

Traffic volume data for the LOS analysis were obtained from several previous reports. Table 1 presents the LOS data compiled from these reports. Figure 2 presents LOS for the study intersections. It shows that all study area intersections currently operate at excellent (LOS B or better) conditions, except the intersection of 4th and Keystone, which operates at LOS D (with several approaches operating at LOS E).

**Table 1 - Intersection Level of Service: Existing and Existing Plus Project**

| Intersection | Traffic Control | LOS | Delay |
|---|---|---|---|
| 5th Street/Keystone Avenue | Signal | B | 18.4 |
| 5th Street/Arlington Avenue | Signal | A | 7 |
| 5th Street/West Street | Signal | A | 8.4 |
| 5th Street/Sierra Street | Signal | B | 11.2 |
| 5th Street/Virginia Street | Signal | A | 9.3 |
| 5th Street/Center Street | Signal | A | 5.2 |
| 4th Street/Keystone Avenue | Signal | D | 51.9 |
| 4th Street/Vine Street | Signal | B | 11.1 |
| 4th Street/Ralston Street | Signal | B | 13.2 |
| 4th Street/Arlington Avenue | Signal | C | 24.5 |
| 4th Street/West Street | Signal | A | 8.4 |
| 4th Street/Sierra Street | Signal | B | 16.7 |
| 4th Street/Virginia Street | Signal | B | 13 |
| 4th Street/Center Street | Signal | B | 15.9 |
| 4th Street/Lake Street | Signal | B | 16.3 |
| 4th Street/Evans Street | Stop Sign | B | 13.7 |
| 2nd Street/Keystone Avenue | Signal | C | 22.3 |
| 2nd Street/Ralston Street | Signal | B | 11 |
| 2nd Street/Arlington Avenue | Signal | B | 11.1 |
| 2nd Street/West Street | Signal | ***B*** | 10.8 |
| 2nd Street/Sierra Street | Signal | B | 12.3 |
| 2nd Street/Virginia Street | Signal | B | 11.3 |
| 2nd Street/Center Street | Signal | A | 8.7 |
| 2nd Street/Lake Street | Signal | B | 10.2 |
| 2nd Street/Evans Street | Signal | B | 11.5 |
| 1st Street/Keystone Avenue | Signal | A | 9.9 |
| 1st Street/Arlington Avenue | Signal | B | 15.9 |
| 1st Street/Kuenzli Street | Stop Sign | A | 0.3 |

Source: CHS Consulting Group

The intersections were evaluated using the 2000 Highway Capacity Manual operations methodology. This method determines the capacity for each lane group approaching the intersection. LOS is based on the average stopped delay per vehicle (seconds per vehicle) for the various movements within the intersection. Adjustments are made to the intersection analysis to reflect the impact of location-specific conditions, such as heavy pedestrian volumes, delays due to bus stops, and narrow lane widths.

## 4) Transit Services

### a) Existing Transit Services

The Regional Transportation Commission (RTC) operates transit services in Reno. A total of 23 bus routes terminate at the CitiCenter Bus Terminal, located at the eastern half of the block bounded by E. 4th Street, N. Center Street, E. Plaza Street, and N. Virginia Street. Of the 23 bus routes, 19 are radial. Transit services are most frequent near the CitiCenter Bus Terminal. Further away from the Transit Center, bus services reduce substantially. Table 2 presents bus service frequencies and Figure 3 presents the bus routes in the Downtown area. Figure 4 presents bus routes in the study area.

The existing CitiCenter Transit Station can accommodate 14 buses end to end, with minimal independent maneuvering space. Although the site is built to accommodate 16 buses, two spaces are restricted by bus turning movements. Citifare restructured the operations in 1999 to introduce a "pulse" transfer program to speed route-to-route timed transfers. Buses arrive together at CitiCenter at 15 and 45 minutes past the hour. During these times, passenger transfers are extremely active. Currently, there are 11 to 13 buses at CitiCenter during the midday pulse, and as many as 14 during the peak period pulse. According to a 1997 on-board passenger survey, 50 percent of the passengers walk one to three blocks, 17 percent walk four to five blocks, and 32 percent walk six blocks or more. Citifare ridership was estimated at 7.7 million in 2000, an increase of 3.6 percent from 1999.

**Table 2 - Existing Bus Routes**

| Route | AM Peak Period Headway (minutes) | PM Peak Period Headway (minutes) | AM/PM Peak Period Frequency (buses/hour) |
|---|---|---|---|
| 1 – South Virginia | 10 | 10 | 6 |
| 2 – 9th/Silverada/RTC CitiCenter Station | 30 | 30 | 2 |
| 2S – 9th/Silverada | 30 | 30 | 2 |
| 3CL – Kings Row/Sky Mountain Clockwise | 60 | 60 | 1 |
| 3CC – Kings Row/Sky Mountain Counterclockwise | 60 | 60 | 1 |
| 4 – W. 7th | 60 | 60 | 1 |
| 5 – Sutro/Sun Valley | 30 | 30 | 2 |
| 6 – Arlington/Moana | 30 | 30 | 2 |
| 7 – Stead | 30 | 30 | 2 |
| 9 – Kietzke/Neil | 15 | 15 | 4 |
| 10 – Parr/TMCC | 60 | 60 | 1 |
| 11 – 4th/Prater | 15 | 15 | 4 |
| 11X – Reno/Sparks Express | 30 | 30 | 2 |
| 13 – VA Hospital/Grove | 30 | 30 | 2 |
| 14 – E. Mill | 30 | 30 | 2 |
| 14A – Airport | 30 | 30 | 2 |
| 15 – Sutro/Wedekind/TMCC | 30 | 30 | 2 |
| 16 – Idlewild | 30 | 30 | 2 |
| 17 – Lemmon Valley | 60 | 60 | 1 |
| 18 – Glendale/Greg | 30 | 30 | 2 |
| 18X – Glendale/Greg Express | N/A | N/A | 1 |
| 19 – Wells | 60 | 60 | 1 |
| RTC Intercity | N/A | 60 | 1 |
| **Total** | | | **46** |
| Sierra Spirit Shuttle (no stop at CitiCenter) | 10 | 10 | 6 |

Note:
N/A = Not applicable because only one run is scheduled within the peak periods.

#### *AmTrak Services*

Amtrak provides passenger rail service (the California Zephyr between San Francisco and Chicago) to Downtown Reno. The station is located at E. Commercial Row, just east of N. Center Street. There is one train service per day in each direction at this station.

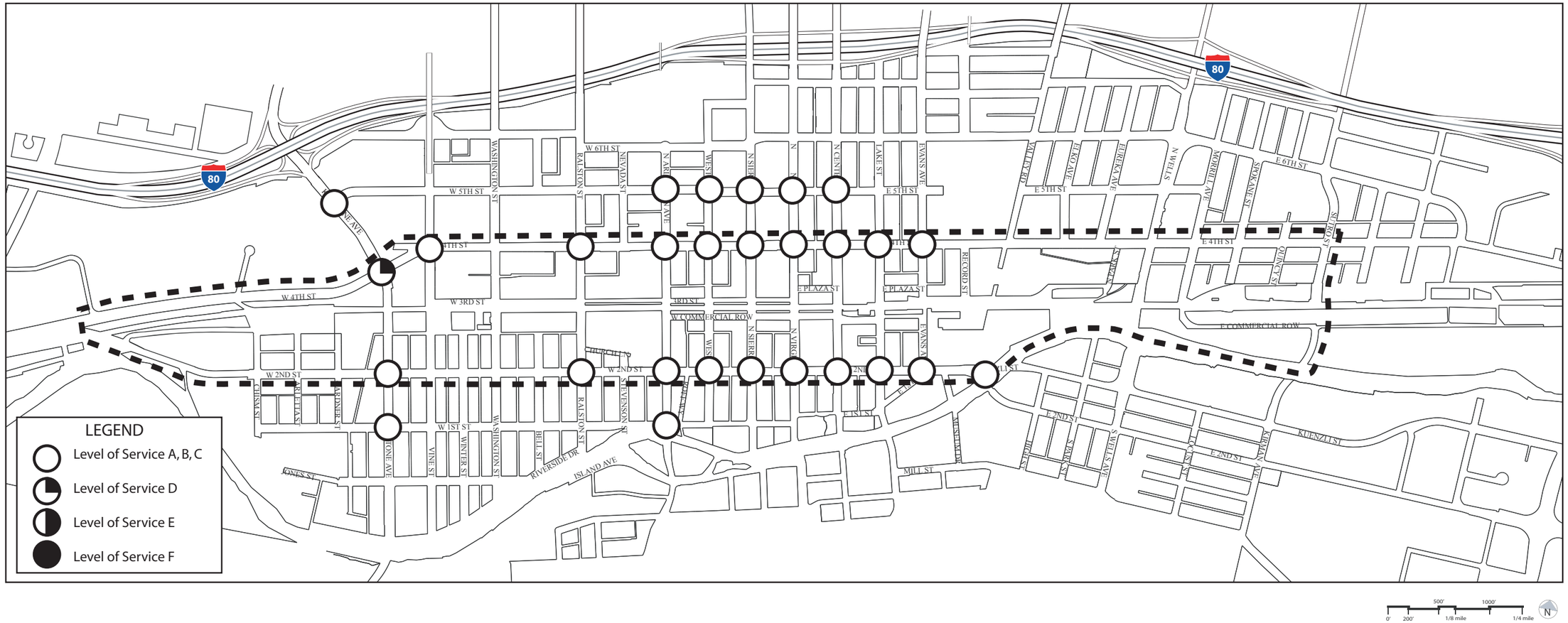



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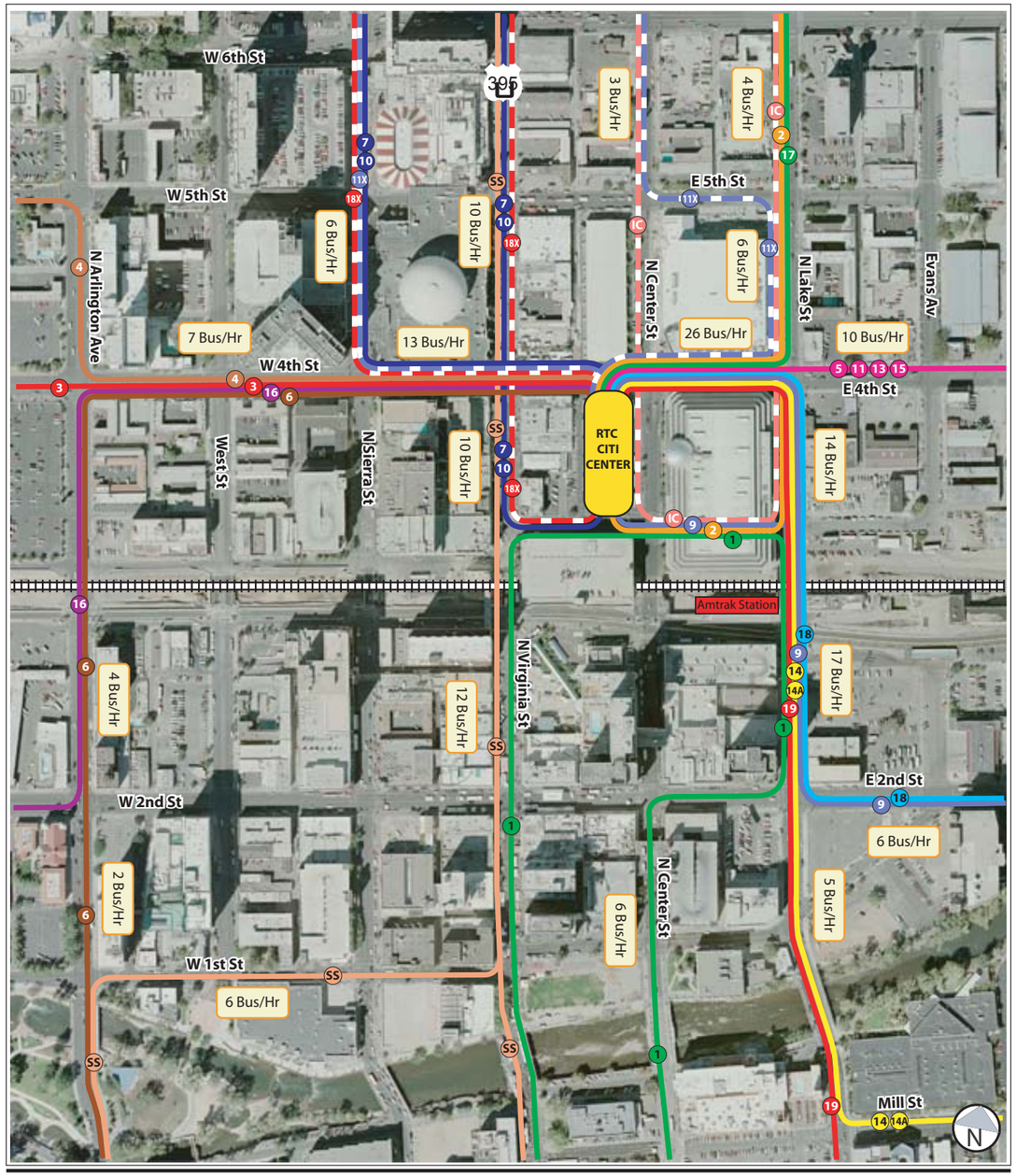
Figure 2
Study Intersections Level of Service - Existing Conditions




LEGEND:

6 Bus/Hr — Peak Hour (AM/PM) Frequency

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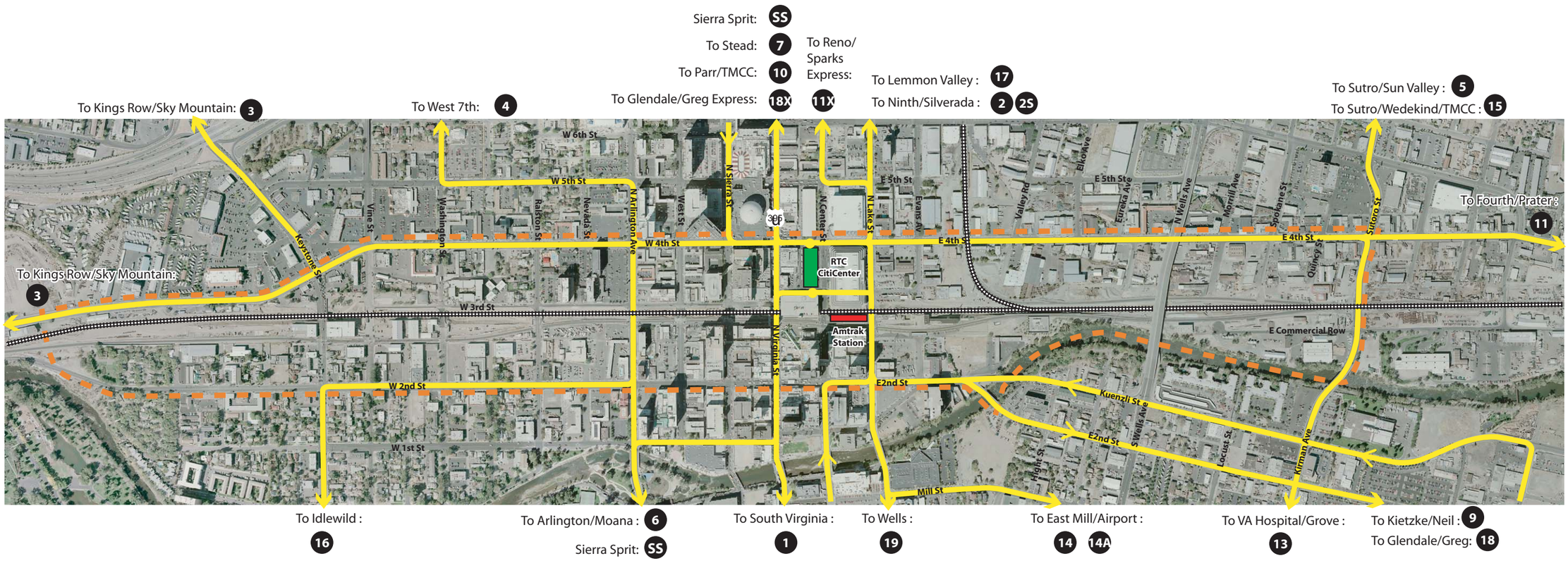
Figure 3
Existing Transit Routes and Facility (Downtown)




LEGEND:

Project Boundary

Transit routes

14 Route Number

CHS Consulting Group

Figure 4
Existing Transit Routes and Facilities
(Project Area)

b) Proposed Transit Improvements

The 2030 Regional Transportation Plan (RTP) seeks to triple the current non-auto modal share from 2 percent to about 6 percent. It proposes to implement transit-oriented land uses (TOD) along several key corridors into Reno from Stead and North Sparks, and a new transit center in Reno Downtown.

***Bus Rapid Transit Corridor***

RTC proposes to implement a bus rapid transit (BRT) corridor along Virginia Street by fiscal year 2009. More than $11 million in capital and operating improvements for the BRT project is included in the 5-year financial plan. The Virginia Street BRT would connect to University of Nevada–Reno to the north, and Park Lane Mall, Reno Sparks Convention Center, and Meadow Wood Mall to the south. The purpose of this project is to increase bus operations and improve the quality of service. The proposed improvements include more frequent service, wider station spacing, transit signal priority, and much more reliable operations than regular fixed-route service.[2] Current service along Virginia Street is approximately 10 buses per hour in each direction north of 4th Street, and 12 buses per hour in each direction south of 4th Street in Reno Downtown.

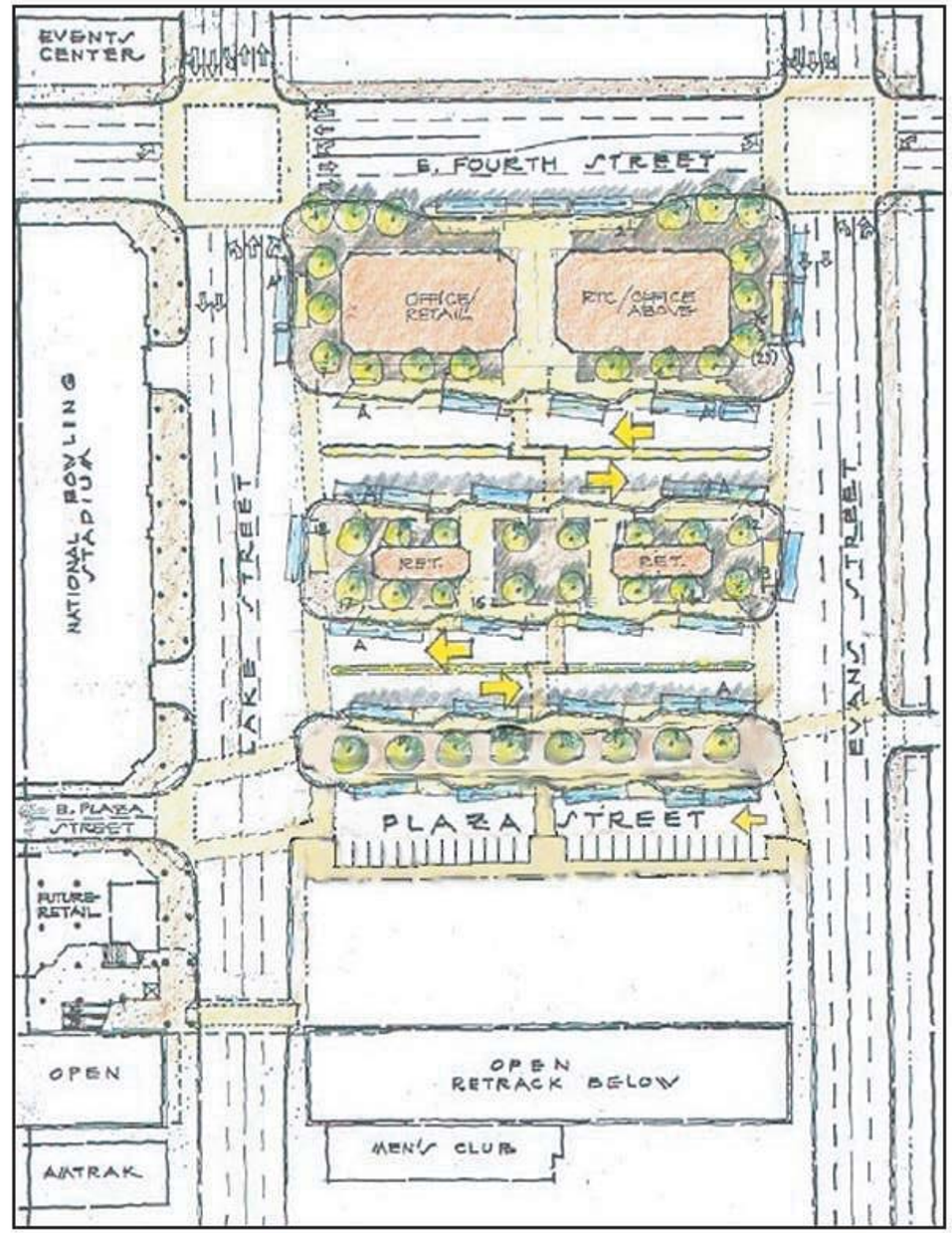
***New CitiCenter Bus Terminal***

According to the New CitiStation Transit Center, New Transit Center Project Final Environmental Assessment, September 2002, the RTC is proposing to construct a new CitiCenter transit center in Downtown Reno (Figure 5). The proposed site is bounded by 4th Street, Lake Street, Evans Avenue, and Plaza Street, approximately two blocks east of the current CitiCenter site. The site is approximately 2.46 acres in size, and would include approximately 25 bus bays, transit islands, and passenger amenities and services. Buses would enter from and exit to both Lake Street and Evans Avenue.

***Transit Oriented Development Corridor***

In 2002, the Truckee Meadows Regional Planning Agency updated the Regional Plan, which designated certain areas as Transit Oriented Development corridors (TODs). The City of Reno community Development Department recently adopted two documents, Draft East 4th Street Transit Oriented Development Corridor Plan and Draft West 4th Street Transit Oriented Development Corridor Plan. The East 4th Street TOD Plan is for areas east of Wells Avenue, and the West 4th Street TOD Plan is for areas west of Keystone Avenue. No TOD plans have been published for the mid-section between Wells Avenue and Keystone Avenue.

2 *Short-Range Transit Plan Final Report*, March 2005.




Concept 3A – 26 Bus Bays

Both Plans identified a mix of land uses, with higher densities and the continual expansion of transit with significant pedestrian improvements as essential elements. There are five potential stop locations (Wells Avenue, Sutro Street, E. 6th Street, US 395, and Ticchino Street) in the East Corridor, and six potential stop locations (approximately at Cliffview Drive, Mesa Park Road, Stagg Lane, S. McCurran Boulevard, Summit Ridge Drive, and Cemetery Road) in the West Corridor. The 4th Street TOD Development Concept Plan established eight policies relating to identity, infrastructure, attractions, intensity/density, quality site layout/urban design, pedestrian connections, parking management, and public space. The relevant transportation policies include:

- Roadway improvements should be designed to help promote and improve the area as a TOD. Streets should include transit, auto, and bike travel lanes, along with on-street parking, landscaped parkways, sidewalks, and window shopping areas, to create the concept of "complete streets."
- Along a TOD corridor, significant transit amenities, including park-and-ride lots, benches, passenger waiting shelters, bus turn-outs, trash containers, and safe pedestrian facilities, should be promoted.

Currently there are four RTC bus lines serving 4th Street in the vicinity of the CitiCenter Bus Terminal, with ten buses in each direction during the peak hours. As the distance moves farther away from the bus terminal, bus services reduce substantially. Bus service reduces to four buses in each direction during the peak hours east of Sutro Street, and to two buses in each direction west of Arlington Street.

### 5) Pedestrian Conditions

Almost all of the main streets in the ReTRAC project area have sidewalks. Sidewalk width is generally sufficient to accommodate pedestrian flows. Four east-west roadways between 4th and 2nd Streets (E. Plaza Street, W. 3rd Street, Commercial Road, and Douglas Alley) provide important pedestrian connections. Some of these streets have an offset at Virginia Street (such as E. Plaza and W. 3rd Streets) or are discontinuous (such as Douglas Alley).

Pedestrian volumes are generally low to moderate, with the heaviest movements along Virginia Street (approximately 200 to 300 per hour on both east and west sides). Most signalized intersections have marked crosswalks, and most unsignalized intersections do not have marked crosswalks. Most of the intersections farther from the Downtown area do not have marked crosswalks.

#### a) Proposed Pedestrian Improvements

Pedestrian amenities along Virginia Street would be significantly improved. Additional amenities include street narrowing from four to two lanes, with left-turn lanes, sidewalk widening, pedestrian scramble systems (an exclusive pedestrian phase, allowing pedestrians crossing at all directions without vehicular movements) at 2nd and 4th Streets, and mid-block pedestrian crosswalks between Mill Street and 4th Street. The project is currently under construction and expected to be completed by 2007.

### 6) Bicycle Conditions

There is a Class I (exclusive right-of-way, off the street) bicycle path on the east side of Arlington Avenue; a designated Class II (striped lane in the roadway) bicycle lane along Ralston Street; and a designated east-west Class III (bicycle signs only, no designated bicycle lanes) bicycle route on the north side of the Truckee River from Booth Street to Arlington Avenue and on Mill Street. W. 4th Street west of Keystone Avenue is a frequently used recreational bicycling route. Bicycle activities are generally low.

#### a) Proposed Bicycle Improvements

The 2030 RTP designates bicycle lanes on virtually all Downtown roadways, including Arlington Avenue, Sierra Street, Center Street, Lake Street, Evan Avenue, 1st Street, 2nd Street, 4th Street, and 5th Street. The City of Reno will be reviewing bicycle lane designations, and will determine appropriate routes to provide a cohesive bicycle system.

## 5.C.3. Transportation Impact Analysis

This chapter presents the potential transportation impacts generated by the Proposed Project,

### 1) Project Travel Demand

Travel demand analysis for this project was performed using the travel forecasting model developed by the RTC. The RTC staff performed future scenario model runs based on the estimated number of additional population and employment for the opportunity sites.

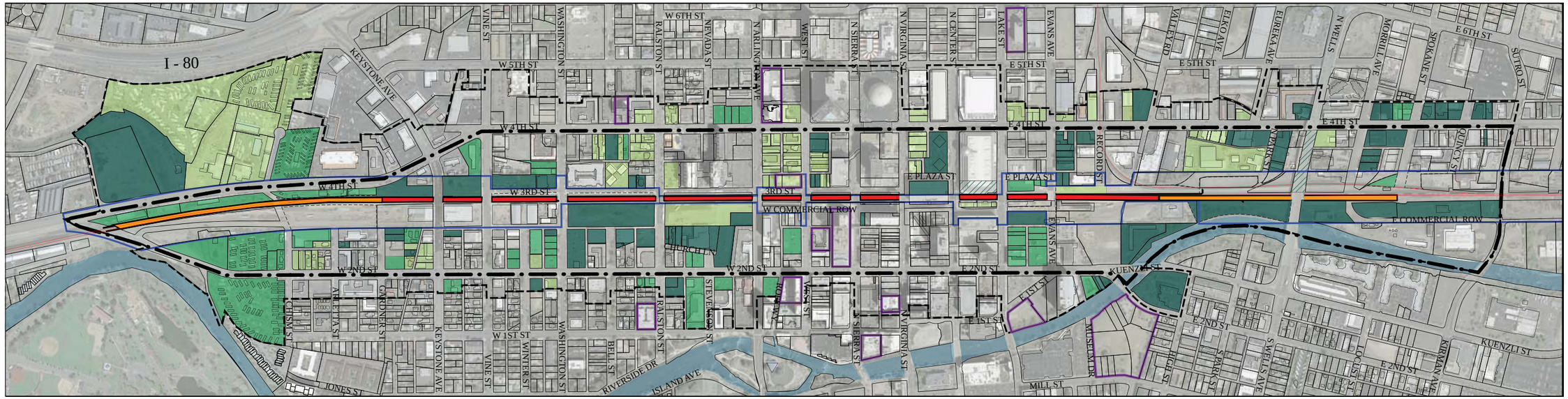
Based on estimated potential for change on parcels within the project boundaries, Freedman Tung and Bottomley (FTB) identified potential infill sites in the study area (Figure 6). For each opportunity site, FTB identified potential land uses and an estimated intensity of development for each land use, for both mid - and long-term development projects. Table 3 summarizes the total number of residential units and gross square feet of office, retail, and industrial development within the study area.

For the purpose of the transportation analysis, the entire study area was divided into 10 analysis zones, using 4th Street as the dividing line for zones north and south of 4th Street (Figure 7). Of the 2,742 residential units under the long-term condition, 74 percent would be located west of West Street in zones 2, 3, and 4. Potential office development would be located at the northwest corner of 4th and Keystone. Retail development (93 percent) would be primarily located on the north side of 4th Street.

**Table 3 - Development Program for the Opportunity Sites**

| | | Mid – Term | Long-Term |
|---|---|---|---|
| Residential | units | 1,508 | 2,742 |
| Office | gross square feet | 135,000 | 512,000 |
| Retail | gross square feet | 386,000 | 578,000 |
| Industrial | gross square feet | 40,000 | 57,000 |

Source: Freedman, Tung and Bottomley, 2006




FREEDMAN TUNG AND BOTTOMLEY

# Potential For Change

## City of Reno - ReTRAC Corridor Study

**LEGEND:**

- High Potential for Change
- Apparent Potential for Change
- Slight Potential for Change

Striped hatching indicates opportunity area below structure

- Influence Area Boundary
- Project Area Boundary
- ReTRAC Trench Wall
- Approved-Unbuilt Residential Projects
- Potential Parcelization within ReTRAC Boundaries
- ReTRAC Parcel Acquisition Boundary
- Submerged Trench
- Partially Submerged Trench

0' 200' 500' 1000'
1/8 mile 1/4 mile

N

Date Modified: July 2, 2007

Figure 6
Opportunity Sites

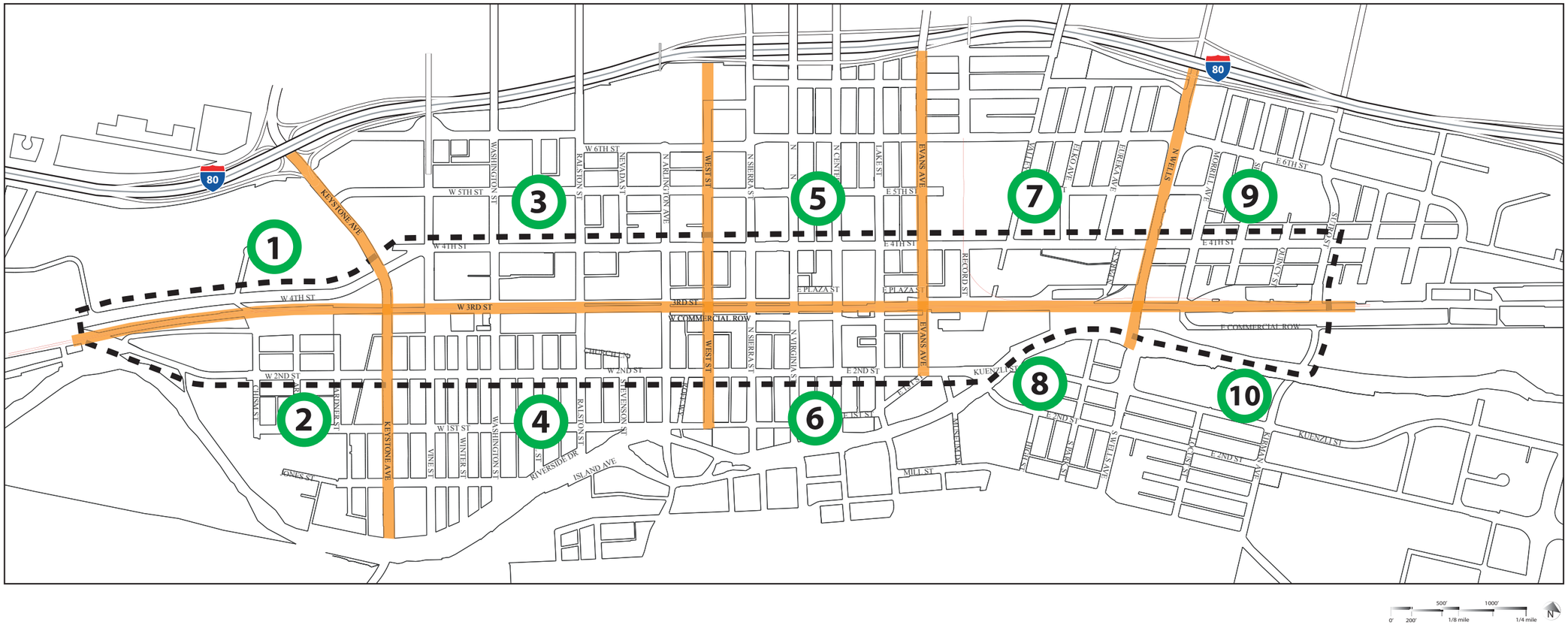



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Figure 7
Study Area Analysis Zones

## 2) Project Traffic Impacts

Future intersection LOS analysis was performed using "SYNCHRO" traffic simulation software.

### a) Criteria Used to Determine Traffic Impacts

The RTC has established LOS D as the threshold to assess the need for, and the location of, future street and highway improvements in Washoe County at a planning level[3] for all regional roadway facilities inside the McCarran Boulevard ring and all freeways and ramps.

The operational impact on signalized intersections is considered significant when project-related traffic causes the intersection level of service to deteriorate from LOS D or better to LOS E or F, or from LOS E to LOS F. The project may result in significant adverse impacts at intersections that operate at LOS E or F under the future cumulative conditions depending upon the magnitude of the project's contribution to the worsening of the average delay per vehicle.

### b) Proposed Circulation Improvements

The 2030 Regional Transportation Plan (Regional Transportation Commission of Washoe County, 2004) identified a number of roadway-related improvements. There are only two roadway segments within the study area; several roadway segments exist along 4th Street or perpendicular to 4th Street, but outside the study area. A recent study[4] also include recommendations to increase capacity on several arterials and to protect capacity on several collector roads, including Sierra and Center Streets in the north-south direction and 1st, 2nd, 4th, 5th, and 6th Streets in the east-west direction.

***Short Range (2004-2012) Roadway Improvements***

Within the Study area

- Wells Avenue from four to six lanes between Ryland Street and I-80

Outside the Study Area

- 4th Street from two to six lanes between I-80 and Mae Ann Avenue (Mesa Park)
- 4th Street from two to six lanes between Mae Anne Avenue (Mesa Park) and Mayberry Drive
- Mae Anne Avenue from four to six lanes between McCarran Boulevard and Sierra Highlands Drive
- McCarran Boulevard from four to six lanes between Plumb Lane and W. 4th Street
- McCarran Boulevard from four to six lanes between I-80 and W. 7th Street

3 *Washoe County 2030 Regional Transportation Plan*, November 18, 2004.

4 *Downtown Reno Circulation and Parking Plan, November 2007*, prepared by Fehr and Peers

***Long Range (2013-2020) Roadway Improvements***

Within the Study area

- Keystone Avenue from four to six lanes between 4th Street and I-80
- I-80 from six to eight lanes from Keystone Avenue to Pyramid Highway

Outside the Study Area

- 4th Street from Mayberry Drive to McCarran Boulevard
- Sutro Street from McCarran Boulevard to US 395

### c) Future Intersection LOS

Table 4 presents the intersection LOS analysis for the Existing, Future Mid-Term and Future Long-Term project scenarios. Figures 8 and 9 present the LOS for the Future Mid-Term and Future Long-Term project scenarios.

***Long-Term Conditions***

With long-term full build of the infill opportunity sites, major corridors such as Keystone Avenue and 4th Street would be overloaded, and key intersections along these two streets would face significant congestion problems. Significant amount of development potentials forecasted to occur at the northwest corner of 4th Street and Keystone Avenue (512,000 gross square feet [gsf] of office and 42,000 gsf of retail) would reduce the LOS at the intersection of 4th and Keystone to a nonfunctional level, because large number of vehicles would make a left turn from 4th Street to Keystone Avenue to access I-80 ramps during the PM peak hour. The future widening of Keystone Avenue from four to six lanes would reduce traffic impacts along Keystone Avenue; however, substantial expansion of intersection capacity (such as triple left turn lanes, and additional roadway connections from Zone 1 to W. 2nd, W. 5th, and Stoker Streets) would be required. It is unclear whether these improvements would be feasible because significant right-of-way acquisition would be required.

In addition, there would also be a significant increase in traffic volumes along 4th Street. Portion of 4th Street would have traffic volumes of over 1,500 per direction during the PM peak hour (at the approaches to N. Virginia Street and N. Arlington Avenue), which would exceed the LOS D threshold capacity for this road. Consequently, there would be significant impacts on the proposed 4th Street TOD Corridor Plans.

While substantially increasing signal cycle length and giving substantially more traffic timing to 4th Street would potentially reduce traffic impacts along 4th Street (Table 5), sections of 4th Street through movement would still operate at LOS E level. This kind of impact would have significant implication to the proposed TOD Corridor Plan (discussion of the implication presented in Section 4)

***Mid-Term Conditions***

With the build out of the mid-term infill development projects, the number of impacted intersections would be substantially less. Total amount of development for the mid-term projects would be approximately 50 percent of the long-term projects.

There would also be significant increases in traffic volumes along 4th Street. Portion of 4th Street would have traffic volumes of 1,100 to 1,200 per direction during the PM peak hour, which would near the LOS D threshold capacity for this road.

**Table 4 - Intersection Level of Service: Existing and Future Project Scenarios**

| | Existing | | Future (Mid -Term) | | Future (Long -Term) | |
|---|---|---|---|---|---|---|
| | LOS | Delay | LOS | Delay | LOS | Delay |
| 5th Street/Keystone Avenue | B | 18.4 | C | 28.4 | **F** | **192.7** |
| 5th Street/Arlington Avenue | A | 7 | B | 13 | B | 17.5 |
| 5th Street/West Street | A | 8.4 | B | 11.2 | B | 13.8 |
| 5th Street/Sierra Street | B | 11.2 | B | 12.2 | B | 10.8 |
| 5th Street/Virginia Street | A | 9.3 | B | 12.5 | B | 12.8 |
| 5th Street/Center Street | A | 5.2 | B | 11 | A | 9.9 |
| 4th Street/Keystone Avenue | D | 51.9 | **F** | **231.9** | **F** | **1375.6** |
| 4th Street/Vine Street | B | 11.1 | B | 13.3 | C | 25.6 |
| 4th Street/Ralstone Street | B | 13.2 | B | 17.1 | **F** | **84** |
| 4th Street/Arlington Avenue | C | 24.5 | D | 46 | **F** | **161.6** |
| 4th Street/West Street | A | 8.4 | B | 12.7 | A | 8.6 |
| 4th Street/Sierra Street | B | 16.7 | **E** | **63.8** | **E** | **56.2** |
| 4th Street/Virginia Street | B | 13 | C | 27.9 | D | 37 |
| 4th Street/Center Street | B | 15.9 | C | 20.6 | C | 30.9 |
| 4th Street/Lake Street | B | 16.3 | C | 28.4 | **E** | **55.3** |
| 4th Street/Evans Street | B | 13.7 | B | 13.1 | **F** | **err** |
| 2nd Street/Keystone Avenue | C | 22.3 | **E** | **62.5** | B | 17.2 |
| 2nd Street/Ralston Street | B | 11 | B | 12.7 | A | 8.9 |
| 2nd Street/Arlington Avenue | B | 11.1 | **E** | **61.6** | **F** | **125.7** |
| 2nd Street/West Street | B | 10.8 | B | 10.7 | B | ***11.9*** |
| 2nd Street/Sierra Street | B | 12.3 | B | 13.6 | C | 22.8 |
| 2nd Street/Virginia Street | B | 11.3 | B | 10.5 | B | 11.4 |
| 2nd Street/Center Street | A | 8.7 | A | 9.4 | A | 8.7 |
| 2nd Street/Lake Street | B | 10.2 | **E** | **78.6** | **F** | **85.5** |
| 2nd Street/Evans Street | B | 11.5 | B | 12 | B | 12.9 |
| 1st Street/Keystone Avenue | A | 9.9 | B | 17 | C | 24.1 |
| 1st Street/Arlington Avenue | B | 15.9 | **E** | **55.2** | C | 34.7 |
| 1st Street/Kuenzli Street | A | 0.3 | A | 4.6 | A | 1.2 |

Source: CHS Consulting Group

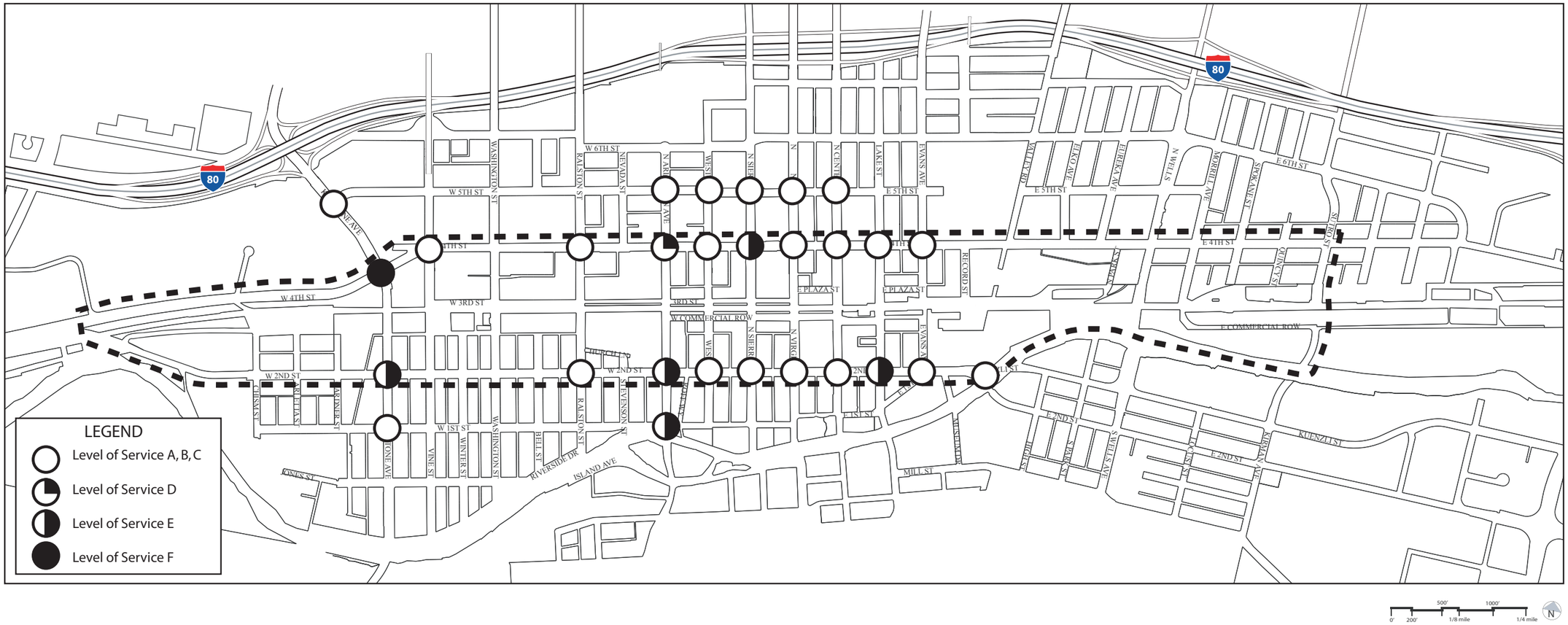


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Figure 8
Study Intersections Level of Service - Future (Mid-Term) Conditions

CHS Consulting Group

Figure 9
Study Intersections Level of Service - Future (Long-Term) Conditions

**Table 5 - Intersection Level of Service: Future No Mitigation and With Mitigation Conditions**

| | Future (Mid -Term) | | | | Future (Long-Term) | | | |
|---|---|---|---|---|---|---|---|---|
| | No Mitigation | | With Mitigation | | No Mitigation | | With Mitigation | |
| | LOS | Delay | LOS | Delay | LOS | Delay | LOS | Delay |
| 5th Street/Keystone Avenue | C | 28.4 | C | 28.4 | F | 192.7 | F | 112 |
| 5th Street/Arlington Avenue | B | 13 | B | 13.7 | B | 17.5 | D | 36.8 |
| 5th Street/West Street | B | 11.2 | B | 11.2 | B | 13.8 | B | 18.3 |
| 5th Street/Sierra Street | B | 12.2 | B | 12.4 | B | 10.8 | A | 7.3 |
| 5th Street/Virginia Street | B | 12.5 | B | 12.5 | B | 12.8 | A | 9.2 |
| 5th Street/Center Street | B | 11 | B | 11.1 | A | 9.9 | B | 10.5 |
| 4th Street/Keystone Avenue | F | 231.9 | F | 180.7 | F | 1375.6 | F | 323.3 |
| 4th Street/Vine Street | B | 13.3 | B | 13.3 | C | 25.6 | A | 9.3 |
| 4th Street/Ralstone Street | B | 17.1 | B | 17.1 | F | 84 | C | 29.5 |
| 4th Street/Arlington Avenue | D | 46 | D | 44.6 | F | 161.6 | C | 31.6 |
| 4th Street/West Street | B | 12.7 | B | 16 | A | 8.6 | B | 14.2 |
| 4th Street/Sierra Street | E | 63.8 | D | 38.1 | E | 56.2 | D | 44.1 |
| 4th Street/Virginia Street | C | 27.9 | C | 25.6 | D | 37 | C | 32.3 |
| 4th Street/Center Street | C | 20.6 | C | 20.6 | C | 30.9 | C | 32.6 |
| 4th Street/Lake Street | C | 28.4 | C | 28.8 | E | 55.3 | B | 16.4 |
| 4th Street/Evans Street | B | 13.1 | B | 13.1 | F | err | D | 39.2 |
| 2nd Street/Keystone Avenue | E | 62.5 | C | 21.3 | B | 17.2 | B | 19.3 |
| 2nd Street/Ralston Street | B | 12.7 | B | 13.9 | A | 8.9 | A | 9 |
| 2nd Street/Arlington Avenue | E | 61.6 | C | 23.5 | F | 125.7 | B | 18.8 |
| 2nd Street/West Street | B | 10.7 | B | 10.5 | B | 11.9 | A | 8.8 |
| 2nd Street/Sierra Street | B | 13.6 | B | 13.3 | C | 22.8 | B | 12.4 |
| 2nd Street/Virginia Street | B | 10.5 | B | 10.6 | B | 11.4 | B | 17.1 |
| 2nd Street/Center Street | A | 9.4 | A | 9.6 | A | 8.7 | B | 11.7 |
| 2nd Street/Lake Street | **E** | **78.6** | C | 32.9 | **F** | **85.5** | D | 41.9 |
| 2nd Street/Evans Street | B | 12 | B | 13.3 | B | 12.9 | B | 13.7 |
| 1st Street/Keystone Avenue | B | 17 | B | 16 | C | 24.1 | C | 34.3 |
| 1st Street/Arlington Avenue | **E** | **55.2** | D | 41.7 | C | 34.7 | D | 52.7 |
| 1st Street/Kuenzli Street | A | 4.6 | A | 4.6 | A | 1.2 | A | 5.2 |

Source: CHS Consulting Group

d) Future Roadway Improvements

In addition to the proposed roadway improvements presented above, the following roadway improvements should be considered if all the opportunity sites were development.

- Extend W 2nd Street to W. 4th Street and Stoker Avenue. This connection was removed as the result of the ReTRAC project. While the neighborhood residents in the area have expressed the need for the re-connection, no funding has been budgeted for this connection at this time. With the potential developments at the northwest section of W. 4th Street and Keystone Avenue and potential traffic congestion problem along 4th Street TOD, reconnect W. 2nd Street with W. 4th Street would make W. 2nd Street a relief street for W. 4th Street and thus reducing potential traffic congestion problems along 4th Street TOD.
- Monitor and Assess signal timing and phasing in Downtown. With the potential developments on the opportunity sites, traffic volumes and pattern would change dramatically in the future, especially along the major arterial roads. The City of Reno should assess optimal signal timing and phasing to accommodate these future changes.
- Assess intersection geometry and create additional turn lanes as necessary. With the potential developments on the opportunity sites, additional left turn lanes may be necessary. The City of Reno should examine the need for additional turn lanes and assess the trade-offs of accommodating automobile traffic vs. creating a calming street in the Downtown area.
- Signalize the intersections of W. 4th Street/Evans Street and W. 2nd Street/Kuenzli Street. Intersection LOS would improve to acceptable levels if these two unsignalized intersections were signalized. The Downtown Reno Circulation and Parking Plan proposes to abandon the section of 1st Street between Lake Avenue and Kuenzli Street and change the 2nd and Kuenzli intersection to a roundabout. This recommendation was made prior to the identification of opportunity sites in this study. Thus, recommendations from the Downtown Reno Circulation and Parking Plan should be re-examined in the future.

## 3) Pedestrian Improvements

Downtown Reno has a nicely laid out grid system and nearly all streets in downtown Reno have sidewalks. The ReTRAC project eliminated railroad grade crossings in downtown and facilitated vehicular and pedestrian traffic at the intersections. It also created a pedestrian walkway with streetscape improvements along the south side of W. Third Street, immediately north of the railroad trench. The City has a plan to deck over the trench between N. Virginia Street and West Street, which would further improve pedestrian connection in the Downtown Area.

The proposed Downtown Greenway-Riverfront Loop would further enhance pedestrian connectivity and amenities in downtown by creating pedestrian walkways along the 3rd Street/W. Commercial Row/E. Plaza Street spine between the Truckee Riverfront path east of Evans on the east and Chism/2nd/ Dickerson on the west.

## 4) Bicycle Improvements

The 2030 RTP includes almost all streets in Downtown as bicycle routes. Currently only Ralston Street has Class II bicycle lane in Downtown Reno. The Downtown Reno Circulation and Parking Plan, November 2007, prepared by Fehr and Peers proposes the following street segments as bicycle routes in Downtown Reno (Figure X).

- W. 5th Street from Vine Street to Evans Avenue
- W. 1st Street from Vine Street to Ralston Street
- Riverfront Drive from Lake Street westward
- Keystone Avenue from River to W. 1st Street
- Vine Street from Riverside Drive to University Terrace
- Ralston Avenue from W. 5th Street to Riverside Drive
- Lake Street from W. 5th Street Southward
- Evans from 2nd Street northward.

The proposed Downtown Greenway-Riverfront Loop is also intended for bicycling and bicycle lanes should be provided where appropriate. This 3.8-mile loop would provide another east-west link for the bicyclists in the study area and it can be used for both commute and recreational purposes. The proposed north-south link at Idlewild Park and Well Avenue would provide additional connections in the study area to serve the potential developments and to complete the bicycle links in the downtown area.

## 5.C.4. Policy Implications

The Downtown Regional Center Plan has identified 4th Street as a primary vehicular route, a primary bicycle/pedestrian route, and a primary transit route. The Plan promotes the concept of a complete street_with travel lanes for transit, auto, and bikes along with on-street parking, landscaped parkways, sidewalks, and window shopping areas. In addition, in planning practice, the TOD concept generally stresses the promotion of residential and workplace uses on and near TOD corridors. As such, the design and spatial requirements for successful residential frontage must be factored in with the complete street_concept.

While no TOD Plans have been prepared for the mid-section between Wells Avenue and Keystone Avenue, it is assumed that similar policies would apply in this mid-section. To support the successful implementation of the TOD Plan and reduce forecasted traffic volumes and impacts along 4th Street, the TOD Plan should prioritize the functions of this street and assess the trade-offs between accommodating all functions stated in the Plan vs. all modes, but with emphasis on certain modes. Additional technical studies should be conducted and discussions of desirable cross-sections along 4th Street should begin and public outreach meetings should be conducted to make an informed choice. Potential policy consideration would include the following:

- Role of Downtown Reno and transportation services – The Draft 2030 Regional Transportation Plan set a goal of increasing transit share of all non-auto trips from two to six percent. With the potential increases in over 2,700 residential units and 1.1 million gross square feet of non-residential development at the opportunity sites in the study area, travel pattern in Downtown Reno could be dramatically changed. The results of these developments would be increased traffic congestion and potential policy conflicts in the two TOD Corridor Plans (discussed below).
- Role of W. 4th Street – The current right-of-way along the mid-section of 4th Street is approximately 80 feet, which would be insufficient to accommodate all the functions presented in the TOD Plan (especially in light of the estimated traffic volumes presented in Section 3). If no street widening and building demolition would take place, this right-of-way width is only sufficient to accommodate four travel lanes with parking on both sides; or two travel lanes with on-street parking and bicycle lanes; or four travel lanes and bicycle lanes, but without on-street parking. A decision on a preferred right-of-way configuration should be made now.
- Bus services along 4th Street – Currently there are four bus routes and 2 to 10 buses per hour per direction during the peak hours along 4th Street. This service is insufficient to support bus-only lanes (55 buses per hour based on the desirable threshold of one bus per signal cycle). A preliminary estimate shows that additional employment and population along 4th Street could potentially require an increase of 10 to 15 bus trips during the peak hours in each direction or up to 25 buses per hour at the mid-section of 4th Street. This service level may not meet the desirable threshold for a bus-only lane, but would provide substantially higher level of transit services than the current level to make the TOD Plan more viable. This planning level estimates should be considered when the City of Reno discusses the preferred right-of-way configurations along 4th Street.
- Remove the primary vehicular route designation from the TOD Plan – 4th Street is currently Business I-80, and was Reno's stretch of The Victory Highway, designated US 40 in 1926, and officially decommissioned in 1983. Removing the primary vehicular route designation would make the existing right-of-way available for more robust transit, pedestrian, and bicycle improvements, but would require a change in the existing traffic pattern and designation of Business I-80 to a City Street. 2nd Street parallels 4th Street to the south, and potentially could serve east-west traffic. Preliminary feedback received from the RTC was negative, primary because 4th Street is designated as an arterial road in the RTP. Again, the role of 4th Street in overall circulation needs must be debated and decided soon.
- Transportation Demand Management (TDM) Strategies – The City of Reno should consider creative strategies to manage and reduce transportation demand in the study area. These strategies would potentially include a parking management strategy (presented in the Reno ReTRAC Project Parking Report), pricing incentives for transit use, carshare use, and bicycle and pedestrian use. Successful implementation of TDM strategies would incrementally reduce traffic congestion problems and make the Downtown area more livable.

# Reno ReTRAC CORRIDOR STUDY Parking Report

## Prepared by CHS Consulting Group

## 5.D.1. Introduction

This analysis was conducted to estimate the number of parking spaces that would be required for the projected mid-term and long-term infill development on sites evaluated as having "Potential for Change" (see figure 2.51., of Section 2), and to assess whether existing parking policies should (and could) be strengthened in support of the proposed Transit Oriented Development (TOD) Corridor Plans along 4th Street in Reno. The City of Reno adopted two Transit-Oriented Corridor Plan policy documents in 2006: one for the East 4th Street TOD Corridor Plan, generally between Wells Avenue and the City boundary of Sparks, and the second for the West 4th Street TOD Corridor Plan, generally between Keystone Avenue and 4th Street ending at I-80. Both of these documents present TOD development concepts and policies. Parking management is a key policy (Policy 7) in both plans. The parking management policies include the following four specific components:

- Parking should not be located in front of the buildings, and should provide convenient and safe pedestrian access to the buildings.
- Parking structures should be designed to be compatible with the scale and architectural character of the surrounding buildings.
- Shared parking should be required to decrease the amount of parking and decrease the emphasis on private vehicles.
- Parking areas should be designed such that they can be utilized by both residential and businesses (including parking garages, carpool parking areas, and park-and-ride areas).

The first two components of the parking management policy address design guidelines in terms of location of the parking facility, pedestrian access, and scale and architectural characteristics. The other two components address parking reduction and the concept of shared parking.

## 5.D.2. Existing Parking Conditions

Existing parking conditions were obtained from the *Downtown Reno Circulation and Parking Plan* (Fehr & Peers, 2006).

### 1) Existing Parking Supply and Occupancy

There are three basic types of parking facilities in Downtown Reno: casino-owned garages and lots, city-owned garages and lots, and on-street parking. Figure 1 presents the existing parking garages and lots in the Downtown area. Outside the Downtown, but within the study area, parking facilities are typically provided to serve the adjacent land uses; there are no public parking facilities outside the Downtown area. Table 1 presents the supply and occupancy numbers for each parking facility on a typical weekday, weekend, and Friday evening under event conditions.

**Table 1 - Downtown Reno Parking Supply Occupancy**

| Parking Facility | Parking Supply | Parking Occupancy | | |
|---|---|---|---|---|
| | | Wednesday (9/27/2006) | Friday (9/15/2006) | Saturday (9/16/2006) |
| **Parking Structures North of Truckee River** | | | | |
| Fitzgerald's | 797 | 28.4% | 46.4% | 59.2% |
| National Bowling Stadium | 299 | 32.8% | 16.7% | 100.0% |
| Circus Circus | 1,280 | 43.7% | 72.3% | 76.9% |
| Eldorado Valet | 345 | 29.0% | 94.2% | 100.0% |
| Harrah's | 650 | 52.2% | 88.3% | 100.0% |
| Circus Circus | 1,400 | 39.8% | 68.1% | 87.7% |
| Club Cal-Neva | 450 | 99.3% | 72.2% | 93.8% |
| Club Cal-Neva | 727 | 56.4% | 46.8% | 66.0% |
| Eldorado Valet | 780 | 51.0% | 92.3% | 99.7% |
| Silver Legacy | 1,641 | 31.3% | 93.4% | 97.4% |
| Trucker River Tower | 753 | 73.4% | 11.3% | 12.9% |
| Saint Mary's Hospital Parking | 440 | 80.2% | 11.4% | 8.2% |
| Sands | 224 | 47.8% | 90.6% | 74.1% |
| The Parking Gallery | 642 | 55.3% | 57.8% | 57.5% |
| **Subtotal** | **10,248** | **45.0%** | **65.4%** | **76.0%** |
| **Parking Structures South of Truckee River** | | | | |
| Bank of America Plaza | 410 | 63.9% | * | * |
| Liberty Center | 411 | 79.8% | * | * |
| Museum Towers (Porsche) Building | 250 | 85.6% | * | * |
| **Subtotal** | **1,071** | **75.0%** | * | * |
| **Parking Lots (North of Truckee River)** | **1,495** | **35.1%** | **48.4%** | **52.0%** |
| **Parking Lots (South of Truckee River)** | **748** | **70.1%** | * | * |
| **On-Street Parking (North of Truckee River)** | **1,331** | **36.4%** | **71.0%** | **79.4%** |
| **On-Street Parking (South of Truckee River)** | **618** | **52.1%** | * | * |
| **GRAND TOTAL** | **15,704** | | | |

Source: *Downtown Reno Circulation and Parking Plan, Fehr & Peers, November 2006*
Notes: * Parking spaces south of the Truckee River were not surveyed on Friday and Saturday

The *Downtown Reno Circulation and Parking Study* shows a current total of 15,704 parking spaces in the Downtown area, with most of these spaces (84.5 percent) located north of the Truckee River. The majority of these spaces (73.2 percent) are located in parking garages, 14.3 percent are located in parking lots, and 12.5 percent are located on the street. Parking occupancy conditions vary, depending on the type of event occurring at the Event Center. Table 2 presents the number of spaces by sub-area.

**Table 2 - Existing Parking Supply in Downtown Reno**

| | Number of Spaces | Percent Distribution |
|---|---|---|
| Garages north of Truckee River | 10,428 | 66.4% |
| Lots north of Truckee River | 1,495 | 9.6% |
| On-street spaces north of Truckee River | 1,344 | 8.6% |
| Garages south of Truckee River | 1,071 | 6.8% |
| Lots south of Truckee River | 748 | 4.8% |
| On-street spaces south of Truckee River | 618 | 3.9% |
| **Total** | **15,704** | **100%** |

Source: *Downtown Reno Circulation and Parking Plan*, Fehr & Peers, November 7, 2006

The existing parking occupancy conditions are presented below:

- Typical weekday – Parking is readily available in the Downtown within the Entertainment Core, except for the Cal Neva garage (practically full at 99 percent occupancy), which provides parking for the City Hall building. Within the Office Core, parking occupancy ranges from 65 to 80 percent at off-street parking facilities. Occupancy rates for on-street parking spaces south of the Truckee River and north of California Street are at approximately 60 percent (Figure 1).
- Typical weekend and evening – Parking occupancy at Downtown parking structures are at approximately 65 percent, with Eldorado, Silver Legacy, and Harrah's garages fully occupied (Figure 2).
- Typical weekday with an event – Parking occupancy significantly increases whenever there is a major event at the Event Center. Typically, the following parking structures are fully occupied: National Bowling Stadium, Eldorado, Harrah's, Cal Neva, Silver Legacy, Circus-Circus, and Fitzgerald's.
- Typical weekend and evening with an event – Downtown Reno parking north of the Truckee River are 76 percent occupied, including all parking structures north of the Truckee River, south of I-80, west of Wells Avenue, and east of Ralston.

The majority of parking in Downtown Reno is free, especially at Casino-owned parking facilities. The following parking structures charge a fee for parking: Fitzgerald's, St Mary' Hospital, National Bowling Stadium (only during events at the Event Center), the Parking Gallery, the Bank of America Building, and the Museum Towers Building. In addition, some of the parking lots charge a fee and much of the on-street parking is metered.

Most of the parking facilities are owned by private companies, except the Parking Gallery and the City Pay Lot on 2nd Street and Stevenson Street, both of which are owned by the City. The Parking Gallery provides parking for the Century Movie Theaters, Silver Peak Restaurant, and other businesses located adjacent to the Truckee River Walk.

## Legend

### Parking Structures

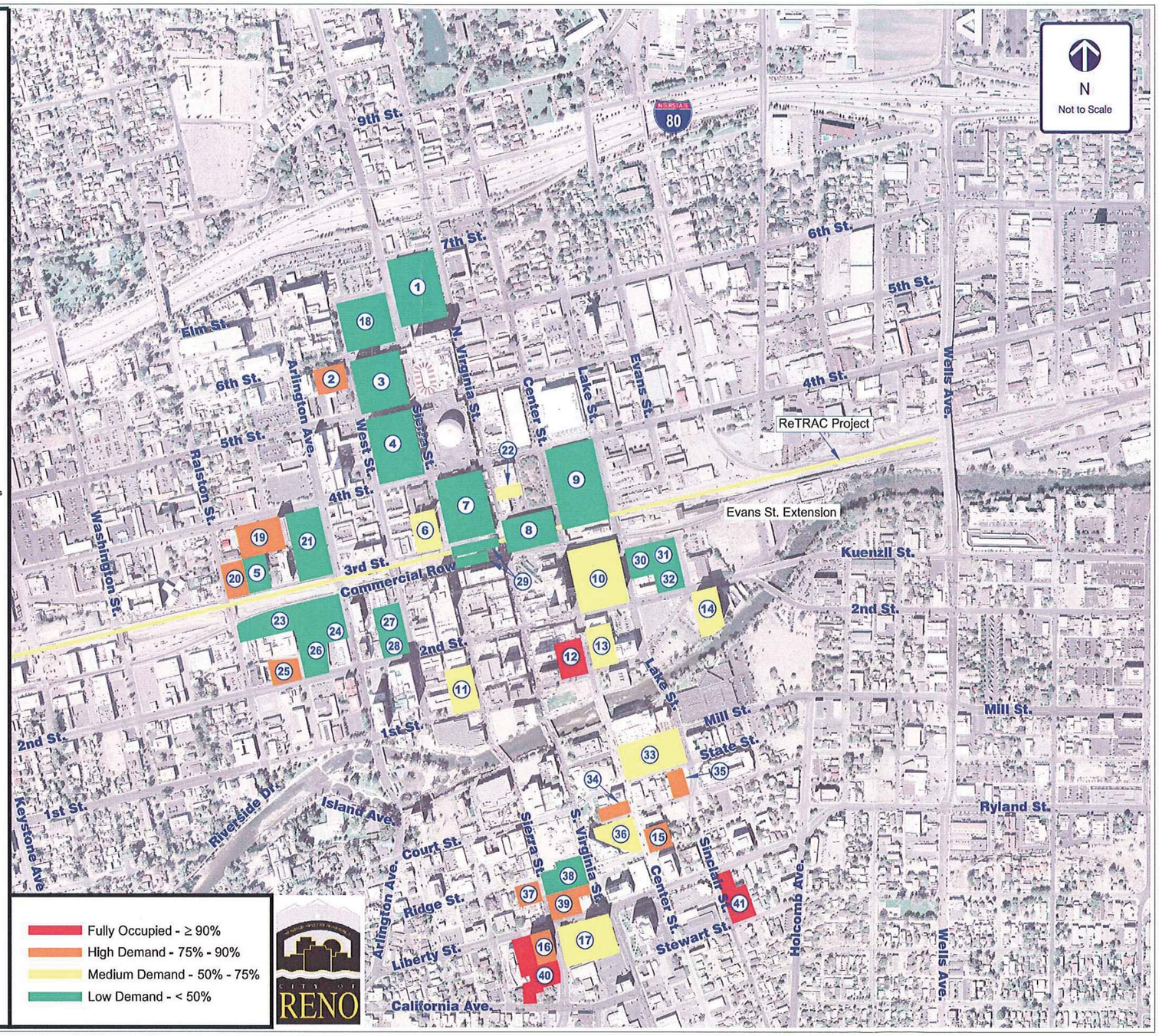
1. Circus Circus - 1,280 Spaces
   Weekday - 44% Occupied
2. Saint Mary's - 440 Spaces
   Weekday - 80% Occupied
3. Circus Circus - 1400 Spaces
   Weekday - 40% Occupied
4. Silver Legacy - 1,641 Spaces
   Weekday - 31% Occupied
5. Sands - 224 Spaces
   Weekday - 48% Occupied
6. Eldorado - 780 Spaces
   Weekday - 51% Occupied
7. Eldorado - 345 Spaces (Valet)
   Weekday - 29% Occupied
8. Fitzgeralds - 797 Spaces
   Weekday - 28% Occupied
9. National Bowling Stadulm - 299 Spaces
   Weekday - 33% Occupied
10. Harrahs - 650 Spaces
    Weekday - 52% Occupied
11. The Parking Gallery - 642 Spaces
    Weekday - 55% Occupied
12. Club Cal-Neva - 450 Spaces
    Weekday - 99% Occupied
13. Club Cal-Neva - 727 Spaces
    Weekday - 56% Occupied
14. Truckee River Tower - 753 Spaces
    Weekday - 68% Occupied
15. Liberty Center - 411 Spaces
    Weekday - 80% Occupied
16. Porche Building - 200 Spaces
    Weekday - 82% Occupied
17. Bank of America Plaza - 410 Spaces
    Weekday - 64% Occupied

### Parking Lots

18. Circus Circus - 252 Spaces
    Weekday - 25% Occupied
19. Sands - 127 Spaces
    Weekday - 89% Occupied
20. Sands - 51 Spaces
    Weekday - 80% Occupied

### Parking Lots (Cont.)

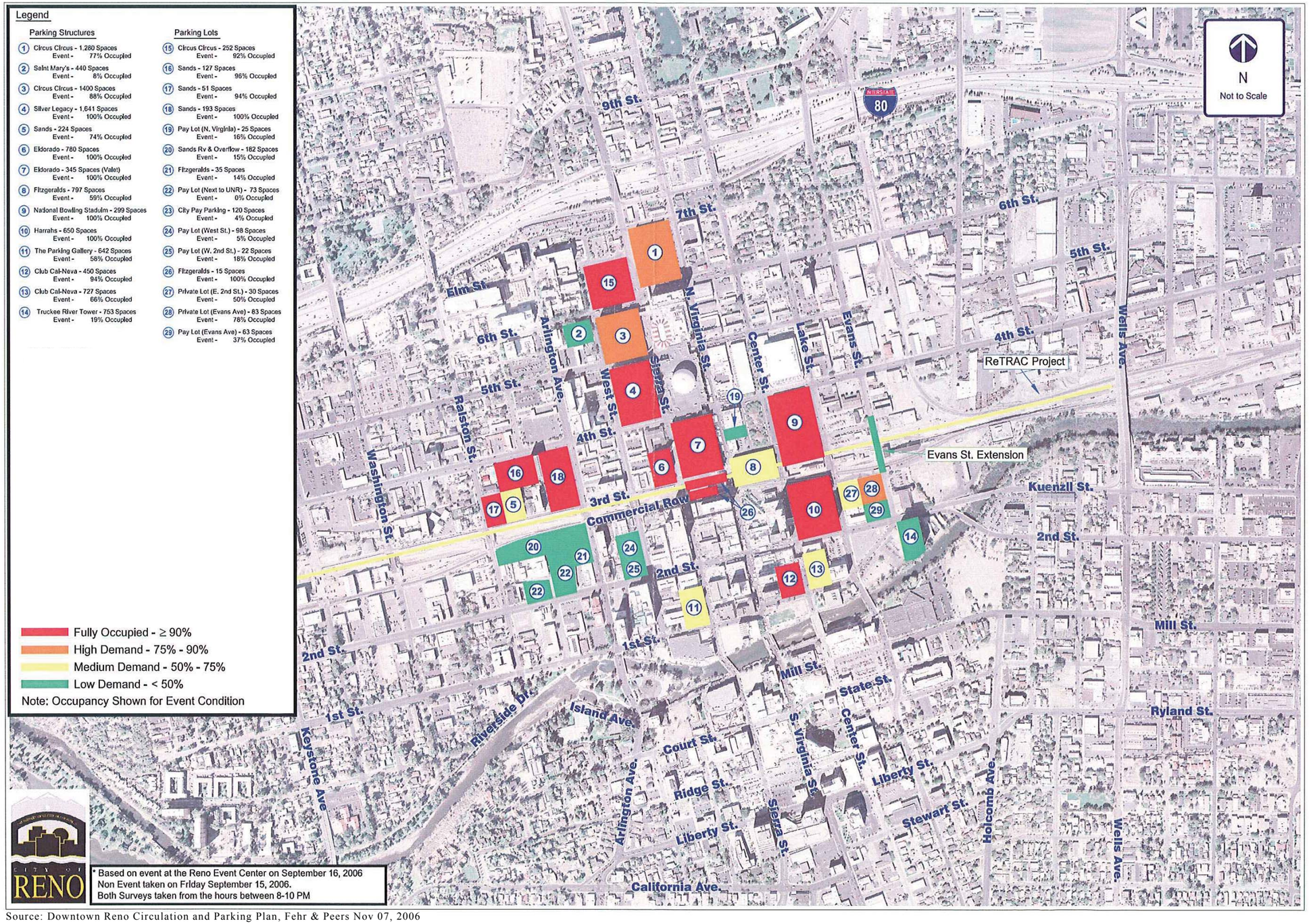
21. Sands - 193 Spaces
    Non Event - 47% Occupied
22. Pay Lot (N. Virginia) - 25 Spaces
    Weekday - 68% Occupied
23. Sands Rv & Overflow - 182 Spaces
    Weekday - 38% Occupied
24. Fitzgeralds - 35 Spaces
    Weekday - 9% Occupied
25. Pay Lot (Next to UNR) - 73 Spaces
    Weekday - 84% Occupied
26. City Pay Parking - 120 Spaces
    Weekday - 18% Occupied
27. Pay Lot (West St.) - 98 Spaces
    Weekday - 15% Occupied
28. Pay Lot (W. 2nd St.) - 22 Spaces
    Weekday - 32% Occupied
29. Fitzgeralds - 15 Spaces
    Weekday - 62% Occupied
30. Private Lot (E. 2nd St.) - 30 Spaces
    Weekday - 27% Occupied
31. Private Lot (Evans Ave) - 83 Spaces
    Weekday - 10% Occupied
32. Pay Lot (Evans Ave) - 63 Spaces
    Weekday - 21% Occupied
33. Sienna Hotel - 183 Spaces
    Weekday - 65% Occupied
34. Nevada Stae Bank - 17 Spaces
    Weekday - 88% Occupied
35. Sienna - 39 Spaces
    Weekday - 82% Occupied
36. Wells Fargo Bank - 54 Spaces
    Weekday - 57% Occupied
37. Pay Lot (Sierra/Ridge) - 45 Spaces
    Weekday - 76% Occupied
38. County Court House - 102 Spaces
    Weekday - 39% Occupied
39. Nevada State Bank - 104 Spaces
    Weekday - 79% Occupied
40. Museum of Art (& others) - 117 Spaces
    Weekday - 90% Occupied
41. City Permit Building - 87 Spaces
    Weekday - 92% Occupied




Source: Downtown Reno Circulation and Parking Plan, Fehr & Peers Nov 07, 2006

CHS Consulting Group

Figure 1
Existing Weekday Parking Supply and Occupancy Conditions




Source: Downtown Reno Circulation and Parking Plan, Fehr & Peers Nov 07, 2006

CHS Consulting Group

Figure 2
Existing Weekend Parking Supply and Occupancy Conditions

The *Downtown Reno Circulation and Parking Plan* recommended that two additional public parking garages be constructed—one with 500 spaces and the second with 600 spaces—for a total of 1,100 spaces. One of the garages should be constructed near the Event Center (potentially on the block bounded by Lake Street, Evans Street, 4th Street, and 5th Street), and the other should be located west of Virginia Street and south of 4th Street to serve redevelopment and new businesses in the area.

This recommendation was made because of the following four conditions:

- The loss of 900 parking spaces due to the closure of the Comstock, Flamingo Hilton, and Sundowner west of Virginia Street.
- The result of the parking occupancy surveys show that additional parking is needed near the Events Center.
- Parking is not being constructed as part of the planned Events Center Ballroom (30,000 square feet of meeting/conventional space).
- Parking demand in Downtown Reno will continue to increase due to redevelopment.

## 5.D.3. Future Parking Demand and Requirements

Future parking demand for the study area is estimated for the opportunity sites identified by the Reno ReTRAC project, and future parking requirements are estimated based on the City of Reno Municipal Code Section XI.

### 1) Opportunity Sites

As part of establishing a potential vision for development along the ReTRAC/3rd Street, 2nd, Street, and 4th Street Corridors, Freedman Tung & Bottomley (FTB) identified infill opportunity sites in a conceptual build-out plan for the study area. Anticipated patterns of infill development and their medium- or long-term build-out were based on assessments of "potential for change" by parcel (see Figure 2.51., Section 2). For each opportunity site, FTB identified potential land uses and a conceptual estimated intensity of development for each land use, again for both medium-term and long-term timeframes. The long-term estimate assumed a complete build-out of sites exhibiting potential for change. Table 3 presents a summary of total number of estimated residential units and gross square feet of non-residential development for these opportunity sites. As presented in Table 3, a full build-out of all sites evaluated as having potential for change would result in a substantial amount of residential and non-residential development in the study area.

For the purpose of the transportation analysis, the entire study area was divided into 10 sub-areas, using 4th Street as the dividing line for areas north and south (Figure 3). Appendix 1 presents the opportunity sites. Of the 2,818 residential units under the full-build condition, 72 percent would be located in sub-areas 2, 3, and 4. Potential office developments would be concentrated in sub-areas 1 and 4.

**Table 3 - Development Program for the Opportunity Sites**

| | | Medium-Term | Long-Term |
|---|---|---|---|
| Residential | Units | 1,508 | 2,818 |
| Office | gross square feet | 135,000 | 1,132,000 |
| Retail | gross square feet | 386,000 | 422,000 |
| Industrial | gross square feet | 40,000 | 57,000 |

Source: Freedman Tung & Bottomley

### 2) Opportunity Site Parking Demand and Requirements

#### a) Opportunity Site Parking Demand

Parking demand for the opportunity sites would most likely be similar to a typical suburban development in the U.S., unless the City of Reno implements a parking management program and the RTA implements a significant transit network in the study area. Thus, the parking demand analysis was performed using the average parking generation rates presented in the "Parking Generation" Manual, 3rd Edition, published by the Institute of Transportation Engineers. These rates were obtained from actual field surveys of various types of land uses. Table 4 presents the estimated parking demand for the opportunity sites.

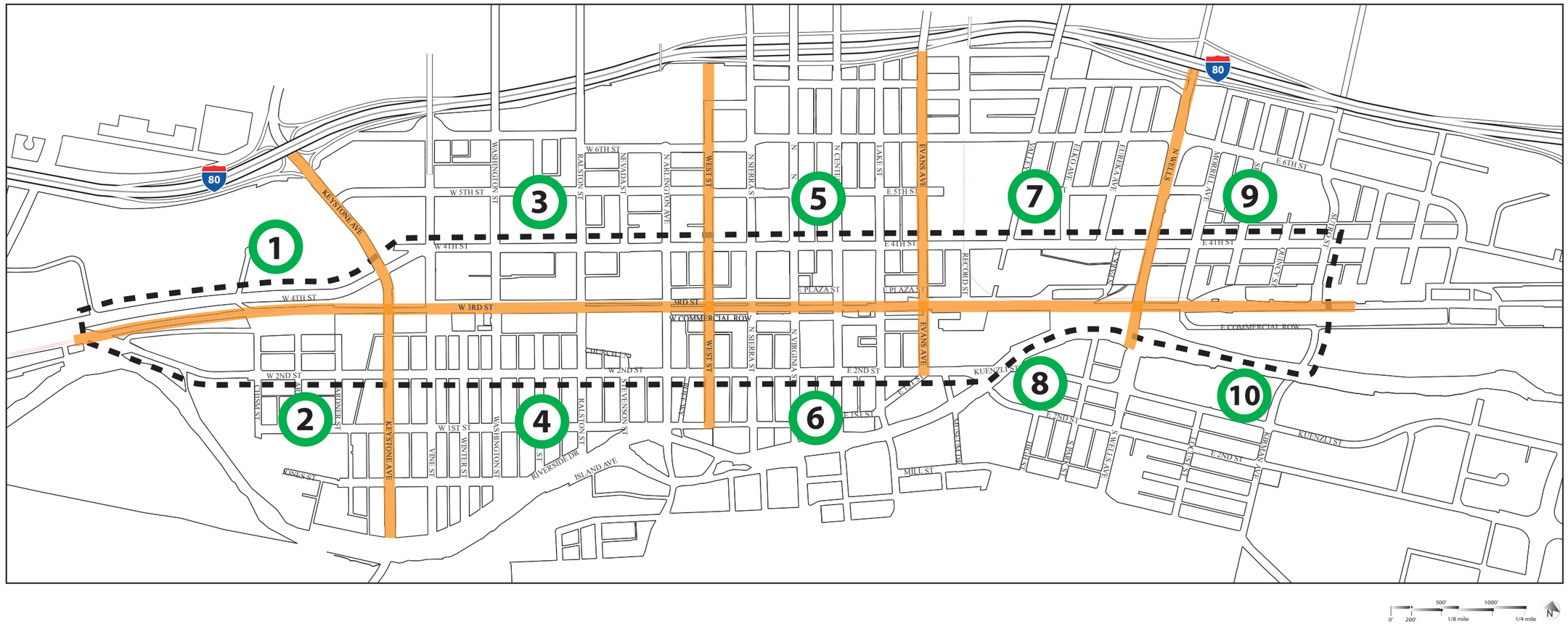



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Figure 3
Study Area Analysis Zones

**Table 4 - Reno ReTRAC Project Parking Demand Analysis**

| | Study Area Analysis Zones | | | | | | | | | | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| **Short Term Projects** | | | | | | | | | | | |
| Office | 383 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 383 |
| Retail | 1,071 | 0 | 205 | 0 | 656 | 126 | 177 | 55 | 0 | 0 | 2,290 |
| Residential | 0 | 194 | 77 | 384 | 0 | 0 | 116 | 135 | 28 | 0 | 934 |
| Industrial | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 30 | 30 |
| **Sub-total** | **1,454** | **194** | **282** | **384** | **656** | **126** | **293** | **190** | **28** | **30** | **3,637** |
| **Long Term Projects** | | | | | | | | | | | |
| Office | 67 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 67 |
| Retail | 110 | 0 | 360 | 0 | 257 | 0 | 80 | 0 | 335 | 0 | 1,142 |
| Residential | 0 | 282 | 253 | 66 | 50 | 50 | 62 | 0 | 4 | 0 | 767 |
| Industrial | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 13 | 13 |
| **Sub-total** | **177** | **282** | **613** | **66** | **307** | **50** | **142** | **0** | **339** | **13** | **1,969** |
| **Total Projects** | | | | | | | | | | | |
| Office | 450 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 450 |
| Retail | 1,181 | 0 | 565 | 0 | 913 | 126 | 257 | 55 | 335 | 0 | 3,432 |
| Residential | 0 | 476 | 330 | 450 | 50 | 50 | 178 | 135 | 32 | 0 | 1701 |
| Industrial | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 43 | 43 |
| **Grand Total** | **1,631** | **476** | **895** | **450** | **963** | **176** | **435** | **190** | **367** | **43** | **5,626** |

| | Short-Term | | Long-Term | |
|---|---|---|---|---|
| | Demand | Requirements | Demand | Requirements |
| Residential | 2,200 | 3,157 | 4,002 | 5,742 |
| Office | 383 | 351 | 441 | 423 |
| Retail | 2,162 | 2,297 | 3,185 | 3,534 |
| Industrial | 30 | 18 | 43 | 26 |
| **Total** | **4,775** | **7,671** | **6,978** | **9,725** |

The Reno ReTRAC project only identified generic land use types for the opportunity sites. No detailed breakdown of these land uses was provided (such as retail use to restaurant, super market, and specific type of retail uses). The following parking generation rates were used for the parking analysis:

- Residential development – 1.46 vehicle per unit (residential condominium/ townhouse)
- Office – 2.4 per 1,000 gross square feet (general office building)
- Retail – 3.76 per 1,000 gross leaseable square feet (specialty retail center)
- Industrial – 0.75 per 1,000 gross square feet (general light industrial).

Based on the assumptions above, the opportunity sites would generate a demand for approximately 4,775 parking spaces for the short-term opportunity sites and 6,978 parking spaces for the long-term opportunity sites. Most of the demand would be generated by the residential use, following by the retail use. Office and industrial uses account for a smaller portion of the overall demand.

### b) Opportunity Sites Parking Requirements

The City of Reno Municipal Code Article XI provides off-street parking requirements for new developments. It sets minimum and maximum requirements, as well as a method of calculating parking for multiple uses. The minimum requirements are presented in Table 18.12-8 in this Article, and the minimum requirements for Downtown regional center developments are slightly less than developments located elsewhere in the City. The maximum limit is set as 10 percent, or less than the minimum requirements. The calculation of parking for multiple uses is set as the combined total of the requirements for each use.

The City of Reno's parking requirements are generally the same with other cities. Based on the requirements set in Article XI, the opportunity sites would be required to provide 7,671 off-street parking spaces for the short-term projects (vs. estimated demand of 4,775 spaces) and 9,725 spaces for the long-term projects (vs. estimated demand of 6,978 spaces) (Table 4).

Table 4 shows that the biggest difference between potential demand and the City of Reno's requirements would occur with residential development and to a lesser extent with retail development.

## 5.D.4. Recommended Parking Policies

As presented in Table 4, without any modification to the existing parking requirements at these opportunity sites, the City would require a total of 9,812 parking spaces, which is substantially higher than the demand (5,626 spaces) for these opportunity sites. This kind of parking requirement would not be considered supportive of the TOD Corridor Plans.

While the City of Reno's off-street parking requirements include a maximum allowable number of parking spaces in a new development (10 percent more than the minimum requirement) and a calculation of parking requirements for mixed-use developments, the calculation does not recognize the opportunity of sharing parking among the land uses. While the two TOD Corridor Plans have specific policies regarding shared parking, no detailed guidelines on how shared parking would be calculated and approved have been identified.

Linking effective parking management strategies to TOD policies is an important first step toward the successful implementation of TOD plans. Managing the supply of the amount of parking spaces associated with new development is an effective way of increasing transit ridership, improving pedestrian amenities and safety, and reducing traffic congestion and impacts.

Examples of these strategies that would be relevant to the Reno ReTRAC project include:

- Reduce Parking Requirements – Recent research has found that households in TODs tend to generate fewer vehicle trips, and thus a reduced demand for parking. A 2002 working paper[1] (Cervero and Duncan) stated that a string of studies have correlated living in compact, mixed-use, transit served neighborhoods with lower auto ownership rates and reduced automobile travel. Reducing parking requirement for TOD development would reduce the cost of development, thus making housing more affordable, increasing transit ridership, reducing traffic congestion, and making the TOD development even more pedestrian friendly. The amount of reduction should be consistent with the transit services provided. Examples of reduction range from 12 percent in San Diego (Uptown District) to 60 percent in Long Beach (Pacific Court).

  The current parking requirement is 2 spaces per single-family home and townhouse and 0.9 spaces per efficiency unit, and 2 spaces per unit for condominium projects (one or more bedroom) regardless of their location and type of occupants. The City of Reno should conduct further research to identify case studies most relevant to Reno's situation, or survey existing households and land uses in the Downtown to determine actual parking demand, especially for residential uses.

- Unbundling Parking Requirement – Typical residential development or leases include a fixed number of parking spaces for each dwelling unit (one space per unit or two spaces per unit) regardless of the demand by the occupant. Unbundling means separating the sales and lease of parking spaces from residential units. This is an essential first step toward helping people understand the true cost of parking and owning a vehicle. Without unbundled parking, buyers and tenants often assume that parking is free. Unbundling parking requirement/supply gives the buyers/leasees an opportunity to make a decision on whether to own a vehicle based on the price of parking as a commodity rather than as a free good. It also gives people an opportunity and incentive to compare the cost of paying for a parking space as opposed to not owning a parking space and using transit, bicycling, or walking as alternative transportation modes.

- Shared Parking – Shared parking is based on the concept of using the same parking spaces for two or more different land uses at different times. Shared parking recognizes that peak parking demand is different for each land use, especially between office, retail, theater, and hotel uses. Office uses typically have their peak during normal daytime business hours, while restaurants, bars, and theaters peak in the evening and on weekends. Shared parking can significantly reduce the need for additional parking spaces, and may allow new infill development to occur without the need for additional parking. The Urban Land Institute (ULI) published a report, "Shared Parking, Second Edition" in March 2006. The City of Reno can use the peak usage data from the ULI report or develop its own data for the calculation of shared parking.

- Carshare – Carshare is a relatively recent strategy implemented in many Center City areas, and has blossomed to over 600 cities worldwide. A carsharing program is an alternative system of car ownership, access, and use. The costs of vehicle ownership and maintenance are transferred to a central group. Participants join as members and can use a vehicle as needed. Members typically reserve and use a shared vehicle for a specific timeframe. With carshare and frequent transit service, residents residing in the Center City area are able to access jobs, shopping, and recreational opportunities without owning a vehicle. This complements the unbundling strategy because it provides people who choose not to own a vehicle access to a vehicle on an as-needed basis. Several cities in the San Francisco Bay Area provide free carshare parking spaces in the publicly owned parking facilities, and require major private development to include free carshare vehicle parking spaces as a way of increasing carshare usage.

  Implementation of carsharing offers compelling parking management benefits. First, by distributing the fixed costs of car ownership into the marginal cost of every trip made, carsharing reduces the total number of trips made by participants. Second, by offering an alternative to individual car ownership, carsharing programs have helped participants eliminate one or more existing household vehicles. By increasing the number of users per vehicle and encouraging more frequent use throughout the day, carsharing programs directly reduce parking demand while preserving the convenience and flexibility of automobile use of participants when needed.

- Parking Pricing – Pricing has long been recognized as the most powerful parking management tool. Effective pricing policies can be used to discourage commuter parking and increase customer access to convenient short-term parking supplies. Revenues from parking can be used to fund transit supportive parking and transportation improvements. Downtown Reno currently has several fee parking lots and garages, and on-street parking spaces are metered with a fixed fee per hour; however, most parking spaces are free of charge. Additional parking pricing policies could include the following:

  – Variable Rate Parking Pricing. This concept recognizes that parking is a precious commodity. Thus, parking price should be different depending on demand patterns. For example, hourly parking fees would be higher during high demand period. This strategy would help ration demand and force the use of alternative modes. The use of "Smart Cards" to pay for parking significantly increases the viability of implementing a variable parking pricing strategy.

  – Parking Cash-Out. Typical employers provide free parking to their employees at their job site, and those employees who use transit must pay transit fares out of their own pocket. This inequitable practice encourages driving and discourages the use of transit. Parking cash-out recognizes that free parking is an added benefit to employees, and requires employers to offer the cost of providing free parking to all employees as cash. Thus, employees can choose to use this cash to pay for either a parking space at the job site or transit passes. This strategy has proven to reduce driving trips to the job site. The City of Reno may require employers at the TOD Corridor to offer parking cash-out program to their employees.

**Implementation of a Parking Management Program**

Implementing a parking management program is usually a sensitive topic, and changing parking and travel behavior can be difficult. Typical concerns about a reduced parking requirement include spillover parking impacts in surrounding areas (e.g., drivers circulating around other areas attempting to locate available parking spaces). There are numerous "Best Practices" case studies that demonstrate the effectiveness of various parking management strategies, and how parking management strategies can be implemented[2]. These case studies can help present factual data and useful resources at public meetings.

1 *Residential Self Selection and Rail Commuting: A Nested Logic Analysis*, Robert Cervero and Michael Duncan, 2002

2 *Parking Management Best Practices*, APA Planners Press, 2006

# APPENDIX A: SUMMARY OF PUBLIC PARTICIPATION

The planning process for the Corridor Study was organized around a series of Community Workshops and City Council Study Sessions and Hearings held at various downtown Reno locations (noted). This section provides a list of the dates and focus of those sessions, and a summary of comments received from community members at Focus Groups and Community Workshops.

- September 26, 2006 - Community & Stakeholder Meeting #1: Existing Conditions & Community Aspirations
- November 28, 2006 - Community & Stakeholder Meeting #2: "Broad Brush" Land Use & Urban Deign Options & Trade Offs
- January 25, 2007 - Community & Stakeholder Meeting #3: Refined Master Planning Alternatives
- March 6, 2007 - Community & Stakeholder Meeting #4: Recommended Corridor Plan Framework
- March 7, 2007 – Joint RDA Board & Planning Commission Study Session: Recommended Corridor Plan Framework
- TBD – Planning Commission Hearing
- TBD – RDA Board & City Council Hearing

## 1) Community & Stakeholder Meeting #1

**Existing Conditions & Community Aspirations**

September 26. 2006 at the Pioneer Theatre

The following comments were made by the attendees in response to the slideshow presentations made by FTB and Carey & Co:

**Questions and comments about ReTRAC properties:**

1. Freight House – Is the City's intention to develop (property) on a first-come first-serve basis? Or will Consultant have say in how property is developed?
2. What will be the pricing of parcels that are coming in to city ownership? Why are certain parcels selling for certain price/acre?
3. What will be the opportunities to purchase acquired ReTRAC property? Will there be access on Wells to the river (pedestrian access)?
4. Keystone Ave. (former ReTRAC Office) Any idea of future use? Address is 264 Keystone between 2nd & trench?
5. If I lease will I be given an opportunity to purchase ReTRAC property?

**Questions and comments about Existing Conditions analyses:**

6. Are analysis maps available as prints or online? Where will be available for draft review?
7. Concern about (view shed) – View corridor and the location of trench & covers. Can Consultant incorporate view corridor/view sheds into analysis maps?

**Questions and comments about ongoing projects:**

8. What is the location and plan for the trench covers?
9. Concern with projects that are announced but are not moving forward.
10. Obstacles Downtown – Per city requirements, developers have to spend a lot of infrastructure money (streets, lighting, etc) and therefore can't afford to do development. Projects become economically unfeasible when saddled with these barriers.

**Questions and comments about planning process and vision:**

11. Will the (ReTRAC) area be re-zoned or down-graded w/new uses?
12. Timeframe – Do trees/streetscape come in first? How does this affect other improvements? What is general timeframe? In terms of timing, what happens first (trees, lighting, etc. on W. 4th Street)
13. Need for landscaping from Vine Street westerly along Third Street / ReTRAC.
14. Am interested in historic preservation of E. 4th Street buildings.
15. How do we assess architectural look so it's not all California-esque, takes regional context for design?
16. Coaching guidelines/criteria on how to evaluate presentations, plans, & developments that come forward. Can FTB provide criteria so community knows how to react to development proposals?
17. Is there a chance to determine income-generating uses? Such as if auto museum had been built over railroad tracks; they would be paying money (taxes) to redevelopment agency.
18. Need a supermarket downtown, nearest is Keystone Avenue. With more people moving downtown and apartment dwellers, could grocery locate at old police department site? (Subsequent comment) Downtown barriers to grocery are insurmountable; can't do with pedestrian environment.

## 2) Community & Stakeholder Meeting #2

**"Broad Brush" Land Use & Urban Design Options & Trade-Offs**

November 28, 2006 at Reno City Hall, Council Chambers

The following comments were made by the attendees in response to the slideshow presentations made by Freedman Tung & Bottomley (FTB), Gruen Gruen + Associates (GGA), and CHS Consulting (CHS). Italicized statements represent responses from Consultant and/or City Staff:

1. What economic findings suggest is true: a percentage of baby boomers will come to Reno.
   Reno has parallel amenities: Lake Tahoe & ReTRAC.

   Suggestion: connect end of ReTRAC to Oxbow Park (far west side).

   Wells Avenue Bridge: connect using ReTRAC to get people from riverfront to downtown.

   (ReTRAC) will attract people: natives to younger computer generation.

   The community needs to complete the ReTRAC vision.

   Turning old casinos to housing is much more do-able than building (housing) from scratch.

2. _How to get maps to people outside of community meetings? Get buy-in from property-owners.

   *FTB response: City of Reno to address this issue*

3. How can the community give input to the process if can't get draft document? Need a hardcopy to review.

   *FTB response: City of Reno to address this issue*

4. Why is there more discussion of bringing more housing to Reno if doesn't match or is in conflict with economic findings?

   *GGA: study represents a non-linear track and incorporates an absorption rate for housing*

5. It sounds like 4th St. needs to be widened to incorporate multiple uses as TOD.

6. Did the traffic analysis take into account downtown parking/circulation reports? East 4th, West 4th Street studies. Were they also taken into consideration?
   *CHS: yes*

7. People don't really walk on 4th Street due to prostitution and safety issues.

8. Ralston between 3rd and 4th Street historical area. How do you envision working with that area?

9. Connecting dots between Freight House & public plaza is somewhat addressed through RTC's transportation site/multi-modal site.
   *FTB: will research*

10. Use shoo-fly track as access alignment for Community services/ public safety center.

11. What is your opinion of Police/Community Center in that location? Better location would be EAST 4th Street due to culture problems.

12. Do you recommend that some of the 30-day leases should be terminated as UPRR transfers property to City?

13. (This) plan transcends downtown redevelopment to RDA2. Could serve as beginning of a plan for RDA2. Have you considered other core area plans? Will market absorption take into account these other plans?
    *FTB: Sub-Area plans (such as Entertainment Core sub-area plan) not fully-integrated yet. FTB will synchronize with city policies as a future step.*

    *GGA: Room for necessities and non-necessities in 100,000 square feet of retail identified. 100,000 square feet of retail will generate critical mass, generate demand for more. Need to concentrate retail geographically, instead of allowing scattered development.*

    Would you recommend 30-day leases be altered? Now is the time to evaluate the siting of the police station, as it is not a done deal yet.

    *FTB: the concept of police station is not a total defined vision yet. Ballpark areas are estimated. FTB & City: land-swapping may be best option, also being considered.*

14. Cannot emphasize view corridors enough.

15. Industrial leases at East 4th prohibit connection of Truckee River to 4th Street. Can't get funky neighborhoods with leases remaining.

    *City: there are challenges associated with ground leases & improvements. Not insurmountable.*

16. Need to get "How to do it" as part of Master Plan. Dialogue & description helps, goes a long way as providing Instruction Manual to Master Plan Document.

17. In-town residential is a great idea.

18. CAC & NAB, are they invited to this session. Would be nice to have drawings on display in City Hall.

    *City: we are going to review ways to solicit more input.*

19. Can bike lanes go other location besides 4th Street? Would prefer dedicated bike lane on ReTRAC instead of on 4 – lane highway.

    *FTB and CHS: the parking study by Fehr & Peers recommends 5th Street. It also recommended bike lanes on as many streets as possible. Certain segments may have alternative location / detour.*

20. Planted Medians proposal on 4th Street to slow traffic. What was the intention of this (to make slower, instead of higher speed arterial).

    *FTB: there are different needs for different proposed uses on 4th Street.*

## 3) Community & Stakeholder Meeting #3

**Refined Master Planning Alternatives**

January 25, 2007 at Reno City Hall, Council Chambers

The following comments were made by the attendees in response to the slideshow presentations made by Freedman Tung & Bottomley (FTB), Gruen Gruen + Associates (GGA), and CHS Consulting (CHS). Italicized statements represent responses from Consultant and/or City Staff.

1. On Potential for Change map: Do non-colored properties have any potential for change? (2) Parcels owned considered potential for change – no way to relocate building on site. Building is well-kept, should not be considered.

*Non-colored parcels do not represent a potential for change. If parcel was incorrectly identified, Redevelopment Agency will discuss it with the owner(s).*

2. How much projected parking do you have in downtown area?

*The Fehr & Peers parking study indicated the need for 2 new parking structures to accommodate event days and weekend parking needs.*

3. Can public safety facility become a public greenway to connect to Idlewild Park, such as the Panhandle at Golden Gate Park in San Francisco? Is police safety center at this location confirmed?

*Plan is studying ways to incorporate greenway buffer at this location.*

4. Have you incorporated social issues (into your planning)? There is high crime in select areas.

5. New housing tends to improve environment, but my property on E. 4th Street, which was designed as a live/work space, was denied, and cannot be a "living" space by city. Seems to be opposite of what this is trying to do.

6. Is there any way a transit system could parallel ReTRAC, like a light rail system that wouldn't use public streets? High number of residential units proposed might generate ridership. *Light rail would require multi-millions of dollars in right-of-way acquisition and infrastructure construction; the potential ridership density is not high enough yet along the east-west direction.*

7. What is the height requirement of rail road trench crossing: is it higher at the Wells area?-Add pedestrian bridge at Sands?

*Height clearance at Wells would require ¼ mile of ramping for ADA access to cross the trench at this location.*

8. Who's going to pay for all streets, bridges, and lighting? More taxes? Who will pay for additional improvements such as pedestrian bridges? Will there be additional taxes?

9. What type of housing are you considering? Single-family? Multi-family?

10. Plan for unlimited gaming from Keystone to Wells, California to I-80. What impact would this have on plan? "Unlimited Gaming District" – was in newspaper.

*City: We will get this information to the consultants.*

11. How does city work with private property owners to change property into use designated by master plan? Are there partnership opportunities?

*Yes. The City and Redevelopment Agency encourage partnership deals.*

12. How to relocate waste management on east side industrial?

*The district diagram represents a long-term vision, of what may be highest and/or best use of property. The diagram does not look at relocation strategies.*

13. Industrial uses on north side will have impact on South side as well (if changes).

14. What is impact of flood control/flooding issue on master plan?

*City: We will get this new information to the consultants.*

15. How does the implementation of master plan affect other projects, i.e. 4th Street Corridor Design Guidelines?

*City: We will get this new information to consultants*

## 4) Community & Stakeholder Meeting #4

**Recommended Corridor Plan Framework**

March 7, 2007 at McKinley Arts & Culture Center

The following comments were made by the attendees in response to the slideshow presentations made by Freedman Tung & Bottomley (FTB). Italicized statements represent responses from Consultant and/or City Staff:

1. The plan is evolving into something nice.

2. Noise – the trains coming through trench sound like a "roaring earthquake." The noise is not like before (the trench), but it still happens. My building was constructed in 1875 and may not be up to current codes and development standards.

3. The Greenway Loop is great idea.

4. Up-lighting Wells Avenue overpass is great idea.

5. I like idea of saving the historic neon roadway signs along 4th Street

6. The "Complete Streets" idea is what the city needs.

7. All land inside study area will be assessed for value. Is this a disguised form of eminent domain? *No, changes envisioned are through private initiatives or in some cases, public-private partnerships.*

8. Any affordable housing included in plan for casino workers?

9. Show more diverse housing options/types in plan (HUD qualified census tract downtown).

10. Crossover this report with affordable housing documents.

11. New interesting housing types in Reno but no emphasis on affordable. *Affordability arises out of delivery mechanisms, if the market doesn't provide affordable housing on its own. Higher density is the best way to potentially reduce the fixed costs per unit, outside of delivery mechanisms like subsidies, etc. Also, the city has led in funding and delivering more affordable housing than is required by state law.*

12. What is the plan for the Wells Avenue underpass? Flood issues there.

13. How about a driving "museum of neon" on 4th Street.

14. Consider the affordable housing of 4th Street motels.

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**THE POTENTIAL DEMAND FOR OFFICE SPACE IN DOWNTOWN RENO**

A Report to

The City of Reno Redevelopment Agency

from

**GRUEN GRUEN + ASSOCIATES**
*Urban Economists, Market Strategists & Land Use/Public Policy Analysts*

September 2006

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Gruen Gruen + Associates

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APPLYING KNOWLEDGE
CREATING RESULTS
ADDING VALUE

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# CHAPTER I

# INTRODUCTION AND PRINCIPAL CONCLUSONS

## INTRODUCTION

This report summarizes the results of the market research and analysis Gruen Gruen + Associates (GG+A) conducted to estimate the office space demand potential for Downtown Reno given present and forecast future market conditions and the competitive position of the Downtown. The results of the office market study provide input for the preparation of the Master Plan for the ReTrac corridor that extends the length of Downtown and beyond.

## WORK COMPLETED

To provide a framework for the demand-supply forecast and assessment of the potential for the Downtown to capture office space demand, GG+A completed the following primary tasks:

1. Conducted field research and interviews with real estate brokers, office space developers, and office building owners. We directed these interviews toward gaining information and insights needed to define the relevant primary market area and to identify:

    a. the likely origins and types of prospective users,
    b. the alternative locations prospective users typically consider, and
    c. the relative advantages and disadvantages of the Downtown as an office location;

2. Identified the Downtown's competitive position within the relevant primary market area;

3. Studied office space supply conditions for the Downtown in the context of the primary Reno market area;

4. Forecast the demand for office space by:

    a. analyzing historic employment trends by economic sector for Downtown and Washoe County,
    b. forecasting employment growth by economic sector for Washoe County and Downtown,
    c. using GG+A's Spacewalk ™ model and market-based assumptions about worker-office space density ratios to convert the forecast employment growth into estimates of building space demand,
    d. estimating the share of forecast office space demand produced by net employment growth in office space sectors the Downtown can potentially capture, and
    e. considering the demand for office space generated by the need to replace obsolete facilities; and





5. Synthesized the tasks summarized above to reach conclusions about the potential for the Downtown to capture demand for office space and the amount of space likely to be in demand over the next 10 years.

## REPORT ORGANIZATION

The research and analysis on which we base the conclusions and recommendations is presented in the following chapters. Chapter II presents the definition of the primary market area within which the Downtown will compete for office space users and describes the primary competing geographic submarkets as well as the likely geographic origins of potential office space users. Chapter II also describes the competitive position of Downtown Reno. Chapter III reviews office space supply conditions in Reno and Downtown. Chapter III also identifies future office space supply conditions. Chapter IV reviews historical employment growth trends. It also presents a forecast of employment for Washoe County and Downtown. Chapter V presents GG+A's forecast of office building space demand generated by the forecast of future employment for Washoe County and the need to replace obsolete space. It then presents estimates of the share of office space demand the Downtown could capture.

## PRINCIPAL CONCLUSIONS

### CAPTURING FUTURE MARKET DEMAND DEPENDS UPON ENHANCEMENT OF DOWNTOWN

Office space users are likely to include financial, insurance and real estate sector firms and professional and business services firms. The growth of the hospital facilities will induce additional demand for medical office space. Firms such as architectural, advertising, multi-media, graphics and other firms which tend to benefit from urban locations and depend upon a younger-aged workforce are likely to be the primary sources of demand.

To succeed, new office space will need to provide a user-friendly (safe, convenient, relatively hassle-free) workplace environment while offering the experiential attractions and environment of a mixed-use activity center. Office space development is unlikely to represent the first or primary use that leads to the continuing revitalization and enhancement of the Downtown. The enhancement of the retailing, restaurant, cultural, and residential base will make the Downtown a more desirable place to office workers and office space decision makers. As a result, the long-term declining share of new office space growth in the Downtown can be stabilized.

As described below, we estimate potential future demand based on assumptions about the share of Washoe County employment the Downtown obtains. Under the assumption that Downtown Reno employment maintains its relative position in the regional economy and grows at the same annual rate as forecast for the County of 1.67 percent, for the period 2005 to 2015, about 2,100 office space-using workers are estimated to be added within Downtown Reno. This forecast employment growth is estimated to result in average annual demand of about 50,000 square feet, for a total of

approximately 500,000 square feet of office space in Downtown Reno through 2015.

We use a lower range slower employment growth rate (but higher than historical trends) assumption of one-half of one percent so that the rate of the decline in the Downtown's share of County employment diminishes to still remain over six percent of forecast total County employment. Under this lower rate, 583 office jobs are forecast for potential office demand of 138,000 square feet from 2005 through 2015 in Downtown Reno. This equates to average annual demand of approximately 13,800 square feet of office space in Downtown Reno between now and 2015.

Historically, major office space has been built south of the Truckee River, away from the entertainment and casino facilities. Other than relatively small amounts of office space as part of mixed-use developments, the initial interviews and field inspections do not suggest new office buildings will be concentrated in the ReTrac corridor. Should appropriate access and ingress and egress be made available, however, the ends of the ReTrac corridor could represent potential locations for office space products such as an office park or campus type facilities that do not exist in the Downtown and that would provide a product option for users that might not otherwise consider Downtown Reno as a location for their business or activities. The concept would not be to compete with the core office district in the Downtown, but to accommodate a single or multi-user campus or office park that can create a high amenity environment in a setting that is now available only in the suburbs. In addition, to improve the linkages and continuity of street activity between properties and subareas of the Downtown, street level floors of new office buildings should be designed to include commercial space or some other active use rather than parking structures or blank walls.





## CHAPTER II

## THE MARKET FOR OFFICE USES IN RENO AND THE COMPETITIVE POSITION OF THE DOWNTOWN SUBMARKET

### THE RELEVANT GEOGRAPHIC MARKET

Interviews with knowledgeable real estate brokers, office space developers, and office building owners and a review of supply and tenanting trends indicate that when searching for office space, prospective users will typically consider locations in the Downtown, or Meadowood and South Meadows located in the suburbs. The area around the Reno Airport is another primary location for office space users.

Table II-1 identifies the primary Reno office submarkets and the respective shares of the total amount of office space in Reno. The Reno office of Colliers International is the source of this data.

**TABLE II-1**

**Office Market Space for Primary Reno Submarkets: 2nd Quarter 2006**

| Submarket | Estimated Office Space Inventory | | Total Vacant Space | Vacancy Rate |
|---|---|---|---|---|
| | # Square Feet | % of Total Space | # Square Feet | % |
| Downtown | 1,405,403 | 22.5 | 242,150 | 17.2 |
| Meadowood | 2,220,748 | 35.5 | 201,379 | 10.9 |
| South Meadows | 1,195,201 | 19.1 | 134,655 | 14.4 |
| Airport | 897,255 | 14.3 | 86,289 | 12.4 |
| Southwest | 539,463 | 8.6 | 105,450 | 19.3 |
| Total | 6,258,070 | 100.0 | 769,923 | 12.3 |

Sources: Colliers International, Reno/Sparks, Nevada
Second Quarter 2006 Summary of Available Office Space; Gruen Gruen + Associates.

The Downtown submarket contains approximately 1.4 million square feet of office space. The Downtown office space inventory comprises approximately 22.5 percent of the total office space market. Approximately 17 percent or 242,000 square feet of the Downtown inventory is vacant. The Meadowood suburban submarket oriented around the Meadowood Mall, the largest regional-serving retail center in the Reno area, located at the intersection of Virginia Street and McCarran Boulevard, includes 2.2 million square feet of space or 35.5 percent of the office space market inventory. The Meadowood submarket contains less vacant space at 201,000 square feet than the Downtown market for the lowest vacancy rate (10.9 percent) of any primary submarket. The law firm of Hale Lane moved from Downtown to a new building (The Mountain View Corporate Center, a 30-acre master planned Class A office campus) in the Meadowood submarket. The South Meadows suburban submarket includes 1.2 million square feet of office space or 19 percent of the

total office market. Approximately 135,000 square feet or 14 percent of the inventory is vacant. The South Meadows submarket is further south than the more mature Meadowood submarket. The South Meadows submarket is a desirable location for office space because of its accessibility, and visibility off of Interstate 395, amenities and services of the master planned community, proximity to executive housing, and modern office space. According to CB Richard Ellis, larger transactions in the overall market in 2005 included many for space in the South Meadows submarket. MLSG Home Loans leased 43,000 square feet, the Veterans Administration leased 36,000 square feet, Lennar Homes leased 28,000 square feet, Wood Rogers (an engineering firm) leased 20,000 square feet, Tyco leased 14,000 square feet, and The Pasha Group (provider of transportation and logistics services) leased 13,400 square feet of office space in the South Meadows submarket.

The Airport submarket contains about 900,000 square feet of space or 14 percent of the total office market. Approximately 86,000 square feet of office space in the Airport submarket is vacant. This equates to a vacancy rate of 12.4 percent. The smallest submarket, the Southwest region, contains approximately 539,000 square feet of space or almost nine percent of the total office market inventory. The vacancy rate approximates 19 percent. The southwest submarket contains older, smaller facilities.

Table II-2 shows the estimated annual rental rates by submarket with which office space Downtown primarily competes.

**TABLE II-2**

**Rental Rates for Primary Reno Office Submarkets[1]**

| Submarket | Estimated Monthly Rental Rates[2] $ Per Square Foot Range | Estimated Monthly Rental Rates[2] $ Per Square Foot Average |
|---|---|---|
| Downtown | 1.20 – 1.91 | 1.59 |
| Meadowood | 1.24 – 1.85 | 1.76 |
| South Meadows | 1.68 – 2.02 | 1.98 |
| Airport | 1.15. – 1.85 | 1.23 |
| Southwest | 1.20 – 1.47 | 1.28 |

Source: Colliers International, Reno/Sparks, Nevada
Second Quarter 2006 Summary of Available Office Space

According to Colliers International, monthly rents are highest in the South Meadows submarket, ranging from $1.68 to $1.85 per square foot for an average of $1.98 per square foot. Space in the Meadowood submarket commands the second highest rents with an average of $1.76 per square foot. Monthly rents range from $1.24 to $1.85 per square foot in the Meadowood submarket. The Downtown submarket rents are lower than the suburban South Meadows and Meadowood submarket market rents. Monthly rents for Downtown space average $1.59 per square foot, ranging from $1.20 to $1.91 per square foot. The higher rent rates outside of the Downtown reflect that the





southern submarkets have more desirable images with newer, higher-quality space and are more proximate to desirable residential neighborhoods.

## GEOGRAPHIC ORIGINS AND TYPES OF DOWNTOWN OFFICE SPACE USERS

The interviews and review of supply suggest that office buildings in the Downtown tend to attract most users expanding from within the Downtown or relocating from the southwest submarket. Because of the relatively lower rents available in the Downtown, some firms in the suburban Meadowood and South Meadows have moved to or are considering moving to the Downtown submarket. Users attracted to office space in the Downtown tend to be concentrated in the government and professional services sectors. In 2005, Grant Thornton, the accounting and consulting firm renewed its lease and expanded to 14,500 square feet of space in the Downtown, while New York Life renewed its lease of 11,700 square feet of space in the Downtown. While smaller transactional law firms have moved to suburban locations and have sometimes purchased smaller "garden" office buildings, litigation firms tend to remain in Downtown to be near the courthouses. Most advertising and graphics firms and other service firms with a younger labor force have tended to remain in the Downtown. One broker reported that an internet services firm moved from space in the southwest submarket to space in the Downtown. An interview with a major building owner in Downtown indicates that businesses including architects, advertising agencies, insurance services, and technology services have been recently attracted to the Downtown from South Meadows and Meadowood submarkets. These firms have included younger-aged workers and have been experiencing employment growth. Firms dependent upon older family-age labor have tended to opt for suburban locations.

## COMPETITIVE POSITION OF DOWNTOWN

In order to estimate the potential penetration or capture rate of the future demand for additional office space, we studied the competitive position of the Downtown submarket.

**Primary Advantages**

Our field research and interviews suggest that the comparative advantage for Downtown include the following:

- Geographic centrality and accessibility to Highway 80;
- Proximity to government and cultural uses, special events, and the Truckee River amenity; and
- Lower rents for older office product relative to competing newer product is an advantage for attracting smaller, cost-sensitive users.

As confidence builds about the future of Downtown, the ability to participate in the growing vitality of the Downtown will also be an advantage.

**Primary Disadvantages**

The primary disadvantages for the Downtown as an office location include:

- The functional obsolescence of some of the office space. Much of the office building inventory in the Downtown has been surpassed by newer buildings such as those built in South Meadows and Meadowood in terms of building design, HVAC, telecommunication, electrical, security and life safety systems;
- Security and safety concerns and the presence of homeless add friction not found in competing locations;
- Less convenient parking than available in suburban office locations; and
- Reduced proximity relative to competing suburban locations which contain new or newer housing for decision-makers and professional and management personnel.

In addition, the advantages or strength of the Downtown agglomeration have been weakened by the movement of corporate office space users and the professional service firms that serve these users to Meadowood, South Meadows, or other suburban locations.





## CHAPTER III

## OFFICE SPACE SUPPLY CONDITIONS

### SUPPLY TRENDS

We review below the office space inventory and market trends by primary submarket within Reno. Growth in office employment and new development has occurred proportionally much less in the Downtown than other submarkets outside of the Downtown.

Drawn from data provided by Colliers International on individual submarkets, Table III-1 shows the total space and vacant space by submarket for the second quarters of 2003 and 2006.

**TABLE III-1**

**Reno Office Market Inventory and Vacancy Rate by Submarket: 2003 – 2006**

| Submarket | 2003 Total Space Square Feet # | 2003 Total Vacant Space Square Feet # | 2003 Total Vacant Space % | 2006 Total Space Square Feet # | 2006 Total Vacant Space Square Feet # | 2006 Total Vacant Space % |
|---|---|---|---|---|---|---|
| Downtown | 1,648,074 | 237,026 | 14.4 | 1,405,403 | 242,150 | 17.2 |
| Meadowood | 2,608,975 | 270,474 | 10.4 | 2,220,748 | 201,379 | 9.1 |
| South Meadows | 951,491 | 124,641 | 13.1 | 1,195,201 | 134,655 | 11.3 |
| Airport | 976,422 | 89,767 | 9.2 | 897,255 | 86,289 | 9.6 |
| Southwest | 987,425 | 99,521 | 10.1 | 539,463 | 105,450 | 19.6 |
| Total | 7,172,387 | 821,429 | 11.5 | 6,258,070 | 769,923 | 12.3 |

Source: Colliers International

The vacancy rate in all of the submarkets increased from 11.5 percent in 2003 to 12.3 percent in 2006. Downtown Reno experienced an increasing proportion of vacant space, from 14.4 percent in 2003 to 17.2 percent in 2006. The Downtown's share of the market's vacant space increased from 29 percent of the total amount of vacant space to 31 percent of the total vacant space in all of the submarkets. The decline in the reported inventory relates to government users purchasing formerly multi-tenant office buildings. While the inventory of space increased in the South Meadows submarket, the vacancy rate declined from over 13 percent in 2003 to less than 10 percent in 2006. The vacancy rate of the Meadowood submarket declined from over 10 percent to about nine percent in 2006. The vacancy rate in the southwest submarket experienced the largest increase, from about 10 percent to almost 20 percent.

Table III-2 shows the largest office space buildings in the Downtown.

**TABLE III-2**

**Primary Multi –Tenant Office Space Buildings in Downtown Reno: 2nd Quarter 2006[1]**

| Location | Year Built | Rentable Space # Square Feet | Vacant Space # Square Feet | Occupancy Rate % | Monthly Rental Rate $ per Square Foot |
|---|---|---|---|---|---|
| U.S. Bank Building 300 S. Virginia[2] | 1975 | 64,959 | 12,992 | 80 | 1.65 |
| Bank of America Plaza[3] 50 W. Liberty | 1980 | 248,483 | 64,606 | 74 | 1.90 |
| Waterfront Plaza Truckee River Office Tower 300 E. Second | 1981 | 123,000 | 24,600 | 80 | 1.50 |
| Wells Fargo 200 S. Virginia | 1982 | 118,529 | 27,194 | 77 | 1.85 |
| Museum Towers/Porsche 100 W. Liberty | 1987 | 148,742 | 14,874 | 90 | 1.95 |
| Total | | 703,417 | 144,266 | 79.5 | 1.81 |

[1] The former Chambers building at 1 East First Street of 115,834 square feet built in 1963 became Reno's City Hall in 2004. The Liberty Center at 350 South Center consisting of 86,000 square feet built in 1975 was purchased by Washoe County.
[2] According to the representative of the ownership, recent leasing signings have resulted in the building space becoming about 85 percent leased since the second quarter.
[3] According to the representative of the ownership, recent lease signings as described below have resulted in the building being about 90 percent leased with rents increasing to $1.95 to $2.05 per square foot per month.

Sources: Colliers International; Basin Street Properties; Gruen Gruen + Associates.

The review of the primary inventory in the Downtown shows that no new Class A type office space has been built in the Downtown since the 1980s. Most of the growth in office employment and development has shifted from Downtown to locations outside of the Downtown, including suburban Meadowood and South Meadows. The interviews indicate that no new office buildings are under construction or planned for the Downtown. Given the higher construction costs associated with contemporary development, current Downtown rents are not high enough to support feasible development of significant new high-rise office space.

The former Truckee River Office Tower, now called Waterfront Plaza, was sold for $17.5 million[1]. The first 11 stories of the building is a parking garage with 972 spaces, while the top four floors are used for office space. Given the building design does not compare favorably to supply alternative this building primarily competes on the basis of lower rents.

[1] "Office Market Madness" Commercial Investment Real Estate, September-October 2005 edition CCIM Institute.





Basin Street Properties purchased the 12-story Bank of America Plaza in 2005 for $34.6 million. Since purchasing the building, Basin Street has signed leases for ground floor space with a restaurant and with the YMCA for a fitness and wellness center. It recently signed a lease for 12,000 square feet of office space with a law firm which is relocating back to the Downtown from the south. As a result, nearly 90 percent of the space is now leased. Asking monthly rents have been increased to $1.95 to $2.05 per square foot. Basin Street Properties recently purchased the Wells Fargo Building for $18 million. Recent lease signings have brought this building to approximately 85 percent leased.

# CHAPTER IV

## FORECAST OF EMPLOYMENT GROWTH
## DETERMINANTS OF DEMAND FOR OFFICE SPACE

### INTRODUCTION

Our interviews of staff with the Bureau of Business & Economic Research University of Nevada Reno, real estate brokers and developers, an analysis of historical employment trends for the Downtown and the Greater Reno-Sparks Area and an employment forecast for Washoe County[2] provide the framework for GG+A's employment forecast and our estimate of the demand for office space presented in Chapter VI. Our review of the relevant literature and interviews confirm that the need for and use of office space, unlike industrial space consumption, tends to be generated by employment growth. While demand for industrial space relates more to the volume of inventory and shipments processed than the number of workers needed to do the processing, office space demand tends to be more closely associated with the need for labor. In Chapter V, we use GG+A's Spacewalk™ model to convert the results of the employment forecast for Washoe County into an estimate of office space demand for Downtown Reno based on assumptions about the share of County employment Downtown obtains. We then translate the share of potential office space-using employment demand into an estimate of the demand for space in the Downtown. The next sections of Chapter IV provide perspective on the employment base of Downtown Reno and the broader region.

### HISTORICAL EMPLOYMENT TRENDS

### GREATER RENO-SPARKS AREA

#### Trends 1998 Through 2002

Because of a reorganization of employment between retail and services sectors between 2002 and 2003, we present employment data for two periods: 1998 through 2002 and 2003 through 2005. Table IV-1 presents employment data by economic sector for the Greater Reno-Sparks Area for 1998 through 2002. Table IV-2 presents the proportion of employment each sector comprised of total employment within the region for 1998 and 2002.

[2] Washoe County includes Lake Tahoe's Incline Village ,while the Greater Reno-Sparks Area does not include Incline Village.





**TABLE IV-1**

**Total Employment by Industry for Greater Reno-Sparks Area: 1998-2002**

| Sector | 1998 # | 1999 # | 2000 # | 2001 # | 2002 # | Change from 1998 – 2002 # | Annual Growth Rate % |
|---|---|---|---|---|---|---|---|
| Agriculture & Forestry | 1,303 | 1,697 | 871 | 1,528 | 1,959 | 656 | 10.7 |
| Mining | 488 | 433 | 431 | 339 | 423 | -65 | -3.5 |
| Construction | 11,124 | 14,767 | 10,279 | 14,393 | 15,205 | 4,081 | 8.1 |
| Manufacturing | 12,342 | 13,267 | 12,472 | 13,403 | 13,850 | 1,508 | 2.9 |
| Transportation, Utilities, & Information | 12,202 | 12,267 | 12,649 | 13,420 | 12,875 | 673 | 1.4 |
| Finance, Insurance, & Real Estate | 7,652 | 8,100 | 7,618 | 8,698 | 8,764 | 1,112 | 3.5 |
| Government | 6,702 | N/A[1] | 9,332 | 8,209 | 12,063[2] | 5,361 | 15.8 |
| Wholesale Trade | 9,879 | 11,900 | 10,532 | 11,630 | 11,282 | 1,403 | 2.7 |
| Retail Trade | 26,995 | 31,467 | 28,891 | 31,443 | 30,617 | 3,622 | 3.2 |
| Services | 67,935 | 74,600 | 75,751 | 81,873 | 79,580 | 11,645 | 4.0 |
| Total | 156,622 | N/A[1] | 168,826 | 184,936 | 186,618 | 29,996 | 4.5 |

[1] GG+A found an error in the data reporting for government employment in 1999 which could not be corrected for this report. Government employment was listed at 22,433 and therefore total employment at 190,839. We have removed these figures from the presentation above.
[2] This figure could be suspect and relates to data reporting.

Sources: Nevada Small Business Development Center, Department of Employment, Training, & Rehabilitation (DETR); Gruen Gruen + Associates.

Total employment increased every year from 1998 through 2002, from 156,600 in 1998 to 186,600 in 2002. This equates to a high job growth rate of 4.5 percent for a total increase of nearly 30,000 jobs. Services employment accounted for nearly 39 percent of the job growth, with job increases at a rate of four percent and 11,645 total jobs added. Construction employment grew at an even faster rate of about eight percent, or nearly 4,100 jobs. Retail trade employment grew at a rate of over three percent or over 3,600 jobs to a total of 30,600 jobs. Bucking national trends in manufacturing employment grew at a rate of nearly three percent, adding over 1,500 jobs for a total of 13,850 jobs. Employment in the finance insurance, and real estate sector increased at a rate of 3.5 percent or over 1,100 jobs to approximately 8,760 jobs. Wholesale trade employment grew at nearly three percent or approximately 1,400 jobs to almost 11,300 jobs. Transportation and utilities employment grew slower at 1.4 percent or 673 jobs to 12,875. Mining employment, which makes up a very small share of total employment, is the only sector to have experienced a decline in employment. Government employment grew especially robustly between 2001 and 2002 for an overall gain of over 5,300 jobs.

This equates to a growth rate of almost 16 percent, twice as high of rate as the fastest growing private sector employment category, construction. The government employment increase between 2001 and 2002 offset the decline in services and the information sectors related to the recessionary period, following the "dot.com crash".

Table IV-2 shows that the greater Reno-Sparks area has evolved to a services-oriented economy with approximately 43 percent of total employment attributable to services.

**TABLE IV-2**

**Shares of Employment in Greater Reno-Sparks Area by Economic Sector: 1998 and 2002**

| Economic Sector | 1998 % | 2002 % | Percentage Point Change # |
|---|---|---|---|
| Agriculture & Forestry | 0.01 | 1.0 | 0.9 |
| Mining | 0.03 | .02 | .01 |
| Construction | 7.1 | 8.1 | 1.0 |
| Manufacturing | 7.9 | 7.4 | -.05 |
| Transportation, Utilities, & Information | 7.8 | 6.9 | -.0.9 |
| Finance, Insurance, & Real Estate | 4.9 | 4.7 | -.02 |
| Government | 4.3 | 6.5 | 2.2 |
| Wholesale Trade | 6.3 | 6.0 | -.03 |
| Retail Trade | 17.2 | 16.4 | -.08 |
| Services | 43.4 | 42.6 | -0.8 |
| Total | 100.0 | 100.0 | |

Sources: Nevada Small Business Development Center, Department of Employment, Training, & Rehabilitation (DETR); Gruen Gruen + Associates.

Finance, insurance, and real estate sector employment slightly declined to 4.7 percent of total employment in 2002. This sector is most associated with the use of office space and comprises the smallest share of total employment in the region. While the proportion of employment slightly declined between 1998 and 2002, retail trade employment at over 16 percent of total employment in 2002 represented the second largest source of regional employment. The shares of manufacturing, transportation and utilities, and wholesale trade each slightly declined and each ranged from about six percent to seven percent of total employment. Construction employment is the only significant employment sector other than government to increase its share of total employment. Construction employment increased by one percentage point to eight percent in 2002. Government employment experienced the largest shift, by 2.2 percentage points to 6.5 percent of total employment.





**Trends 2003 Through 2005**

Table IV-3 shows employment by economic sector for the Greater Reno-Sparks Area from 2003 through 2005.

**TABLE IV-3**

**Total Employment by Industry for Greater Reno-Sparks Area: 2003 – 2005**

| Sector | 2003 # | 2004 # | 2005 # | Change from 2003 – 2005 # | Annual Growth Rate % |
|---|---|---|---|---|---|
| Agriculture & Forestry | 91 | 129 | 129 | 38 | 19.1 |
| Mining | 244 | 246 | 248 | 4 | 0.8 |
| Construction | 15,741 | 18,537 | 21,081 | 5,340 | 15.7 |
| Manufacturing | 12,579 | 13,645 | 13,458 | 879 | 3.4 |
| Transportation, Utilities, & Information | 11,266 | 10,983 | 11,682 | 416 | 1.8 |
| Finance, Insurance, & Real Estate | 10,006 | 10,112 | 10,322 | 316 | 1.6 |
| Government | 8,565 | 8,580 | 10,798 | 2,233 | 12.3 |
| Wholesale Trade | 9,337 | 9,934 | 10,135 | 798 | 4.2 |
| Retail Trade | 20,659 | 21,716 | 22,502 | 1,843 | 4.4 |
| Services | 103,891 | 107,596 | 111,137 | 7,246 | 3.4 |
| *Professional & Technical Services* | 8,659 | 8,053 | 7,807 | -852 | -5.1 |
| Total | 183,720 | 193,425 | 203,685 | 19,965 | 5.3 |

Sources: Nevada Small Business Development Center, Department of Employment, Training, & Rehabilitation (DETR); Gruen Gruen + Associates.

Total employment continued to increase at a high rate of over five percent or by nearly 20,000 jobs to nearly 204,000 jobs in 2005. Construction employment grew at an extremely high rate of nearly 16 percent or about 5,300 jobs. Construction job gains accounted for 27 percent of the added jobs from 2003 through 2005. Services continued to enjoy high growth at 4.2 percent or nearly 8,100 jobs 41 percent of the total job growth. Employment, however, declined in the professional and technical services sector, a sector associated with the use of office space. Retail trade and wholesale trade grew at comparable rates as service employment. Manufacturing employment grew at over three percent per year for almost 900 jobs since 2003. The transportation and utilities sector and finance, insurance and real estate sector grew at rates of 1.8 percent (416 jobs) and 1.6 percent (316

jobs) respectively. Government employment grew at a high rate (12.3 percent) and amount (over 2,200 jobs). The Greater Reno-Sparks economy continues to evolve in favor of services, but employment in manufacturing, wholesale trade, and transportation and utilities has held up well. Construction and retail employment has been particularly robust, reflecting the strong housing growth during the period and expansion of the economy.

## DOWNTOWN RENO

Table IV-4 presents employment data by economic sector for the Reno Redevelopment District, which comprises much of Downtown Reno for 1998 through 2002. Table IV-5 presents employment trends from 2003 through 2005.

**TABLE IV-4**

**Total Employment by Industry for Downtown Reno: 1998-2002**

| Sector | 1998 # | 1999 # | 2000 # | 2001 # | 2002 # | Change from 1998 – 2002 # | Annual Growth Rate % |
|---|---|---|---|---|---|---|---|
| Agriculture & Forestry and Mining | 5 | 7 | 9 | 6 | 7 | 2 | 8.8 |
| Construction | 112 | 62 | 71 | 67 | 73 | -39 | -10.2 |
| Manufacturing | 59 | 45 | 52 | 225 | 146 | 87 | 25.4 |
| Transportation, Utilities, & Information | 1,053 | 1,089 | 1,263 | 1,172 | 1,246 | -193 | -4.4 |
| Finance, Insurance, & Real Estate | 783 | 752 | 729 | 762 | 754 | -29 | -9.4 |
| Government | N/A[1] | 1,213 | 1,226 | 1,347 | 1,643 | 430 (1999 – 2002) | 10.6 |
| Wholesale Trade | 169 | 214 | 202 | 164 | 168 | -1 | |
| Retail Trade | 897 | 793 | 793 | 960 | 783 | -114 | -3.3 |
| Services | 18,051 | 16,752 | 16,138 | 15,570 | 14,861 | -3,190 | -4.8 |
| Total | 21,164[1] | 20,927 | 20,483 | 20,273 | 19,681 | -1,483 | -1.8 |

[1] GG+A identified an error in the data reporting that could not be corrected. In 1998, government employment was shown totaling only 35. We present the total employment without government employment for 1998.

Sources: Nevada Small Business Development Center, Department of Employment, Training, & Rehabilitation (DETR), Gruen Gruen + Associates.

In contrast with the strong employment growth for the region as a whole, employment in Downtown Reno declined by nearly 1,500 jobs from 1998 through 2002. Employment declined in every year. The only private sectors to experience employment growth, albeit off very small bases





are those a healthy Downtown would not expect: manufacturing and agriculture, forestry, and mining. The interviews suggest the ReTrac project could account for the increased employment in these sectors. Services employment led the decline with nearly 3,200 jobs lost. The government sector experienced a high rate of employment growth of over 10 percent.

Table IV-5 shows that the downturn in Downtown employment continued from 2003 through 2005.

**TABLE IV-5**

**Total Employment by Industry for Downtown Reno: 2003 – 2005**

| Sector | 2003 # | 2004 # | 2005 # | Change from 2003 – 2005 # | Annual Growth Rate % |
|---|---|---|---|---|---|
| Agriculture & Forestry and Mining | 2 | 4 | 2 | 0 | 0 |
| Construction | 93 | 81 | 88 | -5 | -2.7 |
| Manufacturing | 144 | 212 | 255 | 111 | 33.1 |
| Transportation, Utilities, & Information | 850 | 817 | 838 | -12 | -7.1 |
| Finance, Insurance, & Real Estate | 879 | 816 | 807 | -72 | -4.2 |
| Government | 1,957 | N/A[1] | 2,040 | 83 | 2.1 |
| Wholesale Trade | 139 | 143 | 63 | -76 | -32.9 |
| Retail Trade | 248 | 252 | 251 | 3 | -6.0 |
| Services | 15,878 | 14,707 | 14,401 | -1,477 | -4.8 |
| Professional and Technical Services | 567 | 557 | 543 | -24 | -2.1 |
| Total | 19,623 | N/A[1] | 18,200 | -1,423 | -3.7 |

[1] GG+A identified an error with the reporting of government employment in 2004 that could not be corrected. Therefore, we remove government employment and total employment from the presentation.

Sources: Nevada Small Business Development Center, Department of Employment, Training, & Rehabilitation (DETR), Gruen Gruen + Associates.

From 2003 through 2005, employment decline in the Downtown accelerated at a rate of almost four percent annually for a decrease of approximately 1,400 jobs. With the exception of the growth in manufacturing employment and government employment, employment in the other sectors declined. While services remained the predominant source of total employment, it led the decline

with a lost of over 1,450 jobs or more than the total net job loss. Professional and technical services declined at a lower rate than services as a whole. This subsector, which is associated with the use of office space, makes up a small share (about four percent) of total services employment.

The other sector primarily associated with the use of private office space, the finance, insurance, and real estate sector, comprises 4.4 percent of total Downtown employment. This share is slightly lower than the share finance, insurance, and real estate sector makes up of total employment in the Greater Reno-Sparks Area.

Table IV-6 presents a comparison of the proportion of employment that Downtown comprises of the Greater Reno-Sparks Area for 1998 and 2005.

**TABLE IV-6**

**The Proportion Reno Downtown Employment by Economic Sector Comprises of Greater Reno-Sparks Area Employment: 1998 and 2005**

| Industry Sector | 1998 % | 2005 % | Difference Between 1998 - 2005 Percentage Points |
|---|---|---|---|
| Agriculture & Forestry | 0.3 | 0.0 | -0.3 |
| Mining | 0.2 | 0.8 | 0.6 |
| Construction | 1.0 | 0.4 | -0.6 |
| Manufacturing | 0.5 | 1.9 | 1.4 |
| Transportation, Utilities, & Information | 8.6 | 7.2 | -1.5 |
| Finance, Insurance, & Real Estate | 10.2 | 7.8 | -2.4 |
| Government | 0.5 | 18.9 | 18.4 |
| Wholesale Trade | 1.7 | 0.6 | -1.1 |
| Retail Trade | 3.3 | 1.1 | -2.2 |
| Services | 26.6 | 13.4 | -13.2 |
| Total | 13.5 | 8.9 | -4.6 |

Source: Gruen Gruen + Associates

The share of government employment has extensively shifted to the Downtown, from a limited presence of less than one percent of total government employment to nearly 19 percent of total government employment. The only other sectors to experience an increase in employment Downtown relative to the region as a whole are two sectors that would not be expected to increase their employment shares in a healthy Downtown: mining and manufacturing. The share of

Downtown employment represented by these sectors, however, is still small at less than one percent





and two percent, respectively. In all other sectors, the share of Downtown employment comprised of total regional employment shifted downward with services and finance, insurance and real estate sector employment shrinking the most. These are the two sectors most associated with the consumption of office space. Overall, the share of Downtown employment relative to the region decreased from over 13 percent to less than nine percent of total employment.

## EMPLOYMENT FORECAST FOR WASHOE COUNTY

Table IV-7 presents an employment forecast prepared for the Washoe County Office of the County Manager in 2003. The "Washoe County Consensus Forecast 2003 – 2025" covers a wider geographic area than the Greater Reno-Sparks Area because it includes Incline Village and covers wage and salary workers, proprietors, private household employees and unclassified workers of full-time and part-time jobs.

**TABLE IV-7**

**Forecast Employment by Economic Sector in Washoe County: 2003-2025**

| Economic Sector | 2003 # | 2025 # | Change 2003- 2025 # | Average Annual Growth 2003-2025 % |
|---|---|---|---|---|
| Natural Resources | 4,010 | 6,100 | 2,090 | 1.93 |
| Construction | 18,980 | 26,600 | 7,620 | 1.55 |
| Manufacturing | 15,310 | 21,400 | 6,090 | 1.53 |
| Transportation, Communication, & Public Utilities | 14,530 | 20,400 | 5,870 | 1.55 |
| Wholesale Trade | 14,510 | 22,740 | 8,230 | 2.06 |
| Retail Trade | 38,410 | 57,800 | 19,390 | 1.87 |
| Finance, Insurance & Real Estate | 24,460 | 36,500 | 12,040 | 1.83 |
| Services | 100,670 | 145,200 | 44,530 | 1.68 |
| Government | 24,120 | 32,700 | 8,580 | 1.39 |
| TOTAL | 255,000 | 369,220 | 114,220 | 1.67 |

Source: Washoe County Office of the County Manager, WASHOE COUNTY CONSENSUS FORECAST 2003-2025, February 12, 2003

Between 2003 and 2025, Washoe County employment is forecast to increase at an average annual rate of 1.67 percent for a total of 369,220 jobs. According to the County projections, in 2003 Washoe County had approximately 255,000 jobs. The County forecast indicates the economy will continue to evolve in favor of services, finance, insurance and real estate and the retail trade sectors.

Employment growth is forecast to be distributed relatively equally among the transportation, communication, and public utilities, manufacturing, construction, and wholesale trade sectors, with employment growth ranging from nearly 5,900 jobs to 8,200 jobs between 2003 and 2005 and with employment growth ranging between 1.5 percent and two percent. We use the County's forecast for the larger area even though it was prepared three years ago because of its availability and reasonableness, even though actual figures for 2005 differ from that forecast.

GG+A used the forecast total employment in 2003 as the base and increased the total by 1.67 percent annually to estimate the base County employment for 2005 and then continued the linear growth trend to estimate employment growth until 2015. We used the same average annual rate of growth for each sector to estimate employment by sector in 2015.

Table IV-8 presents the resulting employment for Washoe County in 2015 and the proportion total employment of the various economic sectors is forecast to comprise of total employment.

**TABLE IV-8**

**Forecast Employment and Share of Total Employment by Economic Sector in Washoe County: 2005 and2015**

| Economic Sector | Employment 2005 # | Proportion of Total Employment 2005 % | Employment 2015 # | Proportion of Total Employment 2015 % | Employment Change 2005- 2015 # |
|---|---|---|---|---|---|
| Natural Resources | 4,166 | 1.6 | 5,044 | 1.6 | 878 |
| Construction | 19,573 | 7.4 | 22,827 | 7.3 | 3,254 |
| Manufacturing | 15,782 | 6.0 | 18,370 | 5.9 | 2,618 |
| Transportation, Communication, & Public Utilities | 14,984 | 5.7 | 17,475 | 5.6 | 2,491 |
| Wholesale Trade | 15,114 | 5.7 | 18,533 | 5.9 | 3,419 |
| Retail Trade | 39,860 | 15.1 | 47,973 | 15.4 | 8,113 |
| Finance, Insurance & Real Estate | 25,363 | 9.6 | 30,526 | 9.8 | 5,163 |
| Services | 104,081 | 39.5 | 122,950 | 39.4 | 18,869 |
| Government | 24,795 | 9.4 | 28,465 | 9.1 | 3,670 |
| TOTAL | 263,718 | 100.0 | 312,163 | 100.0 | 48,475 |

Sources: Washoe County Office of the County Manager, WASHOE COUNTY CONSENSUS FORECAST 2003-2025, February 12, 2003; Gruen Gruen + Associates.

Services employment is forecast to account for 39 percent of the employment growth and remain approximately 39 percent of total employment with a jobs gain of almost 18,900 to almost 122,000 jobs. Retail trade employment is forecast to generate the second largest amount of jobs at over





8,100 and continue to represent the second largest source of employment at 15 percent of total employment. The third largest source of jobs, the finance, insurance and real estate sector is forecast to grow by the third largest amount of jobs at nearly 5,200 and comprise nearly 10 percent of total employment. The job growth in the construction, manufacturing, transportation communication and public utilities, and wholesale trade sectors is forecast to range from 2,500 jobs to over 3,400 jobs. Wholesale trade employment is forecast to shift slightly upward to almost six percent of total employment, while the other three sectors are forecast to shift slightly downward and range from about five to seven percent of total employment.

The Washoe County employment forecast suggests a high degree of stability in the regional employment base. The regional economy is forecast to continue, albeit slowly, to evolve in favor of services, retail trade, and finance, insurance and real estate with almost 65 percent of total employment in these sectors. Consistent with the forecast, software, business and financial services are among the primary industries targeted for the region, based on a recent study sponsored by the Economic Development Authority of Western Nevada.[3]

**Proportion Employment Downtown Forecast to Comprise of Total Employment in Washoe County**

Table IV-9 shows that the amount and proportion of employment Downtown Reno is estimated to comprise of total Washoe County employment in 2005. It also shows the estimated range of employment for 2015 assuming that the Downtown arrests its relative decline and enhances its appeal as an employment location.

**TABLE IV-9**

**Employment in Downtown Reno and Washoe County: 2005 and 2015**

| | 2005 # | Maintain 2005 Share of Employment[1] 2015 # | Reduce 2005 Share of Employment[2] 2015 # | Total Increase in Employment 2005-2015 # |
|---|---|---|---|---|
| Downtown Reno | 18,200 | 21,539 | 19,131 | 931 – 3,339 |
| Washoe County | 263,718 | 312,163 | 312,163 | 48,445 |
| Downtown Reno's Share of Total Washoe County Employment | 6.9% | 6.9% | 6.1% | 0 – 0.9 |

[1] Assumes the same rate of employment growth, or 1.67 percent as Washoe County as a whole between 2005 and 2015.
[2] Assumes 0.5 percent annual employment growth in Downtown Reno between 2005 and 2015.

Sources: Gruen Gruen + Associates.

We draw from the prior tables to show that in 2005 the estimated Downtown Reno employment of

[3] August 23, 2006 News Release at www. edawn.org about Target2010 economic planning process for Northern Nevada citing target industries.

18,200 makes up approximately 6.9 percent of estimated total Washoe County employment of nearly 264,000. If the ongoing decline in the relative position of Downtown Reno in the regional economy is arrested and future employment grew at the 1.67 percent rate forecast for Washoe County as a whole, employment in Downtown Reno would grow by over 3,300 jobs and maintain its share of County employment at 6.9 percent. This employment level would be comparable to the level not attained since 1998. If the decline was arrested and positive employment growth of one-half of one percent is achieved, employment would grow by over 900 jobs by 2015 and the share of Downtown employment relative to Washoe County total employment would remain above six percent.

Table IV-10 presents an estimate of employment by sector assuming the significant revitalization and enhancement of the Downtown permits the Downtown to maintain its share of total County employment.

**TABLE IV-10**

**Forecast Employment in Downtown Reno by Industry Sector Assuming Maintenance of Share of Estimated Total Washoe County Employment**

| Economic Sector | 2005 # | 2015 # | Proportion of Total Employment % |
|---|---|---|---|
| Agriculture & Forestry & Mining | 2 | 0 | 0.0 |
| Construction | 88 | 86 | 0.4 |
| Manufacturing | 255 | 302 | 1.4 |
| Transportation, Utilities, & Information | 838 | 1,012 | 4.7 |
| Finance, Insurance, & Real Estate | 807 | 948 | 4.4 |
| Government | 2,040 | 2,412 | 11.2 |
| Wholesale Trade | 63 | 65 | 0.3 |
| Retail Trade | 251 | 302 | 1.4 |
| Services | 13,858 | 16,412 | 76.2 |
| Total | 18,200 | 21,539 | 100.0 |

Source: Gruen Gruen + Associates

Table IV-11 presents an estimate of the distribution of future employment assuming that Downtown Reno's share of County-wide employment declines to 6.1 percent, assuming slower annual employment growth of one-half of one percent.





**TABLE IV-11**

**Forecast Employment in Downtown Reno by Industry Sector Assuming Reduction of Share of Estimated Total Washoe County Employment to 6.1 Percent**

| Economic Sector | 2005 # | 2015 # | Proportion of Total Employment % |
|---|---|---|---|
| Agriculture & Forestry & Mining | 2 | 0 | 0.0 |
| Construction | 88 | 77 | 0.4 |
| Manufacturing | 255 | 268 | 1.4 |
| Transportation, Utilities,& Information | 838 | 899 | 4.7 |
| Finance, Insurance., & Real Estate | 807 | 842 | 4.4 |
| Government | 2,040 | 2,143 | 11.2 |
| Wholesale Trade | 63 | 57 | 0.3 |
| Retail Trade | 251 | 268 | 1.4 |
| Services | 13,858 | 14,577 | 76.2 |
| Total | 18,200 | 19,131 | 100.0 |

Source: Gruen Gruen + Associates

For simplicity, we assume the present share of employment which individual sectors comprise of total employment in Downtown Reno remain the same, and therefore services and government and to a lesser extent finance, insurance and real estate and transportation and utilities employment make up the bulk of Downtown employment. We use this upper range and lower range forecast distribution of employment to estimate the demand for office building space presented in the next chapter.

# CHAPTER V

## ESTIMATES OF THE AMOUNT OF BUILDING SPACE REQUIRED TO ACCOMMODATE FORECAST EMPLOYMENT GROWTH

### INTRODUCTION

The need for efficient workspace generates demand for building space. GG+A's Spacewalk™ model was used to convert the forecast of employment for Downtown Reno presented in Table IV-10 and Table IV-11 above into an estimate of future demand for office space in Downtown Reno. GG+A's Spacewalk™ model converts employment growth by economic sector into an estimate of relevant demand for different kinds of space. Firms within a specific economic sector do not use the same type of space for all their workers. Therefore, the GG+A Spacewalk™ model assigns employment within various economic sectors to occupational categories that correspond to the types of space most likely to be used. For example, while most manufacturing firms primarily demand industrial space, managers of manufacturing companies also use office space while products are typically stored in warehouse/distribution space. The amount of space primarily depends upon the number of added workers and the associated employment densities (number of square feet of space per employee).

A basic input into the model is an estimate of the percentage and amount of space the employees of a specific firm type utilize. These basic inputs are based on the percentage of the employees that are in various kinds of occupations. That is, it is necessary to estimate the occupational makeup of an industry in order to tie employment to space. We made this estimate from a synthesis of our interviews, prior GG+A research, and data drawn from the United States Department of Labor.

We distributed the employment forecast for Downtown Reno by industry across the varying occupational categories. We then made judgments concerning the type of space used by employees of differing occupational make-ups within the economic sectors and employment densities for office space. We used GG+A's Spacewalk™ model to carry out the calculations needed to relate employment densities by occupation within the economic sectors to produce estimates of office space building demand for Downtown Reno.

### ESTIMATED POTENTIAL DEMAND FOR OFFICE SPACE IN DOWNTOWN RENO

Based on past GG+A research and our interviews, we used an employee density figure of 215 square feet per office employee for the period 2005 to 2015. Table V-1 presents for Downtown Reno the resulting estimate of workers forecast to be added that will use office space from 2005 to 2015. Again, this forecast reflects the assumption that Downtown Reno employment maintains its relative position in the regional economy and grows at the same rate as forecast for the County.





**TABLE V-1**

**Projected Net Additional Workforce and New Office Space Demand for Downtown Reno: 2005 to 2015[1]**

| | Maintain Share of Employment[2] 2005-2015 | Positive Employment Growth But Reduce Share of Employment[3] 2005 -2015 |
|---|---|---|
| Total Added Workers | 2,100 | 583 |
| Space Demand (Square Feet) | 500,000 | 138,000 |
| Space Demand Per Year (Square Feet) | 50,000 | 13,800 |

[1] Space demanded has been increased by five percent to reflect vacancy to permit mobility in the market. Office Employment Density = 215 square feet per employee. Figures have been rounded.
[2] Assumes employment growth at same rate as forecast for Washoe County of 1.67 percent.
[3] Assumes employment growth at one-half of one percent.

Source: Gruen Gruen + Associates

Under the assumptions outlined above for the upper range employment growth scenario, about 2,100 office space-using workers are estimated to be added within Downtown Reno. This forecast employment growth is estimated to result in average annual demand of about 50,000 square feet, for a total of approximately 500,000 square feet of office space. Under the lower range employment growth scenario, 583 office jobs are forecast for potential office demand of 138,000 square feet of space. This equates to average annual demand of approximately 13,800 square feet of office space.

### REPLACEMENT DEMAND POTENTIAL

The above represents a quantitative estimate of new demand arising from additional net employment growth. Demand also arises from the need to replace obsolete space. Development of corporate campuses and office building space today frequently includes a significant amount of space used for employees that have moved from existing obsolete facilities companies wish to replace. The Downtown, however, attracts price sensitive users attracted to older, less expensive space in the Downtown than relative newer, higher-cost space located outside of the Downtown. The figures presented relate to net additional employment growth and building space. More jobs will probably be created than shown here, but some of these new jobs will be offset by declines in existing employment as the mix of the employment base changes over time. Similarly, new space will be built to replace obsolete existing space and better accommodate new types of employment. Other existing space may be lost to conversions and demolition. For purposes of this analysis, we assume that these factors offset each other, or in other words, the replacement demand is factored into the above forecast.

## CAPTURING FUTURE MARKET DEMAND DEPENDS UPON ENHANCEMENT OF DOWNTOWN

Office space users are likely to include financial, insurance and real estate sector firms and professional and business services firms. The growth of the hospital facilities will induce additional demand for medical office space. To succeed new office space will need to provide a user-friendly (safe, convenient, relatively hassle-free) workplace environment while offering the experiential attractions and environment of a mixed-use activity center. Office space development is unlikely to represent the first or primary uses that leads to the revitalization and enhancement of the Downtown. The enhancement of the Downtown's retailing, restaurant, cultural, and residential base will make the Downtown a more desirable place to office workers and office space decision makers. The demand estimates presented above indicate a range or scale of potential office development opportunities associated with the enhancement of Downtown.



Gruen Gruen + Associates (GG+A) is a firm of economists, sociologists, statisticians and market, financial and fiscal analysts. Developers, public agencies, attorneys and others involved in real estate asset management utilize GG+A research and consulting to make and implement investment, marketing, product, pricing and legal support decisions. The firm's staff has extensive experience and special training in the use of demographic analysis, survey research, econometrics, psychometrics and financial analysis to describe and forecast markets for a wide variety of real estate projects and economic activities.

Since its founding in 1970, GG+A has pioneered the integration of behavioral research and econometric analysis to provide a sound foundation for successful land use policy and economic development actions. GG+A has also pioneered the use of economic, social and fiscal impact analysis. GG+A impact studies accurately and comprehensively portray the effects of public and private real estate developments, land use plans, regulations, annexations and assessments on the affected treasuries, taxpayers, consumers, other residents and property owners.

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APPLYING KNOWLEDGE, CREATING RESULTS, ADDING VALUE

# THE MARKET FOR RETAIL SPACE IN DOWNTOWN RENO

A Report to

The City of Reno

from

**GRUEN GRUEN + ASSOCIATES**
*Urban Economists, Market Strategists & Land Use/Public Policy Analysts*

October 2006

C1198

APPLYING KNOWLEDGE
CREATING RESULTS
ADDING VALUE

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# CHAPTER I

# INTRODUCTION AND PRINCIPAL CONCLUSIONS

## INTRODUCTION AND PURPOSE

This report summarizes the assessment and forecast that Gruen Gruen + Associates ("GG+A") conducted of the market for retail uses in Downtown Reno. The City of Reno Redevelopment Agency commissioned the Downtown market study in conjunction with a program to formulate a Master Plan for the ReTrac corridor, which extends through Downtown. The primary purpose of the study summarized in this report is to forecast the potential market support for retail uses and to identify potential strategic actions that would facilitate the Downtown, including the ReTrac corridor, realizing its market potential.

## WORK COMPLETED

To accomplish the study objectives, GG+A analyzed a variety of data sources and conducted primary research. To gain insight into the consumer motivations and market factors affecting Downtown businesses we interviewed retail property owners, retail developers, and real estate brokers and leasing agents. We also interviewed and obtained information from analysts with the Nevada Small Business Development Center at the University of Nevada, Reno. We analyzed historical trends in retail sales in the Downtown and in the City of Reno as a whole. GG+A forecast retail purchasing power within the City of Reno based on projections of household growth and increases in real household income. We forecast the sales potential of the Downtown based on historical capture rates of sales expenditures for all of Reno and an assessment of Downtown's existing and likely future competitive advantages and disadvantages within the City. We converted the sales expenditure or retail demand forecast for the Downtown into estimates of the amount of potentially supportable additional retail space from 2005 though 2015.

## REPORT ORGANIZATION

Chapter II presents an analysis of historical taxable sales trends in the City of Reno and the Downtown. Chapter III presents an assessment of the competitive position of Downtown Reno. Chapter IV presents estimates of retail expenditure potential and the potential demand for retail space in the Downtown. The following section summarizes the principal findings, conclusions, and recommendations.





## PRINCIPAL FINDINGS AND CONCLUSIONS

### SALES TRENDS

- Overall, between 1997 and 2004, adjusted into constant 2004 dollars to take into account the effects of inflation, total taxable sales in the Downtown decreased from $273 million in 1997 to $231.8 million in 2004.

- Downtown casino retail sales have declined every year since 1997, from $183.8 million to $147.6 million in 2004. The decline in casino retail sales in the Downtown, given the Casino retail sales growth in the City as a whole, indicates that casinos outside the Downtown have enjoyed sales growth.

- Eating and drinking is the only category to experience a significant shift upward in the proportion of Downtown sales. Restaurant and liquor store sales contributed to much of the sales growth in this category.

- The share of taxable sales in Downtown has declined relative to the City of Reno as a whole. Downtown's sales, as a proportion of total City sales, declined by 2.6 percentage points, from 8.8 percent in 2000 to 6.2 percent in 2004.

- As also indicated by the disadvantages summarized below found to apply, the decline in the proportion of total sales in the Downtown relative to the City as a whole indicates that the Downtown has been affected by the same downward shifts in traditional retail and office uses that have been noted in many other smaller-sized central cities. The Downtown has not shared in taxable sales growth proportionally, as much of the growth in retail, office, and residential uses has occurred outside of the Downtown.

- Adjusted to 2004 constant dollars to take into account the effects of inflation, total citywide per capita sales increased from nearly $17,000 in 2000 to $19,000 in 2004. Between 2000 and 2004, per capita sales grew approximately $2,000 or at an average annual rate of nearly 2.9 percent. Reno experienced significant increases (above the rate of population growth) in per capita sales in the following retail categories: (a) apparel (11.7 percent growth rate), (b) gifts (7.5 percent growth rate), (c) building materials (5.4 percent growth rate), and (d) eating and drinking places (3.5 percent growth rate).

## DOWNTOWN ADVANTAGES AND DISADVANTAGES

The primary existing or potentially cultivated advantages for retail space in the Downtown include:

- Geographic centrality within a community with increasing purchasing power due to population growth;
- Accessibility provided by connections to Highway 80;
- Proximity to a relatively large employment base;
- The Truckee River Whitewater Park at Wingfield and many special events induce visitation to the Downtown; and especially important,
- The potential for an increase in the amount of Downtown market rate housing and households with disposable income.

Primary disadvantages of the Downtown include:

- Much of the growth in the community has occurred away from the Downtown with a resulting shift of the major retail base and consumer shopping patterns south along Virginia Street and closer to the sources of suburban residential growth;
- The Downtown currently lacks a critical base of synergistic retail, cultural, and housing uses that induce multi-purpose trips from a wide area or frequent visitation;
- A perception of a parking shortage; and
- Security and safety concerns and the presence of homeless or transient residents discourage visitation to the Downtown as do other indications of "social and economic maladjustment" and the presence of negative externalities.[1] In Downtown Reno, the 31 used merchandise, pawnshop and liquor stores substantially exceed the number of book, furniture and home furnishing and apparel stores.

[1] See Chapter III below for references to the July 2005 "Social Capital Study" prepared for the City of Reno by Frederick A. Steinmann, Management Intern with the Redevelopment Agency and Dr. Mark Nichols, Professor of Economics, University of Nevada Reno which found the Downtown affected by social and economic maladjustment and the 2005 Downtown Retail Study prepared by the Redevelopment Agency staff for the City of Reno which cited a broad variety of negative externalities that discourage Downtown visitation, shopping and retail sales.





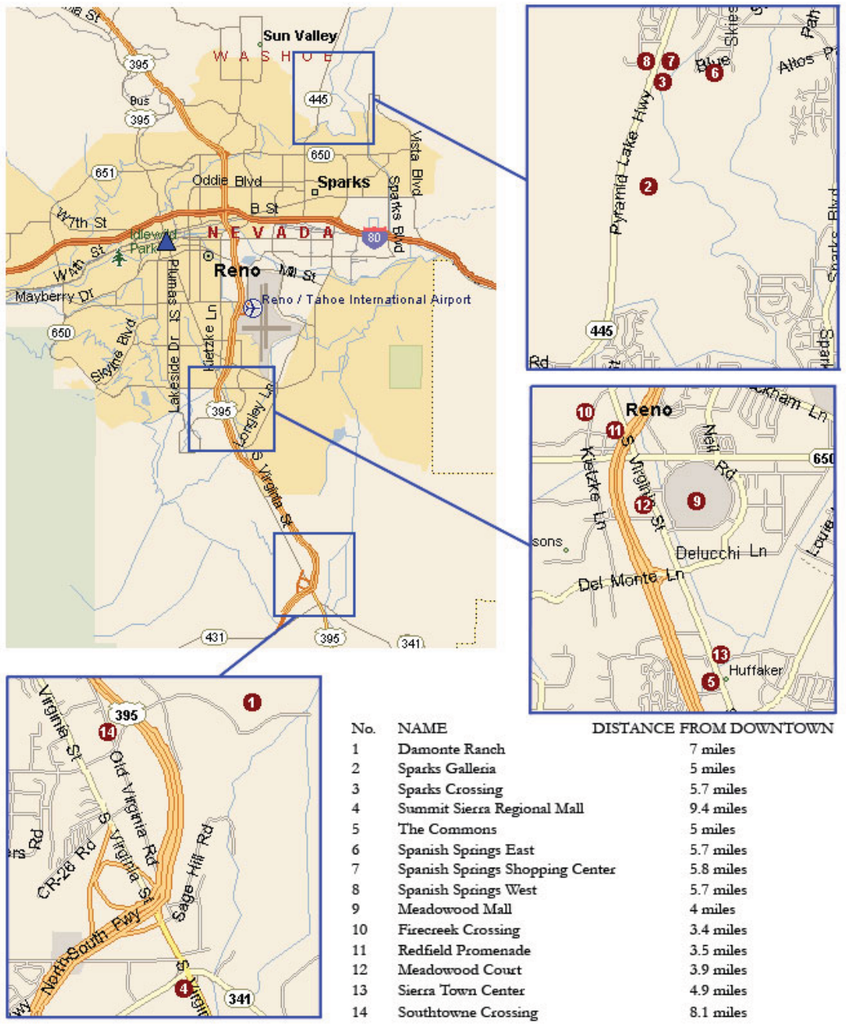
In addition, the broader Reno market is not large and affluent enough to support multiple national chain apparel and soft good stores, many of which are already located outside of the Downtown in regional-serving agglomerations, including Meadowood Mall and the Sierra Summit.

## PRIMARY DEMAND SOURCES AND COMPETING SUPPLY OPTIONS

- Primary sources of demand for retail space in the Downtown include employees who work in the Downtown, residents who live in or near the Downtown, and local and non-local residents (visitors) attending special events.
- The University of Reno (north of the Downtown core), St. Mary's Regional Medical Center (north and northwest of the Downtown core) and Washoe Medical Center (south and southeast of the Downtown core) generate retail demand but are located outside the Downtown core. Because these institutions are not concentrated in the Downtown core, demands are distributed in various locations nearer to or easily accessible from their campuses rather than concentrated in the Downtown.
- The current primary geographic market penetrated by Downtown retail space is constrained by the limited amount and appeal of the retail supply and the surrounding competing shopping alternatives. Major retail centers are continuing to locate along Virginia Street southward to the junction of Mt. Rose Highway, U.S. 395 and South Virginia Street. Another regional shopping area is developing northeast of Downtown Reno along the Pyramid Highway toward Spanish Springs. Map I-1 indicates the relatively complete supply of community, power-center and regional-serving retail centers and "category-killer" retailers both to the north and south of Downtown Reno. Visitors and households residing outside the Downtown need to bypass this critical mass of competing supply with convenient parking in secure settings to shop or dine Downtown.
- Additional supply competition is planned in downtown Sparks and a major tourist-oriented retail and entertainment development, The Legends is planned at Sparks Marina and Interstate 80 in Sparks. This project, subsidized through the use of sales tax revenue bonds, is planned to open in 2008.

**MAP I-1**

**COMPETING RETAIL LOCATIONS**




| No. | NAME | DISTANCE FROM DOWNTOWN |
|---|---|---|
| 1 | Damonte Ranch | 7 miles |
| 2 | Sparks Galleria | 5 miles |
| 3 | Sparks Crossing | 5.7 miles |
| 4 | Summit Sierra Regional Mall | 9.4 miles |
| 5 | The Commons | 5 miles |
| 6 | Spanish Springs East | 5.7 miles |
| 7 | Spanish Springs Shopping Center | 5.8 miles |
| 8 | Spanish Springs West | 5.7 miles |
| 9 | Meadowood Mall | 4 miles |
| 10 | Firecreek Crossing | 3.4 miles |
| 11 | Redfield Promenade | 3.5 miles |
| 12 | Meadowood Court | 3.9 miles |
| 13 | Sierra Town Center | 4.9 miles |
| 14 | Southtowne Crossing | 8.1 miles |





## FORECAST DEMAND FOR ADDITIONAL RETAIL SPACE IN DOWNTOWN

- Based on the assumption that the Downtown reverses the trend of declining retail sales and arrests its declining share of citywide retail expenditures through the successful rebranding and reinvention of the Downtown, annual retail sales or expenditure potential Downtown is forecast to increase by over $37.5 million from 2005 through 2015. This includes expenditures made by visitors and tourists. This estimate reflects capturing approximately $37.5 million or 6.2 percent of the forecast increased Citywide expenditure potential of almost $605 million from 2005 through 2015.

- Using a high $375-per–square-foot minimum sales threshold produces an estimate of additional supportable space in the Downtown between 2005 and 2015 of 100,000 square feet of space. A sales threshold of $375 per square foot to estimate supportable space demand provides for obtainable rents that would support high quality development, tenanting, property maintenance and higher land or property purchase prices.

## RECOMMENDED STRATEGY TO IMPROVE THE DOWNTOWN'S RETAIL BASE

### Enhance Physical Environment

Improving the Downtown's retail base requires enhancing the physical environment, including an adequate amount of conveniently located parking and an increased perception of safety and security. Given the intense competition from on-the-ground store space surrounding the Downtown and as "etailing" increases, it will be increasingly important for living, shopping, and working in the Downtown to be perceived as fun, safe, and convenient.

### Attract and Build Upon Synergistic Uses and Activities That Appeal to Downtown Workforce and Sources of Housing Demand

Given the assessment of advantages and disadvantages, supply competition, and primary sources of potential demand, it would be more prudent to focus on sustainable incremental additions to the Downtown commercial base rather than on "mega" projects. By their very nature, mega projects entail high risk and significant subsidies. Mega projects do not always "stay fresh" and are not readily adapted to market changes. Mega projects frequently depend upon attracting visitation from non-local sources of demand. Such visitation is not always broad enough or sustainable to support the ongoing vitality of mega projects

Instead of pursuing mega projects, focus on attracting and building upon synergistic uses and activities that appeal to the local employment base and the members of Generation Y

(age 11- 30 years) and (age 50+) Baby Boomers. These population groups represent the primary potential sources of demand for market rate Downtown housing. Generation Y represents approximately 27 percent of the metropolitan area population in 2005. Baby boomers represent another 13 percent of the metropolitan area population. Collectively these two groups represent 40 percent of the population.

To enhance the appeal of the Downtown to the primary sources of housing demand and office space users, it will be necessary to increase the core area's selection of dining and entertainment options. Eating and drinking places are frequently a major component of the enhancement of mixed-use agglomerations that successful downtowns comprise. A variety of additional food uses, including coffee or espresso shops and take-out restaurants, which typically have lower parking requirements than full-service restaurants, would serve both the employment- and household-based markets. Eating and drinking places provide lunch- and dinner-time traffic that can help support retail tenants and appeal to office tenants. Currently, 48 percent of all households' food dollars are spent away from home at eating and drinking places. The rate of restaurant expenditures is likely to be high for the target Downtown households, albeit many younger Generation Y households may more frequently purchase takeout foods from groceries, delis and fast foods, rather than dine at sit-down, white-tablecloth restaurants. Quick casual food uses that will appeal to residents, workers, students, and visitors alike include Starbucks and Panera Bread. Sit-down coffee houses that provides WIFI Internet connectivity is an example of a use that relates well to a consumer shift to making the most efficient use of time, even when shopping.

While previous studies sponsored by the City have found that the Downtown cannot support a full-service grocery, or at this time a specialty grocer like a Trader Joe's an effort should be made to attract delis that offer organic produce and takeout. As the Downtown evolves to include more market rate housing, a Trader Joes's or similar specialty grocery store will become possible to attract and support. Such outlets will appeal to both households and employees which reside or work Downtown.

Investigate the potential for developing a farmer's market that would appeal to employees, households, and visitors seeking fun and unique experiences, in addition to filling the void created by an absence of a grocery store. This would require evaluating the demand for a farmer's market and creating a business plan. The business plan would need to include an identification of an appropriate structure, directors, staff and legal entity for developing and operating a sustainable farmer's market. Part of this initial evaluation and planning should include an identification of potential qualified vendors offering a variety of products (e.g. fresh and prepared foods, fruits and vegetables, herbs and spices, candy, flowers, cheese, baked goods, honey, and handicrafts). A farmer's market would also represent one approach for incubating new retail and services businesses for the Downtown. A co-location or adjacency to a venue for other Downtown programming or services such as concerts, performances, or cooking demonstrations would be mutually reinforcing and help build critical mass.





Downtown already includes a movie theater and the casinos which offer entertainment. Additional entertainment and cultural opportunities, particularly those that occur in the night-time, would enrich the image of the Downtown and are less likely to create the traffic and parking impacts that major day-time draws would be expected to encourage. Complementary uses to day-time activities would encourage shared parking. These might include, for example, a jazz brewpub, piano bar, and an Internet café and wine bar. A "white table cloth" restaurant such as a Ruth Chris or Morton's would appeal to baby boomers households, businesses, and visitors. Build upon the increasing patronage generated by the Riverside movie theater by concentrating additional eating and drinking and entertainment uses near the theatre and the parking gallery.

A book store would also be a desirable addition, especially to baby boomers and members of Generation Y. An independent book store may be more realistic to attract in the nearer to mid-term than a national chain bookstore. In addition target services such as Kinko's and an office supply store that enhance the convenience of the location for both businesses and Downtown households, including those which live and work in the Downtown.

**Enhance Linkages**

Development in the Downtown must be augmented and linkages tightened to create a magnetic critical mass of stores, restaurants, and other attractions. By linkages we refer to connecting and integrating sub-areas of the Downtown with significant street-level activity and uses that spillover benefits to adjoining properties. The casino properties with their blank walls to the streets currently create discontinuities. An effort should be made to mitigate blank walls and preclude the development of future facilities with blank walls to the streets. While an increase in building space will create more "internal" competition in the Downtown, an increase in internal competition will be more than offset by maintaining and improving the Downtown's position in the wider marketplace.

# CHAPTER II

## HISTORICAL SALES TRENDS IN CITY OF RENO AND THE DOWNTOWN

### INTRODUCTION

This chapter presents an overview of historical trends in sales in the City of Reno as a whole. It then presents a summary of the historical sales in the Downtown and compares the shifts in the share of sales of the Downtown relative to sales in Reno as a whole. We review sales trends to provide an information base about the relative strengths of the retailing base in Reno and Downtown and an indication of the share of market demand or retail expenditures the Downtown captures.

### TAXABLE SALES TRENDS

Table II-1 presents changes in the City of Reno sales for years 2000 through 2004. The Nevada Small Business Development Center of the University of Nevada, Reno is the source of the data.







**TABLE II-1**
**Total Retail Sales by Type of Retail Establishment Excluding Auto Dealer Sales for City of Reno: 2000-2004**
**(Adjusted to Constant 2004 Dollars)**

| Type of Retail Establishment | 2000 $ | 2001 $ | 2002 $ | 2003 $ | 2004 $ | Change from 2000 – 2004 $ | Annual Growth Rate % |
|---|---|---|---|---|---|---|---|
| Building Materials & General Merchandise[1] | 962,345,247 | 983,808,168 | 1,064,166,079 | 1,144,600,772 | 1,304,597,742 | 342,252,495 | 7.9 |
| Grocery and Drug Stores[2] | 717,926,619 | 779,762,600 | 803,720,535 | 804,923,178 | 841,415,231 | 123,488,612 | 4.0 |
| Apparel[3] | 107,087,417 | 113,080,820 | 148,776,373 | 160,121,577 | 182,840,074 | 75,752,656 | 14.3 |
| Furniture and Home Furnishings[4] | 343,292,330 | 329,699,364 | 339,800,833 | 354,845,763 | 379,915,464 | 36,623,134 | 2.6 |
| Eating and Drinking Places[5] | 321,038,257 | 338,739,355 | 364,191,183 | 375,651,111 | 404,181,518 | 83,143,261 | 5.9 |
| Other Retail Establishments[6] | 318,312,388 | 292,407,442 | 280,488,475 | 274,811,869 | 311,726,410 | (6,585,978) | -0.5 |
| Gifts, Hobbies, Toys & Crafts[7] | 50,810,598 | 57,220,794 | 64,395,878 | 71,913,327 | 74,319,857 | 23,509,259 | 10.0 |
| Casino Retail Sales[8] | 246,241,598 | 221,273,099 | 236,323,144 | 263,518,344 | 266,026,880 | 19,785,282 | 2.0 |
| Total Sales | 3,067,054,453 | 3,115,991,641 | 3,301,862,499 | 3,450,385,941 | 3,765,023,174 | 697,968,721 | 5.3 |

[1] Includes Home Improvement & Building Materials, Paint, Glass, & Wallpaper, Hardware, Nurseries, Lawn, & Garden Supplies, Major Department Stores, and Variety and General Merchandise, and Auto & Home Supply.
[2] Includes Supermarkets, Convenience Stores and Gas Stations, Small Food Markets, Candy & Nut Stores, Bakeries, Misc. Food Stores, Drug and Pharmacy stores.
[3] Includes Men's & Boys' Apparel, Women's Apparel, Women's Specialty Stores, Children's Apparel, Family Apparel, Shoe Stores, Miscellaneous Apparel and Accessories.
[4] Includes Furniture Stores, Floor Coverings, Drapery, Curtain, & Upholstery, Miscellaneous Home furnishings, Household Appliances, Consumer Electronics, Computers and Software.
[5] Includes Restaurants, Fast Food Restaurants & Delis, Coffee, Snacks & Ice Cream, Drinking Establishments, Liquor Stores.
[6] Includes Used Merchandise & Pawnshops, Misc. Sporting Goods, Book Stores, Stationary & Office Supplies, Jewelry Stores, Florists, Tobacco Stores, Luggage & Leather Goods, Optical Supplies, Videos, Music and Musical Instruments, and Other Misc. Retail Stores.
[7] Includes Hobbies, Toys & Crafts, Gifts, Novelty, & Souvenirs.
[8] Includes Casino Retail Sales, Coins, Cards, & Stamps.

Sources: Nevada Small Business Development Center, University of Nevada, Reno from Reported Sales (Sales/Use Taxes) For Retail Businesses Reporting Over $25,000, Nevada Department of Taxation; Gruen Gruen + Associates.

Adjusted to 2004 constant dollars to take into account the effects of inflation, between 2000 and 2004, sales in all retail categories (excluding automotive dealer sales) in Reno increased at an average annual growth rate of 5.3 percent, or $698 million from $3.1 billion in 2000 to over $3.7 billion in 2004. The apparel and gifts categories experienced annual sales growth rates of ten percent or higher. Sales in the building materials and general merchandise (including department store sales) category increased at a rate of eight percent annually. Eating and drinking sales increased at an annual rate of nearly six percent while furniture and home furnishing sales increased at an average annual rate of almost three percent. Casino retail sales grew at a rate of almost two percent while the other retail sales category experienced a slight decrease in sales between 2000 and 2004.

## DOWNTOWN SALES TRENDS

Table II-2 shows annual sales of the casino retail and all other retail category in the Downtown from 1997 through 2004.





**TABLE II-2**

**Comparison of Casino and All Other Retail Sales for Downtown Reno: 1997-2004**
**(Adjusted to Constant 2004 Dollars)**

| Type of Establishment | 1997 | | 1998 | | 1999 | | 2000 | | 2001 | | 2002 | | 2003 | | 2004 | | Change from 1997 – 2004 | Average Annual Percentage Change in Sales 1997 – 2004 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | $ | % | $ | % | $ | % | $ | % | $ | % | $ | % | $ | % | $ | % | $ | % |
| Casino Retail Sales | 183,762,947 | 67 | 182,146,030 | 66 | 176,984,165 | 68 | 173,824,360 | 64 | 159,915,740 | 62 | 152,603,382 | 61 | 152,222,229 | 63 | 147,646,018 | 64 | -36,116,929 | -3.1 |
| All other Retail[1] | 89,244,250 | 33 | 92,043,733 | 34 | 83,362,922 | 32 | 96,510,680 | 36 | 96,523,681 | 38 | 96,212,015 | 39 | 87,648,984 | 37 | 84,202,661 | 36 | -5,041,589 | -0.8 |
| Total | 273,007,197 | 100 | 274,189,763 | 100 | 260,347,087 | 100 | 270,335,040 | 100 | 256,439,421 | 100 | 248,815,397 | 100 | 239,871,213 | 100 | 231,848,679 | 100 | -41,158,518 | -2.3 |

[1] includes: Building Materials, Grocery and Drug Stores, Apparel, Furniture and Home Furnishings, Eating and Drinking Places, Other Retail Establishments including Book Stores, Stationary & Office Supplies, Jewelry Stores, Florists, Luggage & Leather Goods and Other Misc. Retail Stores, Gifts, Hobbies, Toys & Crafts

Sources: Nevada Small Business Development Center, University of Nevada, Reno from Reported Sales (Sales/Use Taxes) For Retail Businesses Reporting Over $25,000, Nevada Department of Taxation; Gruen Gruen + Associates.

Sales are presented for the casino retail category and all other retail goods and services. Overall, between 1997 and 2004, adjusted into constant 2004 dollars to take into account the effects of inflation, total taxable sales in the Downtown decreased from $273 million in 1997 to $231.8 million in 2004. This equates to an average annual rate of decline of two percent or a total annual sales decline of $41.2 million. The decline in casino retail sales in the Downtown, given the Casino retail sales growth in the City as a whole, indicates that casinos outside the Downtown have enjoyed sales growth. Downtown casino retail sales have declined every year since 1997, from $183.8 million to $147.6 million in 2004. The share of casino retail sales comprise of total Downtown sales decreased from a high of 68 percent in 1998 to a low of 61 percent in 2002. Casino retail sales comprised 64 percent of total Downtown sales in 2004.

Sales in all other retail categories have fluctuated, reaching a low of $83.4 million in 1999 and a high of $96.5 million in 2001. Sales have declined by $12.3 million form 2001 through 2004. Overall, adjusted for inflation, sales in the retail categories other than casino retail sales increased off a low base at an average annual rate of less than one percent or $1.9 million from 1997 through 2004. All other retail sales have increased relative to the casino retail sales category reaching a peak of 39 percent in 2002 off a low of 32 percent in 1998. In 2004, all other retail sales comprised 36 percent of total Downtown sales.

Table II-3 shows sales, adjusted to 2004 constant dollars, in the Downtown by retail category for 1997 through 2004.







**TABLE II-3**
**Estimated Total Retail Sales by Type of Retail Establishment Excluding Auto Dealer Sales for Downtown Reno: 1997-2004**
**(Adjusted to Constant 2004 Dollars)**

| Type of Retail Establishment | 1997 $ | 1998 $ | 1999 $ | 2000 $ | 2001 $ | 2002 $ | 2003 $ | 2004 $ | Change from 1997 – 2004 $ | Annual Growth Rate % |
|---|---|---|---|---|---|---|---|---|---|---|
| Building Materials[1] | 6,386,078 | 5,015,972 | 4,600,204 | 5,536,210 | 6,261,319 | 3,540,940 | 2,924,184 | 2,707,849 | -3,678,229 | -11.5 |
| Grocery and Drug Stores[2] | 7,480,279 | 6,489,158 | 5,785,798 | 5,285,537 | 3,419,369 | 8,761,892 | 7,809,218 | 7,675,000 | 194,721 | 0.4 |
| Apparel[3] | 3,285,182 | 6,522,827 | 2,435,909 | 2,282,918 | 1,062,996 | 742,578 | 791,755 | 624,425 | -2,660,757 | -21.1 |
| Furniture and Home Furnishings[4] | 10,199,885 | 10,144,388 | 10,016,763 | 12,850,452 | 12,810,651 | 10,078,726 | 5,681,530 | 5,234,579 | -4,965,306 | -9.1 |
| Eating and Drinking Places[5] | 37,342,045 | 37,677,690 | 33,134,008 | 42,039,375 | 47,934,567 | 48,759,422 | 44,068,733 | 42,884,141 | 5,542,096 | 2.0 |
| Other Retail Establishments[6] | 15,354,384 | 21,852,426 | 18,647,163 | 20,573,505 | 16,976,477 | 16,183,258 | 15,684,549 | 16,702,290 | 848,406 | 0.8 |
| Gifts, Hobbies, Toys & Crafts[7] | 9,196,396 | 4,305,272 | 8,743,074 | 7,942,685 | 8,058,301 | 8,145,200 | 10,689,014 | 8,374,377 | -822,019 | -1.3 |
| Casino Retail Sales[8] | 183,762,947 | 182,146,030 | 176,984,165 | 173,824,360 | 159,915,740 | 152,603,382 | 152,222,229 | 147,646,018 | 36,116,929 | -3.1 |
| Total | 273,007,197 | 274,189,763 | 260,347,087 | 270,335,040 | 256,439,421 | 248,815,397 | 239,871,213 | 231,848,679 | -41,158,518 | -2.3 |

| TABLE II-3, CONTINUED |
|---|
| [1] Includes Lumber & Building Materials, Paint, Glass, & Wallpaper, Hardware, Nurseries, Lawn, & Garden Supplies, and Auto & Home Supply.<br>[2] Includes Supermarkets, Convenience Stores and Gas Stations, Small Food Markets, Candy & Nut Stores, Bakeries, Misc. Food Stores, Drug and Pharmacy stores.<br>[3]Includes Men's & Boys' Apparel, Women's Apparel, Women's Specialty Stores, Children's Apparel, Family Apparel, Shoe Stores, Miscellaneous Apparel and Accessories.<br>[4]Includes Furniture Stores, Floor Coverings, Drapery, Curtain, & Upholstery, Miscellaneous Home furnishings, Household Appliances, Consumer Electronics, Computers and Software.<br>[5] Includes Restaurants, Fast Food Restaurants & Delis, Coffee, Snacks & Ice Cream, Drinking Establishments, Liquor Stores.<br>[6] Includes Used Merchandise & Pawnshops, Misc. Sporting Goods, Book Stores, Stationary & Office Supplies, Jewelry Stores, Florists, Tobacco Stores, Luggage & Leather Goods, Optical Supplies, Videos, Music and Musical Instruments and Other Misc. Retail Stores.<br>[7] Includes Hobbies, Toys & Crafts, Gifts, Novelty, & Souvenirs.<br>[8] Includes Casino Retail Sales, Coins, Cards, & Stamps. |
| Sources: Nevada Small Business Development Center, University of Nevada, Reno from Reported Sales (Sales/Use Taxes) For Retail Businesses Reporting Over $25,000, Nevada Department of Taxation; Gruen Gruen + Associates. |

Some retail sales categories reported sales by estimated range to avoid disclosure of individual store data. Therefore, some fluctuation in the estimated sales figures for differing retail categories is due to estimating some sales from the midpoint of the sales range reported for specific categories. Downtown Reno has no sales reported in the supermarket, major department or variety and general merchandise category or home improvement and building materials categories because there are no such stores present. The majority of sales in the building materials category are due to sales from auto supply stores. According to the Bureau of Business and Economic Research at the University of Nevada Reno, the sales figures reported prior to 2003 are inflated because one local tire company reported all its company's sales at its Downtown location. The company's sales allocation to its three stores, not just its Downtown store, was corrected with the 2003 data. Sales are small in this category making up only one percent of Downtown sales.

Excluding casino retail sales, the next largest source of retail sales in the Downtown is in the eating and drinking category. Sales in this category grew by two percent annually between 1997 and 2004. Restaurant and liquor store sales comprise approximately 68 percent of sales in this category as the number of restaurants increased from 16 to 22 and the number of liquor stores increased from 14 to 21 during the seven year period. Coffee, snack and ice cream sales increased significantly in 2000 due to the opening of the Riverside 12 movie theater at North Sierra and West 1st Street.

Sales in the grocery and drug store category are comprised primarily from sales in the drug store and convenience store and gas station category. Sales in this sector declined from 1999 to 2001 due to a decrease in the number of convenience stores reporting in this sector and





the closure of one drug store between 2000 and 2001. Sales in the grocery and drug stores category jumped from $3.4 million in 2001 to over $8 million in 2002. Most of this increase is due to the opening of Walgreen's between Virginia and Center Streets. Our interviews suggest this is one of the higher sales performing units in the national chain. It is serving as a general merchandise store in addition to a drug and convenience store. No sales are reported in the small food market, candy and nut stores, bakeries and miscellaneous food store sectors. These types of businesses are not located Downtown. The casinos offer these types of food items which are reported under casino retail sales.

Sales in the furniture and home furnishings category has fluctuated greatly. This is due to one furniture store that reported high sales levels in 2000, 2001, and 2002 and then reported lower sales ranges in 2003 and 2004. Also, computer stores Downtown are non-typical computer stores that are primarily computer consultants or software developers related to the casino gaming industry. There were five of theses businesses with reported high sales in 1999 and 2000 but as of 2004 only one business reports in this category. Over the seven year period, total sales in furniture and home furnishings has declined by ten percent annually so that by 2004 sales in this category comprised only two percent of Downtown sales.

Other retail establishments are comprised of many specific categories that individually do not comprise a significant portion of Downtown retail sales. The three primary sales generating categories in this other retail sector are five jewelry stores, one office supply store and eight used merchandise and pawnshops. Together these three categories comprise nearly two-thirds of sales in the other retail category. Since 2000, no book, music or video stores have been located Downtown. Total sales of all other retail establishments have remained stable over the seven year period totaling about seven percent of all Downtown sales in 2004.

Gifts, hobbies, toy and crafts sales have also fluctuated. The majority of sales in this category is from sales of gift, novelty and souvenir shops Downtown. Sales in the gift, hobby and toy category comprise less than four percent of Downtown sales.

Sales peaked in the apparel category in 1998 and have declined steadily since 1998. Between 1998 and 1999 the number of stores in the family apparel category declined from five to three leading to a large decrease in apparel sales. Apparel sales only make up less than one-half of one percent of Downtown sales. Most sales in this category are from souvenir t-shirt shops. Chain apparel stores do not exist Downtown.

In a healthy, vibrant Downtown, the number of book, furniture and home furnishing, and specialty grocery stores, for example, would exceed the numbers of used merchandise, pawnshops, and liquor stores. In Downtown Reno, the 31 used merchandise, pawnshop and liquor stores substantially exceed the number of book, furniture and home furnishing and apparel stores.

## PROPORTION RETAIL SALES CATEGORIES COMPRISE OF TOTAL DOWNTOWN SALES

Table II-4 presents the proportion of total sales by retail category in Downtown Reno for 1997 and 2004.

**TABLE II-4**

**Proportion of Retail Sales (Excluding Auto Dealer Sales) by Type of Retail Establishment for Downtown Reno: 1997 and 2004 (Adjusted to Constant 2004 Dollars)**

| Type of Retail Establishment | 1997 % | 2004 % | Shift in Share of Total Downtown Sales Percentage Points |
|---|---|---|---|
| Building Materials[1] | 2.3 | 1.2 | -1.1 |
| Grocery and Drug Stores[2] | 2.7 | 3.3 | 0.6 |
| Apparel[3] | 1.2 | 0.3 | -0.9 |
| Furniture and Home Furnishings[4] | 3.7 | 2.2 | -1.5 |
| Eating and Drinking Places[5] | 13.7 | 18.5 | 4.8 |
| Other Retail Establishments[6] | 5.6 | 7.2 | 1.6 |
| Gifts, Hobbies, Toys & Crafts[7] | 3.4 | 3.6 | 0.2 |
| Casino Retail Sales[8] | 67.3 | 63.7 | -3.6 |
| Total | 100.0 | 100.0 | |

[1] Includes Lumber & Building Materials, Paint, Glass, & Wallpaper, Hardware, Nurseries, Lawn, & Garden Supplies, Auto & Home Supply.
[2] Includes Convenience Stores and Gas Stations, Small Food Markets, Candy & Nut Stores, Bakeries, Misc. Food Stores, Drug and Pharmacy stores.
[3] Includes Men's & Boys' Apparel, Women's Apparel, Women's Specialty Stores, Children's Apparel, Family Apparel, Shoe Stores, Miscellaneous Apparel and Accessories.
[4] Includes Furniture Stores, Floor Coverings, Drapery, Curtain, & Upholstery, Miscellaneous Home furnishings, Household Appliances, Consumer Electronics, Computers and Software.
[5] Includes Restaurants, Fast Food Restaurants & Delis, Coffee, Snacks & Ice Cream, Drinking Establishments, Liquor Stores.
[6] Includes Used Merchandise & Pawnshops, Misc. Sporting Goods, Book Stores, Stationary & Office Supplies, Jewelry Stores, Florists, Tobacco Stores, Luggage & Leather Goods, Optical Supplies and Other Misc. Retail Stores.
[7] Includes Hobbies, Toys & Crafts, Gifts, Novelty, & Souvenirs.
[8] Includes Casino Retail Sales, Coins, Cards, & Stamps.

Sources: Nevada Small Business Development Center, University of Nevada, Reno from Reported Sales (Sales/Use Taxes) For Retail Businesses Reporting Over $25,000, Nevada Department of Taxation; Gruen Gruen + Associates.





Eating and drinking is the only category to experience a significant shift upward in the proportion of Downtown sales. Eating and drinking sales increased from 13.7 percent to 18.5 percent of total sales. Sales in other retail categories increased by over one percentage point to 7.2 percent of total Downtown sales. Sales in gifts, toys, and hobbies categories remained stable with the largest decline in the proportion of total sales attributable to casino sales, which still make up nearly 64 percent of sales.

## DOWNTOWN RETAIL SALES IN CONTEXT OF RETAIL SALES FOR ALL OF CITY OF RENO

Table II-5 presents the proportion of Downtown sales to all taxable sales in Reno from 2000 through 2004.

**TABLE II-5**

**Comparison of Share of Retail Sales by Category for Downtown Reno and City of Reno: 2000-2004**

| Type of Establishment | 2000 % | 2001 % | 2002 % | 2003 % | 2004 % | Change from 2000 – 2004 Percentage Points |
|---|---|---|---|---|---|---|
| Building Materials | 0.5 | 0.6 | 0.3 | 0.3 | 0.2 | -0.3 |
| Grocery and Drug Stores | 0.7 | 0.4 | 1.1 | 1.0 | 0.9 | 0.2 |
| Apparel | 2.1 | 0.9 | 0.5 | 0.5 | 0.3 | -1.8 |
| Furniture and Home Furnishings | 3.7 | 3.9 | 3.0 | 1.6 | 1.4 | -2.3 |
| Eating and Drinking Places | 13.1 | 14.2 | 13.4 | 11.7 | 10.6 | -2.5 |
| Other Retail Establishments | 6.5 | 5.8 | 5.8 | 5.7 | 5.4 | -1.1 |
| Gifts, Hobbies, Toys & Crafts | 15.6 | 14.1 | 12.6 | 14.9 | 11.3 | -4.3 |
| Casino Retail Sales | 70.6 | 72.3 | 64.6 | 57.8 | 55.5 | -15.1 |
| Total | 8.8 | 8.2 | 7.5 | 7.0 | 6.2 | -2.6 |

Sources: Nevada Small Business Development Center, University of Nevada, Reno from Reported Sales (Sales/Use Taxes) For Retail Businesses Reporting Over $25,000, Nevada Department of Taxation, Gruen Gruen + Associates.

The share of taxable sales in Downtown has declined relative to the City of Reno as a whole. Downtown's sales, as a proportion of total City sales, declined by 2.6 percentage points, from 8.8 percent in 2000 to 6.2 percent in 2004. The proportion of casino retail sales that comprise of City-wide sales has shifted downward considerably by 15 percentage points to 55 percent of total sales. The decline in the proportion of total sales in the Downtown relative to the City as a whole indicates that the Downtown has been affected by the same downward shifts in traditional retail and office uses that have been noted in many other smaller-sized central cities. The Downtown has not shared in taxable sales growth proportionally, as much of the growth in retail, office, and residential uses has occurred outside of the Downtown. The only category that has increased its share of City-wide sales is the grocery and drug store category primarily because of the addition of the Walgreen's drug

store sales.

Casino retail and eating and drinking sectors accounting for approximately 82 percent of Downtown taxable retail sales comprise only 66 percent of total sales for the City as a whole. Sales in all other primary sales categories in the Downtown declined relative to sales of those categories in the City as a whole.

Given the growth of big box apparel retailers located outside the Downtown, the decrease in the share of apparel sales in the Downtown relative to the City as a whole is not surprising. The decline in the Downtown share of furniture and home furnishing and apparel sales is explained by the opening outside of Downtown of furniture and general merchandise stores like Wal-Mart, RC Willey, Target, and Kohl's. The opening of Summit Sierra lifestyle center with tenants including Dillard's department store, Pottery Barn, Williams-Sonoma, Coldwater Creek, an Apple retail store, and other specialty stores is likely to contribute to a continuing decline in Downtown's share of total citywide sales.

## PER CAPITA SALES FOR CITY OF RENO

To further evaluate the relative strength and dynamics of Reno retail sales, Table II-6 (next page) adjusts for the growth in Reno population by presenting estimated per capita sales for the same selected retail categories. To derive per capita sales estimates, we divided the sales revenues estimates (produced by dividing sales tax receipts by one percent) by the estimated population of Reno for the years 2000 through 2004. The July 2004 Population Plan of the City of Reno Master Plan is the source of the population estimates.

Per capita sales in Reno have grown less rapidly than the pace of growth in absolute sales. Considering the effects of inflation, total per capita sales increased from nearly $17,000 in 2000 to $19,000 in 2004. Between 2000 and 2004, per capita sales grew approximately $2,000 or at an average annual rate of nearly 2.9 percent. Reno experienced significant increases (above the rate of population growth) in per capita sales in the following retail categories: (a) apparel (11.7 percent growth rate), (b) gifts (7.5 percent growth rate), (c) building materials (5.4 percent growth rate), and (d) eating and drinking places (3.5 percent growth rate).

Per capita sales decreased in the other retail establishments' category. Per capita sales have been relatively stable or flat in the furniture and home furnishings, grocery and drug, and casino retail sales categories. Per capita sales in these categories have grown at a slower rate than the population growth rate.





**TABLE II–6**
**Per Capita Retail Sales (Excluding Auto Dealer Sales) for City of Reno: 2000-2004**
**(Adjusted to Constant 2004 Dollars)**

| Type of Retail Establishment | 2000 $ | 2001 $ | 2002 $ | 2003 $ | 2004 $ | Change from 2000 – 2004 $ | Annual Growth Rate % |
|---|---|---|---|---|---|---|---|
| Building Materials[1] | 5,332 | 5,265 | 5,593 | 5,902 | 6,592 | 1,260 | 5.4 |
| Grocery and Drug Stores[2] | 3,978 | 4,173 | 4,224 | 4,151 | 4,252 | 274 | 1.7 |
| Apparel[3] | 593 | 605 | 782 | 826 | 924 | 331 | 11.7 |
| Furniture and Home Furnishings[4] | 1,902 | 1,765 | 1,786 | 1,830 | 1,920 | 18 | 0.2 |
| Eating and Drinking Places[5] | 1,779 | 1,813 | 1,914 | 1,937 | 2,042 | 264 | 3.5 |
| Other Retail Establishments[6] | 1,764 | 1,565 | 1,474 | 1,417 | 1,575 | -189 | -2.8 |
| Gifts, Hobbies, Toys & Crafts[7] | 282 | 306 | 338 | 371 | 376 | 94 | 7.5 |
| Casino Retail Sales[8] | 1,364 | 1,184 | 1,242 | 1,359 | 1,344 | -20 | -0.4 |
| Total | 16,994 | 16,677 | 17,353 | 17,792 | 19,025 | 2,031 | 2.9 |

[1] Includes Lumber & Building Materials, Paint, Glass, & Wallpaper, Hardware, Nurseries, Lawn, & Garden Supplies, Major Department Stores, Variety and General Merchandise Stores, and Auto & Home Supply.
[2] Includes Supermarkets, Convenience Stores and Gas Stations, Small Food Markets, Candy & Nut Stores, Bakeries, Misc. Food Stores, Drug and Pharmacy stores.
[3] Includes Men's & Boys' Apparel, Women's Apparel, Women's Specialty Stores, Children's Apparel, Family Apparel, Shoe Stores, Miscellaneous Apparel and Accessories.
[4] Includes Furniture Stores, Floor Coverings, Drapery, Curtain, & Upholstery, Miscellaneous Home furnishings, Household Appliances, Consumer Electronics, Computers and Software.
[5] Includes Restaurants, Fast Food Restaurants & Delis, Coffee, Snacks & Ice Cream, Drinking Establishments, Liquor Stores.
[6] Includes Used Merchandise & Pawnshops, Misc. Sporting Goods, Book Stores, Stationary & Office Supplies, Jewelry Stores, Florists, Tobacco Stores, Luggage & Leather Goods, Optical Supplies, Videos, Music and Musical Instruments, and Other Misc. Retail Stores.
[7] Includes Hobbies, Toys & Crafts, Gifts, Novelty, & Souvenirs.
[8] Includes Casino Retail Sales, Coins, Cards, & Stamps.

City of Reno Population: 2004 - 197,897; 2003 - 193,925; 2002 - 190,271; 2001 - 186,846; 2000 – 180,480

Source: Nevada Small Business Development Center, University of Nevada, Reno from Reported Sales (Sales/Use Taxes) For Retail Businesses Reporting Over $25,000, Nevada Department of Taxation; July 2004 Population Plan, City of Reno Master Plan; Gruen Gruen + Associates.

## DOWNTOWN RENO TOURISM AND VISITATION

The Reno-Sparks Convention and Visitors Authority estimates that almost 5 million people visited the Reno-Sparks region in 2004, with 74 percent traveling from over 100 miles away. From 2000 to 2004, visitation to the greater Reno-Sparks region decreased by approximately four percent, or about 200,000 visitors. As a result, the casino revenues from gaming in the region appear to have been somewhat vulnerable to decreases in visitation in recent years. Table II-7 presents visitation estimates for the Reno-Sparks area as well as gaming revenues in Washoe County from 2000 to 2004 as reported in the Reno-Sparks Convention and Visitors Authority's *2005 Annual Market Report*.

**TABLE II-7**

**Tourism and Gaming Revenues in Reno-Sparks from 2000 to 2004**

| Year | Reno-Sparks Tourism # Visitors | Washoe County Gaming Revenues $ |
|---|---|---|
| 2000 | 5,188,325 | 1,140,598,000 |
| 2001 | 5,008,504 | 1,080,732,000 |
| 2002 | 4,914,854 | 1,034,789,000 |
| 2003 | 4,865,485 | 1,010,453,000 |
| 2004 | 4,969,319 | 1,025,315,000 |

Source: Reno-Sparks Convention and Visitors Authority

Between 2000 and 2004, gaming revenues within Washoe County decreased by approximately ten percent or $125 million. The Nevada Small Business Development Center reported that Downtown Reno attracted nearly 1.9 million over-night visitors in 2004. Table II-8 presents an estimate of the number of visitors in Downtown Reno and the associated retail expenditures.

**TABLE II-8**

**Downtown Reno Visitors and Potential Retail Expenditures: 2000 and 2004 (Adjusted to 2004 Constant Dollars)**

| Year | Downtown Reno Tourism[1] # Visitors | Average Daily Expenses Non-Gaming $ | Average Daily Hotel Rate $ | Potential Daily Expenditures for Retail Items $ | Potential Total Expenditures for Retail Items $ |
|---|---|---|---|---|---|
| 2000 | 1,966,375 | 124 | 62 | 62 | 121,915,000 |
| 2004 | 1,885,243 | 126 | 65 | 61 | 115,000,000 |

[1] Assumes the portion of Downtown Reno visitors to overall Reno-Sparks visitors was the same in 2000 as was reported in 2004 (38%).

Sources: Nevada Small Business Development Center; Reno-Sparks Convention and Visitors Authority; Gruen Gruen + Associates.

Using historical visitation counts reported by the Nevada Small Busienss Development Center and spending patterns reported for the region by the Reno-Sparks Convention and Visitors Authority, we estimate that retail sales in the Downtown attributable to over-night visitors have decreased by about six percent from 2000 to 2004 from approximately $122 million to $115 million. Note this retail expenditure estimate from visitors accounts for approximately 80 percent of the $147 million in casino retail sales for 2004. The decline in total casino retail sales for Downtown Reno over the past several years is likely due in part to the decrease in tourist activity and visitation.

## CHAPTER III

## THE COMPETITIVE POSITION OF DOWNTOWN RENO

### INTRODUCTION

To gain insight into the potential demand for retail space in the Downtown, GG+A staff inspected the Downtown, conducted interviews with property owners, developers, and real estate brokers. We synthesized the results of the inspections and interviews into the following sections:

- Factors That Encourage Demand or Primary Advantages;
- Factors That Constrain Demand or Primary Disadvantages; and
- Principal Sources of Demand and Competing Supply Options.

### FACTORS THAT ENCOURAGE DEMAND OR PRIMARY ADVANTAGES

The site inspections and interviews suggest the primary existing or potentially cultivated advantages for retail space in the Downtown include the following:

- Geographic centrality within a community with increasing purchasing power due to population growth;
- Accessibility provided by connections to Highway 80;
- Proximity to a relatively large employment base;
- The Truckee River Whitewater Park at Wingfield and many special events induce visitation to the Downtown; and especially important, the
- Potential increase in the supply of market rate housing and additional households with disposable income residing in the Downtown.

### FACTORS THAT CONSTRAIN DEMAND OR PRIMARY DISADVANTAGES

The factors discouraging potential demand or primary disadvantages include the following:

- Much of the growth in the community has occurred away from the Downtown with a resulting shift of the major retail base and consumer shopping patterns south along Virginia Street and closer to the sources of suburban residential





growth. The Downtown has a small residential base and low average household income.

- The Downtown currently lacks a critical base of synergistic retail, cultural, and housing uses needed to induce multi-purpose trips from a wide area or frequent visitation. As an example of this limited magnetism, the Downtown includes more liquor stores and used merchandise and pawnshops than book, furniture, office supply, florist, bakery, candy, and other specialty stores combined;
- A perception of a parking shortage. The Downtown is perceived to be congested and inconvenient to navigate; and
- Security and safety concerns and the presence of homeless or transient residents discourage visitation to the Downtown.[2]

Higher land costs, higher infrastructure development costs and the need for land assemblage makes development in Downtown more challenging than retail development in suburban locations.

In addition, the broader Reno market is not large and affluent enough to support multiple national chain apparel and soft good stores many of which are already located in Meadowood Mall and the Sierra Summit. Table III-1 shows the estimated primary trade areas and demographics for a sample of lifestyle and town centers: Reston Town Center, The Glen Town Center, Miner Park, Deer Park Town Center, South Lake Town Square, Kierland Commons, Town Center Plaza Leawood. The demographics characteristics within five miles of the Reno downtown also are listed on Table III-1.

[2] The July 2005 "Social Capital Study" prepared for the City of Reno by Frederick A. Steinmann, Management Intern with the Redevelopment Agency and Dr. Mark Nichols, Professor of Economics, University of Nevada Reno found the Downtown affected by social and economic maladjustment, including high levels of transience and low rates of home ownership, low levels of trust and social networks, high levels of crime, feelings of insecurity, higher municipal service costs than tax revenue produced and depressed levels of building stock. The Social Capital Study found that major Downtown hotel and casino properties maintain their own dining and retail establishments that discourage employees and visitors from dining or shopping off-site. The October 2005 Downtown Retail Study prepared for the City of Reno found that the Downtown contained lower population density levels, lower median and aggregate incomes, declining or flat visitor counts and low automobile and pedestrian counts. That report also cited the presence of run-down and dilapidated structures, the presence of dominant number of negative externalities such as "weekly motels, pawnshops, convenience stores, and liquor stores". The Retail Report also noted the educational and health care institutions "have grown apart and not toward further integration with the Downtown".

**TABLE III-1**

**Comparison of Characteristics of Existing Lifestyle Center Developments to Downtown Reno Location[1]**

| Lifestyle Center | Downtown Reno[2] | Southlake Town Square[2] | Kierland Commons | Town Center Plaza Leawood | Reston Town Center | The Glen Town Center | Mizner Park | Deer Park Town Center |
|---|---|---|---|---|---|---|---|---|
| Location | Reno, NV | Southlake, TX | Scottsdale, AZ | Leawood, KS | Reston, VA | Glenview, IL | Boca Raton, FL | Deer Park, IL |
| Retail Space (Square Feet) | N/A | 281,700 | 330,000 | 610,300 | 240,000 | 450,000 | 278,500 | 386,000 |
| Trade Area (Miles) | N/A | N/A | N/A | N/A | 20-25 | 5 | 10 | 10 |
| *Demographics: Five Mile Radius* | | | | | | | | |
| Population | 171,858 | 106,015 | 191,751 | 198,467 | 199,347 | 265,800 | 173,862 | 182,245 |
| Households | 71,589 | 35,929 | 77,821 | 81,112 | 71,010 | 95,744 | 81,916 | 66,220 |
| Average Household Income | $55,583 | $136,132 | $98,289 | $92,990 | $115,000 | $114,173 | $87,162 | $114,772 |
| Households with Incomes $100,000 + | 9.7% | 51.9% | 31.9% | 29.5% | N/A | N/A | N/A | N/A |

[1] All demographic characteristics of existing centers are estimated for 2004 and characteristics of Downtown Reno are estimated for 2005.
[2] Five mile trade area for Downtown Reno is centered at the corner of Virginia Street and 2nd Street.
[3] The retail space for the Southlake Town Square includes office space.

Sources: Claritas *Household Trends*; Regency Centers Development; LoopNet; Developers Diversified Realty; U.S. Census Bureau; Gruen Gruen + Associates.

The review indicates that the specialty retail, lifestyle and town center developments are within five miles of populations ranging from 106,000 to 266,000 with six of the seven examples having populations of over 173,000 within five miles. The average household income within five miles of the projects ranged from $87,000 to $136,000 with a third or more of the households having incomes above $100,000.

Households within five miles of Downtown Reno have much lower incomes than those associated with the examples of specialty retail/lifestyle and town center projects summarized above. In addition, the numbers of Reno households within five miles of the Downtown are lower than the numbers of households in all but one trade area of the projects cited above, albeit that one smaller trade area had the highest average income of any of the developments. Average household income within five miles of Downtown Reno is about $30,000 below the low end of the income range for the examples at approximately $56,000 in 2005, with less than ten percent of all households having incomes above $100,000.





**SOURCES OF DEMAND AND COMPETING RETAIL LOCATIONS**

The interviews suggest the primary sources of demand for retail space in the Downtown include employees who work in the Downtown, residents who live in or near the Downtown, local and non-local residents attending special events. The University of Reno (north of the Downtown core), St. Mary's Regional Medical Center (north and northwest of the Downtown core) and Washoe Medical Center (south and southeast of the Downtown core) generate retail demand but are located outside the Downtown core. Because these institutions are not concentrated in the Downtown core, demands are distributed in various locations nearer to or easily accessible from their campuses rather than concentrated in the Downtown.

The interviews and sales trends indicate that the current primary geographic market penetrated by Downtown retail space is constrained by the limited amount and appeal of the retail supply and the surrounding competing shopping alternatives. Major retail centers are continuing to locate along Virginia Street southward to the junction of Mt. Rose Highway, U.S. 395 and South Virginia Street. Another regional shopping area is developing northeast of Downtown Reno along the Pyramid Highway toward Spanish Springs. Three of the newest retail developments, Sparks Crossing, Spanish Springs Town Center, and Sparks Galleria are located at the intersection of Pyramid Highway and Los Altos Parkway, north of Downtown Reno. Anchor tenants at these three centers will include Bed Bath & Beyond, Cost Plus, Ross Dress for Less, Old Navy, Petsmart, Office Max, Kohl's, Wal-Mart, Costco, Home Depot, and Office Depot.

Map III-1 shows the locations of community, power- and regional-shopping centers in the Reno-Sparks metropolitan area. Meadowood Mall, a 890,000-square-foot regional mall built in 1978 includes Macy's Men, Macy's Women, Sears, and JC Penny as the anchor department stores. Meadowood Mall is located four miles from the Downtown. Several power centers are located near Meadowood Mall including Firecreek Crossing, Redfield Promenade, Meadowood Court, Sierra Town Center and The Commons. Anchor tenants at these centers include Ross Dress for Less, Office Depot, TJ Maxx, Target, Mervyn's Wal-Mart, Gart Sporting Goods, Circuit City, Bed Bath & Beyond, Borders and Good Guys, Best Buy and Barnes and Noble, Linen & Things, Famous Footwear, Guitar Center, Petsmart and DSW.

Further south on Virginia Street, about five and a half miles from Meadowood Mall, another node of regional- and community-serving retail space has developed. The newest major retail development, the Summit Sierra, a 650,000-square-foot lifestyle center at South Virginia and Mt. Rose Highway includes as anchor tenants Dillards, Pottery Barn, Century Theaters, and William Sonoma. Power centers around Summit Sierra include Southowne Crossing with a Super Walmart and Damonte Ranch Town Center with Home Depot and RC Willey. These and other centers shown on Map III-1 represent a relatively complete supply of community, power-center and regional-serving retail centers and "category-killer" retailers both to the north and south of Downtown Reno. Visitors and households residing outside the

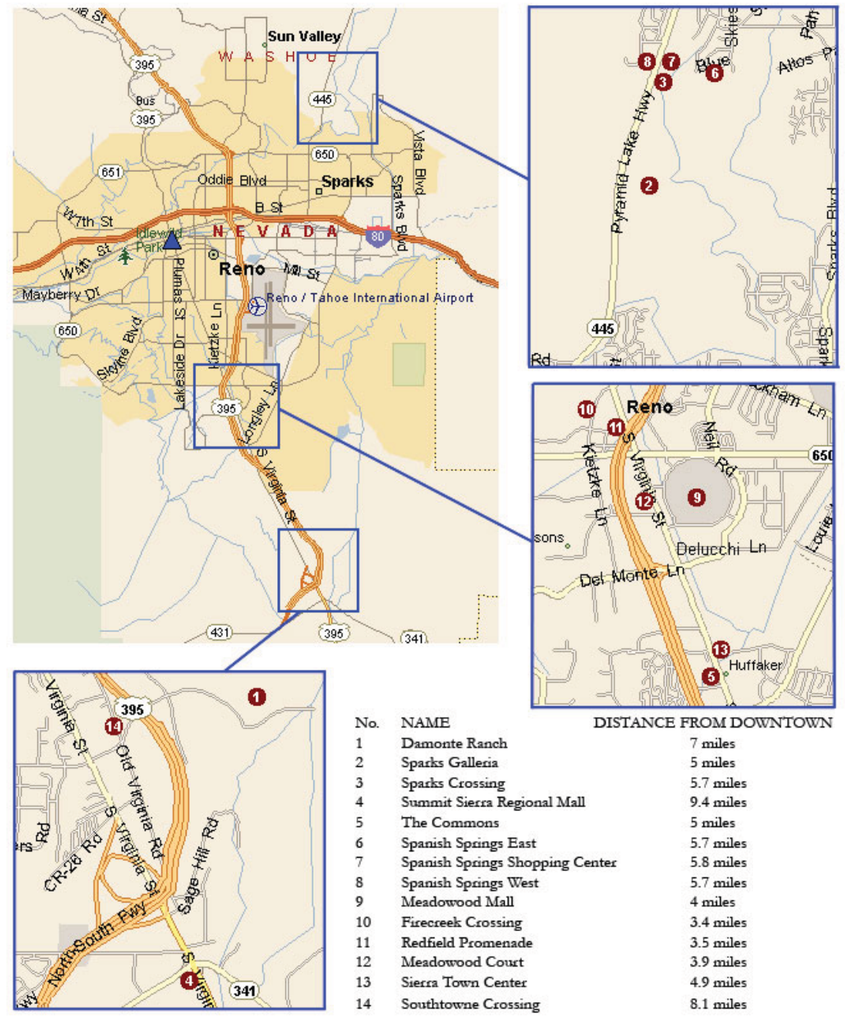
Downtown will need to bypass this critical mass of competing supply with convenient parking in secure settings to shop or dine in Downtown Reno.





**MAP III-1**

**COMPETING RETAIL LOCATIONS**




| No. | NAME | DISTANCE FROM DOWNTOWN |
|---|---|---|
| 1 | Damonte Ranch | 7 miles |
| 2 | Sparks Galleria | 5 miles |
| 3 | Sparks Crossing | 5.7 miles |
| 4 | Summit Sierra Regional Mall | 9.4 miles |
| 5 | The Commons | 5 miles |
| 6 | Spanish Springs East | 5.7 miles |
| 7 | Spanish Springs Shopping Center | 5.8 miles |
| 8 | Spanish Springs West | 5.7 miles |
| 9 | Meadowood Mall | 4 miles |
| 10 | Firecreek Crossing | 3.4 miles |
| 11 | Redfield Promenade | 3.5 miles |
| 12 | Meadowood Court | 3.9 miles |
| 13 | Sierra Town Center | 4.9 miles |
| 14 | Southtowne Crossing | 8.1 miles |

A 1.4 million-square-foot development planned called The Legends at Sparks Marina and Interstate 80 in Sparks subsidized through the use of sales tax revenue bonds is planned to open in 2008. The development reportedly includes as anchor tenants T Rex: A Prehistoric Family Adventure, a 235,000-square-foot Scheels All-Sports and a Dave & Busters. A minor-league baseball stadium, hotel, and additional retail and restaurant space are planned.

While a great deal of commercial space has been built outside the Downtown and additional retail space is planned to be developed outside the Downtown, with assistance from the Redevelopment Agency, some retail space has been added or is expected to be added to the Downtown. The City-owned Parking Gallery at Sierra and First Streets contains ground floor commercial space including the Silver Peak restaurant. Adjacent to the City's Parking Gallery at the corner of West First and Sierra Streets is the City of Reno Redevelopment Agency supported Riverside Theater, a 2,200 seat, 12-screen, multi-plex theater, which opened in 1999. According to the Reno Redevelopment Agency, the Riverside Theatre has not received operating subsidies. Ticket box and concession sales, and therefore rent payments, have exceeded projections while annual visitation has increased from 80,000 to 500,000. Patrons are attracted from a wide area, including south Reno. DT Developers built a one-story project next to the Riverside Century Theater. Tenants attracted to the approximately 5,300-square-foot development include Cold Stone Creamery and Taco Del Mar. The Redevelopment Agency also provided subsidies to facilitate the development of the Palladio, a 13-story mixed use project at the corner of Sierra and First Streets, next to the Truckee River. This project will include 19,000 square feet of commercial space, a parking garage, and 87 market-rate condominiums. Our interviews suggest that the project will attract a national chain "white table cloth" restaurant and a Starbuck's. Long's is expected to open before the end of 2006 a drug store directly across the street from the Silver Peak Grill in the Parking Gallery, one-half block north of the Palladio.

Planned future supply facilitated by the Redevelopment Agency includes about 20,000 square feet of space as part of the proposed Freight House redevelopment and retail space in a 40,000-square-foot mixed-use building planned to be built adjacent to the City of Reno's ice-skating rink/multi-purpose pavilion.





## CHAPTER IV

## POTENTIAL ADDITIONAL RETAIL DEMAND AND AMOUNT OF SUPPORTABLE SPACE

### INTRODUCTION

To estimate the potential demand for retail goods and services in the Downtown, we first estimate the growth in the population and income of Reno residents. We then multiply the resulting total income or potential purchasing by the estimated per capita expenditures on the kinds of retail goods and services found in the Downtown. We do so to derive an estimate of total potential retail demand for the City as a whole. The current per capita sales estimates also reflect sales contributions made by workers and visitors who do not live in Reno. If the competitive strength of the Downtown is significantly enhanced, this would help assure that the Downtown maintains or even improves its capture rate or market share.

We focus on the demand for additional space because the current retail supply in locations outside the Downtown is typically substantially leased. According to a Northern Nevada CCIM Chapter 2005 Report, the overall vacancy rate of the retail inventory in the metropolitan area was six percent in 2005 due primarily to vacancies in anchor spaces. This is down from a high of 7.9 percent in 2002.

### FORECAST OF POTENTIAL ADDITIONAL RETAIL DEMAND

Table IV-1 shows the forecast of potential additional retail demand for Downtown Reno.

**TABLE IV-1**

**Estimate of Additional Retail Demand Based on Downtown Share of Forecast Total City of Reno Sales**

| | | 2005 # | 2010 # | 2015 # | Growth in Population 2005-2010 # | Growth in Population 2010-2015 # |
|---|---|---|---|---|---|---|
| Population[1] | | 203,550 | 229,400 | 252,200 | **25,850** | **22,800** |
| | | Total Potential Sales Expenditures | | | Potential Growth in Sales Expenditures | |
| | Sales Per Capita, 2004 $ | 2005 $ | 2010[3] $ | 2015 $ | 2005-2010 $ | 2010-2015 $ |
| All of Reno | 12,433[2] | 2,530,737,200 | 2,852,130,200 | 3,135,602,600 | **321,393,000** | **283,472,400** |
| Estimated Share for Downtown @ Capture Rate of 6.2 Percent [3] | 771 | 156,905,700 | 176,832,000 | 194,407,400 | **19,926,300** | **17,575,400** |

[1] The City of Reno population in 2000 was approximately 180,500, up from approximately 95,700 in 1980.
[2] Excludes building materials sales which in a healthy downtown would not to expect to be significant.
[3] Includes retail expenditures made by visitors and tourists in Downtown Reno.

Sources: City of Reno, Population Plan, City of Reno Master Plan; Nevada Small Business Development Center, University of Nevada, Reno from Reported Sales (Sales/Use Taxes) For Retail Businesses Reporting Over $25,000, Nevada Department of Taxation; Gruen Gruen + Associates.

Based on population forecasts for Reno from the Population Plan of the City of Reno Master Plan, the population of Reno is forecast to increase from approximately 180,500 in 2000 and 203,550 in 2005 to 229,400 in 2010 and 252,200 in 2015. This equates to an increase of 25,850 people between 2005 and 2010 and 22,800 people between 2010 and 2015. Multiplying the forecast population by the estimated 2004 per capita sales produces a base year sales expenditures or purchasing power estimate for the relevant categories of $2.5 billion. The 2010 and 2015 estimates of $2.8 billion and $3.1 billion reflect multiplying the forecast added population by the per capita sales figure without adjustment for potential increases in expenditures per capita. We do not adjust upward the amount of per capita expenditure because we have maintained a fixed capture rate for the downtown assuming its share of city-wide sales does not decline. This approach results in forecast growth in sales expenditures or retail demand for all of Reno of $321.4 million between 2005 and 2010 and $282.5 million between 2010 and 2015.

Multiplying the estimated total Citywide demand by the current share of Downtown sales to





total sales for all of Reno of 6.2 percent results in an estimate of added expenditure potential or retail demand in Downtown of $20.0 million between 2005 and 2010 and $17.6 million between 2010 and 2015. The 6.2 percent market share or capture rate estimate is derived based on Downtown sales of $231.8 million in all categories other than automobile related compared to total City-wide sales of $3.7 billion in these categories. The capture rate estimate includes retail expenditures made by visitors and tourists in Downtown Reno. The estimates of potential future added sales Downtown would equate to an additional nine percent sales by 2010 and another eight percent of 2004 Downtown total sales by 2015.

## FORECAST OF ADDITIONAL SUPPORTABLE SPACE DEMAND

Table IV-2 presents an estimate of the amount of space the forecast added sales expenditure potential in Downtown Reno could support.

**TABLE IV-2**

**Forecast Growth in Amount of Supportable Square Feet of Retail Space in Downtown Reno: 2005-2015[1]**

| | Potential Growth in Downtown Sales 2005 - 2010 | Potential Growth in Downtown Sales 2005 -2015 | Total Potential Growth in Downtown Sales 2005 - 2015 |
|---|---|---|---|
| Potential Downtown Demand Assuming an 6.2% Capture Rate | $19,926,300 | $17,575,400 | $37,501,700 |
| Total Supportable Additional Space@ Sales Threshold of $375 per Square Foot | 53,100 | 46,900 | 100,000 |

[1] Figures are rounded.

Sources: City of Reno, Population Plan, City of Reno Master Plan; Gruen Gruen + Associates.

In order to convert estimates of expenditure potential or retail demand into estimates of potential on-the-ground retail space, an assumption must be made about the average sales per square foot required to amortize development costs and provide an acceptable return on investment Typically retailers can pay rent equivalent to five percent to eight percent of sales. A $2.50 per square foot monthly rent for new retail space would suggest potential sales capability of $375 to $600 per square foot. We use a sales threshold of $375 per square foot to estimate supportable space demand and provide for obtainable rents that would support high quality development, tenanting, and property maintenance and higher land or property purchase prices. Note that much of the existing retail space in Downtown is not new and does not command rents as high as $2.50 per square foot. Thus, the $375 per square foot sales threshold is likely to exceed the sales of much of the existing retail space. This represents a conservative estimate of supportable space.

Based on the estimated capture rate of expenditures on retail goods and services of 6.2 percent, using a $375-per-square-foot minimum sales threshold produces an estimate of additional supportable space in the Downtown between 2005 and 2010 of 53,000 square feet of space. The forecast increase in expenditure potential translates into additional space

demand for the Downtown of approximately 47,000 square feet between 2010 and 2015. Between 2005 and 2015, using the $375-per square-foot sales threshold produces an estimate of a total of 100,000 square feet of additional supportable retail space in the Downtown. Based on a preliminary estimate of proposed developments of new housing totaling approximately 2,190 units, and assuming an average household size of 1.8 people would translate into an estimate of almost 4,000 additional residents. If all of the proposed projects came to fruition and were occupied, the forecast of supportable retail demand would be equivalent to 25 square feet of space per resident compared to about 20 square feet of retail space per capita for Washoe County as a whole. In order to succeed additional retail space will also need to appeal to the Downtown employment base and visitors.



Gruen Gruen + Associates (GG+A) is a firm of economists, sociologists, statisticians and market, financial and fiscal analysts. Developers, public agencies, attorneys and others involved in real estate asset management utilize GG+A research and consulting to make and implement investment, marketing, product, pricing and legal support decisions. The firm's staff has extensive experience and special training in the use of demographic analysis, survey research, econometrics, psychometrics and financial analysis to describe and forecast markets for a wide variety of real estate projects and economic activities.

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APPLYING KNOWLEDGE, CREATING RESULTS, ADDING VALUE

# THE POTENTIAL DEMAND FOR HOUSING UNITS IN DOWNTOWN RENO

A Report to

The City of Reno Redevelopment Agency

from

**GRUEN GRUEN + ASSOCIATES**
*Urban Economists, Market Strategists & Land Use/Public Policy Analysts*

October 2006

C1198

APPLYING KNOWLEDGE
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# CHAPTER I

# INTRODUCTION, CONCLUSIONS, AND RECOMMENDATIONS

## INTRODUCTION

Gruen Gruen + Associates (GG+A) conducted the overview market reconnaissance summarized in this report to estimate the demand for housing units in Downtown Reno. This report contributes to the information base for the preparation of a Master Plan for the ReTrac Corridor.

## WORK COMPLETED

To complete the overview market reconnaissance, we inspected the Downtown and ReTrac Corridor. We conducted interviews with local developers and marketing agents of new residential development projects. We directed these interviews to obtaining information and insights on:

- The relevant primary geographic market within which new housing development in the Downtown competes for households;
- The types of consumers likely to be attracted to housing uses built in the Downtown;
- The relative advantages and disadvantages and image of the Downtown as a housing location; and
- Characteristics of new or proposed downtown housing developments.

We analyzed relevant demographic characteristics of the primary geographic market area to identify the size or scale of the potential market area households with the kinds of characteristics likely to be attracted to new housing products in the Downtown.

## REPORT ORGANIZATION

Chapter II describes the primary market area from which households are likely to be attracted, the primary advantages and disadvantages of Downtown Reno for housing uses, and the type of households that will be attracted to Downtown Reno. Chapter II also describes characteristics of new and planned residential developments in Downtown Reno. Chapter III describes the number of households in Reno with the characteristics of those households likely to be attracted to new housing located in the Downtown. Chapter III presents estimates of city-wide annual demand from turnover of existing households and

growth of new households. Chapter III also presents estimates of the amount of potential total housing demand that Downtown could potentially capture.

## PRINCIPAL FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

### Primary Advantages

The primary advantages of the Downtown as a housing location include:

- Geographic centrality and accessibility to Highway 80 and therefore accessibility to employment centers within the region, in addition to Downtown workplaces;
- Proximity to the Truckee River, a highly desirable amenity;
- The vitality of an urban environment; and
- The potential for the enhancement of the Downtown to help produce housing value appreciation in which pioneering households will most benefit.

### Primary Disadvantages

The primary disadvantages of the Downtown as a housing location relate to the following:

- The Downtown does not have a highly desirable image as a residential location;
- A limited supply of high quality specialty and convenience retail and eating and drinking uses that not only provide "support services" to a residential population but also make the Downtown a convenient and fun place to reside; and
- Concerns about safety and security and the presence of homeless and signs of blight; and
- The lack of an established market for new market-rate housing uses. Market rate housing products are pioneering uses in a Downtown that does not yet have a well established image as a preferred residential location.

### Primary Geographic Market Area

The primary market area from which households are likely to be attracted to Downtown housing includes the cities of Reno and Sparks. Analysis of secondary data about the origins





of buyers of Downtown housing units and interviews suggest that secondary demand is largely attributable to residents of northern California purchasing second homes or seasonal residences.

### Primary Sources of Demand

Primary demand sources for housing products built Downtown will include single or dual income households or divorced individuals without children living at home. One potential housing consumer market is characterized as younger, smaller-size households with one or more employed members. A second potential housing consumer market is characterized as an older, empty-nester households (i.e., children have moved out of the household) seeking to trade down from older, single-family homes they no longer wish to maintain or need, and who for lifestyle or social reasons desire to move from their existing single-family neighborhoods. A related empty-nester market originates from non local households seeking second or seasonal homes.

### Supply of New Housing

The supply of new housing in Downtown includes over 1,200 units completed or under construction and being actively marketed in Downtown Reno. Nearly 500 units remain available for sale primarily in The Montage, the Village at Idlewild Park, and Belvedere Towers. Projects involving the conversion of existing buildings or new construction of primarily condominium and townhouse products representing approximately 1,100 additional units have either been approved or are planned for future development.

### Estimated Size of Potential Primary Market Area Sources of Demand

Including empty-nester households between the ages of 55 and 70 with incomes above $75,000 and households between the ages of 25 and 34 with incomes above $50,000 and assuming a high annual move or turnover rate of 24.5 percent results in an estimate of potential pool of households that may move in a given year within Reno and Sparks of nearly 4,100. Due to anticipated household growth, in 2011, the pool of households in the age and income categories above that will potentially move in a given year is estimated to increase to almost 5,100 households.

### Share of Potential Demand Obtainable in Downtown

Without the benefit of surveys of households attracted to the projects, or of residents in the Reno-Sparks area with the demographic characteristics of target households for Downtown housing, and in the absence of an in-depth analysis of the make-up of households attracted to the new housing projects it is not practical to make a refined estimate of capture or

penetration rates into the potential pool of target households estimated above. The limited development of market rate units without subsidies provided by the Redevelopment Agency suggest a small capture or penetration rate will apply until the image and appeal of the Downtown significantly improves. The Downtown appears to appeal more to the younger household market than to older, empty-nester households. Older households are typically more sensitive than younger households to the image and security disadvantages that apply to Downtown. Older households have more housing choices, including the option to remain in their existing suburban locations.

Assuming capture rates of four percent of the pool of older, higher-income empty-nester households and younger households results in an estimate of total demand for housing Downtown of approximately 163 units in 2006 and 205 units in 2011. This equates to approximately 1,100 units from 2006 through 2011. In addition, while the current housing market correction may reduce short-term demand from residents from Lake Tahoe, northern California or other non local locations, in the long run, we assume an additional 25 percent of demand attributable to households from outside the region. This equates to an average annual demand of an additional 46 housing units in Downtown Reno. Total potential average annual demand from local and non local demand then is estimated at 229 market rate units. As the Downtown becomes branded as a desirable residential location, the amount of demand, especially from the potential empty-nester housing market, can be expected to increase and absorption rates ramp up accordingly. The absorption rates are likely to not be linear and will influenced by the real estate economics that apply to different product types. Some types of products such as high rise condominium may be infeasible to develop given the relationship between rising buildings costs and obtainable prices.

**Recommended Strategy**

The City should focus on mitigating the disadvantages associated with the Downtown and ReTrac Corridor and encouraging housing developments to be well-designed, well-built, and accompanied or soon followed by the addition of other new uses and attractions that signal an improving image and an exciting future for the Downtown. To the extent portions of the ReTrac Corridor lend themselves to the development of additional housing, this should be encouraged so as to ultimately bolster support for retail and office uses. The educational and health care institutions are growing on the periphery of the Downtown and could represent potential partners and sources of demand for infill housing along the ReTrac Corridor to meet the needs of their workers and students.

The City should focus the provision of affordable housing for artists. Such a policy will serve as a catalyst for galleries and the Nevada Museum of Art, which in turn will lend cache or positive branding to the Downtown.





## CHAPTER II

## PRIMARY MARKET AREA AND SOURCES OF DEMAND AND SUPPLY

### PRIMARY ADVANTAGES AND DISADVANTAGES FOR DOWNTOWN HOUSING USES

The site inspections and interviews suggest the primary advantages and disadvantages of the Downtown for housing uses.

**Primary Advantages**

The primary advantages include:

- Geographic centrality and accessibility to Highway 80, and therefore accessibility to employment centers within the region, in addition to Downtown workplaces;
- Proximity to the Truckee River, a highly desirable amenity;
- The vitality of an urban environment; and
- The potential for the enhancement of the Downtown to help produce housing value appreciation in which pioneering households will most benefit.

**Primary Disadvantages**

The primary disadvantages of the Downtown as a housing location relate to the following:

- The Downtown does not have a highly desirable image as a residential location;
- A limited supply of high quality specialty and convenience retail and eating and drinking uses that not only provide "support services" to a residential population but also make the Downtown a convenient and fun place to reside; and
- Concerns about safety and security and the presence of homeless and signs of blight; and
- The lack of an established market for new market-rate housing uses. Market rate housing products are pioneering uses in the Downtown which does not yet have a well established image as a preferred residential location.

Table II-1 shows that the Downtown includes a much higher proportion of renters and multi-family units than the City as a whole, with a much older housing stock, lower median rent, and lower median household income than Reno households as a whole.[1]

**TABLE II-1**

**Comparison of Housing and Income Characteristics for Downtown and All of Reno: 2005**

| | Downtown[1] | Reno |
|---|---|---|
| Proportion of Households That Own Units | 6% | 46% |
| Proportion of Households That Rent Units | 94% | 54% |
| Median Contract Rent | $560 | $786 |
| Total Housing Units | 3,684 | 93,142 |
| Proportion of Single-Family | 12.4% | 47.1% |
| Proportion of Multi-Family | 86.5% | 41.4% |
| Proportion of Mobile Home | 1.1% | 11.5% |
| Proportion of Housing Built Prior to 1950 | 27.9% | 8.3% |
| Proportion of Housing Built Between 1950 and 1970 | 34.3% | 20.9% |
| Proportion of Housing Built Between 1970 and 1990 | 21.2% | 35.9% |
| Proportion of Housing Built Between 1990 and 2000 | 11.2% | 21.1% |
| Proportion of Housing Built Between 2000 and 2005 | 5.4% | 13.8% |
| Median Family Income | $38,809 | $62,927 |

[1] Downtown refers to the "Redevelopment District" and the "ReTRAC Study Area" as defined by the Nevada Small Business Development Center.

Sources: Nevada Small Business Development Center; City of Reno; U.S. Census Bureau American Community Survey 2005; Gruen Gruen + Associates.

## PRIMARY GEOGRAPHIC MARKET AREA

Our interviews about the origins of residents attracted to new housing developments Downtown suggest that the primary market area is likely to include the Cities of Reno and Sparks. While households have been reported to originate from Lake Tahoe, the Bay Area or other California locations, these sources of demand comprise a smaller share of demand than residents within the Reno-Sparks area. To confirm the market area indicated by

[1] The July 2005 "Social Capital Study" prepared for the City of Reno by Frederick A. Steinmann, Management Intern with the Redevelopment Agency and Dr. Mark Nichols, Professor of Economics, University of Nevada Reno found the Downtown affected by social and economic maladjustment, including high levels of transience and low rates of home ownership, low levels of trust and social networks, high levels of crime, feelings of insecurity, higher municipal service costs than tax revenue produced and depressed levels of building stock. The October 2005 Downtown Retail Study prepared for the City of Reno found that the Downtown contained lower population density levels, lower median and aggregate incomes, declining or flat visitor counts and low automobile and pedestrian counts. That report also cited the presence of run-down and dilapidated structures, the presence of dominant number of negative externalities such as "weekly motels, pawnshops, convenience stores, and liquor stores".





residential developers and brokers, based on data obtained from the Washoe County Assessor's office we have estimated the distribution of the number of residential housing sales in 2006 within Downtown Reno based on the locations from which the buyers originated. Table II-2 presents an approximation of housing units purchased within Downtown Reno summarized by the origins of buyers.

**TABLE II-2**

**Residential Sales in Downtown Reno for 2006 by Origin of Buyer[1]**

| Origin of Buyer[2] | Residential Sales # | Portion of Total Sales % |
|---|---|---|
| Reno & Sparks | 97 | 63 |
| California | 37 | 24 |
| Nevada (outside of Reno and Sparks) | 9 | 6 |
| Outside Nevada and California | 11 | 7 |
| Total | 154 | 100 |

[1]Sales in 2006 include all single family and multi family housing units purchased and recorded prior to September 25th, 2006 for the Downtown area bounded by Keystone Avenue, West 3rd Street, Monroe Street and High Street.
[2]Based on the mailing address of the buyer at the time of the sale.

Sources: Washoe County Assessor's Department; Gruen Gruen + Associates.

We estimate that approximately 63 percent of the total sales for the Downtown have originated from buyers located in the Cities of Reno and Sparks. Approximately another 24 percent of buyers originated from California. Of the 154 residential sales in the Downtown for year-to-date, the majority or 96 sales were made to buyers in the Riverwalk Towers. California buyers made up about one-third of the Riverwalk buyers with nearly two-thirds from the Reno area.

## PRIMARY SOURCES OF DEMAND

The interviews and review of new supply suggest primary demand sources for housing products built Downtown will include single or dual income households or divorced individuals without children living at home. One housing consumer market is characterized as younger, smaller-size households with one or more employed members. A second potential housing consumer market is characterized as older, empty-nester households (i.e., children have moved out of the household) seeking to trade down from older, single-family homes they no longer wish to maintain or need, and who for lifestyle or social reasons desire to move from their existing single-family neighborhoods. A related market segment is

demand from non-local empty-nesters for second or seasonal homes.

Note that we have purposefully used the term "empty-nester", as opposed to "senior" to define this second potential demand niche. We do so because the interviews and our prior research suggest that the move out of children from the household, rather than simply the aging of the heads of the household, provided the motivation for a different type of housing product and location. Because people between the ages of 50-years and 70-years are typically a great deal more active than those between 80-years and 90-years of age, the housing preferences of "empty-nesters" tend to differ from those of "seniors." In addition, the interviews suggest baby boomers make up an important source of the empty-nester demand.

## CHARACTERISTICS OF NEW OR PLANNED RESIDENTIAL DEVELOPMENTS IN DOWNTOWN RENO

Table II-3 shows the residential projects constructed or under construction in the Downtown. Over 1,200 units are completed or under construction and being actively marketed in Downtown Reno. Nearly 500 units remain available for sale primarily in The Montage, the Village at Idlewild Park, and Belvedere Towers.





**TABLE II-3**

**Characteristics of Completed or Under Construction Residential Projects in the Downtown**

| Project Name/Date Sales Started | Type | Total Units # | Available Units # | Unit Sizes # Square Feet | Unit Prices $ | Average Absorption (Units per Month) | Parking | On-Site Amenities | Buyer Characteristics | Market Areas |
|---|---|---|---|---|---|---|---|---|---|---|
| Sierra Vista Towers November 2005 | 8-Story Entry Level Condominiums | 59 | 29 | 640<br>800 | 139,000<br>185,000 | 2 | Under ground on-site; 1 space per unit | Fitness Room, Outdoor Pool, Community Lounge | Young singles, college students, elderly singles, lower incomes, no families | Reno, Sparks, Sun Valley, few out-of-state |
| Riverwalk Towers January 2005 | 16-Story High-End Condominiums | 125 | 11 | 385-475<br>690-820<br>1,160-1,400<br>1,400-1,655<br>1,800 + | 125,000<br>235,000<br>315,000<br>460,000<br>950,000 | 5 | Under ground on-site | Fitness Club, Outdoor Pool & Jacuzzi, River views, Secure access | Young professionals under 35 years; older, age 60+years, retired | Reno, Sparks, California, out-of-state |
| Palladio[1] June 2005 | 13-Story High-End Condominiums | 92 | 5 | 650-<br>1,770 | 325,000-<br>950,000 | 6 | Multi-level above ground; 1-2 spaces per unit | Fitness Club, Pool, Ground floor Retail | Older, singles, young professionals, investors, 2nd home buyers, high income $100k + | Reno-Sparks area, West Coast |
| Village at Idlewild Park[2] March 2006 | Gated Condominium Community (2-3 story buildings) | 216 | 160 | 560<br>850<br>930<br>1,150 | 170,000<br>220,000<br>250,000<br>300,000 | 6 | Ground level on-site; 1-2 spaces per unit | Resort style community lodge, Fitness center, pool, spa | Young singles/couples, college students, empty nesters, moderate income (40-70k) | Reno-Sparks MSA, California |

**TABLE II-3, CONTINUED**

**Characteristics of Completed or Under Construction Residential Projects in the Downtown**

| Project Name | Type | Total Units # | Available Units # | Unit Sizes # Square Feet | Unit Prices $ | Average Absorption (Units per Month) | Parking | On-Site Amenities | Buyer Characteristics | Market Areas |
|---|---|---|---|---|---|---|---|---|---|---|
| Belvedere Towers[3] November 2005 | 13-Story High-End Condominiums | 370 | 80[5] | 260<br>370<br>520<br>660<br>775-860<br>1,250-1,500 | 140,000<br>180,000<br>200,000<br>225,000<br>390,000<br>650,000 | 10[5] | | Fitness room, pool, recreational room/lobby | | |
| The Montage[4] October 2005 | High-rise High-End Condominiums | 379 | 190 | 600<br>900<br>1,300-1,600<br>1,600-2,400<br>3,500 | 300,000<br>400,000<br>625,000<br>900,000<br>1.4 m | 10 | Under ground on-site; 1-2 spaces per unit | 24-hour Doorman, Pool and Garden Deck, Fitness Center, Ground floor Retail | Young professionals, empty-nesters, 2nd home buyers, investors | Reno, Incline, Lake Tahoe, Bay Area |
| Total | | 1,241 | 475 | | | | | | | |

[1]Still under construction.
[2]First phase still under construction, 100 units have been released for sale.
[3]Still under construction. The small tower, with 177 units, is expected to be completed in 2007. The remaining 193 units in the large tower are scheduled for 2009.
[4]Still under construction, delivery is expected in fall 2007.
[5] Based on report by The Whitney Group for Preliminary Market Research Findings Freight House District Presented for Siena Communities LLC. 80 units remaining is for Phase I which consists of 170 units.

Sources: Capstone Idlewild, LLC; Palladio; Sierra Vista Towers; The Montage; Washoe County Assessor; The Whitney Group; Gruen Gruen + Associates.





Three condominium projects, Sierra Vista Towers, Riverwalk Towers and the Village at Idlewild Park, totaling 400 units have been completed. Sierra Vista Towers is a conversion of an old hotel casino to a 59-unit condominium project that is approximately 50 percent sold out at an average rate of two units per month. Prices and sizes of units are lower at this project than for the other projects. Prices range from $139,000 for a 640-square-foot one-bedroom unit to $185,000 for a two-bedroom unit. As a result, young singles, college students at the University of Reno and older persons with lower incomes have been the primary buyers.

The Village at Idlewild Park is a new gated condominium community with two- to three-story condominium buildings. A total of 216 units are available with four different unit types: loft units at 560 square feet; one-bedroom units at 850 square feet; two-bedroom/1 bath units at 1,000 square feet; and two-bedroom/2 bath units at 930 to 1,100 square feet. Prices range from approximately $170,000 to up to $300,000. Fifty-five of the first 100 units have been sold in 10 months for an absorption rate of about six units per month. Primary types of buyers have been young single professionals seeking a Downtown location or older-age households seeking a second or seasonal home in Reno. The sales representative indicated at least one-half of the buyers are older empty nesters coming from within the Reno area looking to downsize to smaller, newer affordable units.

Riverwalk Towers, a conversion of the Comstock hotel casino, began marketing two years ago and its first move-ins occurred in early 2006. Only 11 units remain unsold. Prices range from $125,000 for the smallest units of less than 500 square feet to up to $950,000 for the largest 1,800-square-foot penthouse units with an average price of $350 per square foot. Absorption has averaged five units per month. According to architect and contractor for the project, buyers have come from the local Reno area as well as California and other out-of-state locations. Younger, under age-35 buyers have been attracted to the smaller and lower priced units. The larger, more expensive units have appealed to older age (60+) buyers including retired people. As discussed above, the majority of buyers have been from the Reno area while another third have come from California. Approximately 25 percent of the buyers have been investors. Proximity to the Truckee River was a major draw in attracting buyers.

The two highest priced high-end projects, the Palladio and the Montage, are currently under construction. These two projects total 471 units and range in price from $300,000 for the smallest units to nearly $1 million or more for the largest penthouse units. The Palladio consists of 92 condominium units with an average unit size of 1,200 square feet. Eighty-one units are one- or two-bedroom units priced from the mid to high $300,000's. Twelve three-bedroom or penthouse units are priced from $800,000 and up. According to the developer which started marketing the project in 2004, 80 percent of the units have been pre-sold. The smaller, lower-priced units have all been pre-sold. Approximately 70 percent to 80 percent of the buyers will live in the units. Primary buyers include empty nesters downsizing from

the Reno area (over 50 to 60 years of age), high income households ($100,000+), and some buyers from the Lake Tahoe area seeking second homes and may have businesses in the Reno area. The proximity and view of the Truckee River is a key factor inducing purchases.

The Montage, a conversion of the Golden Phoenix/Hilton casino, has 379 condominium units under construction. Nine units are rowhomes. The remaining units range from one-bedroom (average size of 900 square feet) and two-bedroom units (average sizes from 1,300 to 1,600 square feet) to two-bedroom units with 14 foot loft ceilings (1,200 to 2,400 square feet) and 14 penthouse units (3,500 square feet). Prices start at $300,000 and go over $1 million for the largest 3,500-square-foot units. According to the sales representative, 50 percent of the units have been pre-sold, averaging approximately 10 units per month although sales are starting to slow. The sales representative anticipates the project will be sold out in another 20 months with an opening date of fall 2007. Buyers have consisted of young professionals in their 30's, local people over 60 years of age downsizing their residences, Lake Tahoe/Incline buyers looking for a second residence, and healthcare professionals wanting to reside closer to the medical centers. Households have incomes above $75,000. The developer will allow 30 percent of the units to be sold to investors, and currently 22 percent of pre-sold units have been sold to investors. The high rate of sales in the new projects to investors is likely to slow due to the housing market correction and improvement in the equity markets.

As summarized in Table II-4, approximately 1,100 additional units have either received approval or are planned for future development.

**TABLE II-4**

**Future Proposed or Approved Residential Projects in the Downtown**

| Project Name | Number of Units # |
|---|---|
| Arterra (Condominium) | 191 |
| Wingfield Towers I (Condominium) | 495 |
| DeNovo (Condominium) | 104 |
| Village at the River (Townhome) | 137 |
| Colonial Garden Court (Conversion of Motel to Condominium) | 42 |
| Ponte Vecchio (Single Family) | 11 |
| Chambolle (Condominium)[1] | 51 |
| Freight House District (Rowhouse/Live-Work) | 33 |
| Riverside Drive (Condominium) | 40 |
| Total | 1,104 |

[1] Project reported to be on hold due to financial infeasibility.

Sources: www.downtownmakeover.com; City of Reno.





The Arterra project at the corner of Sierra and Liberty Streets is proposed to have 191 condominium units that would be completed by 2009. According to the DowntownMakeover website, the project will have five live-work commercial spaces and studio, one-bedroom, two-bedroom and penthouse units with prices ranging from the low $300,000 range for studios to $1,000,000 for the penthouse units. According to a July 28, 2006 Reno Gazette Journal article, Arterra to be developed by Capstone Partners will marketed to well-to-do empty nesters and Downtown workers and will appeal to buyers who want to be located near art offerings and the CalAve neighborhood.

Wingfield Towers at the southeast corner of Arlington and Island Avenues is proposed to consist of 495 condominium units in two high-rise towers with 40,000 square feet of retail space and a public plaza just south of the Truckee River and Wingfield Park. Units would average over 1,200 square feet in size.

DeNovo located on Arlington Avenue across from the Sands Regency Casino and Hotel is another approved luxury condominium project with 104 units that would range in price from the high $200,000's to $1.4 million for units ranging in size from 650 to 3,000 square feet. The project would have 12,000 square feet of ground floor retail space. Construction is anticipated to begin Spring 2007 with completion by Summer 2008.

Silverstar Communities has just announced a 137 townhome Village at the River project on Mill Street east of the Auto Museum. Two and three-bedroom units priced for between $150,000 and $325,000 are planned. Siena Communities is planning a 33-unit rowhome project located within the Freight House District Master Plan area. According to the developer, units will range in size from 1,750 square feet to 2,000 square feet with prices between $400,000 and $465,000. Prices for rowhome and townhome products are lower than prices for high end condominium products on a per square foot basis.

The Colonial Garden Court represents a conversion of a motel on 232 West Street to low priced condominium units with one bedroom units ranging in size from 576 to 864 square feet priced from $150,000 to $225,000 and two-bedroom units of 864 to 912 square feet priced from $225,000 to $237,000.

## CHAPTER III

## THE ESTIMATED SIZE OR SCALE OF POTENTIAL MARKET DEMAND FOR HOUSING UNITS IN DOWNTOWN

To estimate the size or scale of the potential market demand suggested by the interviews and review of supply, we review the basic demographic determinants of demand related to the characteristics of two primary demand sources. As indicated above, the two primary demand sources will be younger and older age households who are unlikely to have children living at home. The more moderately priced residential projects in Downtown Reno have appealed to younger-age households while the higher priced projects have appealed to older, higher-income or affluent households. As described above, a majority of the households attracted to new Downtown housing have originated from the cities of Reno and Sparks. Table III-1 presents estimates of the existing and future numbers of households in Reno and Sparks between the ages of 25 and 34 with incomes greater than $50,000.

**TABLE III-1**

**Number of Households With Householder Age 25-34 and Income Above $50,000 in the Cities of Reno and Sparks: 2006 and 2011**

| | |
|---|---|
| *2006* | |
| Number of Households | 9,533 |
| Percent of All Households With Incomes $50,000+ | 17.5% |
| *2011* | |
| Number of Households | 10,657 |
| Percent of All Households With Incomes $50,000+ | 15.8% |
| Sources: Claritas Demographic Snapshot Report; Gruen Gruen + Associates. | |

In 2006, approximately 9,500 households are estimated to be headed by householders between the ages of 25 and 34 years with incomes of $50,000 and above in the Reno-Sparks area. This population cohort comprises over 17 percent of all households with $50,000 and above incomes. By 2011, this segment of households is forecast to grow by almost to 12 percent to nearly 10,700 households. The proportion households between 25 and 34 years old comprise of $50,000+ income households is forecast decline slightly to 16 percent.

Table III-2 presents estimates of the existing and future numbers of households in the cities of Reno and Sparks between the ages of 55 and 70 with incomes greater than $75,000.





**TABLE III-2**

**Number of Households With Householder Age 55-70 and Income Above $75,000 in the Cities of Reno and Sparks: 2006 and 2011**

| | |
|---|---|
| *2006* | |
| Number of Households | 7,118 |
| Percent of All Households With Incomes $75,000+ | 23.2% |
| *2011* | |
| Number of Households | 10,225 |
| Percent of All Households With Incomes $75,000+ | 25.0% |
| Sources: Claritas Demographic Snapshot Report; Gruen Gruen + Associates. | |

In 2006, approximately 7,100 households are estimated to be headed by householders between the ages of 55 and 70 years with incomes of $75,000 and above in the Reno-Sparks area. This population segment comprises about 23 percent of all households with $75,000 and above incomes. By 2011, households between the ages of 55 and 70 are forecast to grow by 44 percent to nearly over 10,000 households. The proportion these households comprise of $75,000+ income households is forecast to increase to 25 percent.

Table III-3 summarizes the size of the potential market demand for Downtown Reno housing from the two primary demand groups.

**TABLE III-3**

**Estimated Size of Potential Primary Market Area Demand**

| Year | Households Between Ages 25-34 with Incomes of $50,000 or Higher # | Households Between Ages 55-70 with Incomes of $75,000 or Higher # | Potential Demand # Households |
|---|---|---|---|
| 2006 | 9,533 | 7,118 | 16,651 |
| 2011 | 10,657 | 10,225 | 20,882 |
| Sources: Claritas Demographic Snapshot Report; U.S. Census Bureau 2005 American Community Survey; Gruen Gruen + Associates. | | | |

Households attracted to Downtown housing will tend to not include children living at home. In 2006, the Reno-Sparks area is estimated to include over 76,700 households without children living at home or 67 percent of the total nearly 114,000 households. While we do not have data permitting a three-way cross tabulation between age, income and presence or absence of children living at home, the age cohorts summarized in Table III-3 are likely to include a high proportion of households with few or no children living at home.

Because downtown housing tends to be more attractive to households without children the increase in the number of estimated households between the ages of 25-34 with incomes greater than $50,000 and especially the growth of high-income households of the ages of 55-70 with incomes greater than $75,000 suggests the potential for increasing housing demand in the Downtown, assuming the Downtown becomes an increasingly desirable residential location. Based on data from the demographic vendor Claritas, from 2006 to 2011, we estimate a growth in the size of the potential pool of households with several of the key characteristics associated with households attracted to new Downtown Reno housing projects of approximately 25 percent or 4,200 households to a total of almost 20,900 households.

## ESTIMATE OF RESIDENT TURNOVER

To estimate how many households may move in a given year, we reviewed turnover data reported by the U.S. Census Bureau's 2005 American Community Survey. Table III-4 shows annual turnover estimates of residents in the City of Reno in 2005.

**TABLE III-4**

**Estimated Resident Turnover in City of Reno: 2005**

| | Age 25-34 | | Age 55-70 | | Ages 25-34 and 55-70 | | All Ages | |
|---|---|---|---|---|---|---|---|---|
| | # | % | # | % | # | % | # | % |
| Did not move in last year | 21,251 | 67.8 | 22,606 | 81.7 | 43,857 | 66.8 | 147,742 | 73.8 |
| Moved in last year | 10,096 | 32.2 | 5,049 | 18.3 | 15,145 | 33.3 | 52,342 | 26.2 |
| Moved within county | 5,520 | 17.6 | 2,493 | 9.0 | 8,013 | 20.5 | 32,927 | 16.5 |
| Moved from different county in state | 791 | 2.5 | 740 | 2.7 | 1,531 | 4.0 | 6,286 | 3.1 |
| Moved from different state | 3,785 | 12.1 | 1,816 | 6.6 | 5,601 | 8.8 | 13,129 | 6.6 |
| TOTAL RESIDENTS[1] | 31,347 | 100.0 | 27,655 | 100.0 | 59,002 | 100.0 | 200,084 | 100.0 |

[1] Does not include residents who moved from abroad which was only 1,646 residents in 2005.

Sources: U.S. Census Bureau, 2005 American Community Survey; Gruen Gruen + Associates.

Analysis of the resident turnover data suggests that approximately 32 percent of those residents between the ages 25 to 34-years-old and 18 percent of residents between the ages 55 to 70-years-old move in any given year. Of residents between the ages of 25-34 and 55-79 years old, 25 percent move within the County or the State. Younger residents aged 25-34 are much more likely to move within the County. Overall, of residents within these two age categories, 21 percent of them moved from within the County. This is an extremely high





turnover rate.

## ESTIMATE OF POTENTIAL DEMAND FOR NEW HOUSING IN THE DOWNTOWN

### Estimated Household Income Necessary to Support New Housing

To estimate the average household incomes needed to support new market-rate housing in Downtown Reno, we assume that households will expend approximately 29 percent of their monthly income on mortgage payments[2]. Based on a review of local mortgage loan rates for the Reno area, we assume a 30 year fixed interest rate of 6.5 percent. This also assumes that households with annual incomes of above $50,000 will have sufficient savings or access to other resources to make the necessary down-payment. Households with incomes of between $50,000 and $75,000 are estimated to be able to afford housing priced between $230,000 and $350,000. Households with incomes between $75,000 and $100,000 are estimated to be able to afford housing units priced between $350,000 and $460,000.

Our analysis of recently finished or under construction multi-family housing developments in the Downtown indicates a wide distribution of average prices ranging from approximately $130,000 to $1.4 million per unit. Based on the average sale prices of multiple projects in the Downtown, we have identified multiple product types and prices. Several projects, such as the Village at Idlewild, Sierra Vista Towers, Belvedere Towers, and the Riverwalk Towers offer units priced between $130,000 and $330,000. As Table III-5 shows, we assume the midpoint of this price range to estimate the necessary income and monthly costs needed for the lower priced units in new Downtown projects. We assume prices of $350,000, $450,000 and $550,000 to estimate the household incomes needed to support purchases of higher-priced new housing in Downtown Reno.

[2] According the U.S. Census Bureau's 2005 American Community Survey, the median monthly costs associated with mortgage payments in the cities of Reno and Sparks was approximately $1,100. Claritas estimates the median household income for Reno-Sparks is $48,000 in 2006.

**TABLE III-5**

**Estimated Household Income Needed to Support Housing at Varying Price Points in Downtown Reno**

| | Unit Sale Price of $230,000 | Unit Sale Price of $350,000 | Unit Sale Price of $450,000 | Unit Sale Price of $550,000 |
|---|---|---|---|---|
| Down Payment @ 20% | $44,000 | $70,000 | $90,000 | $110,000 |
| Estimated Monthly Mortgage Costs[1] | $1,160 | $1,760 | $2,260 | $2,770 |
| Necessary Household Income[2] | $48,000 | $73,000 | $94,000 | $114,000 |

[1] Based on a 30-year fixed mortgage rate of 6.5 percent. Figures are rounded.
[2] Based on 29 percent of household income expended on mortgage payments, assuming 20 percent down payment. Figures are rounded.

Source: Gruen Gruen + Associates

Based on information about sales prices for new or planned projects in Downtown Reno, at least approximately $48,000 in household income is needed to support monthly housing costs of $1,100 estimated to apply to a $230,000 priced unit. Household income of at least $73,000 is needed to support housing priced at $350,000, while an income of $94,000 is needed to support housing priced at $450,000. Household income of $114,000 is needed to be able to afford housing priced at $550,000. The prices of the high-end housing supply in the Downtown require capturing the demand from high-income households.

**Estimate of Size of Potential Demand from Pool of Existing and New Additional Households**

Table III-6 shows the estimated annual demand for housing from turnover of existing households and forecast new households between the ages of 25 and 34 with incomes of $50,000 or higher and households between the ages of 55 and 70 with incomes of $75,000 or higher in Reno and Sparks.





**TABLE III-6**

**Estimated Annual Demand from Primary Sources of Demand in Reno and Sparks: 2006 and 2011**

| | # |
|---|---|
| Number of Existing Households In Age Categories of 25-34 with Household Income of $50,000 and Higher and 55-70 with Household Income of $75,000 and Higher in 2006 | 16,651 |
| Potential Annual Demand from Turnover of Existing Households[1] | 4,079 |
| Additional Households in Target Age and Income Categories by 2011 | 4,231 |
| Potential Annual Demand from Turnover of Additional Households[1] | 1,037 |
| Potential Annual Total Demand from Existing and Additional Households in 2011 | 5,116 |

[1]Assumes a 24.5% annual turnover rate.

Sources: Claritas Demographic Snapshot Report; U.S. Census Bureau, 2005 American Community Survey; Gruen Gruen + Associates.

Table III-6 shows estimates of potential demand from the two primary target sources of demand: households without children between the ages of 55- and 70-years with average incomes of $75,000 or higher; and households without children between the ages of 25- and 34-years old with average incomes of $50,000 or more. The estimate assumes that 24.5 percent of Reno and Sparks households in these target groups move in any particular year, a high rate of turnover. Multiplying this movement rate by the estimated numbers of the target households result in estimates of nearly 4,000 households with the primary demographic characteristics of the households likely to be attracted to Downtown housing in 2006. By 2011, the number of households in the age and income categories as those households typically attracted to Downtown housing likely to move in a given year is forecast to increase to approximately 5,100 households.

**SHARE OF POTENTIAL DEMAND OBTAINABLE IN DOWNTOWN**

Without the benefit of surveys of households attracted to the existing projects, or households in the Reno-Sparks area, or an in-depth analysis of the make-up of the buyers of the units developed in the Downtown, it is not practical to make a refined estimate of capture or penetration rates into the potential pool of target households estimated above. The limited development of market rate units without subsidies provided by the Redevelopment Agency suggest a small capture or penetration rate will apply until the image and appeal of the Downtown significantly improves.

The Downtown appears to appeal both the younger household market and the older, empty-nester households. Older and more affluent households are typically more sensitive than younger households to the image and security disadvantages that apply to Downtown. Older

households have more housing choices, including the option to remain in their existing suburban locations.

Assuming capture rates of four percent of the pool of older, empty-nester households and younger household pool results in an estimate of total demand for housing Downtown of approximately 163 units in 2006 and 205 units in 2011. This equates to approximately 1,100 units from 2005 through 2011. In addition, while the current housing market correction may reduce short-term demand from residents from Lake Tahoe, northern California or other non local locations, in the long run, we assume an additional 25 percent of demand attributable to households from outside the region. This equates to an average annual demand of an additional 46 housing units in Downtown Reno. Total potential average annual demand from local and non local demand then is estimated at 229 market rate units. As the Downtown becomes branded as a desirable residential location, the amount of demand, especially from the potential empty-nester housing market, can be expected to increase and absorption rates ramp up accordingly.





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APPLYING KNOWLEDGE, CREATING RESULTS, ADDING VALUE

# APPENDIX C: PROTOTYPICAL DEVELOPMENT ALTERNATIVES

## 1) Envisioned Build-Out – Illustrative Plans

The two plan illustrations entitled "Envisioned Build-Out – Illustrative Plan" show the envisioned implementation of capital improvements and policies to transform the ReTRAC corridor and flanking 2nd and 4th Street corridors discussed in this study, and a modeling of anticipated infill development response from private investment on sites previously analyzed as having a degree of Potential for Change (discussed in Section 2). The Potential for Change map serve as the basis to identify potential "opportunity sites" where infill investment may be anticipated, and in a mid-term or long-term timeframe.

The graphic entitled "Envisioned Build-Out (Mid-Term) – Illustrative Plan" shows an anticipated form and pattern of growth and development at the Mid-Term (within the 4 to 8 year period) and the illustration entitled "Envisioned Build-Out (Long-Term) – Illustrative Plan" shows an anticipated pattern of growth and development at the Long-Term (12 years and beyond).

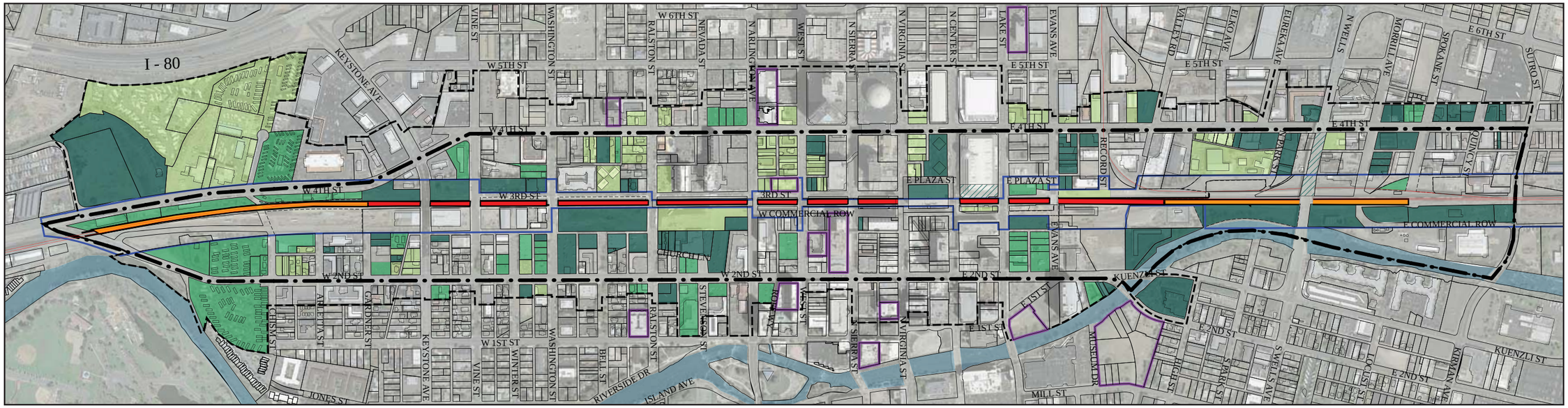
In these Envisioned Build-Out illustrations, parcels outside the project study area are shown with a pale rendition of the aerial photo for context reference. Blocks and parcels whose development is assumed to remain unchanged are indicated as simple outlines of existing buildings with a slate blue-gray color, and aerial photos of existing parking lots to remain are shown.

Blocks and parcels where new infill development is anticipated are shown with architectural forms (rooftops with slopes, towers, etc. and deep shadows) and colors to indicate predominant land use (blue for civic use, red for retail/commercial use, tan for residential use, and purple for workplaces use). Townhomes are indicated with sloped gable roofs for each unit, while "stacked flats" are shown with flat or sloped gable roofs for the entire complex. Mixed-use (typically residential use above ground floor retail) are indicated with a red color applied to a residential sloped roof, or where possible, a red color applied to a building base beneath upper story townhomes.

The overall intensity of new development within these scenarios (in terms of residential unit counts and square footage of commercial development) is used as the basis for analysis of circulation in Section 5C and parking in Section 5D.

**LEGEND:**

- High Potential for Change
- Apparent Potential for Change
- Moderate Potential for Change
- Striped hatching indicates opportunity area below structure
- Influence Area Boundary
- Project Area Boundary
- ReTRAC Trench Wall
- Approved-Unbuilt Residential Projects
- Potential Parcelization within ReTRAC Boundaries
- ReTRAC Parcel Acquisition Boundary
- Submerged Trench
- Partially Submerged Trench



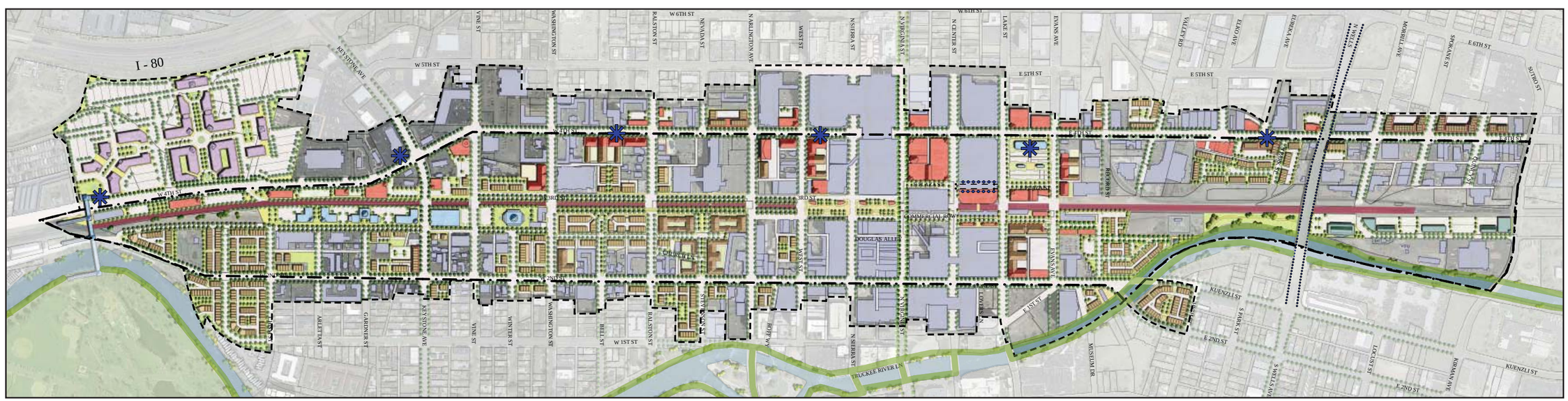

0′ 250′ 500′ 1000′ 1/4 mile

## C.2. Envisioned Build-Out (Mid-Term) - Illustrative Plan

0′ 250′ 500′ 1000′ 1/4 mile

**LEGEND:**

- Proposed Transit Stop Locations
- Influence Area Boundary
- Study Area Boundary
- Unique Decorative Lighting
- Riverwalk Paths
- ReTRAC Trench
- New Retail/Restaurant
- New Civic/Community Facility
- New Workplace
- Single Level and Stacked Townhor
- Townhomes Above Ground Floor I
- Stacked Flat Homes
- Stacked Flat Homes with Ground Floor Retail
- New Light Industrial
- Existing Development



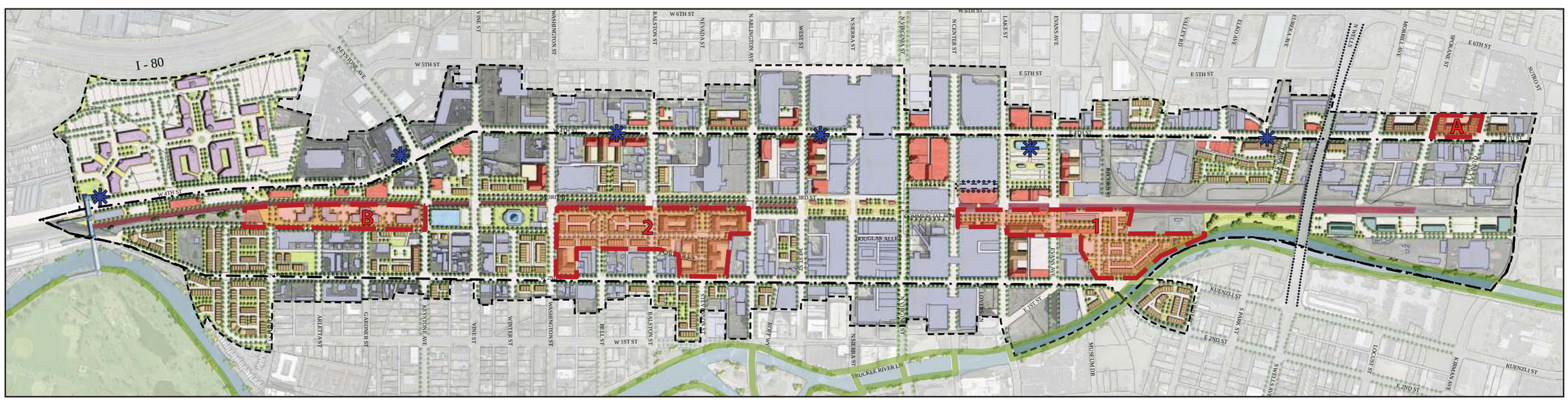

## C.3. Envisioned Build-Out (Long-Term) - Illustrative Plan

0′ 250′ 500′ 1000′ 1/4 mile

## 2) Prototypical Development Sites

Of the various opportunity sites for potential development, four sites were selected for a more in-depth site planning and economic feasibility analysis by Gruen+Gruen Associates (the analysis immediately follows this item). Two sites (“1” and “2”) were chosen as “deep” sites – typically requiring parcel assembly, but also showing greater potential for organizing development (particularly mixed use components) to focus on particular site exposures and orientations. Two other sites (“A” and “B”) were selected as “shallow” sites – one (“A”) having typical relevance to 2nd Street and 4th Street shallow parcels, and the other (“B”) demonstrating site development on a ReTRAC parcel.

In all cases, sites selected were noted as having substantial potential for change as indicated in the Potential for Change map.




0′ 250′ 500′ 1000′ 1/4 mile

## a) Site 1: Freight House Deep Parcel Opportunity Site.

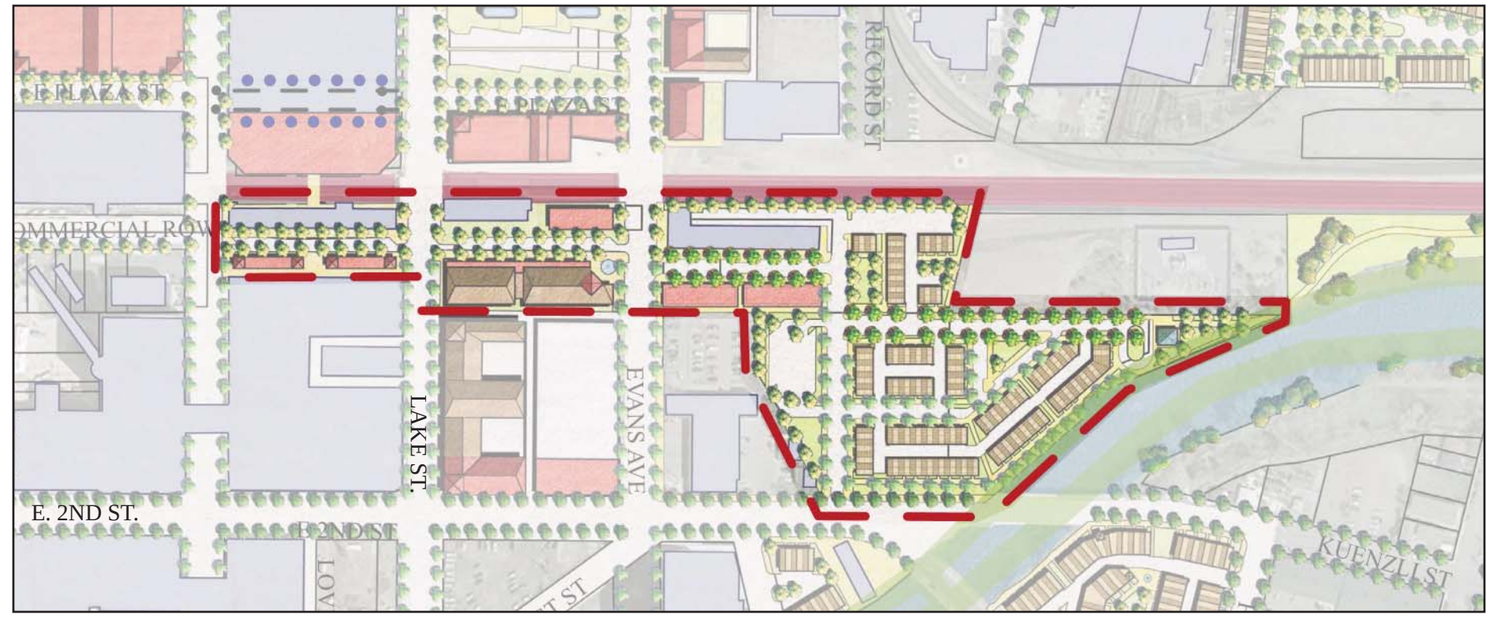
**Background:** The site is bordered by ReTRAC trench to the north, Kuenzli Street to the south, North Center Street to the west, and the Truckee River and potential riverfront paths to the east and is largely vacant or used as parking, with the exception of the historic Freight House building. To the east, an existing electrical substation property is not included within the site. A majority of these parcels along with others had been proposed at the outset of the study as a mixed-use retail/entertainment and residential development site by a private developer in negotiations with the Redevelopment Agency; the developer has since withdrawn the proposal. Per the district requirements in the Downtown Reno Regional Center Plan, parcels west of Evans Avenue must meet the density requirements of the Entertainment district with a minimum FAR of 3.0 and minimum residential density of 45 dwelling units/acre, and parcels east of Evans Avenue must meet the density requirements of the Riverfront district with a minimum FAR of 1.0 and minimum residential density of 21 dwelling units/acre.

**Planning Concept:** *A mixed-use adaptive re-use and infill site, linking the Entertainment Spine on the west to riverfront oriented housing on the east with the Greenway serving as an organizing spine.* The envisioned site development is a modified version of the developer's original mixed-use proposal . It is composed of two subareas - the western portion that is an extension of the Entertainment Spine, and the eastern portion of residential fabric that fronts the river. The eastern 3 blocks contain a mix of entertainment retail uses. Two 1-story retail/restaurant pavilions replace existing on-street parking between North Center and Lake Street to activate the Entertainment Spine. Twelve 2-story loft units above ground floor retail are infilled between Lake Street and Evans Avenue. East of Evans Avenue, the Freight House building is adaptively reused as retail/restaurant space, and one-story retail buildings are constructed across a one-block semipublic street extension of Commercial Row (no retail is proposed here due to its proximity to the fire station). Further east, an area of 71 three-story townhomes is infilled to the Truckee riverfront and hosts a Greenway path extension past the existing electrical substation to the Riverfront.

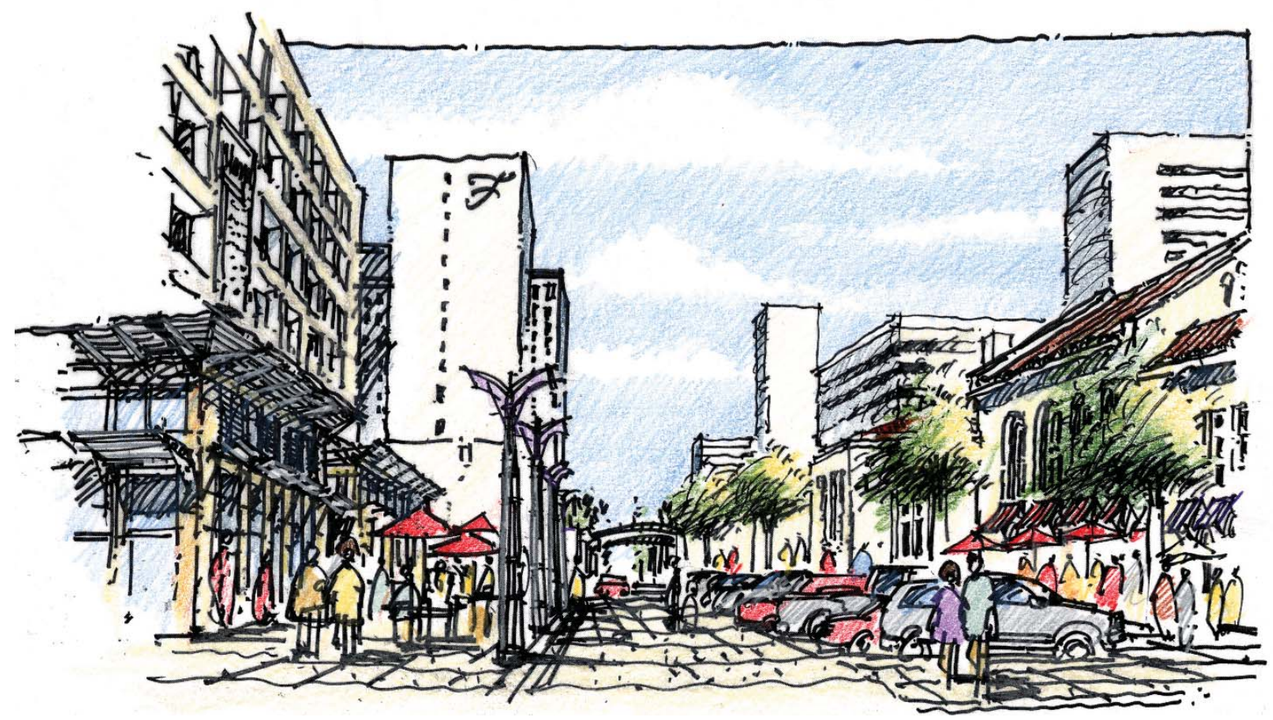
**NOTE:** The depicted planning concept was developed prior to approval of the proposed downtown baseball stadium on the site of the 71 townhomes and the existing fire station. With its continued adaptive reuse of the Freight House building, the proposed baseball stadium would be well complemented by the entertainment spine concept to the west of Evans Avenue along Commercial Row. Maintenance of a pedestrian and bicycle connection from Commercial Row west of the baseball stadium site to the north bank Truckee river paths east of the stadium site is strongly recommended.

**Development Summary**

| | |
|---|---|
| Retail Space in Square Feet | 46,832 |
| 3-Story Townhomes, average unit size 1,500 square feet, two tuck under parking spaces per unit | 71 units |
| Number of Lofts over Retail, average unit size 1,400 square feet, two tuck under parking spaces per unit | 12 units |
| Amount of Land Area in Acres | 8.51 |




C.5. Freight House Deep Parcel Opportunity Site



C.6. Envisioned Entertainment Spine - View West at Commercial Row

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b) Site 2: In-Town Neighborhood Deep Parcel Opportunity Site.

**Background:** The site is bordered by the ReTRAC trench to the north, 2nd Street to the south, Ralston Street to the west, and North Arlington Street to the east, with a number of southern parcels within these boundaries excluded as not having strong potential for change. Two large parcels along the northern edge of Site 2 and extending down to the first east-west alley are in current use as parking for the Sands Regency Casino Hotel, but as these areas are cleared sites, they were noted as having potential for change. Other parcels south of the alley identified as having potential for change are vacant or underutilized, and extend south to 2nd Street. Per the district requirements in the Downtown Reno Regional Center Plan, parcels west of Ralston Street must meet the density requirements of the Keystone Avenue district with a minimum FAR of 2.0 and minimum residential density of 30 dwelling units/acre, and parcels east of Ralston Street must meet the density requirements of the Entertainment district with a minimum FAR of 3.0 and minimum residential density of 45 dwelling units/acre.

**Planning Concept:** *An In-Town Medium Density Neighborhood facing on and engaging the ReTRAC Greenway at its north edge, adjacent to access and transit on its 2nd Street south edge, and walkable to the entertainment core and the riverfront .* This substantial area of housing would help to establish and add to the "critical mass" of downtown housing. In conjunction with existing and proposed housing to the north of ReTRAC, this area can become the mid-rise housing core of the downtown . The height of development transitions from high rises in the core to lower height buildings to the west. New blocks are designed to build upon the predominant orthogonal pattern of existing downtown blocks. Existing streets and alleys are deliberately maintained, as smaller block sizes maintain views to the landscape, encourage pedestrian movement, and decrease the impact of auto traffic. The two historic properties within and abutting the site are maintained.

Within blocks, building volumes are broken down to further maintain views, facilitate pedestrian movement, and articulate a human scale of architecture. The "development products" (building types) that are the "building blocks" for this in-town neighborhood include Stacked Townhomes. Stacked Townhomes are one- and two-story units which, as the name implies, are stacked one upon the other, but in all cases every unit has a ground floor street entrance, with no intermediary common hallway or lobby. By nature, they focus coming and going of residents onto streets, alleys, and walkways, just as non-stacked townhomes do. Parking is in a "tuck-under" format with tandem garages or in some cases, 2 car garages where configuration permits. The stacked townhomes envisioned here are 4 stories total in height with 2 tandem tuck under parking spaces per unit, and achieve double the density of non-stacked townhouses at approximately 35 units/acre. While this building type may not yet have been utilized in downtown Reno, it has been introduced in suburban Washington D.C. and on former industrial sites on corridors in the San Francisco Bay Area. Construction is conventional "Type V" stick-built construction.

C.7. In-Town Neighborhood Deep Parcel Opportunity Site

C.8. Envisioned In-Town Neighborhood - View West Along ReTRAC Greenway

The second envisioned building type used in this in-town neighborhood is a 4-Story "stacked flats" type over a parking podium base. This is a familiar type often used in and around downtown Reno, having elevator and hallway circulation and an entrance lobby . It allows for different unit sizes and its parking is located in a partially submerged shared garage. It is constructed with type V construction and allows for higher densities at approximately 45+ units/acre; as such, it is used predominantly at the sites east of Ralston Street. It generally allows for greater unit affordability than townhouses and high rises.

**Development Summary**

| | |
|---|---|
| Stacked four-story Townhomes, average unit size 1,500 square feet, two tuck under parking spaces per unit | 156 units |
| Condominiums, average unit size 1,200 square feet, 4-story building with courtyard, 1.5 partially submerged parking spaces per unit | 268 units |
| Amount of Land Area in Acres | 10.52 |

C.9. Envisioned In-Town Neighborhood

C.10. Stacked Flat Development in Reno, NV

C.11. Stacked Townhome Development in Oakland, CA

## c) Site A: East 4th Street Shallow Parcel Opportunity Site

**Background:** This site consists of 3 assembled parcels on the north side of East 4th Street between Spokane and Quincy Streets. It demonstrates a typical condition along a downtown arterial corridor: relatively shallow depth, with existing lodging and commercial use whose heyday has passed. Per the district requirements in the Downtown Reno Regional Center Plan, all parcels must meet the density requirements of the East 4th Street district with a minimum FAR of 0.5 and minimum residential density of 14 dwelling units/acre. The site is located close to an envisioned 4th Street TOD transit station stop site.

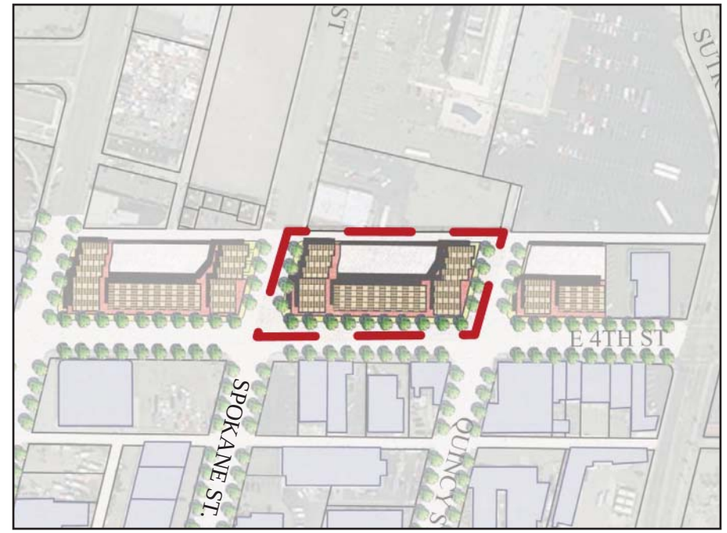
**Planning Concept:** *A corridor infill project of stacked townhomes above ground floor retail*. Although light industrial and commercial uses are still dominant along East 4th Street, an increasing and lively mix of restaurants, nightclub venues, and creative furniture and lifestyle shops are finding spaces on this portion of the corridor. Remaining motels with their historic Lincoln Highway era neon signs provide ambiance and identity. A concept drawing here depicts a recommended retention of the historic sign while the building site has been redeveloped.

The unit type would be specifically targeted to a "niche market" of residents that would be potential corridor residents. Introduction of appropriate streetscape – specifically, sidewalk frontage street trees that would aid in "buffering" dwelling units from the impacts of 4th Street traffic – would be a supportive measure. A higher than required density is attained for reasons of economic feasibility and transit-oriented focus.

**Development Summary**

| | |
|---|---|
| Retail Space in Square Feet under Townhomes | 20,000 |
| Stacked four-story Townhomes, average unit size 1,500 square feet, two level parking with one level half-submerged | 20 units |
| Parking | 60 spaces for retail (13 on street, 23 submerged)<br>40 spaces for townhomes (34 surface on deck, 6 tucked under) Total is 100 |
| Amount of Land Area in Acres | 0.93 |

C.12. Stacked townhomes Above Retail in Berkeley, CA




C.13. In-Town Neighborhood Deep Parcel Opportunity Site

C.14. Existing Lucky Motel Site And Neon Sign

C.15. Envisioned Site Redevelopment with Sign Preservation

## d) Site B: West of Keystone Avenue ReTRAC Shallow Opportunity Site

**Background:** This site is a long, relatively narrow city-owned ReTRAC parcel with the ReTRAC trench on the north, Keystone Avenue to the east, and the extension of Chism Street to the west. The southern boundary is aligned with the existing alley east of Keystone Avenue, and Arletta and Gardner Streets currently terminate at this boundary. It is vacant with the exception of an existing light industrial structure at Keystone Avenue. Per the district requirements in the Downtown Reno Regional Center Plan, all parcels must meet the density requirements of the West 4th Street district with a minimum FAR of 0.25 and minimum residential density of 14 dwelling units/acre. It should be noted that the shielding effects of the ReTRAC trench are progressively reduced as the tracks (and trains) rise to surface towards the west end of the site.

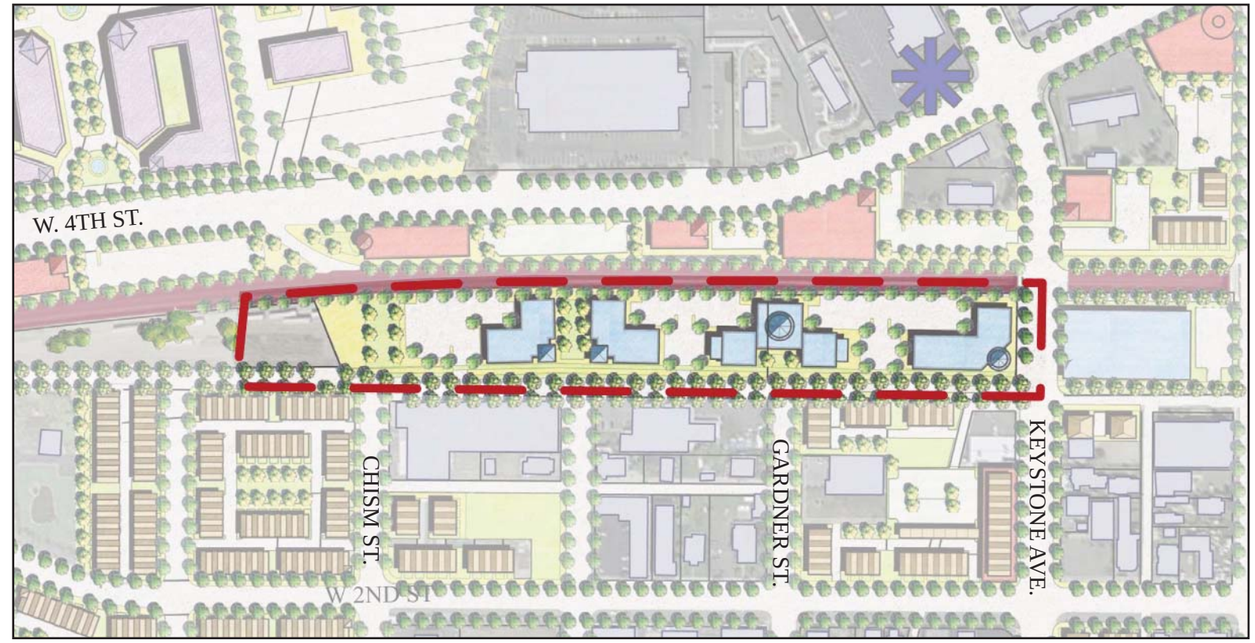
**Planning Concept:** During the workshop process, two options were considered for the site – a previously designated and envisioned use as a Public Safety campus or building complex, and a residential development alternative. The latter option was requested to be investigated as workshop attendees raised concerns about the potential impact of a Public Safety facility on the adjoining mixed-use industrial and residential blocks to the south of the site, and on the larger triangular neighborhood to the south bounded by the ReTRAC trench, the Truckee River, and Keystone Avenue. This option is further analyzed for economic feasibility in the following section.

A key feature of both options is the inclusion of the Greenway and a narrow street as a southern boundary of the site. As it provides adequate buffering between the Public Safety campus and the blocks to the south, it enabled the Public Safety campus to remain the preferred alternative. The conceptual layout of the Public Safety campus shown only demonstrates key principles rather than a proposed design due to the unavailability of program information at the time of the plan.

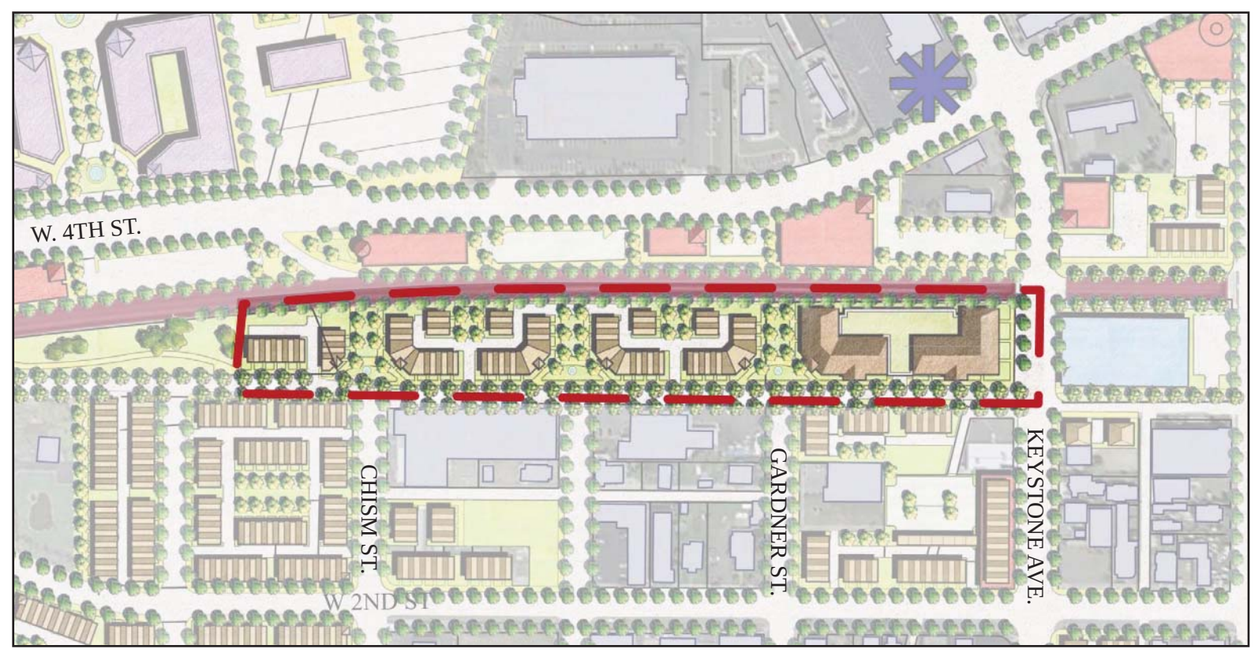
Conceptual features of the Public Safety campus option include: parking located behind and between buildings; architectural features that "terminate" street vistas (at Arletta and Gardner Streets); avoidance of an institutional or heavily secured look to fit the neighborhood; buildings set back behind landscaped strips and fronting on the Greenway at the southern edge, again to be a "good neighbor;" and thematic incorporation of the nearby presence of the river into site and building design. Provision of public restrooms and other facilities within the Public Safety campus would make it a hospitable feature along the route of the Greenway.

**Development Summary (residential development alternative only)**

| | |
|---|---|
| Stacked four-story Townhomes, average unit size 1,250 square feet, two tuck under parking spaces per unit, four story | 72 units |
| Four-story Condominiums, average unit size 1,200 square feet, half-submerged parking | 68 units |
| Amount of Land Area in Acres | 5.15 |




C.16. West Of Keystone Shallow Opportunity Site
Public Safety Center Option




C.17. West Of Keystone Shallow Opportunity Site
Residential Option

## e) Secondary opportunity sites (not analyzed for economic feasibility)

The two relatively large scale infill development sites and concepts described below are not central to ReTRAC corridor recommendations, as they lie outside the project boundary but within the area of influence; they are also adjacent to segments of trackway where the train is fully or mostly at grade. They are designated as secondary as they have an inherent potential for change due to their relatively large increments of parcelization. In both cases, substantial existing mobile home parks uses within these areas serve as longstanding neighborhoods for their residents.

### i) *Potential Workplace/TOD Opportunity Site*

Relatively large parcels bounded by East 4th Street on the south, I-80 on the north, Keystone Shopping Center on the east, and the study area boundary on the west have a potential alternative use as a transit-oriented workplace district site . With proximity and convenient access to I-80, the easternmost West 4th Street TOD station stop (and potential pedestrian/bicycle connection via the new pedestrian bridge to Idlewild Park and neighborhoods beyond), and commercial services of the Keystone Shopping Center, the site could potentially enable a workplace development product type (i.e. a low- to midrise campus type) that otherwise would not be offered in the downtown area, and would thus not compete directly with existing downtown office district buildings with their generally smaller building plates. It could potentially bring in new worker population into the downtown mix, and enhance desirability of downtown housing by future workers. Its office use would be less sensitive to adjacency with I-80 than residential use.

However, relocation and neighborhood disruption issues for mobile home park residents may be significant, and long term effects of additional workplace traffic on the East 4th Street/Keystone Avenue intersection may also be significant.

C.18. Potential Workplace/TOD Opportunity Site

### ii) *Potential Infill housing at mobile home park locations south of ReTRAC.*

With the continued improvement in the downtown housing market, parcels which are the current locations of mobile home parks north of the Truckee River, west of Chism Street, and south of the ReTRAC trench may change use over time due to market forces . If change were instigated by private market, introduction of infill housing would provide downtown housing opportunities, allow for potential addition to river edge pathways, and support surrounding residential neighborhoods.

Again, relocation and neighborhood disruption issues for mobile home park residents may be significant, and long term effects of additional resident traffic on 2nd Street and Keystone Avenue may also be significant due to road access being available only from the east. Some sites have potential flooding issues and would need design mitigations.

C.19. Potential Infill Housing Opportunity Site

# ANALYSIS OF REAL ESTATE ECONOMICS OF PROTOTYPICAL DEVELOPMENT ALTERNATIVES

A Memorandum Report to

Freedman Tung & Bottomley

From

**GRUEN GRUEN + ASSOCIATES**
*Urban Economists, Market Strategists, Land Use/Public Policy Analysts*

July 2007

C1198

APPLYING KNOWLEDGE
CREATING RESULTS
ADDING VALUE

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**GRUEN GRUEN + ASSOCIATES**
MEMORANDUM

Date: Updated June 6, 2007
To: Mr. Gregory Tung
From: Gruen Gruen + Associates
Subject: C1198 Analysis of Real Estate Economics of Prototypical Development Alternatives

## DETERMINANTS OF LAND USE CHANGES AND APPROACH TO ESTIMATE FEASIBILITY OF PROTOTYPICAL DEVELOPMENT ALTERNATIVES

The prior reports Gruen Gruen + Associates ("GG+A") prepared focused on gaining an understanding of the demographic, socioeconomic, and other factors that shape the demands that apply to the ReTrac corridor. The prior reports also reviewed the land use/real estate market conditions, including the supply of competing facilities and locations. The forces of demand and supply, land use policy/zoning regulations, and development costs interact to form the real estate economics that affect property development, redevelopment, and remodeling and maintenance decisions of owners and would be developers. We focus in this report on identifying the real estate economics of four prototypical development alternatives Freedman Tung & Bottomley ("FTB") specified for four locations in the ReTrac corridor. Much of the research for the real estate economic analysis was completed in March 2007. The initial real estate economic analysis suggested some postulated product options such as high-rise residential condominium were likely to be infeasible given current market conditions and development costs. Accordingly, this analysis covers some new postulated development alternatives identified to not only mesh well with the physical characteristics of the site alternatives but also to support higher land values and returns.

GG+A simulated the real estate investment of prototypical retail development options identified by FTB to assess their potential feasibility. We estimated the investment results of the prototypical retail development options based on the estimated cash flows produced from cost and revenue forecasts and stipulated financial terms from the viewpoint of a prospective developer.

We analyzed the likely feasibility of retail development, or the need for a subsidy (incentive) in order to bridge a feasibility gap, based on a financial yardstick or measure referred to as a residual land value assuming a required internal rate of return ("IRR") on the equity investment from the cash flow and the resale value of the development.[1] We used this methodology of estimating the land values that would be supported by the investment returns of the forecast revenues and costs, assuming a hurdle rate or return requirement of a 10 percent IRR. A project is feasible if a developer can achieve a return on the developer/investor equity that meets a hurdle rate commensurate with the associated risk. If the residual land value from the investment is zero or less, then the likely cost of the land makes the investment infeasible.

In essence, we asked the following question:

> How much could a prospective developer pay for the land needed to site the postulated retail development and earn an IRR of 10 percent?

GG+A also analyzed the real estate economics of the residential product options FTB identified based on the residual land value approach, assuming a required rate of return or profit margin. By combining estimated obtainable prices and costs of development with this necessary profit margin, we estimated the residual land values, or the amount of land value development of the residential uses can potentially support. For simplicity, we assume the land developer will also be the residential builder and use the approach described in the preceding two sentences to estimate supportable land value rather than a time-based measure of return such as an internal rate of return on the present value of the net cash flow of the development we used to analyze the retail use alternatives.

Note that the residual land value estimate is best used for comparing alternatives and obtaining insight on the "ability to pay" by the owner or developer. Actual market value is also affected by the price of competing entitled land supply. For example, even if a developer could afford to pay $25 per square foot for the land and still obtain a minimum threshold return, the developer will not do so if other equally or more desirable development locations are available for less. Actual market prices are influenced by the buyer's perception of use value, expectations about the timing and risk of development, and the price of the other available locations.

## DESCRIPTION OF LAND USES FOR PROTOTYPICAL DEVELOPMENT OPTIONS

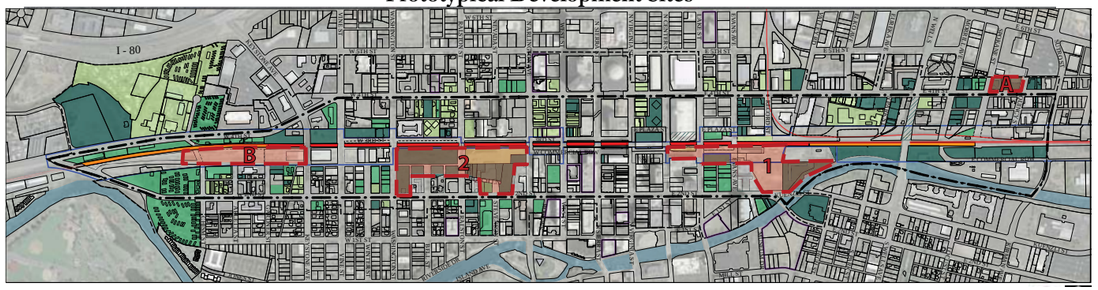
Map 1 shows the location of the representative sites on which FTB has identified prototypical development envelopes.

[1] As described in more detail in Appendix A, a residual land value refers to the amount a would-be developer could afford to pay for the land needed to site a development, given the cash flow that results from a specified set of cost and revenue forecasts and stipulated financial terms. An IRR means the rate of return at which the discounted future cash flows from an investment equal the initial cash outlay. In the jargon of finance theory, the IRR is the discount rate at which the net present value is zero. If the IRR exceeds the desired rate of return, the investment is financially feasible; if the IRR is lower than the desired rate of return the investment is not financially feasible.

***NOTE: The depicted planning concept was developed prior to approval of the proposed downtown baseball stadium on the site of the 71 townhomes and the existing fire station.***

**MAP 1**

**Prototypical Development Sites**




Tables 1 summarizes the types and amounts of land uses and products for the prototypical development option FTB prepared for an extended Freight House site adjacent and south of the ReTrac corridor on Evans Avenue. The site totals about 8.51-acres of land.

**TABLE 1**

**Physical Parameters of Retail and Residential Development Alternative for Site #1 in ReTrac Corridor, Reno, Nevada**

| | |
|---|---|
| Retail Space in Square Feet | 46,832 |
| 3-Story Townhomes, average unit size 1,500 square feet, two tuck under parking spaces per unit | 71 units |
| Number of Lofts over Retail, average unit size 1,400 square feet, two tuck under parking spaces per unit | 12 units |
| Amount of Land Area in Acres | 8.51 |
| Source: Freedman Tung & Bottomley | |

The plan for Site #1 assumes the development would contain 46,832 square feet of retail space and 12 units of residential lofts over the retail space. The lofts would average 1,400 square feet in size with two tuck under parking spaces per unit on the same level as the retail space. The retail space is situated on approximately 4.1 acres of land. The development program for Site 1 includes 71 three-story townhomes with an average unit size of 1,500 square feet of space. The townhouse component has its northern boundary at the ReTRAC wall (northern limit of the property), the eastern boundary at the electrical station (eastern limit of the property), the southern boundary at the Truckee River and at Kuenzli Street (southern limit of the property). The total land area for the residential component is about 4.41 acres. The total land area for the retail space is approximately 4.10 acres.

Table 2 summarizes the prototypical development option for another representative "deep" site within the ReTrac corridor.

**TABLE 2**

**Physical Parameters of Residential Development Alternative for Site #2 in ReTrac Corridor, Reno, Nevada**

| | |
|---|---|
| Stacked four-story Townhomes, average unit size 1,500 square feet, two tuck under parking spaces per unit | 156 units |
| Condominiums, average unit size 1,200 square feet, 4-story building with courtyard, 1.5 partially submerged parking spaces per unit | 268 units |
| Amount of Land Area in Acres | 10.52 |
| Source: Freedman Tung & Bottomley | |

Site #2 is adjacent to and south of the ReTrac corridor on Washington and Arlington. The site consists of approximately 4.66 acres of land which can accommodate 156 stacked four-story townhome units with an average unit size of 1,500 square feet of space. The development envelope also includes 5.86 acres of land which includes six four-story courtyard condominium buildings consisting of 268 units in all with an average size of 1,200 square feet.

Table 3 summarizes a representative "shallow" site on East 4th Street consisting of approximately 0.93 acres of land.

**TABLE 3**

**Physical Parameters of Residential and Retail Development Alternative for Site #A in ReTrac Corridor, Reno, Nevada**

| | |
|---|---|
| Retail Space in Square Feet under Townhomes | 20,000 |
| Stacked four-story Townhomes, average unit size 1,500 square feet, two level parking with one level half-submerged | 20 units |
| Parking | 60 spaces for retail (13 on street, 23 submerged) 40 spaces for townhomes (34 surface on deck, 6 tucked under) Total is 100 |
| Amount of Land Area in Acres | 0.93 |
| Source: Freedman Tung & Bottomley | |

FTB prepared a prototypical development envelope for Site #A including 20 stacked townhome units with an average unit size of 1,500 square feet. The townhome units are placed above 20,000 square feet of ground-floor retail space.

Table 4 summarizes the physical parameters FTB identified for another "shallow" site along the ReTrac corridor. The site is bounded by Keystone Avenue and Arletta Street.

**TABLE 4**

**Physical Parameters of Residential Development Alternative for Site #B in ReTrac Corridor, Reno, Nevada**

| | |
|---|---|
| Stacked four-story Townhomes, average unit size 1,250 square feet, two tuck under parking spaces per unit, four story | 72 units |
| Four-story Condominiums, average unit size 1,200 square feet, half-submerged parking | 68 units |
| Amount of Land Area in Acres | 5.15 |
| Source: Freedman Tung & Bottomley | |

***NOTE: The depicted planning concept was developed prior to approval of the proposed downtown baseball stadium on the site of the 71 townhomes and the existing fire station.***

Site #B consists of 5.15 acres of land on which FTB has specified 72 stacked four-story townhome units averaging 1,250 square feet and 68 units in a four-story condominium building with an average unit size of 1,200 square feet.

**CONCLUSIONS**

Table 5 summarizes the estimated residual land values of the components and totality of the development alternatives for the two deep and two shallow ReTrac corridor sites. The estimates presented below assume no extraordinary site preparation, infrastructure or environmental remediation costs.

**TABLE 5**

**Estimated Land Residual Values by Site and Use**

| | Site Area # Square Feet Land | Total Units / Retail Space # Square Feet | Estimated Land Value Residual $ | Estimated Land Value Residual Per Square Foot $ |
|---|---|---|---|---|
| Site #1 | | | | |
| 3 Story Non-Stacked Townhomes | 192,100 | 71 | 1,554,000 | 8.09 |
| Ground Floor Retail | 178,596 | 46,832 | 4,809,000 | 26.93 |
| **Total Site #1[1]** | **370,696 8.51 acres** | **71 units/ 46,832 retail** | **6,363,000** | **17** |
| | | | | |
| Site #2 | | | | |
| Tuck Under Stacked Townhomes | 203,074 | 156 | 4,369,950 | 21.52 |
| 4 Story Stacked Courtyard Flats | 255,126 | 268 | 4,647,120 | 18.22 |
| **Total Site # 2** | **458,000 10.51 acres** | **424 units** | **9,017,000** | **20** |
| | | | | |
| Site #A | | | | |
| Stacked Townhome Flats | 40,357 | 20 | 560,250 | 13.88 |
| Ground Floor Retail Below Townhomes | 40,357 | 20,000 | 1,433,000 | 35.51 |
| **Total Site #A** | **40,357 0.93 acres** | **20 units/ 20,000 retail** | **1,993,000** | **49** |
| | | | | |
| Site #B | | | | |
| 4 Story Tuck Under Stacked Townhomes | 140,263 | 72 | 1,667,250 | 11.89 |
| 4 Story Stacked Flats | 84,071 | 68 | 1,179,120 | 14.03 |
| **Total Site # B** | **224,334 5.15 acres** | **140** | **2,846,000** | **13** |
| | | | | |
| **Total Project** | **1,093,397 25.1** | **655 units/ 66,832 retail** | **20,220,000** | **18** |

[1] Analysis excludes 12 loft units over the retail space.

Sources: City of Reno; Freedman Tung & Bottomley; Gruen Gruen + Associates.

The range of land residual or use value estimates presented in this report are best used for comparing alternatives and obtaining insight on a prospective developer's ability to pay for land. Actual land value is also affected by the price of competing entitled land supply. A builder will probably discount the indication of residual land value or use value by at least 20 percent to reflect potential carrying costs and risks, including lower than anticipated prices or slower than expected absorption, higher than expected costs, delays or changes in the capital markets, and availability of alternative entitled sites. The residual land value estimating approach for the housing component does not explicitly incorporate when and at what pace development will occur.

The prototypical retail and residential development alternative postulated for the approximately 8.5-acre Site #1 is estimated to support a total land value of $6.4 million or $17 per square foot of land. The three-story townhome product is estimated to generate a residual land value (before any bidder's discount) of approximately $8 per square foot or $1.6 million, while the retail use is estimated to support a land value of nearly $27 per square foot or $4.8 million.

The prototypical development alternative postulated for the approximately 10.5-acre Site #2 is estimated to support a residual land value (before any bidder's discount) of nearly $20 per square foot or $9.0 million. The 156 unit tuck-under stacked townhome product is estimated to support a residual land value of $4.4 million or $22 per square foot. The 256-unit, four-story condominium product is estimated to support a residual land value (before any bidder's discount) of $4.6 million or $18 per square foot.

The prototypical 20,000 square feet of retail space under townhouse unit development alternative postulated for the approximately one-acre Site #A is estimated to support a total land value of $49 per square foot or $2.0 million. The townhouse component is estimated to generate a residual land value (before any bidder's discount) of nearly $14 per square foot or about $560,000. The retail component is estimated to generate a land value of $36 per square foot or $1.4 million. Note an underlying, untested assumption of the analysis is that a townhouse product over retail will appeal to households as much as townhome units not situated over ground floor retail uses. The analysis does not factor in potentially higher development costs and risks associated with vertical mixed-use development.

The prototypical residential development alternative postulated for the approximately five-acre Site #B is estimated to support a residual land value of approximately $13 per square foot or $2.8 million. The 72-unit four-story tucked under stacked townhouse product option is estimated to support a (before any bidder's discount) land value of about $12 per square foot or $1.7 million while the 68-unit stacked flats product type option is estimated to support a (before any bidder's discount) land value of approximately $14 per square foot or almost $1.2 million.

To the extent reservation prices for land in the selected areas are close to discounted residual land or use values preliminarily estimated in this report, then in the long run as the ReTrac corridor and Downtown Reno is enhanced, townhome and smaller-scale condominium uses and retail uses are likely to be feasible to develop without significant municipal subsidies. Larger and higher-density condominium development, under the present real estate

***NOTE: The depicted planning concept was developed prior to approval of the proposed downtown baseball stadium on the site of the 71 townhomes and the existing fire station.***

economic conditions, will be unlikely to be feasible to develop without significant municipal support. To put these estimates into a broad context, we understand that at least two land assemblages located near sites #1 and #B have recently been sold. A land parcel of approximately 26,000 square feet was recently sold for a small scale residential project, the Townhomes at Holcomb Place, located at the corner of State Street and Holcomb Avenue. The sales price was approximately $19 per square foot of land. This land parcel is directly south of Site #1 across from the Truckee River. A much larger assemblage of about seven acres, located at the northeast corner of Keystone Avenue and 5th Street, was recently sold for $8.4 million to a developer which has proposed building a hotel/casino. This sale price would equate to approximately $28 per square foot of land. The property includes several obsolete structures. The property is located directly north of Site #B and south of Interstate 80. Two smaller commercial parcels located at 690 Keystone Avenue and 427 Evans Street, ranging in size from approximately 16,000 to 30,000 square feet, reportedly sold for $19 and $26 per square foot of land in 2006. These parcels are located close in proximity to Sites #1, #2, and #B.

An interview with an appraiser with the Washoe County Assessor's Office suggests reservation prices for retail and residential uses outside of the core of Downtown tend to range from $20 to $30 per square foot of land. Smaller properties tend to have higher prices per square foot of land. According to the appraiser, reservation prices for land in the core of Downtown, near the Montage and Palladio and Truckee River (which was reportedly sold to the developer for $12 per square foot) tend to be much higher at $80 to $100 per square foot of land, depending upon parcel size, location, and potential for gaming uses to be sited on the property. For a variety of reasons, reservation prices have tended to be higher than use values. This is reflected in the relatively limited private development absent municipal participation.

Note we also analyzed the real estate economics of high-rise condominium product and found such a product would generate a large negative residual land value. A high-rise condominium product is not currently feasible to develop without significant subsidy.

## FEASIBILITY ANALYSIS OF SITE #1

The following sections summarize the inputs used to structure the financial analysis of the retail component and the results of the analysis. Then we present the inputs and results of the analysis of the housing component of the development alternative specified for Site #1.

## RETAIL COMPONENT SITE #1

### Key Cost Elements for Retail Component Site #1

Table 6 summarizes the estimated development costs for the retail component of the prototypical development alternative postulated for Site #1.

**TABLE 6**

**Key Cost Elements for Retail Component of Site# 1 Development Alternative**

| | |
|---|---|
| Hard Construction Costs Per Square Foot/Total | $100/$4,683,200 |
| Soft Costs as Percent/Dollars of Hard Costs Excluding Land Costs | 20%/$1,293,800 |
| Site Work, Including Parking Space Costs Per Sq. Ft./Total Dollars | $10/$1,786,000 |
| Total Costs Per Square Foot of Building Area/Total Dollars[1] | $166/$7,763,000 |
| [1] Excludes loan fee and financing costs of $228,000 described below. | |
| Sources: City of Reno; Freedman, Tung & Bottomley; Gruen Gruen + Associates. | |

Excluding land costs, but including hard construction costs, soft costs, parking space costs, and other site preparation costs, total development costs are estimated at $7.8 million or $166 per square foot to construct 46,832 square feet of building space.

Hard costs are estimated at $100 per square foot of building space, or $4.7 million. Parking costs and other sitework costs are estimated to total $10 per square foot of land for a total cost of $1,786,000. "Soft" (i.e., architectural, engineering, and additional) costs are estimated at 20 percent of construction costs. Soft costs, then, are estimated to total about $1.3 million or about $28 per square foot of building space.

***NOTE: The depicted planning concept was developed prior to approval of the proposed downtown baseball stadium on the site of the 71 townhomes and the existing fire station.***

**Financial Parameters for Retail Component Site #1**

Table 7 summarizes the financial terms stipulated for the investment analysis of the of the retail component of the prototypical development alternative for Site #1.

| TABLE 7<br><br>Investment and Financing Assumptions for Retail Component of Site #1 | |
|---|---|
| Equity As Percent of Project Total | 25% |
| Net Present Value (NPV) Discount Rate and IRR | 10% |
| Sale Year for IRR Calculation | 10 |
| Mortgage Rate | 6.0% |
| Mortgage/Amortization Term in Years | 25 |
| Year Mortgage Taken Out | 2 |
| Construction Loan Financing Costs – Annual Interest Rate | 7.0% |
| Construction Loan Fee | 1 point or 1.0% |
| Capitalization Rate Sale Year | 7.5% |
| Sales Expenses as Percent of Sales Price | 3% |
| Sources: Urban Land Institute *Capital Markets Report*; Gruen Gruen + Associates. | |

Financial parameters for the retail component include equity and debt terms, construction and permanent loan arrangements, IRR, and capitalization rates. We assume an equity requirement of 25 percent of project costs. For simplicity, we assume a one-year construction period and a resulting construction loan period of one year. The loan rate assumptions are drawn from a review of capital markets data sources including the Urban Land Institute and the Real Estate Capital Institute. We estimate a construction loan interest rate of seven percent and a loan fee of one point (i.e., one percent of the loan value). Based on the estimated construction costs, construction loan points and financing costs are estimated at approximately $228,000. We assume a permanent mortgage loan is obtained in year two to take out or retire the construction loan. We estimate an annual interest rate of six percent for the permanent mortgage and a loan amortization schedule of 25 years. We estimate the capitalization rate, or buyer's required yield on the purchase of an income-producing property of 7.5 percent for the sale year. We assume expenses associated with the sale of the property of three percent of the transaction value.

**Market Parameters for Retail Component Site #1**

Table 8 summarizes the market or revenue parameters for the retail component.

| TABLE 8<br><br>Market Parameters for Retail Component of Site #1 | |
|---|---|
| Monthly Annual Retail Space Rent Per Square Foot of Building Space | $2.00 |
| Annual Fixed and Variable Costs Per Square Foot of Retail Space | $1.20 |
| Annual Rent Increase | 2.5% |
| Retail Occupancy Rate in Years 2, 3, 4, and Thereafter | 50%, 75%, 90%, 90% |
| Retail Space Tenant Improvements Per Square Foot | $25 |
| Retail Space Leasing Commission/Marketing Costs Per Square Foot | $5.00 |
| Sources: Colliers; Loopnet.com; Gruen Gruen + Associates. | |

Based on estimates of rental rates for new high quality retail space drawn from current projects, we assume a retail space monthly net rental rate of $2.00 per square foot and $1.20 per square foot per year in non tenant paid tax expenses. We assume that operating costs will increase at an average annual rate of two percent while rents increase annually at 2.5 percent. We assume that the 46,832 square feet of retail space will be 50 percent leased in the first operating year, 75 percent leased in the second operating year, and 90 percent leased in the third year and annually thereafter. Tenant improvement costs are estimated at $25 per square foot. Leasing commission and other marketing costs are estimated at $5 per square foot for retail space.

**RESULTS OF INVESTMENT ANALYSIS FOR RETAIL COMPONENT SITE #1**

The real estate investment results of constructing, marketing, and operating the postulated retail component of the Site #1 prototypical development alternative was simulated on GG+A's real estate cash flow model REALISM™. As indicated above, based on the postulated alternative and revenue and cost assumptions, we calculated a land residual value that would permit an investor in the project who contributed 25 percent equity to earn a 10 percent IRR if the investor held the development for 10 years. The simulation projects the financial results, including the residual land value from the viewpoint of a prospective developer. As market factors, interest rates and construction costs change over time, the type of development that can optimize the value of land will change. Obtainable land values will also alter with changing conditions. The motivations of bidders for a particular site are also affected by the specific needs of each bidder. Nevertheless, the investment analyses and simulations provide a basis for drawing conclusions about feasibility.

The reader is cautioned to note that the residual values presented exclude the effect of state and federal income taxes that would have to be paid. In effect, this simplifying assumption increases residual values over what they might be under the more realistic assumption that taxes on income would be paid. We use the before-tax case, however, so as to avoid the distortion created by taxes and the need to consider whether owners would have offsetting gains and losses from other sources, which is frequently the case.

Table 9 summarizes the results of the simulation of the postulated prototypical development.

***NOTE: The depicted planning concept was developed prior to approval of the proposed downtown baseball stadium on the site of the 71 townhomes and the existing fire station.***

| TABLE 9<br><br>Before-Tax Land Value Residual and Return Supported by Retail Component of Prototypical Development Alternative for Site#1 | |
|---|---|
| **Land Value Residual** | $4,809,000 |
| **Residual Land Value Per Square Foot** | $27 |
| Total Project Value | $12,800,000 |
| Equity | $3,200,000 |
| Permanent Loan | $9,600,000 |
| Annual Debt Service | $751,000 |
| IRR in Year 10 | 10% |
| Source: Gruen Gruen + Associates | |

These figures present a perspective for evaluation rather than a cardinal array of hard forecasts. The results are limited by the development potential, market, financial, and other underlying assumptions outlined above. Given the preliminary nature of this analysis, we do not suggest that the estimates of residual land values and returns have been prepared with pinpoint accuracy.

The results of the investment analysis indicate that the development of a 46,832-square-foot retail component within the prototypical development alternative postulated for Site #1 would produce a land value residual of approximately $4.8 million or $27 per square foot of land. In other words, the owner-investor could pay $4.8 million for the 4.1 acres of land needed to site the building and parking space and earn a 10 percent IRR on its investment. Equity for the total project would approximate $3.2 million and the permanent loan of about $9.6 million for a total project value of approximately $12.8 million. Annual debt service would approximate $751,000.

## TOWNHOUSE COMPONENT SITE #1

### Key Revenue and Cost Elements for Townhouse Component Site #1

As Table 10 shows, based on the synthesis of the prior market research, interviews, and review of secondary data from the City and Assessor's Office reviewed in Appendix B, we assume an obtainable price of $255 per square foot for a 1,500-square-foot non stacked townhouse product for a sales value of $382,500. Multiplying the estimated obtainable sales price by the 71 townhouse units postulated for the prototypical development for Site #1 produces an estimate of potential sales revenue of $27.2 million.

Development costs include the hard costs of building structures, the architectural engineering, and other soft costs related to developing the units, site engineering and development such as roads, utilities, landscaping, advertising, marketing, commission, and closing costs associated with the marketing of the units. Based on information obtained from the City of Reno, a cost estimator, and a local housing builder, as Table 10 shows, the hard costs for the townhouse use are estimated at $110 per square foot.

| TABLE 10<br><br>Estimated Revenues and Costs for Residential Prototype Identified in Site #1<br>3-Story Non-Stacked Townhomes, 71 Units, Average Unit Size 1,500 Square Feet | | |
|---|---|---|
| | Per Square Foot<br>$ | Per Unit<br>$ |
| Estimated Obtainable Revenues | 255 | 382,500 |
| **Estimated Obtainable Revenues for 71 Townhome Units** | **$27,157,500** | |
| Hard Construction Costs | 110 | 165,000 |
| Site Engineering, Site Work and Utility Costs | 28.41 | 42,614 |
| Sales, Advertising, and Commission Costs @ 3% of Sales | 7.65 | 11,475 |
| Additional Soft Costs<br>(e.g., architectural, engineering, fees) @ 25% of Sales | 63.75 | 95,625 |
| Developer Profit @ 12% of Sales | 30.60 | 45,900 |
| Total Costs | 240.41 | 360,614 |
| **Estimated Total Costs for 71 Townhome Units** | **$25,603,600** | |
| Sources: City of Reno; Freedman Tung & Bottomley; Gruen Gruen + Associates interviews. | | |

Site work and utilities costs are estimated to cost from $28.41 per square foot of building space. Sales, advertising and commission costs are estimated at three percent of the sales price estimated at $255 per square foot or $382,500 per unit. Additional soft costs including architectural and engineering, fees, general and administration, insurance, property taxes, and financing are estimated at 25 percent of unit sales. We estimate a developer profit or profit margin (covering both land and building space) requirement of 12 percent of sales.

Assuming an average sales price per unit of $255 per square foot or $382,500, total costs per unit are estimated at $360,600. This equates to approximately $240 per square foot for a total of approximately $25.6 million for 71 townhouse units.

***NOTE: The depicted planning concept was developed prior to approval of the proposed downtown baseball stadium on the site of the 71 townhomes and the existing fire station.***

## ESTIMATED RESIDUAL LAND VALUE FOR SITE #1

Table 11 shows the estimated residual land value, or the amount of dollars potentially available for the purchase of the approximately 4.4 acres of land allocated for the townhouse use, given the revenue and cost assumptions outlined above.

**TABLE 11**

**Estimated Residual Land Values for Residential Prototypes Identified in Site #1**

| | |
|---|---|
| Residual Land Value Per Unit | $21,900 |
| Residual Land Value for 71 Units | $1,554,000 |
| Total Land Area in Square Feet | 192,100 |
| Residual Land Value Per Square Foot | $8.09 |

Source: Gruen Gruen + Associates

Assuming an average unit sales price of $255 per square foot for a 1,500-square-foot unit, the revenue and cost assumptions produce a residual land value per unit estimate of $21,900 per unit. For the 71-unit component of the prototypical development alternative for Site #1, this equates to a residual land value of approximately $1.5 million. Given the land area of approximately 192,100 square feet of land (4.4 acres), the total dollars available for the purchase of the land approximates $8.09 per square foot of land.

## ESTIMATED POTENTIAL BID PRICE FOR SITE #1

The range of land residual or use value estimates presented in this report are best used for comparing alternatives and obtaining insight on a prospective developer's ability to pay for land. Actual land value is also affected by the price of competing entitled land supply. A builder will probably discount the indication of residual land value or use value by 20 percent to reflect potential carrying costs and risks, including lower than anticipated prices, higher than expected costs, delays or changes in the capital markets, and availability of alternative entitled sites. Accordingly, a bid price is likely to approximate $6.47 per square foot of land. The townhouse component is likely to be feasible, if the land can be purchased for about $6.47 per square foot. A land parcel of 26,000 square feet was recently sold for a smaller project, the Townhomes at Holcomb Place located at the corner of State Street and Holcomb Avenue. The sales price is approximately $19 per square foot of land.

## FEASIBILITY ANALYSIS OF SITE #2

The following section reviews the inputs for and results of the residual land value analysis of the prototypical development alternative for Site #2.

### Key Revenue and Cost Elements for Residential Components Site #2

Table 12 shows the estimated obtainable sales prices and development costs for the specified housing products.

**TABLE 12**

**Estimated Revenues and Costs for Residential Prototypes Identified in Site # 2**

| | Tuck Under Stacked Townhomes, 156 Units @ 1,500 Square Feet | | Four Story Courtyard Flats, 268 Units @ 1,200 Square Feet | |
|---|---|---|---|---|
| | Per Square Foot $ | Per Unit $ | Per Square Foot $ | Per Unit $ |
| Estimated Obtainable Revenues | 255 | 382,500 | 270 | 324,000 |
| **Estimated Total Revenues** | **59,670,000** | | **86,832,000** | |
| Hard Construction Costs | 122 | 183,000 | 135 | 162,000 |
| Site Engineering, Site Work and Utility Costs | 8.50 | 12,750 | 8.50 | 10,200 |
| Sales, Advertising, and Commission Costs @ 3% of Sales | 7.65 | 11,475,000 | 8.10 | 9,720 |
| Additional Soft Costs (e.g., architectural, engineering, fees) @ 25% of Sales | 63.75 | 95,625 | 67.50 | 81,000 |
| Developer Profit @ 13.5% of Sales | 34.43 | 51,638 | 36.45 | 43,740 |
| Total Costs | 236 | 354,488 | 256 | 306,660 |
| **Estimated Total Costs** | **55,300,050** | | **82,184,880** | |

Sources: City of Reno; Freedman Tung & Bottomley; Gruen Gruen + Associates Interviews.

Based on the synthesis of the prior market research, interviews, and review of secondary data from the City and Assessor's Office reviewed in Appendix B, we assume obtainable sales prices of:

- $255-per-square-foot for the 1,500-square-foot stacked townhome units; and
- $270-per-square-foot for the 1,200-square-foot courtyard flat units.

Given these sales assumptions, total revenues for the townhome product are estimated to total $59.7 million and $86.8 million for the condominium product option.

Table 12 shows the estimated hard costs at $122 per square foot for the townhouse uses, and $135 per square foot for the four story courtyard flats. Site work and utilities costs are estimated to total $8.50 per square foot of building space. Sales, advertising and commission costs are estimated to account for three percent of the sales price of each of the product types identified. Additional soft costs including architectural and engineering, fees, general

and administration, insurance, property taxes, and financing are estimated at 25 percent of unit sales. We estimate a developer profit or profit margin requirement of 13.5 percent of sales for the four-story condominium units and stacked townhomes. Total costs per unit are estimated at $236 per square foot or $354,500 for the townhouse product and $256 per square foot or $307,000 for the condominium product. The total costs are the development of 156 townhome units approximates $55.3 million. The total costs for the development of 268 condominium units approximate $82.2 million.

## ESTIMATED RESIDUAL LAND VALUE FOR SITE #2

Table 13 shows the estimated residual land value, or the amount of dollars potentially available for the purchase of the approximately 10.5 acres of land allocated for the residential uses postulated on Site #2 given the revenue and cost assumptions outlined above.

**TABLE 13**

**Estimated Residual Land Values for Residential Prototypes Identified in Site #2**

| | Tuck Under Stacked Townhomes | Four Story Courtyard Flats |
|---|---|---|
| Total Number of Units | 156 | 268 |
| Residual Land Value Per Unit | $28,000 | $17,340 |
| Total Residual Land Value | $4,369,950 | $4,647,120 |
| Total Land Area # Square Feet | 203,074 | 255,126 |
| Residual Land Value Per Square Foot of Land | $22 | $18 |

Sources: City of Reno; Freedman Tung & Bottomley; Gruen Gruen + Associates Interviews.

Based on this initial analysis, the townhome uses and the four-story condominium unit prototypes support positive residual land values (before any bidder's discount) ranging from $18 to $22 per square foot. Collectively, the product options support a residual land value of $19.69 per square foot or $9.0 million.

Note we also analyzed the real estate economics of high-rise condominium product and found such a product would generate a large negative residual land value. A high-rise condominium product is not currently feasible to develop without significant subsidy.

## FEASIBILITY ANALYSIS OF SITE #A

## RETAIL COMPONENT SITE #A

### Key Cost Elements for Retail Component Site #A

The development cost assumptions previously summarized in the retail feasibility analysis of Site #1 remain unchanged for Site #A. Table 14 presents the estimated development costs for the retail component of the prototypical 20,000-square-foot retail development postulated for Site #A.

**TABLE 14**

**Key Cost Elements for Retail Component of Site #A Development Alternative**

| | |
|---|---|
| Hard Construction Costs Per Square Foot/Total | $100/$2,000,000 |
| Soft Costs as Percent/Dollars of Hard Costs Excluding Land Costs | 20%/$480,700 |
| Site Work, Including Parking Space Costs Per Sq. Ft./Total Dollars | $10/$403,600 |
| Total Costs Per Square Foot of Building Area/Total Dollars[1] | $144/$2,884,300 |

[1] Excludes loan fee and financing costs of $84,700 described below.

Sources: City of Reno; Freedman, Tung & Bottomley; Gruen Gruen + Associates.

Excluding land costs, but including hard construction costs, soft costs, parking space costs, and other site preparation costs, total development costs are estimated at $2.9 million or $144 per square foot to construct 20,000 square feet of building space and 60 parking spaces (13 spaces are on-street which would not be included in site work cost).

Hard costs are estimated at $100 per square foot of building space, or $2.0 million. Parking costs and other sitework costs are estimated to total $10 per square foot of land for a total cost of $403,600. "Soft" (i.e., architectural, engineering, and additional) costs are estimated at 20 percent of construction costs. Soft costs, then, are estimated to total about $480,700 or about $24 per square foot of building space.

### Financial Parameters for Retail Component Site #A

The financial and investment assumptions previously summarized in the retail feasibility analysis of Site #1 on page 10 remain unchanged for Site #A. Based on the estimated construction costs, construction loan points and financing costs are estimated at approximately $84,700.

**Market Parameters for Retail Component Site #A**

To reflect the less desirable location away from the river and primary Downtown, we assume a lower annual rent of $20 per square foot ($1.67 per square foot per month), rather than $24 per square foot ($2.00 per square foot per month). Table 15 summarizes the market parameters and revenues for the retail component.

**TABLE 15**

**Market Parameters for Retail Component of Site #A**

| | |
|---|---|
| Monthly Annual Retail Space Rent Per Square Foot of Building Space | $1.67 |
| Annual Fixed and Variable Costs Per Square Foot of Retail Space | $1.20 |
| Annual Rent Increase | 2.5% |
| Retail Occupancy Rate in Years 2, 3, 4, and Thereafter | 50%, 75%, 90%, 90% |
| Retail Space Tenant Improvements Per Square Foot | $25 |
| Retail Space Leasing Commission/Marketing Costs Per Square Foot | $5.00 |
| Sources: Colliers; Loopnet.com; Gruen Gruen + Associates. | |

We assume the same operating costs per square foot, occupancy levels, tenant improvement costs, and leasing commissions as in the retail feasibility analysis of Site #1.

**RESULTS OF INVESTMENT ANALYSIS FOR RETAIL COMPONENT SITE #A**

The 20,000 square feet of retail space (underneath townhomes) is estimated to yield a total residual land value of $1.4 million, or approximately $35 per square foot of land. Table 16 presents the results of the simulation of this prototypical retail development option.

**TABLE 16**

**Before-Tax Land Value Residual and Return Supported by Retail Component of Prototypical Development Alternative for Site #A**

| | |
|---|---|
| **Land Value Residual** | $1,433,000 |
| **Residual Land Value Per Square Foot** | $35 |
| Total Project Value | $4,402,000 |
| Equity | $1,100,000 |
| Permanent Loan | $3,302,000 |
| Annual Debt Service | $258,300 |
| IRR in Year 10 | 10% |
| Source: Gruen Gruen + Associates | |

The results of the investment analysis indicate that the development of 20,000 square feet of retail space within the prototypical development alternative postulated for Site #A would produce a land value residual of approximately $1.4 million or $35 per square foot of land. In other words, the owner-investor could pay $1.4 million for the 40,357 square feet of land needed to site the building and parking space and earn a 10 percent IRR on its investment. Equity for the total project would approximate $1.1 million and the permanent loan of approximately $3.3 million for a total project value of approximately $4.4 million. Annual debt service would approximate $258,300.

## TOWNHOUSE COMPONENT SITE #A

### Key Revenue and Cost Elements for Townhouse Component Site #A

Table 17 shows the revenue and cost estimates for the four-story, stacked townhouse unit development option.

**TABLE 17**

**Estimated Revenues and Costs for Residential Prototype Identified in Site #A**
**4-Story Stacked Townhomes, 20 Units, Average Unit Size 1,500 Square Feet**

| | Per Square Foot $ | Per Unit $ |
|---|---|---|
| Estimated Obtainable Revenues | 255 | 382,500 |
| **Estimated Obtainable Revenues for 20 Townhome Units** | **$7,650,000** | |
| Hard Construction Costs | 122 | 183,000 |
| Site Engineering, Site Work and Utility Costs | 8.50 | 12,750 |
| Sales, Advertising, and Commission Costs @ 3% of Sales | 7.65 | 11,475 |
| Additional Soft Costs (e.g., architectural, engineering, fees) @ 25% of Sales | 63.75 | 95,625 |
| Developer Profit @ 13.5% of Sales | 34.43 | 51,637 |
| Total Costs | 236 | 354,448 |
| **Estimated Total Costs for 20 Townhome Units** | **$7,089,750** | |

Sources: City of Reno; Freedman Tung & Bottomley; Gruen Gruen + Associates Interviews.

The 20, 1,500-square-foot townhouse units are estimated to obtain average sales prices of $255 per square foot or $382,500. This results in a total revenue estimate of $7.7 million.

Hard development costs are estimated at $122 per square foot for the townhome units or $183,000 per unit. Given the risks associated with a relatively untested, higher-density townhouse product type, we use a develop profit margin threshold of 13.5 percent rather than 12 percent. All other cost assumptions are the same as presented for other residential product options described above. The cost and profit margin assumptions produce a total cost estimate of $236 per square foot or $354,400 for the townhome product. Total development costs are estimated at $7.1 million for the townhome units

## ESTIMATED RESIDUAL LAND VALUE

Table 18 shows the estimated residual land value, or the amount of dollars potentially available for the purchase of the approximately 0.93 acres of land allocated for the townhouse use, given the revenue and cost assumptions outlined above.

**TABLE 18**

**Estimated Residual Land Value for Residential Prototype Identified in Site #A**

| | |
|---|---|
| Residual Land Value Per Unit | $28,013 |
| Residual Land Value for 20 Units | $560,250 |
| Total Land Area # Square Feet | 40,357 |
| Residual Land Value Per Square Foot of Land | $13.88 |

Sources: SilverStar Communities; Freedman Tung & Bottomley; Gruen Gruen + Associates.

Assuming an average unit sales price of $255 per square foot for a 1,500-square-foot unit, the revenue and cost assumptions produce a residual land value per unit estimate of $28,000 per unit. For the 20-unit component of the prototypical development alternative for Site #A, this equates to a residual land value of approximately $560,000. Given the land area of approximately 40,357 square feet of land (0.93 acres), the total dollars available for the purchase of the land approximates $13.88 per square foot of land, before taking into account the bid discount of approximately 20 percent that can be expected.

## FEASIBILITY ANALYSIS OF SITE #B

### Key Revenue and Cost Elements for Residential Product Types for Site #B

Table 19 summarizes the revenue estimates for stacked townhouse and four-story condominium product types specified for the approximately five-acre Site #B parcel.

**TABLE 19**

**Estimated Revenues and Costs for Residential Prototypes Specified for Site #B**

| | Tuck Under Stacked Townhomes, 72 Units @ 1,250 Square Feet | | Four Story Condominium Flats, 68 Units @ 1,200 Square Feet | |
|---|---|---|---|---|
| | Per Square Foot $ | Per Unit $ | Per Square Foot $ | Per Unit $ |
| Estimated Obtainable Revenues | 265 | 331,250 | 270 | 324,000 |
| **Estimated Total Revenues** | **23,850,000** | | **22,032,000** | |
| Hard Construction Costs | 128 | 160,000 | 135 | 162,000 |
| Site Engineering, Site Work and Utility Costs | 8.50 | 10,625 | 8.50 | 10,200 |
| Sales, Advertising, and Commission Costs @ 3% of Sales | 7.95 | 9,937 | 8.10 | 9,720 |
| Additional Soft Costs (e.g., architectural, engineering, fees) @ 25% of Sales | 66.25 | 82,812 | 67.50 | 81,000 |
| Developer Profit @ 13.5% of Sales | 35.78 | 44,718 | 36.45 | 43,740 |
| Total Costs | 246 | 308,094 | 256 | 306,600 |
| **Estimated Total Costs** | **22,182,750** | | **20,852,000** | |

Sources: City of Reno; Freedman Tung & Bottomley; Gruen Gruen + Associates Interviews.

The 72, 1,250-square-foot townhouse units are estimated to obtain average sales prices of $265 per square foot or $331,250. This results in a total revenue estimate of $23.9 million. The 68, 1,200-square-foot condominium units are estimated to obtain average prices of $270 per square foot or $324,000. This average sales price assumption produces a total revenue estimate of $22.0 million for the condominium product.

Hard development costs are estimated at $128 per square foot for the townhome units or $160,000 per unit. Hard development costs are estimated at $135 per square foot or $162,000 per unit for the condominium product type. Given the risks associated with a relatively untested, higher-density product type, we use a develop profit margin threshold of 13.5 percent rather than 12 percent. All other cost assumptions are the same as presented for other residential product options described above. The cost and profit margin assumptions produce a total cost estimate of $246 per square foot or $308,000 for the townhome product and $256 per square foot or $307,000 for the condominium product type. Total development costs are estimated at $22.2 million for the townhome units and almost $20.9 million for the condominium units.

## ESTIMATED RESIDUAL LAND VALUE

Table 20 shows the estimated residual land value, or the amount of dollars potentially available for the purchase of the approximately 5.15 acres of land allocated for the residential uses postulated for Site #B, given the revenue and cost assumptions outlined above.

**TABLE 20**

**Estimated Residual Land Values for Residential Prototypes Identified in Site #B**

| | Tuck Under Stacked Townhomes | Four-Story Courtyard Flats |
|---|---|---|
| Total Number of Units | 72 | 68 |
| Residual Land Value Per Unit | $23,156 | $17,340 |
| Total Residual Land Value | $1,667,250 | $1,179,120 |
| Total Land Area # Square Feet | 140,263 | 84,071 |
| Residual Land Value Per Square Foot of Land | $12 | $14 |

Sources: City of Reno; Freedman Tung & Bottomley; Gruen Gruen + Associates Interviews.

The difference between estimated revenues and costs, including the required profit margin results in an estimate of the residual land value per townhome unit of $23,200. Multiplying the number of townhome units by the value per unit produces a total residual land value estimate of $1.7 million or $12 per square foot of land. The estimated residual land value per unit for the four-story condominium product type of $17,340 equates to $1.2 million or $14 per square foot of land.

***NOTE: The depicted planning concept was developed prior to approval of the proposed downtown baseball stadium on the site of the 71 townhomes and the existing fire station.***

## APPENDIX A

## ANALYTICAL APPROACH TO FEASIBILITY TESTING AND LAND VALUE ESTIMATING

To a private developer, the value of property is determined by the return on the total investment in the property and additional construction required to create a development that makes the most remunerative possible use of the land. The value of the property is the "land residual" that can be supported by the highest and best marketable use of the site. A residual land value is estimated based on assuming the investment applicable to all components of a real estate project must earn a sufficient return to warrant the expenditure of capital on such components. The rate of return on the development project must be such that it produces a balance available for land purchase that will permit an investor to realize a reasonable rate of return on the total investment in land and real property. The residual land value is equal to the present value of a project's future income stream discounted at the threshold or feasibility rate minus the full costs of the improvements required to develop the project.

In essence, the calculation first establishes the total investment that could be supported with the estimated pre-tax cash flow and residual sale value of a property given assumptions about what constitutes an acceptable return. It then subtracts out all costs (inclusive of a reasonable rate of return on investment) except land value from that total investment so as to indicate the amount that could be paid for land. For example, if we calculate that:

1. The present value of the cash flow earned by a development project plus its sale in 12 years when both are discounted at 12 percent is equal to $150,000
2. And the total cost (including the developer's required rate of return) of the project exclusive of land equals 100,000
3. Then the present investment worth of the project equals 50,000
4. If the equity that the developer invested in the project equals 30,000
5. Then the residual land value or what the developer can pay for the land and still earn a 12 percent rate of return on the equity equals $20,000

## APPENDIX B

## ESTIMATES OF OBTAINABLE SALES PRICES DRAWN FROM REVIEW AND RESEARCH OF RESIDENTIAL SUPPLY AND PRICING TRENDS

In order to estimate obtainable prices for the product types proposed under the FTB conceptual plans for the selected representative development sites, we drew on the results of the residential market research, information obtained from the City and Washoe County Assessor and interviews with local builders and real estate brokers. Given the absence of existing housing development of some product types envisioned in the conceptual plans and therefore limited availability of "comparables", we drew on findings about the sales prices per square foot obtained by nearby developments for similar sized units. Table B-1 summarizes the residential product types and density associated with the ReTrac Corridor plan and the comparable project reviewed for each product type.

**TABLE B-1**

**Residential Product Types and Densities in the ReTrac Corridor Plan**

| Product Type | Comparable | Units # | Area # Acres | Density DU/Acre |
|---|---|---|---|---|
| Non-Stacked Townhome | Grant's Landing | 71 | 4.41 | 16.1 |
| Stacked Townhome | 8 on Center, Cedar Dwellings[1] | 248 | | |
| Condominium Mid-Rise | None[1] | 336 | 16.57 | 35.2 |
| TOTAL | | 655 | 20.98 | 31.2 |

[1] A broker involved with many downtown projects including 8 on Center and Cedar Dwellings indicated that while no stacked townhomes or stacked flats have been built recently in the Downtown, these product types would likely obtain sales prices very similar to the live/work units that have recently been built.

Sources: Freedman Tung & Bottomley; Gruen Gruen + Associates.

This section presents a summary of the results of the supply and pricing research and analysis on which we base estimates of obtainable prices for housing products in the ReTrac Corridor plan.

### SUMMARY OF FINDINGS

#### New Housing Developments with Similar Product Types

We studied the pricing for the housing products postulated under the ReTrac Corridor plan in new projects in Downtown Reno. Table B-3 shows the name and location of each new housing development, type of housing, sales price, and sales price per square foot.

Based on the review of supply and pricing trends, Table B-2 presents the estimated prices per square foot for the primary product types. For product types such as the stacked townhomes and stacked flats, which have no true comparables in the Downtown, we have

***NOTE: The depicted planning concept was developed prior to approval of the proposed downtown baseball stadium on the site of the 71 townhomes and the existing fire station.***

used a range of suggested price points drawn from an interview with a representative with Dickson Realty, and prices reported for Grant's Landing. We were informed that a stacked townhome or stacked flat would likely obtain a similar sale price to existing and active live/work loft units in the Downtown, such as units at the 8 on Center project.

The sale price estimates used in the residual value analysis, however, are lower than the asking prices of existing or proposed developments are summarized below in Table B-3. The interviews suggest that while units are being advertised at prices higher than $300-per-square-foot for three and four story 'live/work' units in the Downtown, they are not actually selling at such high prices. Obtainable prices for 1,200 to 1,600-square-foot townhome or condominium units tend be within $240 to $275-per-square-foot. Thus, we use obtainable sales prices for the stacked townhome and 4-story condominium unit product types that fall within this range (respective to unit size).

**TABLE B-2**

**Obtainable Sales Price Assumptions for Housing Products in the ReTrac Corridor Plan**

| | Non-Stacked Towhome (71 Units) | Stacked Townhome (248 Units) | Condominium Mid-Rise (336 Units) |
|---|---|---|---|
| Unit Size(s) in Square Feet | 1,500 | 1,250 - 1,500 | 1,200 |
| Price Per Square Foot of Built Space | $255 | $255-$265 | $270 |
| Notes | Based on actual sale price for comparable sized units @ Grant's Landing | Assumes that stacked townhome units will obtain similar prices as live/work lofts/units, discounted to reflect actual sales price of these units @ 8 on Center, Cedar Dwellings, Freight House | Based on comparable unit sizes @ Village of Idlewild, 8 on Center, Cedar Dwellings, discounted to reflect actual sales prices |

Source: Gruen Gruen + Associates

**TABLE B-3**

**Active or Proposed Residential Developments in Downtown Reno With Similar Product Types Proposed Under ReTrac Corridor Plan**

| Project | Type of Product | Unit Sizes # Square Feet | Sales Prices $ | Sales Per Square Foot $ |
|---|---|---|---|---|
| 8 on Center | Live/work lofts | **1,531** | **495,000** | **323** |
| | | 1,705 | 525,000 | 308 |
| Freight House | Live/work units | 1,390 | 380,000 | 273 |
| | | **1,550** | **390,000** | **252** |
| | | 1,750 | 439,000 | 251 |
| | | 1,850 | 442,000 | 239 |
| | | 2,225 | 490,000 | 220 |
| Grant's Landing | Townhomes | 1,300 | 350,000 | 269 |
| | | **1,627** | **400,000** | **246** |
| Village at Idlewild | 2-3 Story Condo | 560 | 170,000 | 304 |
| | | 850 | 220,000 | 259 |
| | | 930 | 270,000 | 290 |
| | | **1,150** | **320,000** | **278** |
| Riverwalk Towers | High Rise Condo | 430 | 125,000 | 291 |
| | | 755 | 235,000 | 311 |
| | | **1,280** | **315,000** | **246** |
| | | 1,520 | 460,000 | 303 |
| | | 1,800+ | 950,000 | 528 |
| Palladio | High Rise Condo | 650 | 325,000 | 500 |
| | | 1800 | 950,000 | 537 |
| Belvedere Towers | High Rise Condo | 260 | 140,000 | 538 |
| | | 370 | 180,000 | 486 |
| | | 520 | 200,000 | 385 |
| | | 660 | 225,000 | 341 |
| | | 818 | 390,000 | 477 |
| | | **1,375** | **650,000** | **473** |
| Montage | High Rise Condo | 600 | 300,000 | 500 |
| | | 900 | 400,000 | 445 |
| | | **1,450** | **600,000** | **414** |
| | | 2,000 | 900,000 | 450 |
| | | 3,500 | 1,400,000 | 400 |

Sources: Montage Sales; BCN Development; SilverStar Communities; Downtown Makeover; Washoe County Assessor Office; Dickson Realty; Gruen Gruen + Associates.

Gruen Gruen + Associates (GG+A) is a firm of economists, sociologists, statisticians and market, financial and fiscal analysts. Developers, public agencies, attorneys and others involved in real estate asset management utilize GG+A research and consulting to make and implement investment, marketing, product, pricing and legal support decisions. The firm's staff has extensive experience and special training in the use of demographic analysis, survey research, econometrics, psychometrics and financial analysis to describe and forecast markets for a wide variety of real estate projects and economic activities.

Since its founding in 1970, GG+A has pioneered the integration of behavioral research and econometric analysis to provide a sound foundation for successful land use policy and economic development actions. GG+A has also pioneered the use of economic, social and fiscal impact analysis. GG+A impact studies accurately and comprehensively portray the effects of public and private real estate developments, land use plans, regulations, annexations and assessments on the affected treasuries, taxpayers, consumers, other residents and property owners.

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*APPLYING KNOWLEDGE, CREATING RESULTS, ADDING VALUE*

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# APPENDIX D: HISTORIC RESOURCES EXISTING CONDITIONS

CAREY & CO. INC.
ARCHITECTURE

**Reno ReTRAC Master Plan**
**Reno, Nevada**

**Historic Resources Existing Conditions Report**
April 30, 2007

## INTRODUCTION

Freedman, Tung and Bottomley (FTB) has engaged Carey & Co., Inc. to prepare an Existing Conditions Report regarding historic resources in the Reno ReTRAC Master Plan area. This report provides FTB with (1) descriptions of previously recognized historic resources in the Plan Area, (2) descriptions of the historic significance of other potential historic resources in the Plan Area, (3) analysis of whether there may be any historic districts within the Plan Area, and (4) assessments of the current structural condition of specific historic resources deemed most likely to accommodate new uses in the future.

## METHODOLOGY

Carey & Co. prepared this evaluation by conducting three reconnaissance level surveys of the project site and conducting historical research concerning the general area. Site visits were carried out on June 8, August 24, and September 27, 2006. During the site visit Carey & Co. evaluated the existing conditions, historic features, and architectural significance of structures within the Plan Area. In particular, Carey & Co. verified that the recognized historic resources in or near the Plan Area have retained sufficient integrity to maintain their recognized status. In addition, Carey & Co. undertook a site visit on September 14, 2006 to analyze the current structural condition of specific historic resources within the Plan Area. Carey & Co. also obtained previous reports regarding the historic significance and structural condition of several buildings in the Plan Area.

This report includes four appendices:

A. Survey Matrix: Historic Resources in the Reno ReTRAC Master Plan Area
B. Map of Historic Resources in the Reno ReTRAC Master Plan Area
C. Photographs of Historic Resources in the Reno ReTRAC Master Plan Area
D. Descriptions of Documented Historic Resources near the Reno ReTRAC Master Plan Area

**Summary of Findings**

The vision for the ReTRAC corridor that emerges from this master planning process should incorporate a nuanced appreciation of the historic buildings in the Plan Area. The Plan Area contains 28 buildings that are listed on either the Nevada State Register of Historic Places or the National Register of Historic Places, or have previously been deemed eligible for listing on the National Register of Historic Places. Seven more buildings on either the State or National Register lie within one block of the Plan Area. In addition, Carey & Co. has identified 33 structures that, in our professional opinion, are potential historic resources. The precise eligibility of these additional buildings was not evaluated. Rather, they were

included in our analysis because, like the previously recognized historic resources, they are distinctive elements of Reno's built fabric.

In assessing historic resources in the Plan Area, Carey & Co. identified two potential historic districts: a district including the many industrial and commercial buildings along East Fourth Street, and a district including the many roadside motels in the Entertainment District dating from the 1950s and 1960s.

Finally, in conducting preliminary structural conditions assessments, Carey & Co. gained an understanding of the basic adaptability of certain buildings within the Plan Area to new uses. In general, while the buildings we examined would require some structural repair to accommodate new uses, these repairs and new uses could be handled in ways that would not compromise the ability of the buildings to convey their historic significance.

Carey & Co., Inc. Historic Resources Existing Conditions Report, Reno ReTRAC Master Plan

## I. SUMMARY OF HISTORIC RESOURCES IN THE RENO RETRAC PROJECT AREA

### Documented Historic Resources in the Project Area

The Reno ReTRAC Master Plan Area contains 28 buildings that are listed on either the Nevada State Register of Historic Places or the National Register of Historic Places, or have previously been deemed eligible for listing on the National Register of Historic Places. Seven more buildings on either the State or National Register lie within one block of the Plan Area. Eighteen properties in the project area have been determined to be eligible for the National Register. Nine of these properties (12, 13, 18, 19, 20, 21, 22, 23, 28) were determined eligible through the Section 106 identification process that accompanied the preparation of the Environmental Impact Statement for the ReTRAC Project.[1] Four more (14, 15, 16 and 17) were found eligible through follow-up research conducted by the Federal Highway Administration (FHWA) and Nevada SHPO following the release of the draft EIS. During reconnaissance survey work on August 24, 2006, Carey & Co. discovered that three of these structures – the Español Hotel, the Gremenge Residence and the Benscheutz Residence – have been demolished.

**Historic Resources Listed in National Register of Historic Places**
*Source: National Register of Historic Places, National Register Information System (NRIS)*

1. Bethel AME Church, 220 Bell Street
2. Clifford House, 339 Ralston Street
3. El Cortez Hotel, 239 W. 2nd Street
4. Nevada-California-Oregon Railroad Depot, 325 E. Fourth Street
5. N-C-O Railway Locomotive House and Machine Shop, 401 E. Fourth Street
6. Nystrom Guest House, 333 Ralston Street
7. Pincolini Hotel (Mizpah Hotel), 214 Lake Street *(Note: Demolished, April 2007)*
8. Rainier Brewing Company Bottling Plant, 310 Spokane Street
9. Reno National Bank – First Interstate Bank, 204 N. Virginia Street

Buildings 4, 5, 6 and 8 are also listed on the Nevada State Register of Historic Places, and Buildings 3, 6 and 7 are also listed on the Reno City Register of Historic Places.

**Historic Resource Listed in Nevada State Register of Historic Places**

10. Washoe County Bank Building, 195 N. Virginia Street

One property, the John Wieland Bottling Works and Beer Depot at 251 Ralston Street, was listed on the State Register in 1981, but was destroyed by fire in 1999.

**National Register-eligible Historic Resources in the Plan Area**
*Sources: (1) Reno Railroad Corridor FEIS, (2) Stantec Consulting, 2000*

11. American Railway Express Station (Men's Club), 270 N. Lake Street
12. Chalfonti Apartments, 145 W. Third Street
13. Edward Chism Residence, 231 Gardner Street
14. Español Hotel, 239 E. Plaza Street
15. Gibson Apartments, 441 W. Second Street
16. Gilmartin Rooming House, 345 Ralston Street
17. Harry's Business Machines, 323-325 West Street
18. John Chism House, 1401 W. Second Street
19. John Gremenge Residence, 211 Keystone Place

[1] Reno Railroad Corridor FEIS; Stantec Consulting.

20. Otto and Georgia Benscheutz Residence, 235 Ralston Street
21. Peter Dohr Residence, 1105 W. Second Street
22. Ralston Apartments, 375 Ralston Street
23. Ralston Building, 220-6 Ralston Street
24. Reno Masonic Hall, 98 W. Commercial Row
25. Reno Mill and Lumber Yard, 326-8 N. Wells Avenue *(Note: Demolished, c. 2005)*
26. Southern Pacific Railroad Freight House, 270 Evans Avenue
27. Southern Pacific Railroad Passenger Depot, 135 E. Commercial Row
28. Sutro Motel, 1190-1200 E. Fourth Street

**National Register Structures within One Block of the Plan Area**

29. Humphrey House, 467 Ralston Street
30. Twaddle Mansion, 485 W. Fifth Street
31. 20th Century Club, 335 W. First St.
32. First Church of Christ, Scientist, 501 Riverside Drive
33. First United Methodist Church, 203 W. First Street

**State Register Buildings Within One Block of the Plan Area**

34. Safeway Store Building, 440-490 N. Virginia Street
35. Postmann House, 105 Vine Street

These buildings are discussed by type below.

### Potential Historic Resources in the Project Area

In addition to the buildings listed above, Carey & Co. has identified 33 structures that, in our professional opinion, are likely of historic significance. These buildings were identified during reconnaissance surveys of the Plan Area on June 8, August 24, and September 27, 2006. Assessing the precise historic significance and register-eligibility of each of these additional buildings was beyond the scope of this project. Rather, these additional buildings were included in our analysis because, like the previously recognized historic resources, they are distinctive elements of Reno's built fabric, and should be incorporated into any vision of the ReTRAC corridor's future.

Many of these structures are from portions of the ReTRAC Master Plan Area that lie outside parcels directly adjacent to the rail corridor. The EIS for the ReTRAC project only analyzed historic resources within this narrower project area (the Reno Rail APE), and thus did not analyze potential historic resources along the north and south boundaries of the Master Plan Area.

The historic resources identified below help define Reno's unique civic identity. Insofar as they embody distinctive design types, these buildings can also provide us with a template for future development as we move forward with the master planning process. Reno's historic buildings are the most tangible connection to the city's colorful past, and they make neighborhoods and districts more interesting and inviting. At the same time, historic buildings are important precisely because they differ from newer construction. Many of Reno's historic buildings display a level of architectural craftsmanship that is very rare among newer buildings. They thus add a very important element of variety to the Reno's urban fabric. We have broken the potential historic resources into a few geographical concentrations:

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**Entertainment District**

1. Commercial building, south side of Second Street between Center and Lake
2. Commercial building, south side of Second Street at Sierra
3. Commercial building, south side of Second Street at Sierra
4. Commercial building, east side of N. Virginia Street, between Third and Fourth Streets
5. Hotel Windsor, 214 West Street
6. Santa Fe Hotel, 235 N. Lake Street
7. St. Thomas Aquinas Cathedral, 310 W. Second Street
8. House, 377 West Street

**Entertainment District – Mid-century Motels**

9. Town View Motor Lodge, 131 W. Third Street
10. Mardi Gras Motor Lodge, 200 W. Fourth Street
11. Bonanza Inn, 215 W. Fourth Street
12. In-Town Motel, 260 W. Fourth Street
13. Reno Royal Motor Lodge, 350 West Street
14. Keno Motel, 331 West Street
15. City Center Motel, 365 West Street
16. 7/11 Motor Lodge, 465 W. Second Street
17. Townsite Motel, 250 W. Commercial Row

**East 4th Street Corridor**

18. Louis' Basque Corner, 301 E. Fourth Street
19. Reno Jazz Club 302 E. Fourth Street
20. Alpine Glass Co, 324 E. Fourth Street
21. Morris Hotel 400 E. Fourth Street
22. Abby's Hwy 40, 424 E. Fourth Street
23. Anchor Auctions 601 E. Fourth Street
24. HAWC Outreach Medical Clinic, 624 E. Fourth Street
25. Flanigan Square 701 E. Fourth Street
26. Bighorn Iron Works, 307 Morrill Avenue
27. Machinery Repair Shop, 300 Morrill Avenue
28. Former Reno Brewery Bottling Plant, 900 E. Fourth Street
29. D Bar M Western Store, 1020 E. Fourth Street
30. Alturas Bar & Nightclub/Big Ed's, 1036-44 E. Fourth Street

**West Side**

31. The Lane Building, 425 Church Lane
32. House, 634 W. Second Street
33. House, next to 634 W. Second Street

## II. Historic Resources by Type

Below, we describe each of the 35 previously identified and 33 potential historic resources in greater detail. In doing so, we have arranged the buildings by type, so that they may begin to inform our understanding of typical historic building types in Reno. The summaries of the previously identified buildings are largely drawn from the Reno Railroad Corridor Final Environmental Impact Statement (FEIS).

### Residential Buildings

The Plan Area contains a number of houses from the late 18th and early 20th centuries, most of which were previously deemed eligible for the National Register. These houses exhibit a mix of architectural styles, including Gothic Revival, Late Folk Victorian, Queen Anne and Late American Colonial Revival. The residences are spread throughout the Plan Area, with a particular concentration on the west side of the corridor, especially around Ralston Street.

**Ralston Building (c. 1915), 220-6 Ralston Street**
This 2.5-story rooming house is an excellent example of a late interpretation of the late Queen Anne style, featuring good craftsmanship in the wraparound porch, spindilated woodwork, and patterned shingling. Built c. 1915, the Ralston Building appears was found to appear eligible for the National Register under Criterion (c), within the context of residential architecture in Reno.[2] In local inventories, it was included in the 1983 Reno Architectural Survey.

**Nystrom Guest House (1875), 333 Ralston Street**
The Nystrom House is a single family residence built for Washoe County Clerk John Shoemaker in 1875 in the Gothic Revival style. The house was listed in the National Register in 2000.It became a rental property circa 1900, and was typically rented on a short term basis to divorce seekers after 1931. The early construction date and association with Reno's divorce trade was determined to override the loss of integrity resulting from the application of stucco (c. 1930s) over the original wood shiplap siding, some remodeling in 1947, 1949 and 1950, and the building's rotation from facing south to east on the same lot circa 1900.

**Clifford House (1885-90), 339 Ralston Street**
The Clifford House is a single family residence built in the Late Gothic Revival style sometime between 1885 and 1890. It was listed in the National Register on March 7, 1983. According to the City of Reno's brochure "A Walking Tour of Reno's Historic Treasures," the house once belonged to John Orr, who developed irrigation ditches from the Truckee River and Spanish Springs to north Reno.

[2] The National Register of Historic Places uses four main criteria to assess historic significance: "The quality of significance in American history, architecture, archeology, engineering, and culture is present in districts, sites, buildings, structures, and objects that possess integrity of location, design, setting, materials, workmanship, feeling, and association, and:

(a) That are associated with events that have made a significant contribution to the broad patterns of our history; or
(b) That are associated with the lives of significant persons in or past; or
(c) That embody the distinctive characteristics of a type, period, or method of construction, or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or
(d) That have yielded or may be likely to yield, information important in history or prehistory.

(Source: National Register Bulletin 15.)



**Gilmartin Rooming House (c. 1910), 345 Ralston Street**
The Gilmartin Rooming House was originally built as a single family residence in the Queen Anne style about 1910, but underwent major alterations during its conversion into a two-story rooming house. Further research confirmed the rooming house, located at the front of the lot (345 Ralston) was associated with the "quick divorce" trade from 1931-1934. The extensive alterations made to the original building were probably associated with this important historic use of the property, and therefore do not diminish the property's integrity from the period of significance. The house at 345 Ralston was therefore found to appear eligible for the National Register under criterion (a).

**Ralston Apartments (pre-1886), 375 Ralston Street**
Built by 1885, with the wraparound porch added in 1890, this two-story wood frame residential building with multiple gables is a good example of Folk Victorian architecture. Despite some alterations in 1947 and 1950, it was found to appear eligible for the National Register under Criterion (c), within the context of residential architecture in Reno, and under Criterion (a) within the context of early settlement in Reno. In local inventories, it was included in the 1983 Reno Architectural Survey.

**Gibson Apartments (c. 1917), 441 W. Second Street**
The Gibson Apartments is a two-story brick apartment block constructed circa 1917. Although some nice craftsmanship and materials are evident in the foundation stone and wood frieze, the building does not appear to have sufficient quality of design, nor is it an example of an important style or type to warrant consideration for the National Register under criterion (c). However, after further research, it was determined that the Gibson Apartments were associated with the "quick divorce" trade in Reno from 1931-1934, and therefore was found to be eligible for the National Register under criterion (a) within that context.

**Peter Dohr Residence (c. 1915), 1105 W. Second Street**
This is a two-story example of the Queen Anne/Free Classic style residence, built c. 1915, and converted to apartments. Peter Dohr, who resided here by 1935, was president of the Reno Brewing Co. Despite replaced windows, and an interior remodel in 1967, the building was found to retain sufficient integrity to be eligible for the National Register under Criterion (c) within the context of residential architecture in Reno, and under Criterion (b) for its association with Dohr.

**Chalfonti Apartments (c. 1900), 145 W. Third Street**
The building has undergone extensive alterations since it was built ca. 1900, including major additions to the rear between 1933 and 1947, remodels in 1947 and 1965 and a second-story rear addition in 1971. By 1904, a grocery and meat shop occupied the ground floor with an entrance on Third Street, lodgings occupied the second floor, and the rear of the lot was occupied by a single story dwelling. By 1917, Mrs. Carrie Barrett rented furnished rooms out of the two-story building. The building fronting on Third Street was operated by Rabbi Oppochinski starting in 1931, and housed Jewish couples awaiting divorce. Despite the exterior alterations, the building was deemed to be eligible for the National Register under Criterion (a), within the context of the Reno divorce trade and for its ethnic association, if the interior retained sufficient integrity from the period of significance (1931). The SHPO requested that this resource be evaluated for National Register eligibility on July 15, 1999. For the purposes of the Reno Railroad Corridor Section 106 review, the Chalfonti Apartments were, therefore, considered eligible for the National Register until interior integrity considerations could be confirmed.

**Edward Chism Residence (c. 1890), 231 Gardner Street**
The building at 231 Gardner Street was the residence of Edward Warren Chism (1881-1956) and his wife Clara (married 1915) until at least 1917. Edward W. Chism created the Chism Ice Cream Company in 1905, and remained its proprietor until his death in 1956. The Chism Ice Cream Co. was located at

219-245 West Street, and in 1960 became the 7-Up Bottling Company of Reno. The Chism family dairy business had been started by Edward's father, the family patriarch, Gardner Chism, who operated his 115-acre ranch and farm on the west side of Reno from 1876 until his death in 1898. Edward's brother, John H., was Nevada's leading dairyman by 1904. The family also operated the Chism Apartments at 235 Chism Street (built 1939), a rental house at 1311 West 2nd Street, and a tourist camp/trailer park to accommodate travelers on the Lincoln Transcontinental Highway. The tourist camp was built in 1927 at 1300 West 2nd Street, and was expanded across Second Street in 1960. The building at 231 Gardner Street, built c. 1890, is a good example of the Late Folk Victorian style that has retained all aspects of integrity. The Edward Chism Residence was found to appear eligible under National Register Criterion (b) for its association with Edward W. Chism within the context of early development of Reno's west side and Criterion (c) for its quality of Late Folk Victorian design within the context of residential architecture in Reno.

**John Chism House (1940), 1401 W. Second Street**
This building has been owned by the Chism family since it was built in 1940 as the residence of John H. Chism and his widow, Dorothy (married in 1942.) John H. Chism, born in Reno in 1878, was the proprietor of the Chism Dairy from 1900-1912, and the Crescent Dairy from 1912 until after 1950. By 1904, Chism had the largest number of milk cows in the state of Nevada, and was considered its leading dairyman. The Chism family dairy business had been started by John H.'s father, the family patriarch, Gardner Chism, who operated his 115-acre ranch and farm on the west side of Reno from 1876 until his death in 1898. John H.'s brother, Edward Warren Chism (1881-1956), created the Chism Ice Cream Company in 1905. John H. Chism and the Chism family were important in the development of Reno's western end, and because this residence appears to be the generally recognized family estate, it was found to be eligible for the National Register under Criterion (b.) The architectural design of this building is an eclectic blend of the Late American Colonial Revival style with elements recalling the Gothic Revival, a style popular nearly a century before this building was constructed. It does feature a high level of quality in workmanship that is unusual for a building constructed in 1940, given the economic climate at the time. If future research establishes that the building was designed by an architect, or has important interior features, it would appear also to meet National Register Criterion (c), as it is probably unique. The John Chism Residence was listed in the Reno Historical Resources Commission letter of July 23, 1999, to the Nevada Department of Transportation as a significant historic resource.

**John Gremenge Residence (1896), 211 Keystone Place**
Constructed in 1896, this residence was an ordinary example of the Folk Victorian Gabled Ell style. Early Sanborn Maps (1904) indicate that Keystone Place formed the city's western boundary when Reno was incorporated in 1903. This building has been demolished.

**Otto and Georgia Benscheutz Residence (c. 1906), 235 Ralston Street**
Built circa 1906, this two-story brick residence was a good example of a late Queen Anne Cottage, with English Revival style porch alterations. In local inventories, it was included in the 1983 Reno Architectural Survey. The building has been demolished.

**House, 377 West Street**
This house next to the City Center Motel appears to date from around the turn of the century.

**Houses, 634 W. Second Street**
These two gabled houses with simplified Queen Anne elements appear to date from the early 20th century.

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Two additional residential buildings on the west side of the Plan Area were initially thought to be potentially historic due to their association with the Chism family. When evaluated by Myra L. Frank & Associates in 1999 as part of the Section 106 process, however, both the apartment building at 235 Chism Street and the house at 1311 W. 2nd Street were deemed ineligible due to loss if historic integrity.[3]

### Churches
There are two historic churches in the Plan Area:

**Bethel AME Church (1910), 220 Bell Street**
According to the Nevada Department of Cultural Affairs, Bethel AME Church is the oldest surviving African-American institution in Nevada.[4] According to the Department, "Reno's small black population had few social institutions to champion its causes or to provide continuity to its social life. The first and most enduring of these was Bethel AME." The church at 220 Bell Street was built in 1910. The original church building, which exists beneath the surface of the later expansion, was a small rectangular, gable-roofed, clapboard structure. A 1941 remodel provided a basement with a kitchen and dining room, three Sunday school rooms, and the application of a brick veneer on the entire structure. The congregation moved to a larger facility in Sparks, NV in 1993. The Bethel AME Church was listed on the National Register in 2001.

**St. Thomas Aquinas Cathedral (1907/1931), 310 W. Second Street**
The cathedral was built in 1907 and uses Renaissance, Classical and Baroque motifs. The school and rectory were designed by F.J. DeLongchamps and were built in 1931. Their institutional design differs greatly from the ornate cathedral. The cathedral's stained glass windows depict Nevada historical scenes.

### Commercial Buildings
The Plan Area contains a wide array of historic commercial buildings, especially in the central Entertainment District. Two of these – the Reno Masonic Hall and the Washoe County Bank Building – date from soon after Reno's founding and are among the very oldest buildings in the city. Several of these historic commercial buildings have taken on new uses over time.

**Reno National Bank – First Interstate Bank (1915), 204 N. Virginia Street**
This building was designed by Architect Frederick J. DeLongchamps in Classical Revival style for the bank's founder, George Wingfield. Built in 1915, it is terra cotta clad with extensive low relief sculptural ornamentation and a two-story portico supported by Ionic columns. It was listed in the National Register in 1986.

**Washoe County Bank Building (1876), 195 N. Virginia Street**
The Washoe County Bank is, after the Reno Masonic Hall, generally regarded as the second oldest existing commercial building in Reno. The bank was built in 1876 by Truckee Lodge No. 14 of the International Order of Odd Fellows. According to SHPO representative Mella Harmon, the Odd Fellows' hall was on the second floor and the ground floor was set up for the Reno Savings Bank.[5] Following the demise of the Savings Bank in 1880, the space housed the First National Bank of Reno, followed in 1902 by Washoe County Bank. The building has been modified over the years, but continues to convey its historical significance. It was listed on the Nevada State Register of Historic Places in 2003.

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[3] Frank & Associates, 1999.
[4] Harmon.
[5] Harmon, "Washoe County Bank/I.O.O.F Lodge Building and Luella Garvey House Added to State Register of Historic Places," Department of Cultural Affairs, 2003, http://dmla.clan.lib.nv.us/docs/dca/press/2003/12-15.htm

**Harry's Business Machines (1950), 323-325 West Street**
Harry's Business Machines is a two-story commercial building constructed in 1950, featuring second-floor strip windows, a sidewalk awning that projects at a skew angle, and a slightly cantilevered second story which provides a visual effect of solid over void. Re-evaluation of the structure under Criterion (c) as a rare Reno example of exuberant Modern commercial architectural style was conducted, concluding that Harry's Business Machines appears eligible for the National Register under Criterion (c).

**Reno Masonic Hall (1872), 98 W. Commercial Row**
The Reno Masonic Hall is the oldest extant commercial building in Reno. Reno Lodge No. 13 of the Masons was chartered in September 1869, was constructed in 1872 by local builder Septimus F. Hoole for $11,500, and had its grand opening on February 21, 1873. Hoole built Reno's first Court House (1873), the first Nevada State Prison (in Reno, 1874), and in 1878, became editor and owner of the Reno Daily Record. The Masons met in the 18-foot-high room on the second floor. The first ground floor tenant was James C. Hagerman, who ran a grocery and hardware store here from January 1873 to 1883, and was active in state politics. Hagerman's partner from 1879 to 1883 was Jerry Schooling, former state treasurer in 1871 and 1875. The ground floor continued in use as a hardware store, operated from 1883 to 1895 by Gallatin and Folsom, and from 1895 to 1970 by the Reno Mercantile Company (King 1992). The building has been vacant and the upper floor has been sealed off since 1970. The Reno Masonic Hall was found to appear eligible for the National Register under Criteria (a) and (c), within the context of early settlement and commercial architecture in Reno, and under Criterion (b) for its association with James C. Hagerman and Jerry Schooling. The two-story commercial building is Italianate in style, and after 1875 featured a Western style, cast-iron street canopy, which was removed more than 50 years ago. The Masonic Hall was nominated for the National Register on May 3, 1984, as part of a group of fraternal organization buildings in Reno, but the listing is pending confirmation that the building retains integrity. Historic research undertaken for the Reno Railroad Corridor indicates that the bricked-in second-story windows were an original condition required for the Mason's private meeting rooms and that the rear 25 foot addition was constructed in 1881 and has achieved significance in its own right. This information that the building retains sufficient integrity should satisfy the pending condition on the 1984 nomination. It was nominated for the National Register again in 1992, on an individual basis, but it is not clear why it was never approved by the Keeper of the National Register. In local inventories, it was listed in the Reno Historical Resources Commission (RHRC) letter of July 23, 1999 as a significant historic resource, is #19 in the City of Reno's brochure "A Walking Tour of Reno's Historic Treasures," and was in the 1983 Reno Architectural Survey.

*Entertainment District – Commercial Blocks and Hotels*
There are a handful of commercial blocks in the central core of the project area that are composed of one or two large, old brick buildings. There also are a number of blocks in the Entertainment district that have large simple commercial buildings that span several addresses. These buildings most probably date from the 1920s, and are potentially historic.

- 100-120 E. Second Street, between Center and Lake
- South side of Second Street at Sierra Street
- South side of Second Street at West Street
- 350-358 N. Virginia Street, between Third and Fourth Streets

### Hotels and Motels
As explained in the Reno Railroad Corridor Request for Determination of Eligibility, "a rather unique aspect of Reno's history has been its exceptionally lenient divorce laws that have drawn temporary residents to the area and helped fuel the economy by providing services and accommodations to the clientele."[6] In 1927, the Nevada legislation reduced the residency requirement from six months to three months. As a result, "celebrity divorces became so common that reporters settled in Reno."[7] In 1931, the legislature further reduced the residency requirement to six weeks. From 1929 to 1939, the Washoe County courthouse granted more than 30,000 divorces, making Reno the divorce capital of the world. Many of Reno's early 20th century hotels were built in no small part to accommodate these short-term residents.

**El Cortez Hotel (1931), 239 W. Second Street**
El Cortez Hotel is one of only three remaining major Art Deco buildings in Reno, and, according to the National Park Service, "is an excellent example of this style."[8] Both the interior and exterior feature extensive Art Deco detailing, including the foliated motif on the terra cotta design on the building's base and parapet. At the time it was built, it was Reno's tallest building. The El Cortez was built in 1931, in anticipation of increased divorce traffic after Reno's divorce law was liberalized that year. Reno-based architect, George Ferris and his son, Lehman A. "Monk" Ferris, designed this hotel for real estate investor Abe Zetooney. George Ferris's was responsible for several other significant buildings in Nevada, including the Spanish Quartet of schools and the Governor's Mansion in Carson City. Lehman had studied at the University of Nevada and worked with Frederick DeLongchamps before going to work for his father. He was one of the first architects in Nevada to specialize in steel frame construction, served as the City of Reno building inspector, was instrumental in the adoption of a Uniform Building Code, and was chairman of the first State Architectural Registration Board in 1947. The El Cortez Hotel was listed on the National Register in 1984.

**Español Hotel (c. 1906), 239 E. Plaza Street**
The Español Hotel, built circa 1906, was an ordinary example of a common type of commercial architecture, a three-story brick block, with rooms in the upper floors and shop fronts below. The Español Hotel was associated with the Basque immigrant community in the vicinity and was involved in the divorce trade. The building was demolished in 2006.

**Pincolini Hotel/Mizpah Hotel (1930), 214 Lake Street** *(Demolished in 2007)*
The Pincolini Hotel was listed in the National and City Registers in 1984. The large, three-story brick hotel was constructed in three stages in 1922, 1925 and 1930, and was the most intact building surviving from the development of Reno's "Little Italy."[9] The Pincolini Brothers – Joseph, Evaristo, Adelvaldo and Dante – came to Reno from Parma, Italy, around the turn of the 20th century. They financed the construction of the hotel with the profits from their agricultural interests in the area. The Ward Brothers general contracting firm designed and built the original five-bay portion of the hotel in 1922. Two subsequent additions rapidly doubled the size of the hotel. The design was characteristic of the functional, residential hotels once common in Reno before the development of casinos, most of which have been replaced by newer development. These buildings combined first floor commercial space with upper story hotels. An advertisement for the hotel in 1928 described the building as "the most comfortable hotel in the state" and detailed the services offered including "cold, pure spring water in every room. Steam heat, hot water, private baths and apartments." The Pincolini family continues to operate hotels in Reno today, and remains a social, political and economic force in Reno's Italian community. The Mizpah Hotel was heavily damaged on October 31, 2006, in the deadliest fire in Reno's history. Because of extensive structural damage, the building was demolished in April of 2007.

[6] City of Reno (2000), 23.
[7] Ibid.
[8] National Park Service, "El Cortez Hotel," http://www.cr.nps.gov/nr/travel/nevada/elc.htm.
[9] National Park Service, "Pincolini (Mizpah) Hotel," http://www.cr.nps.gov/nr/travel/nevada/pin.htm.

**Sutro Motel (1951), 1190-1200 E. Fourth Street**
See below under "East Fourth Street Historic District" for descriptions of this building.

The style and date of construction of two other hotels in the Plan Area indicates their probable connection to Reno's quick divorce industry:

**Hotel Windsor (1936), 214 West Street**
**Santa Fe Hotel (1949), 235 N. Lake Street**

**RAILROAD BUILDINGS**
Not surprisingly, the ReTRAC corridor includes several historic buildings associated with the railroad industry. These buildings tend to be among the most significant candidates for reuse in the Plan Area.

**American Railway Express Station/Men's Club (1926), 270 N. Lake Street**
The American Railway Express Station was found to be National Register-eligible as part of a railroad building district, under Criterion (a), within the context of railroad transportation in Reno, but not individually eligible. The one-story Mediterranean Revival style parcel-handling depot was built in 1925-26, and designed to complement the passenger depot across Lake Street. American Railway Express was formed in 1918 to consolidate Wells Fargo and other parcel shippers, and was the precursor to Railway Express Agency (REA), formed in 1929. As part of a district, it was previously determined eligible by the SHPO and nominated for listing in the National Register in 1983, but was not listed because of owner (then Southern Pacific Railroad) objection. In local inventories, it was listed in the RHRC letter of July 23, 1999 as a significant historic resource and is #31 in the City of Reno's brochure "A Walking Tour of Reno's Historic Treasures."

**Southern Pacific Railroad Freight House (1931), 270 Evans Avenue**
The Southern Pacific Railroad Freight Station (Freight House) was found to be National Register-eligible as part of a railroad building district, under Criterion (a), within the context of railroad transportation in Reno, but not individually eligible. The one-story, Moderne style freight depot was built in 1931. The associated freight transfer platform and canopy to the east of the main building has diminished integrity because it has been shortened and some sections have been demolished. As part of a district, it was previously determined eligible by the SHPO and nominated for listing in the National Register in 1983, but was not listed because of owner (Southern Pacific Railroad) objection. In local inventories, it was listed in the RHRC letter of July 23, 1999, as a significant historic resource and is #33 in the City of Reno's brochure "A Walking Tour of Reno's Historic Treasures."

**Southern Pacific Railroad Passenger Depot (1926), 135 E. Commercial Row**
The Southern Pacific Railroad Passenger Station was found to be National Register eligible, both individually and as part of a railroad building district, under Criterion (a), within the context of railroad transportation in Reno. The one-story, Mediterranean Revival style railroad passenger depot was built in 1925-26, on the same site as the three earlier Central Pacific Railroad passenger depots. As part of a district, it was previously determined eligible by the SHPO and nominated for listing in the National Register in 1983, but was not listed because of owner (Southern Pacific Railroad) objection. In local inventories, it was listed in the RHRC letter of July 23, 1999, as a significant historic resource, is #32 in the City of Reno's brochure "A Walking Tour of Reno's Historic Treasures," and was included in the 1983 "Reno Architectural Survey."

**Nevada-California-Oregon Railroad Depot (1910), 325 E. Fourth Street**
**N-C-O Railway Locomotive House and Machine Shop (1889), 401 E. Fourth Street**
See below under "East 4th Street Historic District" for descriptions of these two buildings.

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**OTHER INDUSTRIAL BUILDINGS**
There are also several industrial buildings in the corridor dating from the early 20th century that are not connected to the railroad industry. Many of these buildings are large brick structures, and are generally located on the east side of the ReTRAC corridor along East 4th Street (see "East Fourth Street Historic District" below). A notable exception is the Lane Building on Church Lane. Based on site reconnaissance conducted in August of 2006, the former site of the Reno Mill and Lumber Yard has been cleared, and no buildings remain.

**The Lane Building (1906), 425 Church Lane**
The Lane Building was constructed in 1906 as a coal and wood company. In 1913, it became an automobile repair facility, and remained so until 1967. After standing vacant for 18 years, the building became the Old College Gym in 1985. The building is now part of the University of Nevada, and is #24 on the Historic Reno Walking Map.

**Reno Mill and Lumber Yard (1901/1920), 326-8 N. Wells Avenue**
Built in 1901 (326 Wells) and 1920 (338 Wells), the two buildings associated with the Reno Mill & Lumber Company, and later the Eveleth Lumber Co., were determined eligible for the National Register on May 20, 1988, by FHWA and the SHPO within the context of early 20th Century industrial development in Reno. Eveleth Lumber was also listed in the RHRC letter of July 23, 1999, as a significant historic resource. These buildings have been demolished.

## III. POTENTIAL HISTORIC DISTRICTS IN THE RENO RETRAC MASTER PLAN AREA

In addition to identifying individual resources, Carey & Co. was asked to assess whether or not there may be historic districts in the ReTRAC corridor that, based on their architectural or historical significance, need to be incorporated into any future vision of the corridor.

According to National Register Bulletin 15, *How to Apply the National Register Criteria for Evaluation*, a historic district "possesses a significant concentration, linkage, or continuity of sites, buildings, structures, or objects united historically or aesthetically by plan or physical development."[10] Bulletin 15 describes key criteria for historic districts, including the following guidelines:

- A district derives its importance from being a unified entity, even though it is often composed of a wide variety of resources….a district can reflect one principal activity, such as a mill or a ranch, or it can encompass several interrelated activities, such as an area that includes industrial, residential, or commercial buildings, sites, structures, or objects.
- A district must be significant, as well as being an identifiable entity. It must be important for historical, architectural, archeological, engineering, or cultural values.
- A district can comprise both features that lack individual distinction and individually distinctive features that serve as focal points.
- A district must be a definable geographic area that can be distinguished from surrounding properties by changes such as density, scale, type, age, style of sites, buildings, structures, and objects, or by documented differences in patterns of historic development or associations. It is seldom defined, however, by the limits of current parcels of ownership, management, or planning boundaries.

[10] National Park Service (1997).

A "contributing" property in a historic district is a building, structure, object, or site within the boundaries of the district that adds to the historic associations, historic architectural qualities, or archaeological values for which the historic district is significant. A contributing property must also retain its "integrity," which is to say that the property must retain enough of its historic physical features to convey its significance as part of the district. Contributing buildings can include historic buildings that have also been identified as individual resources.

A "noncontributing" property in a historic district is a building, structure, object, or site that does not contribute to the significance of the district. These properties may be less than fifty years old, they may be older properties that have been significantly altered, or they may be properties not associated with the historic theme or time period of the district.

Historic districts are nominated to the National Register of Historic Places through the State Historic Preservation Office (SHPO).

### East Fourth Street Historic District

"[S]everal red-brick buildings on 4th Street have withstood the ravages of time. And not only do these structures serve as reminders of Reno's past, they remain useful in the 21st century, as many of these buildings are occupied by businesses." – Reno News and Review, July 12, 2001

In our professional opinion, the portion of East Fourth Street between Evans Avenue and Sutro Street is potentially eligible for listing in the National Register as a historic district. (See Appendix B for an outline of the proposed district.) This nine-block corridor includes several historic residential, commercial and industrial buildings that are quite distinct from any others in Reno. Most of these buildings are from the early part of the 20th century, well before the large casinos had risen downtown. Because few new buildings have been constructed in the area, the original context of the historic structures along East Fourth Street has remained comparatively unaltered. These buildings also share an aesthetic consistency, being mostly large, red brick structures. Historic associations reinforce the proposed historic district's identity as a corridor. Fourth Street was formerly part of the Lincoln Highway, one of America's first transcontinental automobile roads (1913). The Highway was the primary road through Reno until Interstate 80 was completed in the 1960s.

In summary, we recommend that East Fourth Street area be considered a historic district because it contains the most substantive concentration of early 20th century buildings in Reno. As such, the proposed district conveys, more directly than do other individual historic resources in the Plan Area, a sense of historic Reno.

The proposed East Fourth Street Historic District includes three buildings already listed in the National register as individual resources. These three buildings should also be considered contributing buildings to the district:

**Nevada-California-Oregon Railroad Depot (1910), 325 E. Fourth Street**
This building was constructed as a passenger depot for the Nevada-California-Oregon Railway, a narrow gauge line connecting Reno with northern California and southern Oregon. The NCO Railway Depot was built in 1910 by the Burke Brothers and designed by Frederic DeLongchamps. The two-story red brick building cost $35,000 to build and reflects the eclectic incorporation of a variety of design features typical of early 20th-century architects. The depot combines Italianate bracketed cornices, Mission style facade elements, Roman arches and red Spanish roof tiles. The most striking feature of the depot is the extensive use of concrete in its construction, including the quoins at all exterior corners, window sills, and accents on the curvilinear gable and molding of the front entrance. By 1917, NCO was forced to sell 64 miles of the main line and all of its Nevada holdings to the Western Pacific Railroad. In 1918, the last NCO narrow gauge train pulled out of this depot. From 1917 to 1937, the depot served as a Western Pacific passenger and freight depot, and from 1937 to 1975 it served as offices for the railroad. In 1975 it was sold to a liquor distributor. It was listed in the National Register in 1980 and in the State Register in 1981 and is State Historical Marker #210.

**N-C-O Railway Locomotive House and Machine Shop (1889), 401 E. Fourth Street**
The Nevada-California-Oregon Railway Locomotive House and Machine Shop was built in 1889. The building was the second locomotive house to be built in Nevada and is now the oldest remaining engine house in the state.[11] It is a one-story rectangular brick building, with a gable roof that originally contained four skylights. In 1901, the locomotive house was divided so that a portion of the building could be used as a machine shop. A small brick addition was constructed in the 1940s. It was listed in the National Register in 1983 and State Register in 1981.

**Rainier Brewing Company Bottling Plant (pre-1920), 310 Spokane Street**
According to the Heritage Tourism Coalition's *Heritage Sites of the Truckee Meadow*, the Rainier Brewing Company Bottling Plant stopped operation in 1919 with the passage of the 18th Amendment.[12] In the early 1920s, this building was owned and operated by the Nevada National Ice and Cold Storage Company. It was listed in the National Register in 1980 and State Register in 1981.

In addition, Carey & Co. has identified fourteen buildings that, based on our initial assessment, appear to be contributing properties in the proposed historic district. Pending further research, many of these buildings could also be considered National Register-eligible as individual resources. One resource, the Sutro Motel, has already been found eligible for individual listing in the National Register.

**Louis' Basque Corner (1922), 301 E. Fourth Street**
This brick building was built in 1922, and was initially the Richelieu Hotel, later renamed the Lincoln Hotel when Fourth Street became the Lincoln Highway. Louis' Basque Corner, run by Louis and Lorraine Erreguible, has been open since 1967.

**Reno Jazz Club (1935), 302 E. Fourth Street**
According to City records, this brick apartment building, which currently houses a jazz club on its ground floor, was built in 1935.

**Alpine Glass Co. (1920/1927), 324 E. Fourth Street**
This unreinforced brick structure was designed by famed local architect Frederick DeLongchamps and built around 1920. The building was remodeled in 1927. Two additions have added 7,500 square feet to the original 5,000 square foot structure.

**Morris Hotel (1936), 400 E. Fourth Street**
According to City records, this brick apartment building was built in 1936.

**Abby's Hwy 40 (1900), 424 E. Fourth Street**
This bar is home to Reno's first neon sign. According to City records, this building was built in 1900.

[11] National Park Service, "The Nevada-California-Oregon Railway Depot/Locomotive House and Machine Shop," http://www.cr.nps.gov/nr/travel/nevada/nco.htm.
[12] Heritage Tourism Coalition.

**Anchor Auctions, 601 E. Fourth Street**
This large brick building has a distinctive central industrial-style clerestory. While the exact date of construction was not identified, the building appears to be roughly contemporary with the Flanigan Building, which was built in 1902.

**HAWC Outreach Medical Clinic (1956), 624 E. Fourth Street**
This building is a fine example of mid-century commercial architecture.

**Flanigan Square (1902), 701 E. Fourth Street**
Built in 1902, the Flanigan Building was originally used to store wool and animal hides. The large brick building contains an old-fashioned elevator hidden behind double doors. According to the Truckee Meadows pamphlet, at the time of its construction, Flanigan Square was the largest covered floor space in Nevada. The interior beams are each made from one piece of solid wood. The building is now home to Forever Yours Furnishings.

**Bighorn Iron Works, 307 Morrill Avenue**
**Machinery Repair Shop (1940), 300 Morrill Avenue**
These two buildings on Morrill Avenue consist of original brick buildings with latter-day additions of corrugated sheet metal.

**Former Reno Brewery Bottling Plant (1940), 900 E. Fourth Street**
This arte-moderne brick and glass building still contains an historic artesian well. According to City records, this building was built in 1940. The building retains original interior catwalks, mezzanines and skylights.

**D Bar M Western Store (1940), 1020 E. Fourth Street**
According to the Historic Reno Preservation Society, this is the last of the "authentic" western wear stores in Reno. The store has been in the same family for three generations.

**Alturas Bar & Nightclub/Big Ed's (1924), 1036-44 E. Fourth Street**
According to the Historic Reno Preservation Society, this brick building has no foundation and still has the original wood floor and interior paneling.

**Sutro Motel (1951), 1190-1200 E. Fourth Street**
The two "L"-shaped buildings and signage that comprise the Sutro Motel were built by 1949, have retained a high degree of integrity, and were associated with travel along the Lincoln Transcontinental Highway. Therefore, they were found to appear eligible for the National Register under Criterion (a), within the context of transportation in Reno.

Note: the Martin Iron Works complex (earliest portions built c. 1936) at 530 E. Fourth Street was deemed not to have retained its historic significance when it was evaluated by Myra L. Frank & Associates in 1999 as part of the Section 106 process.[13] As a result, it was not included as a contributing structure in the proposed historic district.

[13] Frank & Associates, 1999.

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**MID-CENTURY MOTEL DISTRICT**
The Entertainment District includes a striking concentration of mid-century roadside motels:

34. 7/11 Motor Lodge (1960), 465 W. Second Street
35. Bonanza Inn (date unknown), 215 W. Fourth Street
36. City Center Motel (1957), 365 West Street
37. In-Town Motel (1955), 260 W. Fourth Street
38. Keno Motel (1964), 331 West Street
39. Mardi Gras Motor Lodge (1964), 200 W. Fourth Street
40. Reno Royal Motor Lodge (1961), 350 West Street
41. Town View Motor Lodge (1959), 131 W. Third Street
42. Townsite Motel (1959), 250 W. Commercial Row

With the exception of the 7/11 Motor Lodge, these motels are located along West Street from Commercial Row to 4th Street (see Appendix B). The motels are of remarkably similar design, being simple two-story, linear buildings with multiple exterior entrances. These structures' most elaborate feature, moreover, tends to be their large neon, Googie-style road signage.

These motels were built (1) around the same time, (2) in close proximity and (3) are of nearly identical floorplan and design. These commonalities certainly imply that the buildings may constitute a historic district. As explained above, though, "a district must be significant, as well as being an identifiable entity." The status of this potential historic district, then, rests on the degree to which historic significance is attached to these buildings.

In general, buildings less than 50 years old are considered historic resources only if they constitute an exceptional achievement in architecture or engineering, or are of otherwise exceptional importance. In our professional opinion, none of the motels listed above could be considered architecturally exceptional, and thus none can yet be considered contributors to a historic district. In the coming years, however, as the buildings surpass the 50-year mark, these buildings may be deemed to constitute a historic district, if further research establishes that these motels have a significant historical association with the development of Reno in the mid-20th century.

## IV. BUILDING CONDITION ASSESSMENTS

In addition to evaluating historic significance, Carey & Co. also assessed the structural suitability of certain buildings for new uses. The City requested we examine three buildings in particular that were transferred to the City as part of the ReTRAC process:

- Southern Pacific Railroad Passenger Station (Amtrak Depot)
- American Railway Express Station (Men's Club)
- Southern Pacific Railroad Freight Station (The Freight House)

In addition, we have identified four other buildings in the Plan Area that present distinct opportunities for reuse:

- Reno Masonic Hall
- The Nevada-California-Oregon Railway Depot
- The Lane Building
- Bethel AME Church

It should be noted that, for this Existing Conditions Report, our reuse analysis was both general and strictly structural. We have not addressed questions of economic feasibility or the appropriateness of specific reuse options. For each of the buildings below, our goal was to identify the current condition of the historic elements of the building, in order to assess what kind of treatment those elements would require in order to adapt the building to a new use. Detailed pictures of these buildings are included in Appendix C.

### Southern Pacific Railroad Passenger Station (Amtrak Depot)

**Description**

The Southern Pacific Railroad (SPRR) Passenger Depot is an extended rectangular building composed of a one and a half story central building flanked on either end by one story buildings.[14] As described in the Nevada State Historic Preservation Office Historic Resources Inventory Form,

> The central block is five bays wide and has a red tile gabled roof with slight parapets embellished with coping. The gable ends of the central block are pierced with tripled, round arched window openings. The center three bays of the main block of the building contain round-arched, multi-pane windows above a pent [roof] over double, aluminum doors….The innermost blocks of the wings are three bays wide, have red tile, low-pitched, hipped on flat roofs and a molded stringcourse. Each bay contains a rectangular opening containing 2/1 single hung, wood sash windows. A recessed panel above each opening has a floral swag. The outermost blocks of the wings are three bays wide and have flat roofs, and a molded stringcourse below recessed panels with diamond-shaped patterning. The center bay contains paired, round arched, door openings containing wood doors with glazed transoms…the other two bays [contain] rectangular window openings with round-arched, stucco panels above a low wall. Each opening contains 2/1 single hung, wood sash windows.[15]

The Depot is an elongated building, comprised on the interior of a succession of rooms to accommodate its historic and current use as a railroad passenger depot. Beginning at the east end of the building, this currently unused room once served as the baggage area. Two doors located on the west wall lead from

[14] In recent years, a new section has been added to the west end of the historic depot to connect travelers to the train tracks below. For purposes of this report this description will focus on the original building.
[15] Miller and Starzak, Nevada State Historic Preservation Office Historic Resources Inventory Form for the Southern Pacific Railroad Passenger Station (Amtrak Depot).



this baggage area into the small offices which flank the original ticketing office, also currently unused. Adjacent to the ticketing office is the large, open passenger waiting area; the men's and women's restrooms are located at the far (west) end of this central space. Leading from the primary passenger waiting area is a corridor and a small transition space that opens into a museum area (the last section of the original depot) and then to the modern addition to the historic depot building.

In general, effort should be made to retain all extant materials in the waiting area (other than the ceiling fans), including the open plan, the terrazzo flooring, the wood ceiling, the windows and doors (or at least their style), the hanging lighting, the paint scheme and the benches. The building should not be adapted to a new use in a way that divides up the open space of the waiting area. While the baggage area is free to take on a new use, the waiting room and ticketing area are subject to an agreement between SHPO and the ReTRAC Project that they be maintained as museum space.

**Existing Condition**

- The exterior is generally well maintained, especially in the portion of the building still in use.
- Baggage area: ceiling and plaster/lath wall surfaces have been demolished, while wood cornice, chair rail and base trim have been retained and are in good condition, as are the doors and windows; floor is unfinished.
- Ticketing area: finishes, windows and doors are largely intact and in good condition, walls of main space have been reclad in vertical wood paneling, original wood ticketing counter is extant with modern laminate countertop
- The waiting area has been restored; a moisture issue/leak in the southwest corner is causing paint to bubble and peel.
- Current wooden benches do not appear to be original, but are likely more than 50 years old. They are of fairly simple design, are not all of the same type, and are not affixed to the floor. Moving the benches to accommodate a new configuration could be acceptable, but efforts should be made to retain them.
- The white ceiling fans are not historic.

**Potential for Reuse**

- The building has an advantageous location downtown.
- The building would require some minor accessibility upgrades.
- The baggage area retains little historic fabric, providing some flexibility for reuse. It will need a new floor and some new or repaired windows and doors, as well mechanical, electrical and plumbing installation and upgrades. We recommend retaining the area's extant trim. Converting the baggage area to a food vendor could draw people into the old section of the depot and enhance the passenger waiting experience.
- The ticketing area is somewhat less flexible for reuse, given the SHPO agreement mentioned above, as well as the retention of a high degree of historic fabric, including its interior layout, plaster finish, wood trim, doors and windows, and wood counter (with drawers and cabinets). While the non-historic countertop could be replaced to accommodate a new use, we feel the original ticketing counter materials should be retained. The location of the ticketing area immediately adjacent to the waiting area is advantageous, allowing for a combined use of both spaces.
- Some mechanical, electrical and plumbing upgrades will be needed in the building to accommodate retail or food service uses. In particular, some sort of ventilation would be required for food preparation activities, which can get complicated in a historic building. The old waiting and ticketing areas are currently cooled by a few non-historic white ceiling fans; the rooms have no apparent heat system. One of the two small rooms beside the old ticketing area has some plumbing. Bathrooms are located at the end of the waiting area opposite the old ticketing area.

## American Railway Express Station (Men's Club)

**Description**

The American Railway Express Station, currently occupied by the Men's Club, is a one story, stucco-clad, rectangular building with a flat roof. The building is constructed in two blocks: the front or west block, which contains the primary entryway, and the simple rectangular rear portion of the building that extends to the east.[16] The primary (west) elevation of the building is crowned with a simple parapet at the roofline and the brick infill entryway is flanked by large piers at either corner. Both the north and south elevations of this front portion have three sets of paired arched windows. The rear section of the building has simple rectangular window openings and door openings on both the north and south elevations that have been in-filled and covered with stucco. All original windows have been removed and replaced with single panes with a wood grid superimposed on the exterior to imitate muntins. Other exterior elements have been added, including neon signage, awnings, fiberglass shutters, wrought iron ornamentation and modern light fixtures. The interior has been completely remodeled to accommodate the building's current use as an entertainment venue, though two interior brick walls with arched door openings may have been retained from the original configuration.

Because it retains fewer of its historic elements, this building offers greater flexibility for reuse than either the Amtrak Depot or the Freight House. It appears that the building's interior, in particular, could be significantly changed without further compromising the structure's historic integrity. It should be noted, though, that the building may retain historically significant interior features that have been covered by new installations, such as the drop ceiling.

In addition, it appears that, unlike the Amtrak Depot and Freight House, the Amtrak Railway Express Station would not require significant accessibility or systems upgrades to accommodate a new use.

**Existing Condition**

- The building's exterior is generally well-maintained.
- The top of the building's parapet is deteriorating.
- The stucco cladding has hairline cracks and some minor spalling at corbelling.
- All interior finishes are new.

**Potential for Reuse**

- The building has an advantageous location downtown.
- Non-contributing interior provides for full flexibility in reuse.
- The building may retain contributing interior features that have been covered by new installations.
- The building appears to be fully accessible.
- All mechanical, electrical and plumbing systems are current.

[16] The front entryway is no longer at grade due to the construction of the railway overpass. The north elevation of the Men's Club is now flush with the south wall of the adjacent railroad well.

Carey & Co., Inc. Historic Resources Existing Conditions Report, Reno ReTRAC Master Plan

## Southern Pacific Railroad Freight Station (The Freight House)

**Description**

The Southern Pacific Railroad Freight Station or Freight House as it is commonly known, was constructed in 1931 and is comprised of three distinct sections: an office building, a warehouse storage area and a concrete freight platform. At the westernmost end, facing Evans Avenue, is the two-story, office building built in the Moderne style. This rectangular building is of board-formed concrete construction, has a flat roof and sits on a concrete foundation. The roofline has a molded cornice, interrupted on each facade by a central parapet. The primary (west) façade contains five bays; the three central bays are recessed and framed by two-story shouldered arches, each with a decorative keystone in the center. Each bay retains the original steel sash, multi-pane windows (currently boarded up) on the second level and the central bay contains a similar window on the lower level as well. On either side of the central bay, heavy wood loading doors are located on the first level and the outer bays contain smaller windows on both levels. The north and south facades are similar stylistically to the west façade but are comprised of only three bays. The central bays on each façade are recessed as on the front façade and contain entryways on the lower levels. The same steel sash, multi-pane windows are located in the second level of the central bays as well as two each in the outer bays.

The interior of the office building contains two primary levels and a small, brick-lined cellar. Each of the primary levels is generally open in plan with rooms partitioned off at either end. Partition walls are typically wood paneled, half glazed, with glazed doors; either painted or stained and varnished. Other typical features include wood flooring and beadboard ceiling. The first floor has a restroom in the southwest corner and the remainder is open space with a decorative marble fireplace. The second floor is divided into large offices and features a Southern Pacific safe and a small steel casement window looking into the adjacent warehouse portion of the structure.

Attached to the office building and extending to the east is the long, one-story warehouse/transfer building, which sits on an elevated concrete platform. This section of the Freight House lacks the ornament of the office building as it was primarily utilitarian in function. According to Mary Ringhoff, "the platform brings the floor level up to the level of the doors of rail cars on the north side and truck trailers on the south side, indicating this portion of the building's function as a freight transfer and handling area."[17] The wood frame building is clad in corrugated asbestos siding and contains a series of large door openings on both the north and south facades. The original doors on the south elevation have all been removed and some replaced with metal roll-up doors, other openings have been secured with plywood. On the north elevation, some of the original wood sliding doors and exterior tracks have been retained as have a pair of the original steel sash, multi-pane windows that provided light to the dark interior of the warehouse. Other windows on this elevation have been boarded up and it is unclear whether the original glazing is still extant. The interior of the warehouse portion is primarily a large open space with unfinished floors and a large floor scale at the southeast end of the building. The wood truss construction is exposed overhead and the freight doors along either side of the warehouse have been boarded up. Ten smaller rooms are situated at the far ends of the main warehouse space and were likely used as office areas.[18]

Connected to the northeast end of the warehouse structure and extending further east is the concrete transfer and loading platform. This open platform is significantly narrower in width than the warehouse itself and appears to have been shortened at its east end. A steel canopy frame, missing its roof, is located on the platform toward the east end.

[17] Ringhoff, continuation sheet 2.
[18] See Ringhoff for a detailed description of the interior offices.

**Existing Condition**

- The concrete foundation stem walls along the warehouse portion of the building have serious structural cracks at their intersection with the platform projections.
- The concrete exterior stairs are cracked and, in places, separating from the building.
- The front office concrete portion of the building appears to be intact, with only minor cracking and spalling. This portion of the building mainly needs cleaning.
- While some glass has been broken, the steel sash windows in the front portion of the building are largely intact and have been covered by plywood. Their operability is unknown.
- The remaining wood doors appear to be in fair condition, with minor restoration potentially needed.
- The warehouse structure and roof appear to be in fair condition, with severe deterioration of fascia. Some replacement may be required.
- The warehouse has been entirely reclad in either T-111 or corrugated asbestos siding.
- The exterior canopies over the warehouse loading docks suffer varying degrees of wood deterioration. The anchors and rods, though, are in good condition.
- The condition of the building's roof is unknown.

**Potential for Reuse**

- The building has an advantageous location downtown.
- The front office portion of the property retains a high degree of value and historic fabric despite vandalism and general deterioration. Interior alterations would thereby need to be somewhat limited.
- The warehouse portion of property retains less historic fabric, and thus reuse of this portion of the building could be more flexible. The retention of sliding doors, the frame and truss system and any remaining windows would be encouraged.
- Both portions of the building would need a full accessibility upgrade.
- The extent of necessary plumbing and electrical upgrades is unknown, although probably significant.
- The building may require serious structural repairs and upgrades. The asbestos siding, in particular, must be abated.

Carey & Co., Inc. Historic Resources Existing Conditions Report, Reno ReTRAC Master Plan

## Reno Masonic Hall

**Description**

The Reno Masonic Hall at 98 West Commercial Row was constructed in 1872 for Reno Lodge No. 13 of the Masons, and has also been the home of Gallatin & Folsom Hardware and the Reno Mercantile Company. Currently the building is owned by Fitzgerald's Casino as a storage facility. The Nevada State Historic Preservation Office historic resources inventory form describes the building as follows:

> This 2-story commercial building is Romanesque revival in style, and after 1875 it featured a Western style, cast iron street canopy, which was removed more than 50 years ago. The quality of the original brick work is still evident in the first and second floor pilasters, and a second floor series of arches, which feature brick keystones and imposts. Three original arches are located along the Commercial Row façade and eight along the Sierra Street façade. The original 2-over-2 large wooden sash, arched windows are still evident on the second story of the Commercial Row façade. The rest of the second story windows have always been bricked in for the privacy of the Masons. Before the brickwork was painted, the original building lettering was evident above the center arch in the second story along Commercial Row, which proclaimed "Masonic Building, Erected 1872."[19]

The interior of the building was not open to the public at the time of this survey.

**Existing Condition**

- The building's masonry walls appear to be in generally fair condition. Some bricks are missing from the parapet, some minor spalling is visible at the corners, and several beam/joist pockets are exposed.
- The building's foundation suffers from sever mortar deterioration.
- The condition of the roof is unknown.
- The arched wood windows appear to be in fair condition.
- The building's storefront elements are in need of repair or replacement. All wood elements are severely deteriorated, the transoms and coffered entry ceiling need to be restored, and the metal pilaster capitols need repair.
- The entry door requires wood restoration and possibly new glazing. The threshold is severely deteriorated, although the hardware is intact.
- The entire building has been painted.
- The condition of the building's interior is unknown.

**Potential for Reuse**

- The building has an advantageous location downtown.
- The condition of the building's interior, and the resultant extent of repairs and degree of reuse flexibility, is unknown.
- The building would require a sizable amount of exterior restoration work.
- The property retains a high degree of historical value on the exterior.
- The building would need a full accessibility upgrade.
- Nonhistoric exterior paint scheme would need to be removed.
- The precise extent of necessary plumbing and electrical upgrades is unknown. Given that the building has been largely unused for more than 30 years, however, those upgrades are presumably extensive.

[19] Miller and Starzak, Nevada State Historic Preservation Office, Historic Resources Inventory Form for Reno Masonic Hall.

## The Nevada-California-Oregon Railway Depot

**Description**
The Nevada California Oregon Railway Depot was designed by Reno architect Frederic DeLongchamps and constructed in 1910 by the Burke Brothers. The style of this two-story red brick building "reflects the eclecticism that early 20th-century architects often employed, incorporating a variety of design features. The depot combines Italianate bracketed cornices, Mission style facade elements, Roman arches and red Spanish roof tiles."[20] The building is generally rectangular in plan and sits on a concrete foundation. Concrete accents are also a primary design feature and include such components as the quoins at the exterior corners, window sills and keystones and molding over the front entryway. Carey & Co. staff was unable to gain access to the interior though damage to the original finishes and removal of materials was evident through the entryway windows.

**Existing Condition**
- The exterior masonry requires cleaning and possibly some repointing.
- The condition of the roof is unknown.
- The windows and doors are in need of general repairs.
- General repair to the exterior's wood and metal elements (including the metal flashing) is needed.
- The property has been heavily vandalized, and pigeon abatement is needed.

**Potential for Reuse**
- This property retains a high degree of value and historic fabric despite recurrent vandalism and general deterioration.
- The building has an advantageous location along the historic Lincoln Highway.
- The building would need a full accessibility upgrade.
- The interior would likely need a fair amount of cleaning and finish restoration.

[20] National Register of Historic Places, "Three Historic Nevada Cities," http://www.cr.nps.gov/nr/travel/nevada/nco.htm. The Nevada-California-Oregon Railroad Depot located at 325 at East Fourth Street is currently not occupied and is not open to the public.

Carey & Co., Inc. Historic Resources Existing Conditions Report, Reno ReTRAC Master Plan

## The Lane Building

**Description**
The Lane Building is a light industrial building of brick construction with a flat roof and rectangular plan. The front section of the building is two stories in height with a stepped parapet on the front (south) façade. The building has a number of arched window and door openings on all facades though all openings have been secured with wooden boards with exception of the vinyl roll-up door on the first floor of the front façade. The rear section of the building is one story and the back (north) elevation has a stepped parapet. The two arched windows on this elevation have been bricked in and the central rectangular door opening has a vinyl roll-up door. The interior of the building was not open to the public at the time of this survey.

**Existing Condition**
- The exterior of the structure appears to be in fair to good condition; some minor masonry repair may be needed.
- The condition of the roof, and the building's interior, is unknown.
- The condition of the building's windows and doors is unknown. They are currently secured with wood coving.

**Potential for Reuse**
- The building's size, scale, type and location would presumably allow for flexible reuse.
- The building would require a full accessibility upgrade.
- The two roll-up doors are not historic and could be removed to accommodate a new use.
- The existence and condition of historic windows and doors is unknown.
- The extent of necessary plumbing and electrical upgrades is unknown.

## Bethel AME Church

### Description

The Bethel African Methodist Episcopal church was originally built in 1910, three years after the congregation was established. The original wood frame church building was encased in the current brick veneer during a 1941 renovation. The one story with basement church is rectangular in plan and a gable roof clad with asphalt shingles. A small, flat roofed entry vestibule is attached to the west end of the building. Four pointed arch window openings are located on the south elevation and all window and door openings on the building have been covered with wood boards. The building suffered significant damage to the interior as a result of a 2004 arson fire though the exterior appears to be in good condition. The interior of the building was not open to the public at the time of this survey.

### Existing Condition

- The internal fire is evident through the discoloration of the bricks around the windows and door openings.
- The condition of windows and doors unknown, as they have been secured with plywood.
- The condition of the roof is unknown , although the exterior cladding appears to be intact.
- The condition of the walls is unknown. The exterior brick veneer appears to be intact with some cracking in the mortar joints.
- The parging on the foundation has minor cracks and some spalling.

### Potential for Reuse

- The extent of structural damage to the interior wood-framing is unknown, but could significantly affect flexibility of reuse.
- The later addition of brick veneer appears to be intact and is itself over fifty years old, and thus potentially historic.
- The entry appears to be accessible, but may require further accessibility upgrades.
- The building's reusability is compromised in part by it's location on a dead-end, residential/light industrial street.

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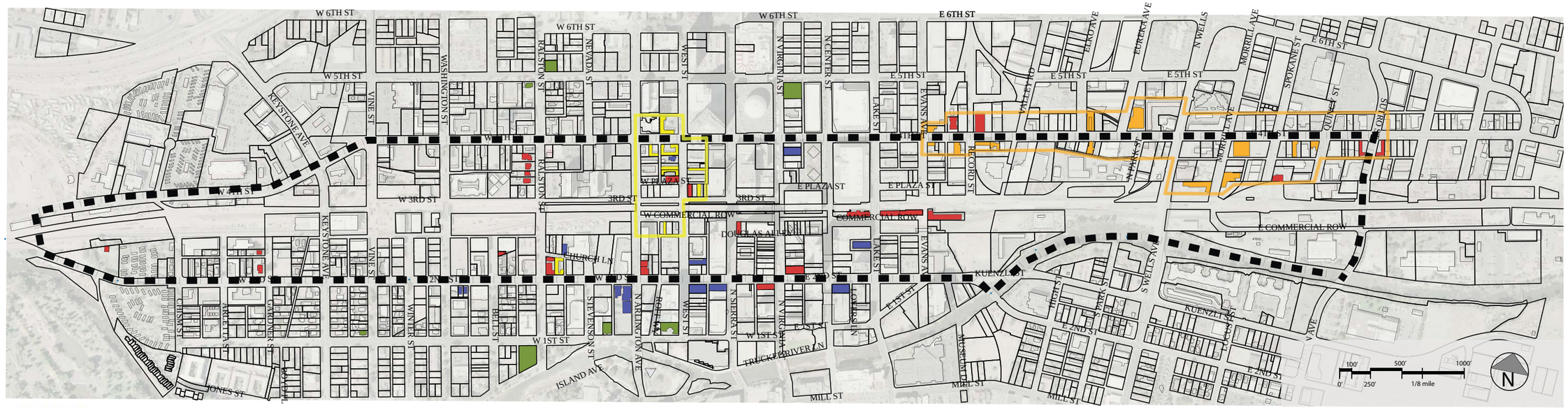
## Appendix A: Survey Matrix of Historic Resources in the Reno ReTRAC Master Plan Area

| | Recognized Historic Buildings in Project Area | Address | Year Built | National Register | Nevada Register | Reno City Register | Historic Reno Walking Map | Truckee Mdws. Heritage Sites |
|---|---|---|---|---|---|---|---|---|
| 1 | Bethel AME Church | 220 Bell Street | 1910 | 2001 | | | #1 | |
| 2 | Clifford House | 339 Ralston Street | 1885-1890 | 1983 | | | | |
| 3 | El Cortez Hotel | 239 W. Second Street | 1931 | 1984 | | X | #23 | #53 |
| 4 | Nevada-California-Oregon Railroad Depot | 325 E. Fourth Street | 1910 | 1980 | 1981 | | | #30 |
| 5 | N-C-O Railway Locomotive House and Machine Shop | 401 E. Fourth Street | 1889 | 1983 | 1981 | | | #30 |
| 6 | Nystrom Guest House | 333 Ralston Street | 1875 | 2000 | 2000 | X | | #7 |
| 7 | Pincolini Hotel/Mizpah Hotel (Demolished) | 214 Lake Street | 1930 | 1984 | | X | #9 | #40 |
| 8 | Rainier Brewing Company Bottling Plant | 310 Spokane Street | pre-1920 | 1980 | 1981 | | | #20 |
| 9 | Reno National Bank-First Interstate Bank | 204 N. Virginia Street | 1915 | 1986 | | | #8 | #36 |
| 10 | Washoe County Bank Building | 195 N. Virginia Street | 1876 | | 2003 | | | #8 |
| 11 | American Railway Express Station | 270 N. Lake Street | 1926 | Eligible | | | #3 | |
| 12 | Chalfonti Apartments | 145 W. 3rd Street | c. 1900 | Eligible | | | | |
| 13 | Edward Chism Residence | 231 Gardner Street | c. 1890 | Eligible | | | | |
| 14 | John Chism House | 1401 W. Second Steet | 1940 | Eligible | | | | |
| 15 | Espanol Hotel (Demolished) | 239 E. Plaza Street | c. 1906 | Eligible | | | | |
| 16 | Gibson Apartments | 441 W. Second Street | c. 1917 | Eligible | | | | |
| 17 | Gilmartin Rooming House | 345 Ralston Street | c. 1910 | Eligible | | | | |
| 18 | Harry's Business Machines | 323-325 West Street | 1950 | Eligible | | | | |
| 19 | John Gremenge Residence (Demolished) | 211 Keystone Place | 1896 | Eligible | | | | |
| 20 | Otto and Georgia Benscheutz Residence (Demolished) | 235 Ralston Street | c. 1906 | Eligible | | | | |
| 21 | Peter Dohr Residence | 1105 W. Second Street | c. 1915 | Eligible | | | | |
| 22 | Ralston Apartments | 375 Ralston Street | pre-1886 | Eligible | | | | |
| 23 | Ralston Building | 220-6 Ralston Street | c. 1915 | Eligible | | | | |
| 24 | Reno Masonic Hall | 98 W. Commercial Row | 1872 | Eligible | | | #6 | #6 |
| 25 | Reno Mill and Lumber Yard (Demolished) | 326-8 N. Wells Avenue | 1901/1920 | Eligible | | | | |
| 26 | Southern Pacific Railroad Freight House | 270 Evans Avenue | 1931 | Eligible | | | #4 | |
| 27 | Southern Pacific Railroad Passenger Depot | 135 E. Commercial Row | 1926 | Eligible | | | #2 | #47 |
| 28 | Sutro Motel | 1190-1200 E. Fourth Street | 1951 | Eligible | | | | |

| | Recognized Structures within 1 Block of Project Area | Address | Year Built | National Register | Nevada Register | Reno City Register | Historic Reno Walking Map | Truckee Mdws. Heritage Sites |
|---|---|---|---|---|---|---|---|---|
| 29 | Safeway Store Building | 440-490 N. Virginia St. | ? | | 2001 | | | |
| 30 | Humphrey House | 467 Ralston Street | 1906 | 1983 | | | | #23 |
| 31 | Twaddle Mansion | 485 W. Fifth Street | 1905 | 1983 | | | | #22 |
| 32 | 20th Century Club | 335 W. First Street | 1925 | 1983 | | | #19 | #45 |
| 33 | First Church of Christ, Scientist | 501 Riverside Drive | 1938 | 1999 | 1982 | | #18 | #60 |
| 34 | First United Methodist Church | 203 W. First Street | 1925 | 1983 | | | #20 | #46 |
| 35 | Postmann House | 105 Vine Street | ? | | 1982 | | | |

## Appendix A: Survey Matrix of Historic Resources in the Reno ReTRAC Master Plan Area

| | Buildings Potentially Eligible for Nev. or Nat. Registers | Address | Year Built | National Register | Nevada Register | Reno City Register | Historic Reno Walking Map | Truckee Mdws. Heritage Sites |
|---|---|---|---|---|---|---|---|---|
| *Entertainment District - General* | | | | | | | | |
| 1 | Commercial Building | 100-120 E. Second Street | ? | | | | | |
| 2 | Commercial Building | W. Second Street @ Sierra St. | ? | | | | | |
| 3 | Commercial Building | W. Second Street @ West St. | ? | | | | | |
| 4 | Commercial Building | 350-358 N. Virginia Street | ? | | | | | |
| 5 | St. Thomas Aquinas Cathedral | 310 W. Second Street | 1907/1931 | | | | #22 | #27 |
| 6 | Hotel Windsor | 214 West Street | 1936 | | | | | |
| 7 | Santa Fe Hotel | 235 N. Lake Street | 1949 | | | | | |
| 8 | House | 377 West Street | ? | | | | | |
| *Entertainment District - Mid-century Motels* | | | | | | | | |
| 9 | 7/11 Motor Lodge | 465 W. Second Street | 1960 | | | | | |
| 10 | Bonanza Inn | 215 W. Fourth Street | ? | | | | | |
| 11 | City Center Motel | 365 West Street | 1957 | | | | | |
| 12 | In-Town Motel | 260 W. Fourth Street | 1955 | | | | | |
| 13 | Keno Motel | 331 West Street | 1964 | | | | | |
| 14 | Mardi Gras Motor Lodge | 200 W. Fourth Street | 1964 | | | | | |
| 15 | Reno Royal Motor Lodge | 350 West Street | 1961 | | | | | |
| 16 | Town View Motor Lodge | 131 W. 3rd Street | 1959 | | | | | |
| 17 | Townsite Motel | 250 W. Commercial Row | 1959 | | | | | |
| *East 4th Street Corridor* | | | | | | | | |
| 18 | Louis' Basque Corner | 301 E. Fourth Street | 1922 | | | | | #43 |
| 19 | Reno Jazz Club | 302 E. Fourth Street | 1935 | | | | | |
| 20 | Alpine Glass Company Building | 324 E. Fourth Street | 1920/1927 | | | | | |
| 21 | Morris Hotel | 400 E. Fourth Street | 1936 | | | | | |
| 22 | Abby's Hwy 40 | 424 E. Fourth Street | 1900 | | | | | |
| 23 | Anchor Auctions | 601 E. Fourth Street | ? | | | | | |
| 24 | HAWC Outreach Medical Clinic | 624 E. Fourth Street | 1956 | | | | | |
| 25 | Flanigan Square | 701 E. Fourth Street | 1902 | | | | | #18 |
| 26 | Bighorn Iron Works | 307 Morrill Avenue | ? | | | | | |
| 27 | Machinery Repair Shop | 300 Morrill Avenue | 1940 | | | | | |
| 28 | Former Reno Brewery Bottling Plant | 900 E. Fourth Street | 1940 | | | | | |
| 29 | D Bar M Western Store | 1020 E. Fourth Street | 1940 | | | | | |
| 30 | Alturas Bar & Nightclub/Big Ed's | 1036/1044 E. Fourth Street | 1924 | | | | | |
| *West Side* | | | | | | | | |
| 31 | Lane Building | 425 Church Lane | 1906 | | | | #24 | |
| 32 | House | 634 W. Second Street | ? | | | | | |
| 33 | House | next to 634 W. Second Street | ? | | | | | |




CAREY & CO. INC.
ARCHITECTURE

# Appendix B: Historic Resources in the Reno ReTRAC Master Plan Area

- Buildings on or deemed eligible for National or Nevada State Registers
- Buildings near Plan Area on National or Nevada State Registers
- Master Plan Area Boundary
- Potential Historic Structures
- Potential Contributors to Mid-century Motel District
- Potential Contributors to East Fourth Street District
- Potential Boundary, Mid-century Motel Historic District
- Potential Boundary, East Fourth Street Historic District

**Appendix C: Photographs of Historic Resources in the Reno ReTRAC Master Plan Area**

Photos of historic resources in the Plan Area are broken into the following categories:

- C-1: Residential Buildings in the Plan Area
- C-2: Churches in the Plan Area
- C-3: Commercial Buildings in the Plan Area
- C-4: Hotels and Motels in the Plan Area
- C-5: Railroad Buildings in the Plan Area
- C-6: Potential East Fourth Street Historic District – Contributing Buildings
- C-7: Potential Mid-century Motel District – Contributing Buildings
- C-8: Detailed Photos from Building Condition Assessments

All photos were taken by Carey & Co. in 2006, unless noted otherwise.

Appendix C-1: Residential Buildings in the Plan Area

Nystrom Guest House (1875), 333 Ralston Street

Gilmartin Rooming House (c. 1910), 345 Ralston Street

Clifford House (1185-1890), 339 Ralston Street

Ralston Building (c. 1915), 220-226 Ralston Street

Gibson Apartments (c. 1917), 441 West Second Street

Ralston Apartments (pre-1886), 375 Ralston Street

Edward Chism Residence (c. 1890), 231 Gardner Street

Peter Dohr Residence (c. 1915), 1105 West Second Street

John Chism House (1940), 1401 West Second Street

Chalfonti Apartments (c. 1900), 145 West Third Street

Street Thomas Aquinas Cathedral (1907/1931), 310 West Second Street

Residence (c. 1900), 377 West Street

Residences (c. 1900), 634 West Second Street

Bethel AME Church (1910), 220 Bell Street

Reno National Bank (1915), 204 N. Virginia Street

Reno Masonic Hall (1872), 98 W. Commercial Row

South Side of Second Street - Between Center Street and Lake Street

Washoe County Bank Building (1876), 195 N. Virginia Street

Harry's Business Machines (1950), 323-325 West Street

South Side of Second Street - Between Sierra and West Streets (Left)

East Side of N. Virginia Street - Between Third Street and Fourth Street

El Cortez Hotel (1931), 239 W. Second Street

Pincolini Hotel/Mizpah Hotel (1931), 214 Lake Street
*(Demolished in 2007)*

South Side of Second Street - Between Sierra and West Streets (Right)

Sutro Motel (1951), 1190-1200 E. Fourth Street

Mid-Century Motels (See C-7)

Hotel Windsor (1936), 214 West Street

Southern Pacific Railroad Passenger Depot (1926), 135 E. Commercial Row

American Railway Express Station (1926), 270 N. Lake Street

Santa Fe Hotel (1949), 235 N. Lake Street

Southern Pacific Railroad Freight House (1931), 270 Evans Avenue

N-C-O Railroad Depot (1910), 325 E. Fourth Street

Appendix C-6: Potential East Fourth Street Historic District - Contributing Buildings

N-C-O Railroad Depot (1910), 325 E. Fourth Street

N-C-O RR Locomotive House & Machine Shop (1889), 401 E. Fourth St.

Alpine Glass Company (1920/27), 324 E. Fourth Street

Louis' Basque Corner (1922), 301 E. Fourth Street

Reno Jazz Club (1935), 302 E. Fourth Street

Abby's Highway 40 (1900), 424 E. Fourth Street

Morris Hotel (1936), 400 E. Fourth Street

HAWC Outreach Medical Clinic (1956), 624 E. Fourth Street

Flanigan Square (1902), 701 E. Fourth Street

Anchor Auctions, 601 E. Fourth Street

Machinery Repair Shop (1940), 300 Morrill Avenue

Bighorn Iron Works, 307 Morrill Avenue

Appendix C-7: Potential Mid-century Motel Historic District - Contributing Buildings

Reno Brewery Bottling Plant (1940), 900 E. Fourth Street

Rainier Brewery Bottling Plant (pre-1920), 310 Spokane Street

7/11 Motor Lodge (1960), 465 W. Second Street

D Bar M Western Store (1940), 1020 E. Fourth Street

Alturas Bar (1924), 1036-44 E. Fourth Street

Bonanza Inn, 215 W. Fourth Street

City Center Motel (1957), 365 West Street

In-Town Motel (1955), 260 W. Fourth Street

Reno Royal Motor Lodge (1961), 350 West Street

Mardi Gras Motor Lodge (1964), 200 W. Fourth Street

Keno Motel (1964), 331 West Street

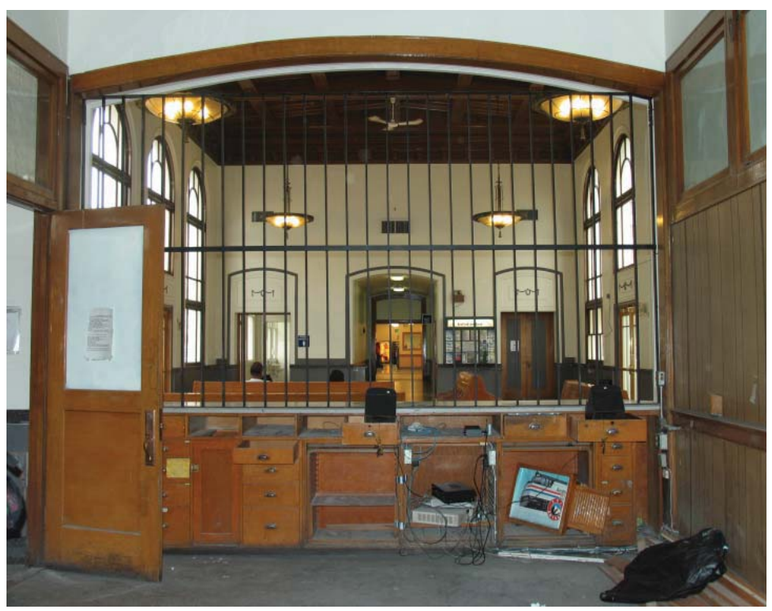
Town View Motor Lodge (1959), 131 W. 3rd Street

Townsite Motel (1959), 250 W. Commercial Row

South elevation.

Exterior, waiting area.

Interior, waiting area *(Source: Freedman, Tung and Bottomley)*.



Former ticketing area.

Former baggage claim area.

South and west elevations, 1970 (*Source: DeGoyler Library*).

West elevation.

South and west elevations, today.

North elevation.

Interior, brick archway.

West elevation, 1970 (*Source: DeGoyler Library*).

Interior, dining room.

West elevation, today.

South elevation (*Source: Freedman, Tung and Bottomley*).

Interior, warehouse (*Source: MADCON Consultation Services*).

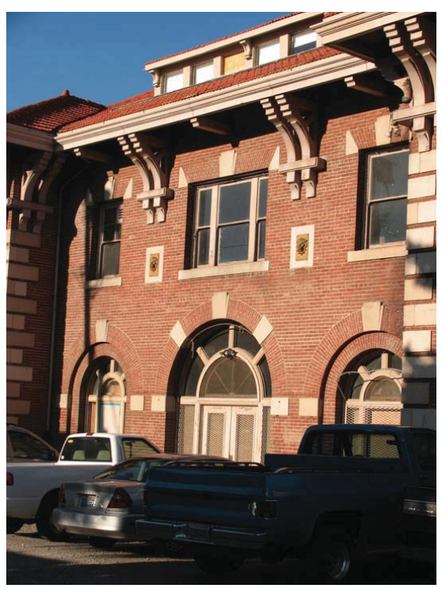
Interior, front office building.

Transfer area, warehouse.

Appendix C-8: Conditions Assessment - N-C-O Railroad Depot (1910)

South and west elevations.

Detail, south elevation.



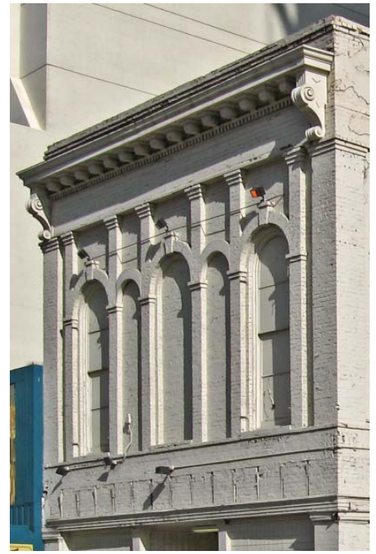
Detail, west elevation.

Appendix C-8: Conditions Assessment - Bethel AME Church (1910)

Entry door, south elevation.

Detail, south elevation.

North and west elevations.



Detail, north elevation.

Detail, altered storefront, detail.

Detail, brick deterioration, detail.

South elevation.

North elevation.

**Appendix D: Documented Historic Resources near the Reno ReTRAC Master Plan Area**
Seven buildings within one block of the Plan Area are listed on either the National Register of Historic Places or the Nevada State Register of Historic Places. The Church of Christ, Scientist building is listed on both.

**First Church of Christ, Scientist, 501 Riverside Drive**
Noted African-American architect Paul Revere Williams designed this Neoclassical style building in 1938. Williams was the recipient of the NAACP's highest award, the Springarn Medal. The church was listed on the National Register in 1999 and the State Register in 1982.

**First United Methodist Church, 203 W. First Street**
Built in 1925, the First United Methodist Church is one of Reno's oldest poured concrete structures. The church has a cross plan typical of Gothic Revival churches. It was designed by the architectural firm of Wythe, Blaine, and Olson of Oakland, California. The parish house and connecting wing were added around 1940. The church was listed on the National Register in 1983.

**Humphrey House, 467 Ralston Street**
This house was designed in 1906 by Reno architect Fred Schadler. According to the Heritage Tourism Coalition's *Heritage Sites of the Truckee Meadow*, the house is "the best example of the Mission Revival style in Reno." The Mission/Spanish style house is linked with Govs. Tasker Oddie and Emmet Boyle. It was listed on the National Register in 1983.

**Postmann House, 105 Vine Street**
The Postmann House was listed on the State Register in 1982.

**Safeway Store Building, 440-490 N. Virginia Street**
The Safeway Store building was listed on the State Register in 2001.

**Twaddle Mansion, 485 W. Fifth Street**
This house was built in 1905 by architect Ben Leon for Eben Twaddle, Reno fire marshal and community figure. The Twaddle family owned large tracts of land in Washoe Valley and made its fortune from agriculture. This Colonial Revival house has fluted posts with Ionic capitals flanking the stairway leading to the entrance. It was listed on the National Register in 1983.

**20th Century Club, 335 W. First Street**
This building was built in 1925 for Reno's first women's club, which was organized in 1894. The club provided a forum for solving political issues as well as for educational seminars and social events, including dances and wedding receptions. It was the first prestigious women's club in the area, and members continued to meet here until 1986. The building was designed by Fred M. Schadler. The rectangular brick building is a variation of the Prairie School with Classical Revival design elements. It has brick over a wood panel structure and a foundation of brick and stone. There is a mixture of hip and shed roof forms covered by a parapet. Twin double hung windows, six over one, are set into the flanking facade windows. The windows have a border of brick with shoulder courses above the headers. The arched windows complement the formal design. The 20th Century Club was listed on the National Register in 1983.

First Church of Christ Scientist (1938), 501 Riverside Drive

Safeway Store Building, 440-490 N. Virginia Street

First United Methodist Church (1925), 203 W. First Street

Humphrey House (1906), 467 Ralston Street

Twaddle Mansion (1905), 485 W. Fifth Street

20th Century Club (1925), 335 W. First Street

Postmann House, 105 Vine Street

# APPENDIX E: PARTICIPANTS

## City of Reno and Washoe County Staff Participants

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Todd Brabbin, Commissioner

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Romeo Dennis, Commissioner

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**...and special thanks to Reno residents and stakeholders who attended public workshops and hearings.**