

ATTACHMENT B



City of Phoenix

PLANNING & DEVELOPMENT DEPARTMENT

GENERAL PLAN AMENDMENT STAFF ANALYSIS

May 1, 2025

<u>Application:</u>	GPA-2-25-Y
<u>Applicant:</u>	City of Phoenix Planning Commission
<u>Representative:</u>	City of Phoenix Planning and Development Department
<u>Location:</u>	Citywide
<u>Request:</u>	Minor General Plan Amendment to develop policy guidance on data centers
<u>Planning Commission Hearing Date:</u>	June 5, 2025
<u>Staff Recommendation:</u>	Approval

FINDINGS:

- 1) The proposal will act as the policy guidance for data centers which supports the Zoning Ordinance text amendment Z-TA-2-25-Y for regulations related to data centers.
- 2) The proposal will guide data center development away from cores, centers, and corridors, where mixed-use, walkable communities are envisioned and will guide data centers to blend with the surrounding environment while limiting negative impacts to existing communities.
- 3) The proposal is consistent with and relates to other adopted policies in the General Plan, such as the Blueprint for a More Connected Phoenix, including Cores, Centers, and Corridors, Village Cores, Employment Corridors, and Tech Corridors; Create a Network of Vibrant Cores, Centers, and Corridors; and Build the Most Sustainable Desert City, including Water Sensitive Planning, Green Building, Energy Infrastructure, and Community Shade.

BACKGROUND

In 2024, the Mayor and City Council directed City staff to create new policy guidance and zoning regulations related to data centers, in response to the increased frequency and development of these types of facilities. Data centers house a large collection of technological equipment designed to store, process, and manage vast amounts of digital information. One major concern with data centers is that their energy demand is expected to increase significantly, in large part due to Artificial Intelligence. Another major concern is the scale at which these types of facilities are built and how they can negatively affect the surrounding community they are built in. This General Plan Amendment would add a section in the 2025 General Plan to provide policy guidance for data centers addressing the major concerns they pose to the community and to the city.

Staff researched other cities in the nation that have adopted ordinances related to data centers for best practices and looked at ways Phoenix could enhance those ordinances. Text Amendment Case No. Z-TA-2-25-Y is a request to amend the Zoning Ordinance to add a definition for data centers, clarify which zoning districts they are permitted in, and add performance standards, development standards, and design guidelines specific to data centers. This General Plan Amendment would act as the adopted policy guidance for the Text Amendment, and future rezoning requests where data centers are proposed.

RELATIONSHIP TO GENERAL PLAN CORE VALUES AND PRINCIPLES

CREATE A NETWORK OF VIBRANT CORES, CENTERS AND CORRIDORS

- ***TRANSIT ORIENTED COMMUNITIES.***

Data centers are very large in scale and do not provide the type of scale and mix of uses desired for transit-oriented communities. The proposal will guide data centers to be located away from high-capacity transit stations, where mixed-use, walkable communities are envisioned for transit-oriented communities. This will protect transit-oriented communities from this type of large-scale development that is incompatible with the vision for transit-oriented communities.

BUILD THE MOST SUSTAINABLE DESERT CITY

- ***GREEN BUILDING; GOAL: Establish Phoenix as a leader in green and sustainable building through the use of green-sustainable building techniques in private and public development.***

The proposal will adopt energy and sustainability policy specifically for data centers, encourage that they are designed utilizing green construction codes to maximize energy efficiency.

CONCLUSION AND RECOMMENDATION

Staff recommends approval of GPA-2-25-Y. The proposed General Plan policy language will act as the adopted policy guidance for data center development. The companion text amendment case, Z-TA-2-25-Y, will build on this policy guidance and create zoning regulations related to data centers.

Writer

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May 1, 2025

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Exhibit

A. Proposed Language (2 pages)

Exhibit A

Staff proposed language that may be modified during the public hearing process is as follows:

DATA CENTERS

WITH CONTINUAL ADVANCEMENTS IN TECHNOLOGY, SUCH AS ARTIFICIAL INTELLIGENCE (AI) AND THE DIGITAL “CLOUD”, THERE HAS BEEN A GROWING DEMAND TO CONSTRUCT DATA CENTERS IN ORDER TO SUPPORT THE DIGITAL WORLD. DATA CENTERS HOUSE A LARGE COLLECTION OF TECHNOLOGICAL EQUIPMENT DESIGNED TO STORE, PROCESS, AND MANAGE VAST AMOUNTS OF DIGITAL INFORMATION. ALTHOUGH DATA CENTERS ARE INFRASTRUCTURE FOR ADVANCING TECHNOLOGY THAT MANY COMPANIES AND ORGANIZATIONS NOW RELY ON, THEY ALSO COME WITH POTENTIAL CHALLENGES, INCLUDING A LOSS OF LAND FOR JOBS AND HOUSING, NOISE POLLUTION, SIGNIFICANT ENERGY DEMAND, INACTIVE FRONTAGES ALONG PUBLIC STREETS, AND CONFLICTS WITH THE CITY’S APPROACH OF MAXIMIZING TRANSPORTATION INVESTMENTS WITH WALKABLE COMMUNITIES. MEASURES SHOULD BE TAKEN TO IDENTIFY AREAS THAT ARE MOST APPROPRIATE FOR DEVELOPMENT AND TO ADDRESS THE NOISE, ENERGY, AND DESIGN ISSUES THAT THEY COME WITH.

LOCATION CRITERIA POLICY

1. LOCATE AWAY FROM IDENTIFIED CORES, CENTERS, AND CORRIDORS WHERE HIGHER-INTENSITY DEVELOPMENT IS ENCOURAGED FOR MIXED-USE, WALKABLE COMMUNITIES.
2. LOCATE IN IDENTIFIED REDEVELOPMENT AREAS WHERE INFRASTRUCTURE INVESTMENTS ARE NEEDED.

DESIGN POLICY

1. PROVIDE ENHANCED LANDSCAPE SETBACKS WITH A GREATER DENSITY OF TREES AND SHRUBS.
2. PROVIDE DETACHED SIDEWALKS WITH PEDESTRIAN AMENITIES AND SHADE.
3. PROVIDE ART IN PRIVATE DEVELOPMENT.
4. UTILIZE DARK SKY LIGHTING.
5. MINIMIZE NOISE POLLUTION TO NEARBY RESIDENTIAL THROUGH USE OF LARGE SETBACKS, STRUCTURAL SCREENING ELEMENTS, ARCHITECTURALLY

INTEGRATED STRUCTURES,
AND/OR LANDSCAPING.

6. PROVIDE VISUAL INTEREST
TO ADJACENT PROPERTIES
AND RIGHTS-OF-WAY WITH
ENHANCED ARCHITECTURAL
DESIGN THAT INCLUDES A
VARIATION IN COLORS,
MATERIALS, ARTICULATION,
FENESTRATION, AND
BREAKING OF MASSING,
RATHER THAN A CONCRETE
BOX THAT HAS A NEGATIVE
VISUAL APPEARANCE TO THE
SURROUNDING COMMUNITY.

ENERGY AND SUSTAINABILITY POLICY

1. PROVIDE A WILL-SERVE
LETTER FROM THE LOCAL
UTILITY COMPANY TO
ENSURE THAT THERE IS
SUFFICIENT CAPACITY IN THE
POWER GRID TO SUPPLY THE
DATA CENTER WITH ITS
REQUIRED ENERGY DEMAND.
2. ENCOURAGE USE OF THE
PHOENIX GREEN
CONSTRUCTION CODE TO
MAXIMIZE ENERGY
EFFICIENCY OF DATA CENTER
BUILDINGS.