

ATTACHMENT D



City of Phoenix

PLANNING AND DEVELOPMENT DEPARTMENT

To: City of Phoenix Planning Commission

Date: June 4, 2025

From: Tricia Gomes
Planning and Development Deputy Director

Subject: BACK UP TO ITEM NO. 3 – Z-TA-2-25-Y – DATA CENTERS TEXT
AMENDMENT

Text Amendment No. Z-TA-2-25-Y is a request to amend the Phoenix Zoning Ordinance Chapter 2, Section 202 (Definitions) to add a definition for data centers; amend Chapter 5, Section 507 Tab A.II.D (Guidelines for Design Review, City-Wide Design Review Guidelines, Specialized Uses) to modify the section title and add design standards for data centers; and amend Chapter 6, Section 647 (Special Permit Uses), Section 647.A.2 to add data centers within the C-2 (Intermediate Commercial), C-3 (General Commercial), CP/GCP (Commerce Park/General Commerce Park), A-1 (Light Industrial), and A-2 (Industrial) zoning districts, with a Special Permit and performance standards.

The Village Planning Committees considered the request throughout May and beginning of June. Two VPCs recommended approval, per the staff recommendation; three VPCs recommended approval, per the staff recommendation, with direction; one VPC recommended approval, per the staff recommendation, with a modification; one VPC recommended approval, per the staff recommendation, with a modification and direction; three VPCs recommended denial; four VPCs recommended denial, with direction; and one VPC did not have quorum.

Three stakeholder meetings were held with individuals representing a wide range of interests in data center development such as land use attorneys, real estate and construction professionals, data center operators, and utility companies.

The language in this proposed text amendment has been modified to address some of the primary concerns as recommended by the Village Planning Committees and shared at the stakeholder meetings including the following concerns: undergrounding of large utility lines, obtaining a will serve letter within two years, noise standards and applicability of the new development standards and requirement to secure a Special Permit.

Staff recommends approval, per the modified language in **bold** font below:

Amend Chapter 2, Section 202 (Definitions) to add a definition for data centers.

Section 202. Definitions.

DATA CENTER: A FACILITY USED PRIMARILY FOR DATA SERVICES, INCLUDING THE STORAGE, PROCESSING, MANAGEMENT, AND TRANSMISSION OF DIGITAL DATA. A FACILITY SHALL NOT BE CONSIDERED A DATA CENTER WHEN IT DOES NOT EXCEED 10% OF THE GROSS FLOOR AREA OF ALL ON-SITE BUILDINGS; IS USED TO SERVE THE ENTERPRISE FUNCTIONS OF THE ON-SITE PROPERTY OWNER; AND IS NOT USED TO LEASE DATA SERVICES TO THIRD PARTIES.

Amend Chapter 5, Section 507 Tab A.II.D (Guidelines for Design Review, City-Wide Design Review Guidelines, Specialized Uses) to modify the section title and add design standards for data centers, and to read as follows:

Section 507 Tab A. Guidelines for design review.

- II. CITY-WIDE DESIGN REVIEW GUIDELINES. The design review guidelines ~~indicate specific standards of implementation and are categorized as Requirements (R), Presumptions (P), or Considerations (C).~~ INDICATED WITH THE MARKERS (R), (R*), (P), (T), AND (C) SHALL BE APPLIED AND ENFORCED IN THE SAME MANNER AS INDICATED IN SECTION 507. ITEMS NOT INDICATED WITH AN (R), (R*), (P), (T), AND (C) SHALL BE TREATED AS (R).

D. Specialized Uses.

5. DATA CENTERS.

5.1. **SETBACKS.** ALL MECHANICAL EQUIPMENT, INCLUDING BUT NOT LIMITED TO ELECTRICAL TRANSFORMERS AND GENERATORS, SHALL BE SET BACK A MINIMUM OF 150 FEET FROM ABUTTING RIGHT-OF-WAY OR RESIDENTIALLY ZONED PROPERTY; IN ADDITION TO THE FOLLOWING: (R*)

5.1.1. THE EQUIPMENT MUST BE FULLY SCREENED BY A BUILDING THAT IS VISUALLY INTEGRATED WITH THE DESIGN OF THE OVERALL DEVELOPMENT; OR

5.1.2 THE EQUIPMENT MUST BE FULLY SCREENED BY A DECORATIVE SCREEN WALL HAVING VARIATIONS IN COLORS, MATERIALS, PATTERNS, TEXTURES, AND/OR AN ART INSTALLATION SUCH AS A MURAL.

RATIONALE: GROUND EQUIPMENT SHOULD BE ENCLOSED AND SET BACK TO PROVIDE VISUAL SCREENING AND REDUCE NOISE LEVELS.

5.2. **LANDSCAPE SETBACK.** A MINIMUM 30-FOOT WIDE PERIMETER LANDSCAPE SETBACK SHALL BE PROVIDED, SUBJECT TO THE FOLLOWING:

5.4.1. TWO STAGGERED ROWS OF LARGE CANOPY SHADE TREES PLANTED 20 FEET ON CENTER OR IN EQUIVALENT GROUPING SHALL BE PROVIDED, AS APPROVED BY THE PDD LANDSCAPE ARCHITECT. (T)

5.4.2 FIVE 5-GALLON SHRUBS PER TREE SHALL BE PROVIDED, AT A MINIMUM. (T)

5.4.3 GROUNDCOVERS SHALL BE PROVIDED TO SUPPLEMENT THE TREES AND SHRUBS SO THAT A MINIMUM 75% LIVE COVERAGE IS ATTAINED. (T)

RATIONALE: AN ENHANCED LANDSCAPE SETBACK WITH A DENSE NUMBER OF TREES AND SHRUBS HELPS TO MITIGATE NEGATIVE VISUAL IMPACTS.

5.3. **ARCHITECTURE.**

- 5.3.1. BUILDING FACADES THAT EXCEED 100 FEET SHOULD CONTAIN ARCHITECTURAL EMBELLISHMENTS AND DETAILING SUCH AS TEXTURAL CHANGES, PILASTERS, OFFSETS, RECESSES, WINDOW FENESTRATION (INCLUDING FAUX WINDOWS), SHADOW BOXES, AND OVERHEAD/CANOPIES. (P)
- 5.3.2. ALL SIDES OF A BUILDING/STRUCTURE SHOULD PROVIDE AN ENHANCED DESIGN INCLUDING A VARIATION IN COLORS, MATERIALS, PATTERNS, TEXTURES, HEIGHT, WINDOWS (INCLUDING FAUX WINDOWS), ARTICULATION, AND/OR ART INSTALLATIONS. (P)
- 5.3.3. EACH MAIN ENTRANCE SHOULD INCLUDE A FEATURE THAT DIFFERENTIATES IT FROM THE REMAINDER OF THE BUILDING FACADE BY A CHANGE IN BUILDING MATERIAL, PATTERN, TEXTURE, COLOR, AND/OR ACCENT MATERIAL, AND THAT PROJECTS OR IS RECESSED FROM THE ADJOINING BUILDING PLANE. (P)
- 5.3.4. ARCHITECTURAL DESIGN SHOULD TAKE INTO ACCOUNT THE SOLAR CONSEQUENCES OF BUILDING HEIGHT, BULK, AND AREA. (C)

RATIONALE: DATA CENTER BUILDINGS SHOULD INCLUDE ENHANCED ARCHITECTURAL DESIGN FEATURES IN ORDER TO PROVIDE VISUAL INTEREST, TO BREAK UP THE MASS OF THE BUILDING/STRUCTURE AND TO PROVIDE AN ENHANCED DESIGN INTERFACE WHERE VISIBLE FROM A RIGHT-OF-WAY AND/OR RESIDENTIALLY ZONED PROPERTY.

- 5.4. **STREETSCAPE.** FOR EACH STREET FRONTAGE, A MINIMUM 6-FOOT-WIDE DETACHED SIDEWALK SEPARATED FROM THE CURB BY A MINIMUM 8-FOOT-WIDE LANDSCAPE STRIP, SUBJECT TO THE FOLLOWING:
 - 5.4.1. SINGLE-TRUNK, LARGE CANOPY SHADE TREES, PLANTED 20 FEET ON CENTER OR IN EQUIVALENT GROUPINGS, SHALL BE PROVIDED ON BOTH SIDES OF THE SIDEWALK AND PROVIDE A MINIMUM OF 75% SHADE. (T)

5.4.2 A MIXTURE OF SHRUBS, ACCENTS, AND VEGETATIVE GROUNDCOVERS WITH A MAXIMUM MATURE HEIGHT OF TWO FEET SHALL BE DISTRIBUTED THROUGHOUT THE LANDSCAPE AREAS TO ACHIEVE A MINIMUM OF 75% LIVE COVERAGE. (T)

5.4.3 **ALL NEW OR RELOCATED ELECTRIC LINES 12 KV AND SMALLER, COMMUNICATIONS AND CABLE TELEVISION AND ALL ON PREMISE WIRING SHALL BE PLACED UNDERGROUND IN ALL DEVELOPMENTS WHERE VISIBLE FROM STREETS OR ADJOINING PROPERTIES EXISTING** ~~OVERHEAD UTILITIES WITHIN THE RIGHTS-OF-WAY ABUTTING THE DEVELOPMENT SHALL BE PLACED UNDERGROUND, UNLESS OTHERWISE APPROVED THROUGH A TECHNICAL APPEAL.~~ (T)

RATIONALE: AN ENHANCED STREETSCAPE HELPS TO SOFTEN THE EDGE OF THE DEVELOPMENT OF A LARGER NON-RESIDENTIAL USE.

5.5. **SHADE.**

5.5.1. ALL ON-SITE PEDESTRIAN PATHWAYS SHOULD BE SHADED A MINIMUM OF 75% BY A STRUCTURE, LANDSCAPING, OR A COMBINATION OF THE TWO. (P)

5.5.2 DEDICATED MULTI-USE TRAILS ADJACENT TO THE SITE SHOULD BE SHADED A MINIMUM OF 50% AT TREE MATURITY. (P)

RATIONALE: ENHANCED PEDESTRIAN COMFORT SHOULD BE PRIORITIZED ADJACENT TO AND WITHIN DATA CENTER DEVELOPMENTS ACROSS THE CITY.

Amend Chapter 6, Section 647 (Special Permit Uses), Section 647.A.2 to add data centers within the C-2 (Intermediate Commercial), C-3 (General Commercial), CP/GCP (Commerce Park/General Commerce Park), A-1 (Light Industrial) and A-2 (Industrial) zoning districts, with performance standards to read as follows:

Section 647. Special Permit Uses.

2. A special permit may be granted by the Council upon recommendation of the Commission to establish the following uses in the use districts named:

KK. DATA CENTERS IN THE C-2, C-3, CP/GCP, A-1 AND A-2 ZONING DISTRICTS, SUBJECT TO THE FOLLOWING:

- (1) THE DEVELOPMENT SHALL BE NO CLOSER THAN 2,640 FEET FROM AN APPROVED HIGH-CAPACITY TRANSIT STATION.
- (2) PRELIMINARY SITE PLAN APPROVAL WILL NOT BE GRANTED FOR A DATA CENTER UNTIL SUCH TIME THAT A LOCAL UTILITY COMPANY ~~CONFIRMS IN WRITING WITH A "WILL SERVE" LETTER~~ **PROVIDES A CONTRACTUAL AGREEMENT THAT IT CAN AFFIRMS ITS CAPACITY AND COMMITMENT TO** SERVE THE ENERGY DEMAND ~~WITHIN TWO YEARS~~ FOR THE PROPOSED DATA CENTER. THE ~~LETTER AGREEMENT~~ FROM THE UTILITY COMPANY SHALL BE SUBMITTED TO PDD CONCURRENT WITH THE PRELIMINARY SITE PLAN.
- (3) THE FOLLOWING SHALL APPLY WHEN THE SITE IS LOCATED WITHIN 300 FEET OF A RESIDENTIAL ZONING DISTRICT:
 - (a) PRELIMINARY SITE PLAN APPROVAL FOR A DATA CENTER SHALL NOT BE GRANTED UNLESS IT HAS BEEN DEMONSTRATED THAT THE DATA CENTER, INCLUDING ALL ON-SITE MECHANICAL EQUIPMENT AND FACILITIES, WILL NOT EXCEED THE EXISTING AMBIENT NOISE LEVEL FOR THE SITE BY MORE THAN 5% **OR A SPECIFIC NOISE STANDARD MAY BE STIPULATED AS A CONDITION OF AN APPROVED SPECIAL PERMIT.**

- (b) TO DETERMINE COMPLIANCE WITH THE PRIOR SUBSECTION, THE DEVELOPER SHALL SUBMIT A NOISE STUDY TO PDD PRIOR TO OR CONCURRENT WITH THE PRELIMINARY SITE PLAN. THE NOISE STUDY SHALL BE PERFORMED BY A THIRD-PARTY ACOUSTICAL ENGINEER TO DOCUMENT BASELINE NOISE LEVELS IN THE AREA OF THE PROPOSED DATA CENTER, INCLUDING NOISE LEVELS MEASURED AT THE PROPERTY LINE OF THE NEAREST RESIDENTIAL ZONING DISTRICT TO THE PROPOSED DATA CENTER PROPERTY.
- (c) UPON APPROVAL OF THE NOISE STUDY, THE METHODS PROPOSED TO MITIGATE NOISE SHALL BE STIPULATED AS A CONDITION OF FINAL SITE PLAN APPROVAL. A FINAL CERTIFICATE OF OCCUPANCY SHALL NOT BE ISSUED IF THE AMBIENT NOISE EXCEEDS THE PRIOR EXISTING NOISE LEVEL BY MORE THAN 5%.
- (4) THESE REGULATIONS AND THE DESIGN GUIDELINES SET FORTH IN SECTION 507 TAB A.II.D.5., DATA CENTERS ARE NOT APPLICABLE TO DATA CENTERS WHICH HAVE RECEIVED FINAL SITE PLAN APPROVAL; OR A DATA CENTER USE THAT IS SPECIFICALLY LISTED AS A PERMITTED USE OR SPECIFICALLY DISCUSSED IN A COUNCIL ADOPTED PLANNED UNIT DEVELOPMENT NARRATIVE PRIOR TO [THE EFFECTIVE DATE OF THIS ORDINANCE]. OTHERWISE, THE DEVELOPMENT IS SUBJECT TO THESE REGULATIONS AND ALL APPLICABLE DESIGN GUIDELINES SET FORTH IN SECTION 507 TAB A, INCLUDING THOSE FOR SECTION II.D.5, DATA CENTERS.**
