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**Wednesday, February 7, 2024  
6:00 pm**

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**1. WELCOME AND CALL TO ORDER**

Chair White called the meeting to order at 6:00 p.m.

**2. ROLL CALL**

The following members and representatives were present.

COMMISSIONERS PRESENT IN PERSON / PHONE / VIDEO

Chair Larry White

Commissioner Denise Stanfield

Commissioner Julia Jewell

Commissioner Alan Agundez-Castillo (Arrived at 6:14 p.m.)

Alternate Ryan Benson

COMMISSIONERS EXCUSED ABSENT

Commissioner Linda Warren

CITY STAFF PRESENT

Catherine Lorbeer, Deputy Director of Planning

Arrianna Ramirez, Administrative Assistant

Stephen Kemp, Assistant Attorney

Joshua Orton, Senior Planner

**3. PUBLIC HEARING ITEMS**

**a. SUN DEPOT ENERGY STORAGE – MAJOR GENERAL PLAN AMENDMENT – APPLICATION PL-23-0053**

An overview was provided of the request by property owner Sun Depot Energy Storage LLC, to amend the General Plan 2030 Land Use Map for approximately 15.92 gross acres of land located approximately 330 feet west of the southwest corner of Palm Lane and Avondale Boulevard. The proposed major General Plan Amendment (GPA) is to amend the General Plan 2030 Land Use Map designation from Mixed Use to Public/Civic. It was noted this is the first of two public hearings. This item is only for discussion of the GPA and no action will be taken.

The acreage was annexed into the City in 2006 and is currently being used for agriculture. North of Palm Lane is Canyon Breeze Elementary School, zoned agriculture and single-family residences, as well as Palm Gardens Planned Area Development (PAD). South is McDowell Villas PAD for future townhome rentals and Avondale Commons PAD zoned mixed use which is under construction for apartments and future commercial offices. East are larger single-family residences and west are two electrical substations within Maricopa County jurisdiction owned by Arizona Public Service (APS) and Salt River Project (SRP).

An explanation of the type of uses allowed under the mixed use and public/civic use was provided. The proposed use for this site is a privately-owned battery energy storage facility that is intended to sell stored energy to APS and SRP.

Staff analysis finds the amendment does not constitute an improvement to the 2030 General Plan and the current designation of mixed use is more suitable for this site. Also noted was that the proposed change would alter current acceptable land use pattern for the area as a mixed residential and commercial use site. An alternative site near industrial areas would be more suitable. The neighborhood meeting was held on January 4, 2024, at City Hall with nine attendees along with members of the applicant's team and one Planning Commissioner attending. Discussion related to safety, monitoring, and response to any kind of fire events. Traffic impact; the potential need for improvements to Palm Lane; benefits to Avondale as a whole; and the design, layout, and specific details about batteries; and security of the site were also discussed.

The City has notified the required agencies and held a 60-day review process. Luke Air Force Base indicated this project would not affect their operations. Eleven comments were received through Avondale Connect not in favor of the project due to the proximity of homes and school and potential fire risk as well as visual impact and increased traffic. Similar comments were received from the City's social media posting. Currently, staff recommends denial of application PL-23-0053, a request for a major General Plan Amendment to the General Plan Land use 2030.

Chair White opened it up to Commissioners. There were no questions or comments at this time.

Chair White invited the applicant to speak.

Katherine Anderson with Ballard and Spahr, LLP spoke on behalf of the applicant Invenergy to explain why they are seeking approval of this application. She was joined by Kelly Zagrzebski, Manager of Local and Community Affairs at Invenergy in Arizona; Paul Burman, Director of Renewable Energy at Invenergy in Arizona; and Ryan Green, Project Engineer. Ms. Anderson provided an overview of how battery energy storage facilities work. Extra power on the grid is pulled from the system to charge the batteries, then during peak usage, the grid pulls energy back from the batteries. This cycle provides grid stability and continuous energy to consumers even when solar power is not available and also prevents rolling blackouts. APS and SRP have been partnering with private companies like Invenergy to install battery energy storage systems at their substations. The Sun Depot facility would be constructed adjacent to the White Tank 69 Global substation, which is co-owned by APS and SRP.

After discussing this project with City staff, it was suggested the appropriate land use category for this project under the General Plan would be Public/Civic, which made sense because Sun Depot is a public facility that will store power for APS and SRP and everyone benefits from a stable electrical grid. Battery energy storage systems are designed to serve substations and they must be built as close as possible to the existing substation, which in this case means there is no other suitable location based on the proximity to the substation. If this battery energy storage was built in an industrial area, transmission lines would need to be run throughout the City which would reduce efficiency and increase cost. What is being proposed is like uses adjacent to like uses, which is land use 101.

The property is currently zoned agriculture use and the General Plan use designation envisions mixed use, but the only proposed project is Sun Depot. This project is more sustainable than the current agricultural and is consistent with the City's priority of renewable energy and energy efficiency. Mixed use development will consume energy, create a burden on the City's water resources, and create traffic concerns on Palm Lane.

The proposed amendment is consistent with the General Plan's themes of sustainable development and economic vitality. The project will create tax revenue for Avondale and both short-term and some limited long-term employment opportunities, but the real economic impact is grid stability. A stable infrastructure makes Avondale a more attractive place to build a business and allows businesses to thrive with a stable power supply. The Sun Depot project will benefit Avondale and its residents by advancing Avondale's commitment to energy efficiency and attracting future development by placing importance on a stable infrastructure.

In response to questions from Commissioner Agundez-Castillo, Ms. Anderson explained this location was chosen because of the proximity to the White Tank substation that is co-owned by APS and SRP, allowing transmission lines to be tied directly into substation, increasing the efficiency of the power supply. Weaving lines throughout the City would cause power to be lost. There are other substations within the city; however, not many of them have land available next to them. Mixed use will provide more long-term jobs, but it will not provide a stable power grid. Mr. Burman discussed the number of employees Invenergy has within their Arizona office and the number of employees needed for each project is minimal, but it is a growing industry. There are other possible substations, but each one comes with their own challenges, and the applicants think this is a good and compatible use and location.

In response to questions from Chair White, Mr. Burman noted many of the concerns presented at the public meeting on January 4<sup>th</sup> were related to traffic, which are believed to be driven by the totality of the construction projects in the area including the townhomes and apartments. The only potential traffic issues for this project would be during peak construction and a traffic management plan would be developed with city staff with proper notification to residents. The facility will generate some noise, but it will be within the city ordinance. The applicant is working with a sound engineer to keep it as minimal as possible with appropriate walling. The City has requested half-lane improvements to the south half of Palm Lane to meet city standards to which the applicant acquiesced.

Chair White opened the public hearing.

Linda Ressler discussed her concern about safety and hazards, noting if the batteries were to catch fire, they would emit gases. She noted situations in Chandler, AZ, and Los Angeles, CA, where residents within a half-mile radius had to be evacuated. She noted the same radius around the proposed battery storage facility includes schools and a hospital. Ms. Ressler also expressed concern with decreased home values due to the need for evacuation plans.

Larry Martino discussed concerns with the lithium-ion batteries being unpredictable and starting a fire at any time and if the fire department was prepared to handle it. He understands it is necessary to have, but not in his backyard, and also noted concern with safety and proximity to the hospital and schools.

Vicente Juarez, an Avondale resident and Invenergy employee, spoke in favor of the project. He discussed how Invenergy supports veterans and assists with transitioning them into civilian life and the workforce. He further discussed Invenergy's commitment to safety with highly trained personnel, constantly monitored facilities, and working closely with first responders to ensure they are ready to handle any situation that may arise. The project will keep the energy rates from increasing and prevent outages.

Chair White closed the public hearing.

Mr. Burman responded to the public comments noting Invenergy has been proactively working with the Avondale's Fire Marshall, who has reviewed the plans and believes he has the equipment to respond to this type of fire should one arise. These facilities are very important in maintaining grid stability and the applicant understands there are risks and responsibilities, which are taken seriously.

In response to Chair White's questions, Mr. Burman stated the batteries will more than likely be lithium-ion and further explained how technology has evolved. The units will look like commercial-sized refrigerators that are self-contained and have smaller cells inside them. The Invenergy projects have not issued evacuation plans and do not anticipate the need to do that for this project. Commissioners were invited to view the Youngtown project which is adjacent to housing on both sides. The HVAC system is a standard system.

Mr. Burman discussed the steps to be taken before they reach the point of discussing a contract with APS and SRP and the review process the utilities do before they enter the contract. A building permit is not sought through the City until the contract is signed. If there is no contract with the utilities, the project ends.

Mr. Burman explained, if the project is built, there is a projected \$100,000 in sales tax at the time of building and an average of \$500,000 per year in property taxes. APS and SRP ensure the reliability of their systems, and if APS had additional power, they could sell power to SRP.

4. **COMMISSIONER ANNOUNCEMENTS**

No announcements made.

5. **PLANNING DIVISION REPORT**

Mrs. Lorbeer noted the next meeting will be on February 21, 2024, at City Hall.

6. **CALENDAR**

- Regular meeting scheduled for February 21, 2024

7. **ADJOURNMENT**

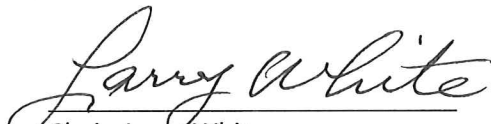
There was no further business; Chair White called for a motion to adjourn.

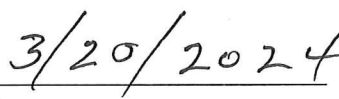
Commissioner Agundez-Castillo made a motion to adjourn; seconded by Commissioner Jewell.

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|------------------------------------|-----|
| Chair Larry White                  | Aye |
| Commissioner Denise Stanfield      | Aye |
| Commissioner Linda Warren          | N/A |
| Commissioner Alan Agundez-Castillo | Aye |
| Commissioner Julia Jewell          | Aye |
| Alternate Ryan Benson              | Aye |

Upon vote, the motion passed 5 to 0

Meeting adjourned at 6:49 p.m.

  
Chair, Larry White

  
Date