

**Wednesday, April 17, 2024
6:00 pm**

A **Regular Meeting** of the Planning Commission of the City of Avondale, Arizona was convened at 11465 West Civic Center Drive in open and public session at 6:00 p.m.

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 Linda Warren
Commissioner Julia Jewell
Commissioner Alex McBurney

COMMISSIONERS EXCUSED ABSENT

Commissioner Shaun Grimm
Commissioner Alan Agundez-Castillo
Alternate Ryan Benson

CITY STAFF PRESENT

Catherine Lorbeer, Deputy Director of Planning
Arrianna Ramirez, Administrative Assistant
Stephen Kemp, Attorney
Joshua Orton, Senior Planner
Jodie Novak, Development Services Director
Marcella Carrillo, City Clerk

3. APPROVAL OF MINUTES

Chair White called for a motion to approve the minutes.

Commissioner Jewell made a motion to approve the Planning Commission Meeting Minutes for March 20, 2024, seconded by Commissioner Stanfield.

Chair Larry White	Aye
Commissioner Denise Stanfield	Aye
Commissioner Linda Warren	Aye
Commissioner Julia Jewell	Aye
Commissioner Alex McBurney	Aye

Upon vote, the motion passed 5 to 0

4. PUBLIC HEARING: Discussion Items

a. HERMOSA RANCH TECHNOLOGY CAMPUS NORTH – MAJOR GENERAL PLAN AMENDMENT – APPLICATION PL-23-0299

Josh Orton, Senior Planner, provided an overview of Application PL-23-0299 and Application PL-23-0300. The General Plan Amendment is to amend the land use designation from estate/low-density residential and medium-density residential to business park. Additionally, part of the request is to increase the existing local commercial land use from 16.45 acres to 28 acres. The rezone request is to rezone the property from the Diamond P Ranch PAD, Fleming Farms PAD, and Agricultural (AG) to Hermosa Ranch Technology Campus -North PAD. This would allow, among other things, a large campus development that would provide an abundance of employment opportunities.

The approximate 239-acre property was annexed in 2006 and 2008 and is currently used for agriculture. It is located at the Southwest corner of Avondale Boulevard and Lower Buckeye Road. To the north of Lower Buckeye Road is the Del Rio Ranch PAD. Along Buckeye Road, Raceway Rancheros subdivision is to the east and Shadow Ridge PAD south of that. To the south of the property is Hermosa Ranch Technology Campus - South PAD, Sierra Estrella Energy Storage Project, and SRP Substation, and to the west is the Cantada Ranch PAD.

The conceptual site plan displayed the eight buildings and commercial development area. The employment uses are tailored to achieve both the goal of developing the site as a technology campus and the City's goal of a high-quality employment center that limits potential impacts on surrounding communities. The underlying zoning districts associated with this development are Commerce Park (CP) and Community Commercial (C-2).

The following are requested deviations.

- Increasing maximum building height from 35 feet to 50 feet.
- Increasing the maximum screened equipment allowance on top of the buildings from 15 feet to 25 feet, resulting in an overall building height of 75 feet in some areas.
- Increasing the setback along the east and north property lines from 25 feet to 100 feet.
- Increasing the setbacks from any property lines adjacent to residential zoning from 50 feet to 230 feet, primarily on the western property line.
- Increasing the commercial building height from 30 feet to 40 feet and increasing building height for accessory structures from 15 feet to 20 feet.
- Reducing the parking setback deviation from 30 feet to 20 feet along Avondale Boulevard and Lower Buckeye Road.
- On the east side of the residential subdivision, the applicant is proposing a 35-foot landscape buffer on both sides of an existing 180-foot powerline corridor that would be incorporated into existing screen walls.
- On the north and east sides, the applicant is proposing landscaping along with a multi-use trail, a sidewalk, a 50-foot landscape setback, and a 12-foot security fence surrounding the site on the north and east sides.

The applicant provided viewshed analysis in response to comments received to date. View 4 showed what the data center would look like with the 12-foot security fence, multi-use trail, sidewalk, and landscaping. In comparison they also showed what it would look like if a two-story residential subdivision was built on the property with standard setbacks. View 2 showed the location of the commercial component, the landscape setbacks, the data center buildings, and the increased setback from Lower Buckeye Road.

Staff analysis finds this amendment will have a lower demand for water and sewer. Further, the site is adjacent to power support and transportation infrastructure. The current General Plan does not have other Business Park sites with these advantages that are of suitable size. The developer is required to construct infrastructure and make necessary improvements.

The proposed amendment meets four required findings established by the Avondale General Plan 2030:

- Facilitate employment uses at an appropriate location and no alternatives are available.
- The current land use designation does not advance employment and land use goals of the 2030 General Plan.
- The site is ideally located adjacent to supportive power and transportation infrastructures.
- The current General Plan does not have other Business Park sites with these advantages and of suitable size.
- The site improves the General Plan with supportive land uses designed to attract business opportunities and employment investment.
- Business Park land uses reinforce Avondale's economic stability and sustainability.
- The location of the commercial portion will attract commercial development such as a grocery store and shopping center to serve southern Avondale.
- The Major General Plan Amendment will not result in larger or extensive public infrastructure improvements.
- The site will generate less demand for public safety services with the use of private security on site.
- The site will generate 15% less water and 51% less wastewater demand than residential.

Staff analysis of the rezone finds it to be in conformance with the proposed General Plan Land Use Designation of Business Park and Local Commercial. The proposed Planned Area Development (PAD) conforms with requirements in the zoning ordinance, subdivision regulations, commercial and industrial design manuals, and any other applicable regulations and requirements unless modified by the proposed deviations. Adequate public infrastructure to support the proposed development exists or will be constructed by the developer. Staff's stipulation for the rezone is that the developer will not be permitted to use more water or sewer capacity than planned for. Overall, this amendment is consistent with the intent of the General Plan 2030.

A Neighborhood Meeting was held on January 30, 2024, at City Hall. There were seven attendees aside from the applicant's team, City Staff, and one member of the City Council. Topics that were discussed included security, scale of the data center, right-of-way improvements, patrolling the powerline corridor, elevations, commercial development, and project timeline.

As part of the 60-day review process, notices were sent and two agencies, Southwest Gas Corporation and State Historic Preservation Office, both indicated they had no conflicts with the project. On Avondale Connect, 48 comments were received. Most were in opposition with concerns about increased water usage, traffic impacts, property values, and the opinions that the

site would be better used for commercial development and the project is better suited at a different location.

Staff recommends approval of Application PL-23-0299, a request for a Major General Plan Amendment changing land use designation of subject property from medium-density residential and estate/low-density residential to business park and expanding the existing local commercial General Plan Land Use.

In response to the Commissioners' questions, Mr. Orton clarified the anticipated 15% demand reduction for water, but as part of the stipulations for approval, they are capped at the current planned amount within the IUMP. The landscape plan was not provided but it is believed to be one tree and 15 shrubs for every twenty-five linear feet of roadway; this will be confirmed and provided to the Commission. The applicant has advised there are ongoing conversations with potential tenants for the commercial area. There are tenants lined up for the data center with a potential for 150 high-paying jobs. A traffic impact analysis has been completed and stipulated improvements are tied to that report. An additional traffic impact analysis will be conducted to gauge the activity of each of the buildings. This development will generate less traffic than a residential development. Lower Buckeye Road and Avondale Boulevard will be expanded to four lanes and traffic signals will be installed. The 230-foot landscape setback allows for the powerline corridor and 35-foot buffers on each side. Increasing the commercial area entices larger grocery anchors. The projected tax revenues would be several million dollars, but the specific amounts remain fluid. This property has not been operating as a dairy farm for some time and was entitled for single-family development. Therefore, the analysis was not focused on the loss of agricultural land rather changing it from single-family to business park.

Mr. Orton discussed the benefits, noting there has not been any movement on this property, and when it remains vacant, there is no benefit to the community. The data center will bring in employment, tax revenue, and increased property values. There are specifics on how the project supports the General Plan.

Carolyn Oberholtzer, Esq. introduced Nick Vanderway, the applicant, who provided historical information related to the property and the dairy farm operation. Ms. Oberholtzer discussed how this project will benefit the City of Avondale, one being the financial benefit through tax revenue and the other being the reduction in services such as Police, Fire, water, and sewer. The commercial area was increased to accommodate a grocery anchor to benefit the residents of southern Avondale because there is not another site that is large enough for a typical grocer-anchored center. There is a single developer for the whole campus and a developer for the commercial site who is currently working with grocers and the economic development team in the city. The reason this site allows for both the data center and the commercial site is the Rudd Substation and power is driving the economy right now. It is also difficult to develop residential around a substation because of the required setbacks. Clarification was provided for the plantings and the setbacks along the power corridor, being one 24-inch box tree for every 15 feet of lineal frontage to yield a dense screen at maturity.

In response to further questions from the Commissioners, Ms. Oberholtzer explained taxing such as property tax, construction sales tax, and utility tax. The data center at full capacity throughout a 24-hour operation cycle will range from 100 to 150 salaried positions of \$100,000, plus or minus. Solar power is not out of the question, but they would focus on the battery storage campus like the Sierra Estrella Energy Storage. The school district will see an increase in revenue from taxes with 200-plus acres going from agricultural to other development and the assessed value of the project.

Chair White opened the public hearing.

- Bobbie Martin inquired if the Data Center would receive a tax break like other big businesses. She discussed the concern with the height of the building that will now block the view for residents of the Del Rio Ranch Community and with the employment at the data center. She asked the Commissioners not to ruin this beautiful town.
- Hector Hernandez stated "you need to trust the process" while discussing his experiences while living in Avondale and the changes that have occurred. As part of the Carpenters Union, this will allow them to work in the community they live in. The data center will make Avondale better and residents can ride their bicycles to work and decrease traffic.
- Ken Martin discussed the height of the data center and that the depiction shown was not accurate. He suggested the Commissioners view a 50- to 70-foot building in person to get an idea of the actual height. He also stated low- and medium-density housing will also bring in revenue.
- Blasa Tena is also a member of the Carpenters Union and spoke in favor of the project as it would allow her to work locally and spend time with her family instead of traveling three hours everyday to work at a data center in Mesa.
- Desiree Contreras discussed concerns with Avondale turning into an industrial community instead of a sleepy town, the height of the data center, the amount of energy the data centers use, the "hum" from the data center and its side effects, and a site better suited in Goodyear near the airport.
- Jackie Grant spoke in favor of the project because she believes they are listening to the residents' concerns and designing the data center with the residents in mind including the benefits of the walking paths and sidewalks.
- Sonia Contreras asked why it takes a data center to get a grocery in southern Avondale, if the tax revenue will affect her property taxes, and how long the carpenters would have jobs. She is not in favor of the 70-foot building and asks for more options for families to do.
- George Contreras suggested this property be developed like Market Street in Scottsdale where families can enjoy shopping locally and the view of the Estrella Mountains. He also expressed several concerns with the height of the building, heat produced from the building operating 24/7, Avondale residents being qualified for employment at the data center, and the effect on property taxes and values.

Chair White closed the public hearing.

Carolyn Oberholtzer, Esq on behalf of the applicant responded to public comments stating emphatically that residential taxes would not be increased but could decrease. A discussion ensued regarding the Prime Data Center that will be occupying the five buildings at the Hermosa Ranch Technology Campus - South. Lastly, it was clarified that the roofline will be at 50-feet but they have asked for an additional 25-feet setback to install a screen to cover the equipment as required by City Code.

Commissioner Jewell made a motion to approve Application PL-23-0299, a request to amend the General Plan 2030 Land Use Map designation from Estate/Low-Density Residential, Medium-Density Residential, and Local Commercial to Business Park and Local Commercial, seconded by Commissioner McBurney.

Chair Larry White	Aye
Commissioner Denise Stanfield	Nay
Commissioner Linda Warren	Aye
Commissioner Julia Jewell	Aye
Commissioner Alex McBurney	Aye

Upon vote, the motion passed 4 to 1

**b. HERMOSA RANCH TECHNOLOGY CAMPUS - NORTH - REZONING - APPLICATION
PL-23-0300**

Commissioner Warren made a motion to approve Application PL-23-0300, a request to rezone approximately 239 gross acres from Diamond P Ranch Planned Area Development (PAD), Fleming Farms PAD, and Agricultural (AG) to Hermosa Ranch Technology Campus –North PAD, seconded by Commissioner Jewell.

Chair Larry White	Aye
Commissioner Denise Stanfield	Nay
Commissioner Linda Warren	Aye
Commissioner Julia Jewell	Aye
Commissioner Alex McBurney	Aye

Upon vote, the motion passed 4 to 1

5. COMMISSION ANNOUNCEMENTS
None.

6. PLANNING DIVISION REPORT

Mrs. Lorbeer thanked the audience for participating this evening, noting their input is welcomed. The public hearing for Hermosa Ranch applications will be on the City Council's May 6, 2024, agenda and the public's participation and input is welcomed. For the months of January, February, and March 2024, approximately thirty new development applications were submitted each month in addition to active applications in the queue, which shows a healthy and steady pace within the Planning Department.

7. CALENDAR

The next Planning Commission meeting is scheduled for May 15, 2024.

8. **ADJOURNMENT**

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

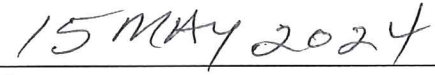
Commissioner Jewell made a motion to adjourn, seconded by Commissioner Warren.

Chair Larry White	Aye
Commissioner Denise Stanfield	Aye
Commissioner Linda Warren	Aye
Commissioner Julia Jewell	Aye
Commissioner Alex McBurney	Aye

Upon vote, the motion passed 5 to 0.

The meeting adjourned at 7:19 p.m.


Chair, Larry White


Date