

City of Phoenix

*Meeting Location:
City Council Chambers
200 W. Jefferson St.
Phoenix, Arizona 85003*



City of Phoenix

Agenda

Tuesday, December 10, 2024

2:30 PM

phoenix.gov

City Council Policy Session

If viewing this packet electronically in PDF, open and use bookmarks to navigate easily from one item to another.

OPTIONS TO ACCESS THIS MEETING

Virtual Request to speak at a meeting:

- Register online by visiting the City Council Meetings page on phoenix.gov at least 2 hours prior to the start of this meeting. Then, click on this link at the time of the meeting and join the Webex to speak:

<https://phoenixcitycouncil.webex.com/phoenixcitycouncil/onstage/g.php?MTID=e8d0cc6681180e5a35a2c341ab6bfc627>

- Register via telephone at 602-262-6001 at least 2 hours prior to the start of this meeting, noting the item number. Then, use the Call-in phone number and Meeting ID listed below at the time of the meeting to call-in and speak.

In-Person Requests to speak at a meeting:

- Register in person at a kiosk located at the City Council Chambers, 200 W. Jefferson St., Phoenix, Arizona, 85003. Arrive 1 hour prior to the start of this meeting. Depending on seating availability, residents will attend and speak from the Upper Chambers, Lower Chambers or City Hall location.

- Individuals should arrive early, 1 hour prior to the start of the meeting to submit an in-person request to speak before the item is called. After the item is called, requests to speak for that item will not be accepted.

At the time of the meeting:

- Watch the meeting live streamed on phoenix.gov or Phoenix Channel 11 on Cox Cable, or using the Webex link provided above.

- Call-in to listen to the meeting. Dial 602-666-0783 and Enter Meeting ID 2559 204 9511# (for English) or 2551 993 6675# (for Spanish). Press # again when prompted for attendee ID.

- Watch the meeting in-person from the Upper Chambers, Lower Chambers or City Hall depending on seating availability.

- Members of the public may attend this meeting in person. Physical access to the meeting location will be available starting 1 hour prior to the meeting.

Para nuestros residentes de habla hispana:

- Para registrarse para hablar en español, llame al 602-262-6001 al menos 2 horas antes del inicio de esta reunión e indique el número del tema. El día de la reunión, llame al 602-666-0783 e ingrese el número de identificación de la reunión 2551 993 6675#. El intérprete le indicará cuando sea su turno de hablar.

- Para solamente escuchar la reunión en español, llame a este mismo número el día de la reunión (602-666-0783; ingrese el número de identificación de la reunión 2551 993 6675#). Se proporciona interpretación simultánea para nuestros residentes durante todas las reuniones.

- Para asistir a la reunión en persona, vaya a las Cámaras del Concejo Municipal de Phoenix ubicadas en 200 W. Jefferson Street, Phoenix, AZ 85003. Llegue 1 hora antes del comienzo de la reunión. Si desea hablar, regístrese electrónicamente en uno de los quioscos, antes de que comience el tema. Una vez que se comience a discutir el tema, no se aceptarán nuevas solicitudes para hablar. Dependiendo de cuantos asientos haya disponibles, usted podría ser sentado en la parte superior de las cámaras, en el piso de abajo de las cámaras, o en el edificio municipal.

- Miembros del público pueden asistir a esta reunión en persona. El acceso físico al lugar de la reunión estará disponible comenzando una hora antes de la reunión.

CALL TO ORDER

COUNCIL INFORMATION AND FOLLOW-UP REQUESTS

This item is scheduled to give City Council members an opportunity to publicly request information or follow up on issues of interest to the community. If the information is available, staff will immediately provide it to the City Council member. No decisions will be made or action taken.

CONSENT ACTION

This item is scheduled to allow the City Council to act on the Mayor's recommendations on the Consent Agenda. There is no Consent Agenda for this meeting.

CALL FOR AN EXECUTIVE SESSION

A vote may be held to call an Executive Session for a future date.

REPORTS AND BUDGET UPDATES BY THE CITY MANAGER

This item is scheduled to allow the City Manager to provide brief informational reports on topics of interest to the City Council. The City Council may discuss these reports but no action will be taken.

DISCUSSION AND POSSIBLE ACTION (ITEM 1)

1 Proposed Data Center Policy and Regulatory Framework

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This report provides an update to the City Council on the Planning and Development Department's (PDD) proposed Data Center policy and regulatory framework.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

Responsible Department

This item is submitted by Deputy City Manager Alan Stephenson and the Planning and Development Department.

ADJOURN



Proposed Data Center Policy and Regulatory Framework

This report provides an update to the City Council on the Planning and Development Department's (PDD) proposed Data Center policy and regulatory framework.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

Summary

According to the US Census, Phoenix was the fastest-growing major city in the United States between 2010 and 2020. The Mayor and City Council's steadfast commitment to responsible long-range planning created the foundation that allows for targeted economic development opportunities to attract key employers that help fuel rapid growth while maintaining a high quality of life for City residents. These forces combined created the success we are seeing in Downtown Phoenix, in North Phoenix employment hubs like the W.L. Gore Campus to redevelopment areas like Park Central Mall into a high quality medical/educational village core area. It is also the foundation of current successes such as the Taiwan Semiconductor Manufacturing Company. Maintaining this momentum requires regular evaluation of City policies and the regulatory framework that implements those policies, market conditions and other quality of life metrics to ensure appropriate balances are maintained that best ensure continued successful fiscally responsible development of the City.

The General Plan designates more than a dozen Employment Centers. Land uses in Employment Centers are envisioned to provide jobs to minimize commute times for area residents. The General Plan's Village Cores are areas within each of the City's 15 urban villages designated for jobs, housing and destinations. Employment Centers and Village Cores are limited land areas intended to be the area of the City's most intense land uses that are served by multiple transportation options. Any land within these centers and the village cores should be focused on creating a significant number of jobs or housing units. Any land uses within these areas that don't create significant jobs or significant housing units is creating a negative impact because the use does not take advantage of public taxpayer infrastructure investments that are planned and likely built for much more intense land uses.

Data centers are an area of heightened investment and new development over the last several years, not only in Phoenix, but across the country in response to significant demand for virtual and online services as well as new growth in the artificial intelligence sector. Storage of data will continue to grow significantly in the coming years. The size of larger data centers can be in excess of 100 acres which will continue to put development pressures on existing parts of the City designated for more employment and housing.

Phoenix does not define data centers in the City's General Plan, which provides policy guidance for the preservation, redevelopment and growth in the City nor are data centers defined in the Zoning Ordinance. Data centers have been permitted through informal interpretations to the Zoning Ordinance that have been allowed via interpretations in commercial and commerce park zoning districts.

An additional challenge that is being caused by the rapid growth of data centers is their tremendous demand on the power grids. In the past, their challenge was to water portfolios as the facilities were cooled by chillers. With the water challenges and attention across the world, data centers have now moved to cooling by electricity. This allows data centers to follow the announcements of electrical substation expansion, buying up significant portions of available land, and power demand, when it is announced. It is vital for cities to plan for employment areas and mixed use cores that allow for targeted locational/infrastructure investments that facilitate economic development .

The Planning and Development Department, in collaboration with the Community and Economic Development Department, proposes the introduction of a conceptual policy and regulatory framework that will position Phoenix to continue to prioritize investments providing jobs and housing. The framework is organized into three parts - (1) Land use and design policy in the General Plan, (2) Process changes for rezoning requests and development agreements, and (3) updates to the Zoning Ordinance.

New General Plan policies could include location criteria and enhanced design standards for all new data centers. New process changes may include new rezoning requirements in Planned Unit Development applications and reinforcement of the City's commitment not to execute development agreements with any projects that include a data center as a primary use. Lastly, the conceptual framework proposes an addition to the Planning and Development Department's text amendment work program that would establish definitions for data centers and public hearing requirements for new data centers. Additional regulatory requirements for data centers may also be evaluated.

Responsible Department

This item is submitted by Deputy City Manager Alan Stephenson and the Planning and Development Department.