

**CITY OF GOODYEAR
CITY COUNCIL ACTION REPORT**

SUBJECT: Rezone of West Bullard South property from I-1 (Light Industrial Park) and C-2 (General Commercial) to I-1 (Light Industrial Park) with a PAD Overlay	STAFF PRESENTER: Karen Craver, AICP Planner III CASE NUMBER: 18-200-00015 OTHER PRESENTER: Jordan Rose, Rose Law Group
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PROPOSED ACTION:

1. Conduct a public hearing to consider a request to rezone the 103-acre West Bullard South property at the northwest corner of Bullard Avenue and Yuma Road, extending west to Bullard Wash and north to approximately 1/2 mile south of Van Buren Street, from I-1 (Light Industrial Park) and C-2 (General Commercial) to I-1 (Light Industrial Park) with a PAD Overlay.
 - a. Open the Public Hearing
 - b. Staff Presentation
 - c. Applicant Presentation
 - d. Receive Public Comment
 - e. Close the Public Hearing
2. ADOPT RESOLUTION NO. 2019-1941 DECLARING AS PUBLIC RECORDS THOSE CERTAIN DOCUMENTS FILED WITH THE CITY CLERK AND TITLED "OFFICIAL SUPPLEMENTARY ZONING MAP NO. 18-15", "WEST BULLARD SOUTH – I-1 LEGAL DESCRIPTION", "WEST BULLARD SOUTH – C-2 LEGAL DESCRIPTION", "WEST BULLARD PAD OVERLAY DEVELOPMENT REGULATIONS, DATED FEBRUARY, 2019", AND "BULLARD AVENUE CORRIDOR DESIGN TREATMENT STRATEGIES, DATED NOVEMBER 2018".
3. ADOPT ORDINANCE NO. 2019-1429 REZONING APPROXIMATELY 103 ACRES OF LAND AT THE NORTHWEST CORNER OF BULLARD AVENUE AND YUMA ROAD, EXTENDING WEST TO BULLARD WASH AND NORTH TO APPROXIMATELY 1/2 MILE SOUTH OF VAN BUREN STREET, FROM THE I-1 (LIGHT INDUSTRIAL PARK) AND C-2 (GENERAL COMMERCIAL) ZONING DISTRICTS TO THE I-1 (LIGHT INDUSTRIAL PARK) ZONING DISTRICT WITH A PAD OVERLAY, AMENDING THE ZONING MAP OF THE CITY OF GOODYEAR; PROVIDING FOR NON-ABRIDGMENT; PROVIDING FOR CORRECTIONS; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING FOR PENALTIES.

BACKGROUND AND PREVIOUS ACTIONS:

The 103-acre subject property, located at the northwest corner of Bullard Avenue and Yuma Road, extending west to Bullard Wash and north to approximately 1/2 mile south of Van Buren Street, is designated as 'Business & Commerce' on the General Plan Land Use Map in 2014. The

‘Business & Commerce’ land use category encourages, among other uses, business parks, offices, warehouses and data centers. The I-1 (Light Industrial Park) zoning district is considered appropriate in the ‘Business & Commerce’ land use category.

A City Council Work Session was held on October 22, 2018 to discuss the vision for the Bullard Avenue corridor. In general, the consensus from the City Council was that light industrial zoning could be appropriate within the corridor with accompanying landscape, entry features, and architectural enhancements.

This rezone application has not previously been presented to the City Council.

STAFF ANALYSIS:

Current Policy

A request to rezone property requires public review by the Planning and Zoning Commission and approval by the City Council. The proposed rezoning must be in conformance with the General Plan and should not adversely impact the surrounding area as outlined in the Zoning Ordinance.

Details of the Request and Staff Analysis

The request proposes the rezone of 103 acres from I-1 (Light Industrial Park) and C-2 (General Commercial) to I-1 (Light Industrial Park) with a PAD Overlay. The 103 acres includes 19.2 acres of C-2 (General Commercial) at the immediate corner of Bullard Avenue and Yuma Road, with the remaining 83.4 acres zoned I-1 (Light Industrial Park). The rezone will allow for the development of employment opportunities such as distribution, fulfillment, or data centers.

The city has received and staff is currently processing a site plan application for an eight-building data center, including two private electrical substations, proposed to be developed on the West Bullard South property, the West Bullard North property (18-200-00013), which is the subject of a separate rezoning being presented concurrently with this rezoning, and the I-1 (Light Industrial Park) parcel within the Goodyear Airport Commons PAD Overlay approved by City Council on February 11, 2019. Combined, the properties extend north from Yuma Road to approximately ¼ mile south of Van Buren Street. It is anticipated the data center will be granted site plan approval during the month of March, subject to approval of this rezone request. Because the site plan contemplates and requires the consolidation of the three properties referred to above, the zoning ordinance includes a stipulation requiring that the 103 acres being rezoned to be developed in a manner consistent with one of the seven site plans attached to the PAD Overlay. The next step towards development would be the submittal of construction documents.

The proposed West Bullard PAD Overlay Development Regulations, dated February 2019 (the “PAD Development Regulations”) includes the following regulations pertaining to permitted uses, development standards, landscape requirements, screening requirements, and design standards:

- The permitted uses are those allowed in the I-1, Light Industrial Park zoning district, with the modification that any electrical substation shall not be located within 500 feet of a residential lot line.
 - Staff supports the allowance of I-1 uses, with the modification regarding the location of any electrical substation.
- The development standards are in conformance with the City of Goodyear Zoning Ordinance, with the following modifications:
 1. The maximum allowed building height in the I-1 zoning district is increased from 50 feet to 60 feet for buildings located at least 100 feet from the west property line. (The proposed 100-foot setback, combined with the 300-foot wide Bullard Wash, will result in any 60-foot tall building being 400 feet from the residential property to the west)
 2. Parcels created solely for utility facilities are not subject to minimum lot width, depth, or area requirements.
 3. Retention basins may exceed the 50% maximum street frontage landscape area provided no more than 50% of the basin is visible from a public street.
 4. A minimum 8-foot screen shall be provided to screen any electrical substation from the residential land use to the west.
 - Staff supports the application of the Zoning Ordinance development standards with the proposed modifications.
- The landscape requirements are in conformance with the City Zoning Ordinance, with the additional requirement that the property be developed in conformance with the Bullard Avenue Corridor Design Treatment Strategies, dated November 2018. Additionally, the property, which is adjacent to Bullard Wash, is to be developed in conformation with the City Parks, Recreation, Trails and Open Space Master Plan as it pertains to improving Bullard Wash. The property owner will be required to construct a 10 to 12-foot compacted DG path on the eastern side of the wash, along with a 10-foot landscape buffer on each side of the DG path. Stipulations consistent with the foregoing have been included in the attached draft ordinance.
 - Staff supports the application of the City Zoning Ordinance landscape requirements as modified by the requirement for conformance with the Bullard Avenue Corridor Design Treatment Strategies, dated November 2018 and the construction of the Bullard Wash path. A stipulation has been added to require the property owner to convey the path property in fee or grant the city an easement to maintain the path. Construction of the path will occur following channelization of the wash by the property owner.
- The screening requirements are in conformance with the City Zoning Ordinance, with the additional requirement that all outdoor storage areas for materials, trash, equipment and vehicles also be screened from view by residential properties as well as street frontages. In addition, the screening of loading, delivery, roll-up/dock doors and service and wash bays from street frontages has also been expanded to include screening from view by residential properties.

- Staff supports the application of the Zoning Ordinance screening requirements with the proposed modification to add additional screening for residential properties.
- The design standards are in conformance with the City Design Guidelines, with the exception of the proposed use of chain fencing between the data center buildings when not visible from Bullard Avenue, Yuma Road, or the Centerra single family neighborhood to the west.
 - Staff supports the application of the City Design Guidelines with the proposed modification to allow chain link fencing in certain locations.

Rezoning Criteria

Per the City of Goodyear Zoning Ordinance, the city's review and recommendation shall be guided by the following considerations:

1. Consistency with the General Plan.

The General Plan designates this area as "Business & Commerce". The rezone from I-1 (Light Industrial Park) and C-2 (General Commercial) to I-1 (Light Industrial Park) with a PAD Overlay does not impact the land use and is consistent with the policies of the General Plan.

2. Suitability of the subject property's physical and natural features for the uses permitted under the proposed zoning district.

The rezone from I-1 (Light Industrial Park) and C-2 (General Commercial) to I-1 (Light Industrial Park) with a PAD Overlay will not impact the subject property's suitability for potential development as a data center.

3. Compatibility of all potential uses allowed in the proposed zoning district with surrounding uses and zoning.

The rezone from I-1 (Light Industrial Park) and C-2 (General Commercial) to I-1 (Light Industrial Park) with a PAD Overlay will not impact the compatibility of the subject property's potential development as a data center with surrounding uses and zoning.

It should be noted that with the development of the first two data center buildings, it will be necessary for the APS 69kV electrical substation on the West side of Bullard Avenue, 1/2 mile south of Van Buren Street, for which I-1 zoning was approved by City Council on September 24, 2018, to be brought on line. This will also require 69kV electrical lines to be brought from Van Buren Street down the west side of Bullard Avenue on 65-foot poles to the new substation. A second 69kV electrical substation, to be owned by the data center, will also be required for the first two data center buildings. It will be located directly west of the first substation.

With the development of additional data center buildings, a third electrical substation will need to be built directly west of the second. It is anticipated that the third will be a 230kV substation and it will be owned by the data center. The 230kV substation will have equipment 50 to 60 feet tall, surrounded by a 12-foot wall. The route of the 230kV electrical

lines, on poles 140 to 160 feet tall, is not known at this time. APS will conduct an 18-24 month public siting process to determine line routes.

Photos of existing 69kV and 230kV substations, as well as the associated poles, are provided as attachments.

Surrounding Uses and Zoning:

- North: Undeveloped Goodyear Airport Commons property zoned I-1, C-2, and MF-24 with a PAD Overlay
- South: Undeveloped West Bullard South property zoned I-1 (Light Industrial)
- East: Site work for 791,000 sq. ft. office/warehouse shell building zoned I-1 (Light Industrial) and the approved multi-building Prologis project zoned I-1 (Light Industrial)
- West: The Bullard Wash (included in the proposed I-1 rezone) and the Centerra single family neighborhood zoned PAD

4. *Proposed zoning district's consistency with other land uses within the immediate area and whether uses allowed under the proposed zoning district would be better suited to the subject property than the uses allowed under the current zoning.*

The rezone from I-1 (Light Industrial Park) and C-2 (General Commercial) to I-1 (Light Industrial Park) with a PAD Overlay will not impact the consistency of the subject property with adjacent industrially zoned and developing properties in the area.

5. *Demand for the types of uses permitted in the proposed zoning district in relation to the amount of land currently zoned and available to accommodate the demand.*

The rezone from I-1 (Light Industrial Park) and C-2 (General Commercial) to I-1 (Light Industrial Park) with a PAD Overlay will not have a significant impact the demand for or availability of industrial land.

6. *Demands for public services that will be generated by the uses permitted in the proposed zoning district.*

The rezone from I-1 (Light Industrial Park) and C-2 (General Commercial) to I-1 (Light Industrial Park) with a PAD Overlay will not have a significant impact on the demand for city services.

Fire Response:

The rezone property will be served by Fire Station #184/181 located at 16161 West Yuma Road, and by Fire Station #183 located at 3075 N. Litchfield Road. Emergency response times and distances are below.

Nearest Fire Station	Shortest path		Longest path		2nd nearest Fire Station	Shortest path		Longest path	
	Mins	Mile	Mins	Miles		Mins	Miles	Mins	Miles
#184/181	4.93	2.46	4.93	2.46	#183	7.69	3.84	7.69	3.84

Police Services:

The subject property is located within an existing police patrol beat and the current level of service within the beat can accommodate the future development of the data center.

Water & Wastewater:

Water and wastewater services will be provided for the data center by the city of Goodyear, subject to stipulations in the attached draft ordinance that may be revised by a future development agreement.

Stormwater:

A stormwater management system and a storm water pollution prevention plan will be developed in accordance with City of Goodyear Engineering Design Standards as part of the site plan review and approval process for the data center.

Streets/Access:

Development on the subject property will be accessed via Bullard Avenue.

Solid Waste/Recycling:

Solid waste and recycling services will be provided for the data center by a commercial hauler.

7. *Potential adverse fiscal impacts that will result from providing services to areas not in proximity to where existing public services are provided.*
The subject property is in proximity to existing public services that will be extended to the property by the property owner.
8. *General public concerns.*

Public Participation:

Pursuant to the Citizen Review process, a Neighborhood Meeting was held at the Centerra Mirage School on February 27, 2019. Notification of the meeting was provided by a postcard mailed to the owners of all property within 500 feet of the subject property informing them of the application to rezone the property and of the scheduled meeting. The postcard also informed the property owners that APS representatives would be at the meeting to discuss utility expansion plans.

Fourteen (14) Centerra residents signed in at the meeting and participated in an open house style discussion of the proposed rezoning and development plans, as well as the APS expansion plans. The majority of the residents were in support of the rezoning and were happy to learn the proposed use is a data center rather than a multi-tenant industrial park. Residents were also pleased to hear that the property owner would construct a landscaped pedestrian trail in the eastern portion of the Bullard Wash adjacent to the western portion of the project. Many residents acknowledged that the Wash and trail should be a significant buffer as well as an added amenity to their neighborhood.

APS representatives informed the residents about the imminent construction of their 69kV substation and the extension of 69kV lines and poles down Bullard Avenue by APS, as well

as the second 60kV substation, to be owned by the data center, just to the west of the first. The APS representatives also provided the residents information on the siting process for a 230kV substation and lines, but did not provide exhibits about where they may be located.

Notification of Planning & Zoning Commission and City Council Public Hearings

A public notice for the March 13, 2019 public hearing before the Planning & Zoning Commission, and the March 25, 2019 public hearing before the City Council appeared in the Southwest Valley edition of the Arizona Republic on February 22, 2019. In addition to informing the surrounding property owners of the two public hearing dates, the postcard also provided city and applicant contact information, and the city website link to information on the proposed rezone. The subject property has also been posted. To date, no additional inquiries have been received as a result of the public hearings notification.

Planning and Zoning Commission Meeting:

The draft of the ordinance presented to the Planning and Zoning Commission included the following stipulation:

15. Air-cooled chillers shall not be allowed for use on the Property.

Prior to the meeting the applicant requested that this stipulation be replaced with the following stipulations:

15. Decibel levels at the residential property line shall not exceed 65dB, as measured by the Zoning Administrator; and,

16. Trane 500 tons RTAC and RTAF air cooled chillers (or air cooled chillers with substantially similar size and technology that cause a high pitch noise) shall not be allowed for use on the Property. Information sheets for the TRANE 500 ton RTAC and RTAF air cooled chillers shall be provided to the Zoning Administrator to illustrate what is prohibited.

During the Planning and Zoning Commission meeting of March 13, 2019, following a presentation by staff, during which staff proposed the afore mentioned stipulation modification, the Commission had questions regarding the origin of the 65dB limitation on noise from the planned data center, and regarding buffering of the planned multi-family and commercial parcels within the approved Goodyear Airport Commons PAD to the north from the proposed data center. Staff responded that the 65dB level is a typical noise level analyzed in noise studies to determine potential impacts on adjacent properties. Staff also informed the Commission that there would be a landscape buffer along the north property line of the data center, as well as an access drive and an additional landscape buffer along the south property line of the multi-family and commercial parcels.

Following a presentation by the applicant, the Commission questioned the applicant about the level of noise that will be generated by the data center and what level of noise is typically

generated by other data centers. The applicant responded that the type of chiller equipment that is used can impact the level of noise that is generated.

One resident of the Centerra neighborhood spoke in opposition to the proposed data center stating that it would down-grade the Centerra neighborhood and also voiced concerns regarding the effects of the data center on the Bullard Wash environment.

Following the close of the public hearing, the Commission voted 5 to 0 to recommend approval of the West Bullard South PAD Overlay with the revised stipulations.

9. *Whether the amendment promotes orderly growth and development.*

The rezone from I-1 (Light Industrial Park) and C-2 (General Commercial) to I-1 (Light Industrial Park) with a PAD Overlay will continue to allow for the development of the subject property and promote the orderly growth and development of the city.

10. *Any other factors related to the impact of the amendment on the general health, safety, and welfare of citizens of the City and general public.*

The rezone from I-1 (Light Industrial Park) and C-2 (General Commercial) to I-1 (Light Industrial Park) with a PAD Overlay will continue to promote the general health, safety, and welfare of the city.

FISCAL ANALYSIS:

Although a fiscal impact analysis has not been conducted on the request to modify the stipulations of approval, all future development will have an ongoing fiscal impact on the city. Future development is responsible for construction of all infrastructure necessary to serve the site and will generate one-time revenue for the city through payment of permits, construction sales tax and development impact fees. Longer term fiscal impacts include increased demands for municipal services, the costs of which may or may not be offset by increased property values/tax levies, city sales tax, state shared revenues and the increased demand for commercial and retail development.

RECOMMENDATION:

Staff, and the Planning and Zoning Commission, find that the rezone from AU (Agricultural Urban) to the I-1 (Light Industrial Park) zoning district with a PAD Overlay is consistent with the General Plan and the Zoning Ordinance, and best serves the public interest, health, comfort, convenience, safety, and general welfare of the citizens of Goodyear.

ATTACHMENTS:

1. Resolution No. 2019-1941
 - a. Exhibits A – Supplementary Zoning Map 18-15
 - b. Exhibits B – West Bullard South – I-1 Legal Description
 - c. Exhibit C - West Bullard South – C-2 Legal Description

- d. Exhibit D – West Bullard PAD Overlay Development Regulations, dated February 2019
 - e. Exhibit E – Bullard Avenue Corridor Design Strategies, dated November 2018
- 2. Ordinance No. 2019-1428
- 3. Aerial Photo Exhibit
- 4. Data center site plan and substation photos
- 5. Exhibit A – Screening Exhibit
- 6. KCI Goodyear South, LLC Project Narrative, dated February 2019