

PLANNING AND DEVELOPMENT SERVICES DEPARTMENT

ZONING ADMINISTRATION September 9, 2025

Koren Manning, Interim Director Planning and Development Services

Sent via email to: koren.manning@tucsonaz.gov

SUBJECT: Zoning Administrator Determination

Large-scale data centers Applicability - Citywide

Activity # TZ-CMP-0925-00157

Dear Director Manning:

I am in receipt of your email requesting clarification regarding the appropriate land use classification for large-scale data centers. This request is also related to directions received from the Mayor and Council.

This letter serves as a Determination pursuant to Unified Development Code (UDC) 1.5.1.A and the classification of an undefined land use pursuant to UDC 11.3.1.B: "Where a specific use does not conform to the wording of any Land Use Class description or conforms to the wording of two or more Land Use Class descriptions, the Zoning Administrator shall determine the most appropriate Land Use Class for that use. Such a determination is an administrative decision."

Background

Large-scale data centers have become an increasingly prevalent land use in recent years, as technology, computing, and data needs have rapidly shifted. Numerous facilities have been built in the Phoenix region. In recent code amendments regarding data centers, Phoenix, Chandler, Mesa, and Marana have broadly defined data centers as:

A facility, or a portion of a facility, whose principal use is to store and manage computer systems, servers, networking equipment, and components related to digital data operations. These operations include the storage, processing, and distribution of digital information and may encompass activities related to artificial intelligence, blockchain technology, cryptocurrency mining, computational modeling, weather modeling, and genome sequencing, among other computationally intensive applications.

The facility typically houses networked computer systems and telecommunications equipment used for remote storage, processing, and distribution of data. It also includes related infrastructure, office space, and staff areas necessary to support digital data

operations. This associated infrastructure can include air handlers, power generators, water cooling and storage facilities, and utility substations to support sustained operations. A facility is generally not considered a data center if 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.

Analysis

I have reviewed relevant sections of the UDC and determined that large-scale data centers are most directly correlated to a Utilities: Generating System land use, and as such, have determined that this is the most appropriate land use class for this use under the current UDC. This is based on the following analysis.

When evaluating an undefined land use, the approach is to examine different defined land uses and determine the appropriateness of defining the new land use as an existing land use. This appropriateness is based upon 1) similarity of the uses and 2) the implied impacts based upon the permitted locations and use specific standards.

During the preliminary review, data centers were evaluated as potentially an Industrial, Storage, or Utilities land use. Although some characteristics of large-scale data centers can be found in numerous other uses, most did not capture the scale and potential impacts of the use. The exception being a Generating System land use, which is defined in UDC 11.3.11.B as: "A facility that produces energy. Typical uses include electrical generating plants."

Although this land use would typically include an electrical generating plant, the intensity of large-scale data centers is similar to a Generating System for several reasons. Large-scale data centers generate massive amounts of a product to be distributed throughout an interconnected system. Like a utility use, they provide a service which is becoming increasingly necessary to daily life, but which was not a contemplated use when the current UDC land uses were defined. Additionally, large-scale data centers are integrated into multiple existing utility systems, including water, electricity, and internet providers, which puts a large demand on those utilities.

Generating Systems are not currently permitted by right in any zone but may be permitted through establishment of a Planned Area Development (PAD). This indicates that Generating Systems are considered a unique land use with potential impacts that may require mitigation through the establishment of specialized zoning with community input and Mayor and Council approval. The PAD process typically takes 6-12 months from submittal to adoption.

Conclusion

In summary, large-scale data centers will be considered a Generating System land use. Any potential data center facility will be evaluated within the broad definition established in

Planning and Development Services Department (PDSD) - 201 North Stone Avenue P.O. Box 27210 - Tucson, AZ 85726-7210 Telephone: (520) 791-5550 - Fax: (520) 791-4340

this letter. Any facility that is an accessory use, also as defined within this letter, will not be considered a Generating System. Lastly, any small-scale data center of approximately less than 50,000 square feet in size will likewise not be considered a Generating System.

A future UDC code amendment, as directed by Mayor and Council during the study session of August 6, 2025, will address large-scale data centers and will establish a defined use, appropriate zones, necessary use specific standards, and the approval process for this use. Large-scale data centers will likely fall within the Utilities Use Group. This UDC code amendment will follow the procedures defined in the UDC which includes a public hearing with the Planning Commission as well as Mayor and Council. In addition to the public process required by the UDC, PDSD will conduct community engagement to collect input which will inform a proposed code amendment to regulate this use.

Should you require further zoning information regarding this matter, please contact me via e-mail at Elisa.Hamblin@tucsonaz.gov or my direct telephone number (520) 837-4966.

This determination may be appealed to the Board of Adjustment per UDC Section 1.5.1.E. Please contact Mark Castro for questions about the appeal process via email at Mark.Castro@tucsonaz.gov or by telephone at (520) 837-4979.

Jam Oti

Sincerely,

Elisa Hamblin, AICP Zoning Administrator