

**City of Tucson Planning and Development Services**  
**Data Center UDC Technical Advisory Committee - Meeting #1**  
**December 15, 2025 | 4-6pm | PDSD Office, 4<sup>th</sup> Floor**

**DRAFT Meeting Summary**

**Participants** - see end

**Next steps**

- Next meeting: January 12

**Introductions**

*Three members who were not present at the last meeting introduced themselves:*

- Remy Franklin (Interwest Energy Alliance) – Remy is representing himself, not EIA. He has worked on electric utility regulation in Arizona and other states, and on multiple issues, including data centers.
- Dan Stormont (CCES)- Dan is the chair of the CCES and is computer engineer by training. He has been involved in a number of sustainability related efforts in Tucson, including Sustainable Tucson.
- Kate Hotten (Coalition for Sonoran Desert Protection) – Kate is the co-ED of CSDP and is representing environmental interests on the TAC. In the past she also worked for a tech company that located data centers in Ireland.

**Additional Context on Key Code Topics**

Carver shared a short presentation ([link](#)) providing additional context on key topics including development agreements, and use specific standards. A discussion summary is presented here; PDSD responses to questions are in sub-bullets.

**Development agreements**

There are voluntary agreements between a property owner and the City. These are not required. They do not dictate or superseded zoning, but can provide guidance as development occurs. PDSD has been consulting the City Attorney's Office, and it seems this can't likely be required as part of the zoning code amendment.

- Can the TAC create a recommended Development Agreement for Data Centers? This could potentially include things that can't be part of land use that we want to recommend, for example recommendations for engaging with a hyper-scaler.
  - The City doesn't have the authority to require a development agreement. But if there are considerations that may be relevant, we should catalogue those as part of this process. We can document those things that can't be addressed in code and share with Mayor and Council. and present these potential items to include in a DA to M&C.
- What are the legal constraints for requiring a development agreement? Under what conditions would one be used? Note that there was one for Project Blue. Could we establish an energy use threshold for when one would be required?
  - The City Attorney's Office says we can't require it as part of a Special Exception process. It's a voluntary agreement. We can provide guidance to data centers as they reach out to explore development.

## Potential Regulatory Topics - Discussion

Topics for discussion were summarized in a handout that introduced each topic, summarized PDSD's current thinking on the approach for the topic, and identified areas for RAC feedback and discussion. The group made it through the first five topics in the handout, and agreed to reconvene and continue discussion of the topics at the next meeting. For each topic a brief overview is provided, followed by a summary of group discussion.

### **Topic 1: Data Center Definition**

The Zoning Administrator's determination includes a definition that was based on consideration of the other four jurisdictions being reviewed. This was a short-term determination, and is a good starting point for discussion

#### **Size threshold**

- Most members felt that some type of size threshold is appropriate and discussed how size should be defined.
  - Megawatts used? Total footprint? Number of servers?
  - The Zoning Administrator used 50,000 sq ft of the gross floor area. PDSD shared that it needs to be easily measured, something that doesn't fluctuate a lot and that is enforceable. Energy usage might be challenging to enforce.
  - 50,000 sq ft. would still be a pretty small facility.
- Concerns with an energy threshold; support for square footage threshold:
  - People can game the numbers (i.e. lots of requests for just under the threshold). The square footage concept is preferable because it is easily measured.
  - According to TEP there isn't a single number that defines hyperscale, but they have all been huge (500 MW or a GW or more).
  - A developer could build out multiple smaller sites, just under the threshold.
  - There are many competitive industries like data centers that don't want to disclose their utility consumption because they think people will back calculate sensitive performance aspects. This could be an issue with anything except the square footage concept.
- Additional considerations:
  - There are lots of different sizes of data centers. We shouldn't only be thinking about zoning for hyperscale; we may need to be less prescriptive.
  - We should think about what land use impacts are very prevalent at specific sizes; we need to consider impacts to the location and adjacent properties.
  - There is industry standard language that could be used and would lend itself to the scale/size. It wouldn't tie to megawatts, but the type of facilities that would be utilized to serve the scale. One option is to talk about voltage classes that would make it general enough and not tie us down in future. There seemed to be interest in exploring this approach.

#### **Tiered sub-class**

- What is the objective? Many small data centers will just serve queries and may be close to a university or in a neighborhood. Are we trying to apply different standards to this and something like Project Blue?
- The hyperscale facilities have much more pronounced impacts.

- At least one member was in favor of a tiered sub-class, and suggested it also include the water and energy infrastructure that has to be developed.
- One of the biggest land use impacts of large data centers is having to develop new infrastructure.
  - PDSD noted that infrastructure may be included in co-location incentives.

### **Inclusion of specific activities**

- This approach was strongly discouraged by a couple members who felt that what goes on inside is up to the business, and many of these things are very hard to understand and regulate (i.e. AI, block chain, etc.)
- Another member was more comfortable including specific activities if the language stays flexible, i.e. "These operations may include...."

## **Topic 2: Permitted Zoning**

### *Topic overview*

The goal is to minimize the impacts of large-scale data centers on surrounding land uses. There are a couple options in the zoning code that are best suited to this (I-1 and I-2). These are designed for uses that have significant impacts on surrounding land uses (e.g. noise, light traffic). There are also other zoning regulations (PAD, PCD) that could potentially be worked into any code proposal and would allow special one-off approval process for data centers in specific areas. Under these provisions we would look at the specific impacts of a data center.

### *Discussion*

- Do we want to try to aggregate all data centers into a specific area using a PAD or PCD?
  - There could be an attempt to incentivize this, but a PAD may not achieve this. If we feel this is only appropriate in certain areas, we could include in the code a geographic region where they are allowed. This is being done now with Middle Housing.
- How is a PCD different than a PAD?
  - A PCD is essentially a larger PAD with mini-PADs within it. It's intended for large developments (~500k acre). It has not been used that often.
- It looks like the industrial zones generally follow I-10. How does that comport with the City's economic planning and initiatives?
  - Much of the City's existing industrial is already built out. There is not a lot of room for hyperscale development. Most of the room is in the Southlands. This was the area that was being targeted for Project Blue, due to its isolation.
- Proliferation of data centers
  - Josh shared that in his experience in Chandler, data centers tend to proliferate. In areas that were zoned to allow for data centers they just began to come in and take over until eventually everything was a data center. It's not immediately clear how to address this, but it would be good to discuss as part of this process.
  - In the recent example with the County we saw this as well; they thought they were approving perhaps one data center. There needs to be clarity that there isn't so much flexibility in the PAD that it ends up getting approved as something it's not.
  - The City shared that if they were to do an isolated data center campus they would want it to be two miles from any other development. But then there are other issues with provision of utilities.

- The physical infrastructure of data centers fit into light industrial, but the utilities do not. Do we want to consider another category?
- Typically, a data center could only be zoned as I-1 or a PAD. It doesn't make sense as I-2.

### **Topic 3: Public Notice Process**

#### *Topic overview*

The Mayor and Council Special Exception requires a neighborhood meeting and notice within 400 feet. Noise is a consideration here. Do we want to extend the notice area, and also potentially notice all Neighborhood Associations (NAs)?

#### *Discussion*

#### **Expanded noticing and meetings**

Overall members felt that much broader noticing is needed, and discussed different aspects of how to achieve this:

- Given response to Project Blue we need to let everyone know about these applications.
- Could expand notice radius to maybe a mile.
- In addition to Neighborhood Associations, we should include relevant advisory groups.
- All wards should be noticed.
- More than one community meeting is important. One member encouraged three meetings.
- Not all meetings need to be in person, virtual is an option as well. This could be written into the ordinance.
- Chandler has an HOA noticing requirement; it has been hit or miss if they share it with their residents.

#### **Noticing methods**

- Members discussed the limitations of paper mailers. Some felt that people just don't see them. The City shared that they are expensive and may not offer the best return on noticing.
- Chandler has a social media requirement for noticing in all zoning cases. This has increased the reach dramatically. Members were interested in this idea.
- The City could develop a portal where groups could sign up to be notified for things like this; it wouldn't be that hard to do and could be very beneficial. There are many groups that would want to be noticed for data centers but aren't part of Neighborhood Associations.

#### **Public education and communication**

- We should encourage public education, not just notice. Project Blue was horrible from the public education viewpoint. We want to avoid misinformation and disinformation.
- The City needs a comprehensive plan for communication, not just noticing alone.

#### **Additional considerations**

- One member cautioned that whatever we do is going to apply to all data centers, not just the hyper-scale ones that seem to be more of the focus of the discussion.

### **Topic 4: Development Standards for further Discussion**

#### *Topic overview*

Members prioritized the following topics during the first meeting. These are presented here in order of importance. Many of the items that were indicated as most significant to address may have the least ability to be regulated through zoning. However, we may actually have a lot of ability to regulate some of the topics that ranked lower (e.g. design features).

The group began discussion of these but did not complete all topics.

#### **Topic 4.1: Energy Consumption and Sourcing**

##### **Adequate energy supply**

- Members wondered if this provision would be legal, given that it sounds like code can't regulate energy and water supply.
  - The City clarified that we can't regulate the amount of water or energy that is used, but can require that there is adequate infrastructure for the development.
- Could we require that they have the full energy provision in place within two years?
  - From where TEP sits now, development of new generation is required for anything at this large scale. This takes a lot of time; longer than building one of these facilities. Studies that are done on the front end (impact studies and facility studies) are required at this scale across the board. A study is good for about a year before signing. There is a backlog now, so a requirement of two years wouldn't likely be possible now.

##### **Sustainability discussion**

- Many of the Project Blue concerns were that meeting their water and energy requirement would compromise other City sustainability goals. Can the adequacy statement say - "must demonstrate adequacy, without compromising the City's other plans?" Explicitly detailing this could be important.
  - The Large Quantity Water User process does include reference to the City's Climate Action Plan and other plans. More clarification from the City Attorney's Office would be needed to see if this could be done.
  - Members encouraged the City to make direct reference to the Large Quantity Water User ordinance in this code. These things are intimately interwoven.
- There is nothing in the Plan Tucson language that applies to a commercial user in the City. Can we think of ways to encourage this?
- This is very important. We do not want to use high water or high pollution energy sources. The City should use all the tools available to ensure this aligns with our sustainability goals. The state energy policy has very different priorities than Tucson and TEP.
- The energy mix can't be regulated as part of this; it usually gets defined in the Integrated Resource Plan. Developers don't have control over what the ACC does; we can't require sustainable energy.
- We should consider a net-zero zoning policy for water. This is an up-and-coming idea. Maybe the approach should be to say that the facility would need to be net-zero water, including their energy use. This doesn't tell them how much water or energy, just that they have to fully offset the use.
- We could try to include this as a condition in the development agreement. An additional option might be to ask the applicant to submit a statement about their proposed energy mix. We could state that this is not a reason for approval or denial, but it could be a required disclosure as part of the application package. Then it at least serves as a prompt to discuss it in the development agreement.

- PDSD will continue to work with the City Attorney's office on how to frame this to get at the intent of not compromising our other goals and how we could include a statement as suggested.
- Should we require air-cooled only?
  - This is very nuanced. Project Blue is air-cooled now and will use more water.
  - We need to focus on water impact, not absolutely one thing or the other.
  - If the power is from low water clean sources, then it should be air-cooled.
  - Potable water use is low in water-cooled centers (they have less employees, fewer toilets, sinks, etc.). We are potentially causing issues upstream from the development.

#### **Topic 4.2: Water Use and Sourcing**

Time allowed only initial discussion on this topic.

- Net-zero water usage would include energy. There are other City's that have net-zero water policies (e.g. Santa Fe)
- PDSD will talk to Tucson Water about how net-zero water might be addressed or included.

### **Participants**

#### **TAC Members**

<b>Lisa Shipek</b>	Watershed Management Group
<b>Ed Hendel</b>	Citizen's Water Advisory Committee
<b>Josh Wright</b>	UA Chief Facilities and Planning Officer
<b>Chris Lindsey</b>	Tucson Electric Power
<b>Chris Dougherty*</b>	Ark Data Center
<b>Shawn Bluebaum</b>	Sundt
<b>Jason Makansi</b>	Planning Commission liaison
<b>Ryan Gruver*</b>	Banner Health - IT Director
<b>Adria Brooks</b>	Grid Strategies, Dir. of Transmission Planning
<b>Remy Franklin</b>	Interwest Energy Alliance
<b>Kate Hotten</b>	Coalition for Sonoran Desert Protection

#### **Staff/Technical Support**

<b>Fatima Luna</b>	Chief Resilience Officer
<b>Mike Czechowski</b>	Economic Initiatives
<b>Michael Catanzaro*</b>	COT Energy Manager
<b>Savannah Martinez*</b>	COT Emergency Manager
<b>Anita McNamara*</b>	Pima County Development Services Department
<b>Scott DiBiase*</b>	Pima County Department of Environmental Quality
<b>Brad Borman</b>	City Attorney's Office
<b>Teresa Smith</b>	Ward Office Staff – Ward 4
<b>Eryck Garcia</b>	Mayor's Office

#### **PDSD Team**

<b>Daniel Bursuck</b>	Planning Administrator
<b>Nicholas Martell</b>	Section Manager
<b>Carver Struve</b>	Principal Planner, and Primary POC
<b>Cesar Acosta</b>	Principal Planner
<b>Ian Wan</b>	Lead Planner

Facilitation: Southwest Decision Resources – Tahnee Robertson, Colleen Whitaker