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JUL 09 2015

Chandler



**MEMORANDUM**

**Planning Division – CC Memo No. 15-093**

**DATE:** JULY 9, 2015

**TO:** MAYOR AND COUNCIL

**THRU:** MARSHA REED, ACTING CITY MANAGER *MR*  
JEFF KURTZ, PLANNING ADMINISTRATOR *J*

**FROM:** KEVIN MAYO, PLANNING MANAGER *KM*

**SUBJECT:** DVR05-0036 TSYS WESTERN OPERATIONS CENTER  
Introduction of Ordinance No. 4641

**Request:** Action on the existing Planned Area Development (PAD) zoning to take administrative action on DVR05-0036 TSYS WESTERN OPERATIONS CENTER to extend, remove or determine compliance with the schedule for development or take legislative action to cause the property to revert to its former zoning classification

**Location:** West side of Price Road one-half mile north of Queen Creek Road

**Project info:** 15.6-acre parcel; 102,000 sq. ft. data center; 60,000 sq. ft. 2-story office building

**BACKGROUND**

The subject 15.6-acre site received zoning approval from Agricultural District (AG-1) to Planned Area Development (PAD) in November 2005 under Ordinance No. 3740. The current PAD zoning and subsequent Preliminary Development Plan (PDP) permits a single-user campus that includes an approximate 102,000 sq. ft. data center, and an approximate 60,000 sq. ft. 2-story office building.

Ordinance No. 3740 included the three-year time limit condition no. 6 which expired on January 12, 2009. Council approved a three (3) year time extension in 2009 which expired in January 2012, and again in January 2013, which expired in January 2015.

From the initial zoning approval in 2005 through the present, there have not been any applications requesting the City approve any building plans, site design plans or any other

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submittal evidencing an intent to comply with the Conditions of Approval contained in Ordinance No. 3740.

Notice of the time, place and date of the public hearing has been sent by certified mail to the owners and applicants of the Property in accordance with Arizona Revised Statutes §9-462.01(E) and Article XXVI of the Chandler Zoning Code.

### **STAFF COMMENTS**

Following the most recent time extension approval, the City of Chandler commissioned The Maguire Company to study the South Price Road Employment Corridor. A final report was issued in October 2013 which outlined the historical development policies, identified a basic inventory of available land for development within the corridor, and provided a series of recommendations to guide future policy decisions.

A key theme found within the recommendations was the 'high value employment' reputation and employment density within the Corridor should be actively preserved and enhanced. As an example, data centers were identified as not generating the desired employment density or high value employment environment envisioned for the Corridor, and that the inclusion of future data centers should be limited within the Corridor.

The City has the following options when a zoning district's timing condition expires. The City could, by administrative action, extend the timing condition for another period of time, eliminate or determine compliance with the schedule for development, or by legislative action revert the zoning to its former zoning classification. If an additional time extension is granted, all other conditions in the original approval would remain in effect.

### **RECOMMENDATION**

Per Arizona Revised Statutes, the City Council must hold a Public Hearing to address condition no. 6 of Ordinance No. 3740. Upon finding the PAD zoning to no longer be consistent with the strategic growth policies for the South Price Road Employment Corridor, and therefore not consistent with the General Plan, Planning Staff recommends the property revert to its former zoning classification of AG-1. Alternate motions are provided as well for the extension, elimination, or determination of compliance with the schedule for development.

### **MAYOR'S STATEMENT**

The Public Hearing regarding the time condition is now open for comment.

### **ACTION**

Council may select one of the following actions.

#### **Zoning Extension:**

Move to approve extending the timing condition for case DVR05-0036 TSYS WESTERN OPERATIONS CENTER for an additional three (3) years, in which the zoning would be in effect until January 12, 2018, and with all of the conditions in the original approval remaining in effect.

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**Elimination of time condition:**

Move to eliminate time condition no. 6 of Ordinance No. 3740.

**Determination of Compliance:**

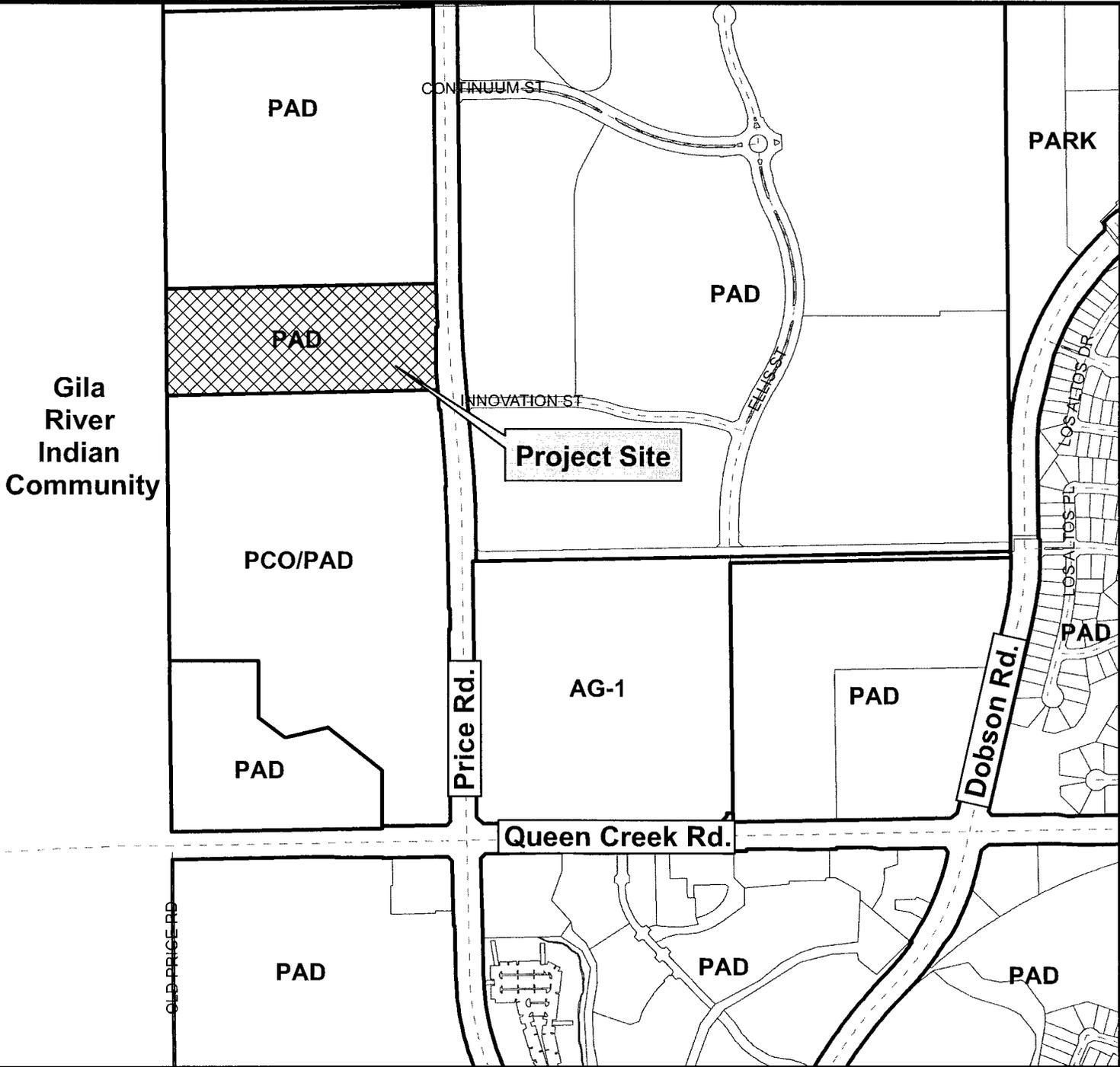
Move to determine compliance with the schedule for development for time condition no. 6 of Ordinance No. 3740.

**Zoning Reversion:**

Move to introduce and tentatively adopt Ordinance No. 4641 reverting the zoning of the property described in Ordinance No. 3740 and as set forth in legal description attached thereto as Exhibit A from PAD to AG-1 as recommended by Planning Staff.

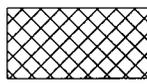
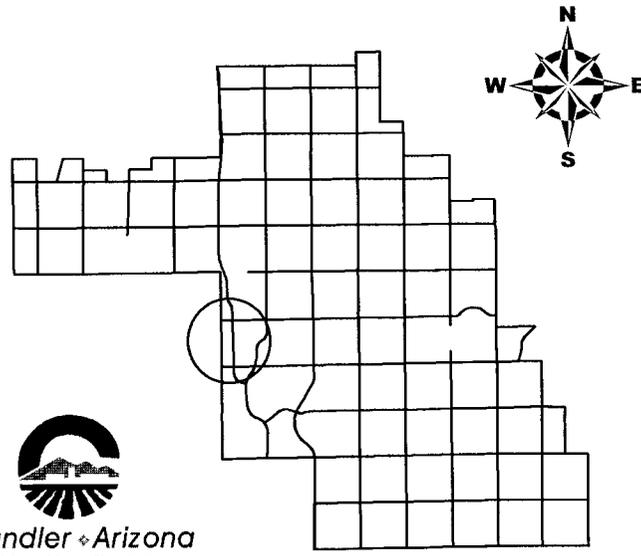
**Attachments**

1. Vicinity Maps
2. Ordinance No. 3740
3. Approved Site Plan
4. Ordinance No. 4641



**Gila River Indian Community**

**Vicinity Map**



**DVR05-0036**

**TSYS Western Operations Center**



**Vicinity Map**



**DVR05-0036**

**TSYS Western Operations Center**

APPROVED BY  
CHANDLER CITY COUNCIL

DEC 12 2005

CITY CLERK'S OFFICE

#2  
DEC 12 2005

**ORDINANCE NO. 3740**

AN ORDINANCE OF THE CITY OF CHANDLER, ARIZONA, AMENDING THE ZONING CODE AND MAP ATTACHED THERETO, BY REZONING A PARCEL FROM AG-1 TO PAD (DVR05-0036 T-SYS WESTERN OPERATIONS CENTER) LOCATED WITHIN THE CORPORATE LIMITS OF THE CITY OF CHANDLER, ARIZONA.

WHEREAS, application for rezoning involving certain property within the corporate limits of Chandler, Arizona, has been filed in accordance with Article XXVI of the Chandler Zoning Code; and

WHEREAS, the application has been published in a local newspaper with general circulation in the City of Chandler, giving fifteen (15) days notice of time, place and date of public hearing; and

WHEREAS, a notice of such hearing was posted on the property at least seven (7) days prior to said public hearing; and

WHEREAS, a public hearing was held by the Planning and Zoning Commission as required by the Zoning Code

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Chandler, Arizona, as follows:

**SECTION I. Legal Description of Property:**

SEE ATTACHMENT 'A'

Said parcel is hereby rezoned from AG-1 to PAD, subject to the following conditions:

1. Right-of-way dedications to achieve full half-widths, including turn lanes and deceleration lanes, per the standards of the Chandler Transportation Plan.
2. Undergrounding of all overhead electric (less than 69kv), communication, and television lines and any open irrigation ditches or canals located on the site or within adjacent right-of-ways and/or easements. Any 69kv or larger electric lines that must stay overhead shall be located in accordance with the City's adopted design and engineering standards. The

aboveground utility poles, boxes, cabinets, or similar appurtenances shall be located outside of the ultimate right-of-way and within a specific utility easement.

3. Future median openings shall be located and designed in compliance with City adopted design standards (Technical Design Manual # 4).
4. Completion of the construction of all required off-site street improvements including but not limited to paving, landscaping, curb, gutter and sidewalks, median improvements and street lighting to achieve conformance with City codes, standard details, and design manuals.
5. The developer shall be required to install landscaping in the arterial street median(s) adjoining this project. In the event that the landscaping already exists within such median(s), the developer shall be required to upgrade such landscaping to meet current City standards.
6. Construction shall commence above foundation walls within three (3) years of the effective date of the ordinance granting this rezoning or the City shall schedule a public hearing to take administrative action to extend, remove or determine compliance with the schedule for development or take legislative action to cause the property to revert to its former zoning classification.
7. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "T-SYS Western Operations Center", kept on file in the City of Chandler Planning Services Division, in File No. DVR05-0036, except as modified by condition herein.
8. The landscaping in all open-spaces and rights-of-way shall be maintained by the adjacent property owner.
9. Approval by the Director of Planning and Development of plans for landscaping (open spaces and rights-of-way) and perimeter walls and the Director of Public Works for arterial street median landscaping.
10. Sign packages, including free-standing signs as well as wall-mounted signs, shall be designed in coordination with landscape plans, planting materials, storm water retention requirements, and utility pedestals, so as not to create problems with sign visibility or prompt the removal of required landscape materials.

11. The source of water that shall be used on the open space, common areas, and landscape tracts shall be reclaimed water (effluent). If reclaimed water is not available at the time of construction, and the total landscapable area is 10 acres in size or greater, these areas will be irrigated and supplied with water, other than surface water from any irrigation district, by the owner of the development through sources consistent with the laws of the State of Arizona and the rules and regulations of the Arizona Department of Water Resources. If the total landscapable area is less than 10 acres in size, the open space common areas, and landscape tracts may be irrigated and supplied with water by or through the use of potable water provided by the City of Chandler or any other source that will not otherwise interfere with, impede, diminish, reduce, limit or otherwise adversely affect the City of Chandler's municipal water service area nor shall such provision of water cause a credit or charge to be made against the City of Chandler's gallons per capita per day (GPCD) allotment or allocation. However, when the City of Chandler has effluent of sufficient quantity and quality which meets the requirements of the Arizona Department of Environmental Quality for the purposes intended available to the property to support the open space, common areas, and landscape tracts available, Chandler effluent shall be used to irrigate these areas. In the event the owner sells or otherwise transfers the development to another person or entity, the owner will also sell or transfer to the buyer of the development, at the buyer's option, the water rights and permits then applicable to the development. The limitation that the water for the development is to be owner-provided and the restriction provided for in the preceding sentence shall be stated on the final plat governing the development, so as to provide notice to any future owners. The Public Report, Purchase Contracts, and Final Plats shall include a disclosure statement outlining that the development shall use treated effluent to maintain open space, common areas, and landscape tracts.
12. The north driveway shall be centered on the property line (coinciding with the existing median break) to be shared with the adjacent proposed development to the north.
13. The south driveway shall have a continuous deceleration lane as an extension of the existing deceleration lane for the Wells Fargo driveway to the south.
14. Pedestrian seating areas with interest features shall be provided in the open space.
15. Paving features shall be provided at the entry driveways and the pedestrian walkway areas in the parking lot.



**EXHIBIT "A"**

**LEGAL DESCRIPTION**

BEGINNING at the West quarter corner of Section 7, Township 2 South, Range 5 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona;

Thence East (assumed bearing), along the East-West mid-section line of said Section 7, (also being the North line of Lot 3 of said Section 7), a distance of 1278.04 feet, to a point from which the Northeast corner of said Lot 3 bears East 50.00 feet, distant therefrom, said point also marking the beginning of a curve Southerly and being concave Easterly and from which the center of said curve bears South 89 degrees 30 minutes 20 seconds East 5702.22 feet distance therefrom;

Thence Southerly along the arc of said curve and along the Westerly right-of-way line of realigned Price Road, a distance of 402.93 (402.96 feet record);

Thence South 03 degrees 33 minutes 15 seconds East 105.77 feet;

Thence West leaving said right of way, being parallel with the said North line of Lot 3, a distance of 1299.76 feet, to a point on the Westerly line of said Section 7, and from which the Southwest corner of said Lot 3 bears South 0 degrees 29 minutes 45 seconds West 808.91 feet distant therefrom;

Thence North 0 degrees 29 minutes 45 seconds East 508.29 feet to the TRUE POINT OF BEGINNING.

LESS AND EXCEPT that certain 0.1076-acre parcel pursuant to the Final Order of Condemnation in favor of the City of Chandler filed June 3, 2003 in the Superior Court of the State of Arizona, County of Maricopa, recorded June 11, 2003 as Instrument 20030757693, Maricopa County Recorder's Office.



**ORDINANCE NO. 4641**

AN ORDINANCE OF THE CITY OF CHANDLER, ARIZONA, CAUSING THE ZONING OF A PARCEL OF LAND ON THE WEST SIDE OF SOUTH PRICE ROAD ONE-HALF MILE NORTH OF QUEEN CREEK ROAD TO REVERT FROM PAD TO AG-1 AGRICULTURE DISTRICT.

WHEREAS, an application for rezoning involving certain property within the corporate limits of Chandler, Arizona, having been filed and subsequently approved on the 12<sup>th</sup> day of December, 2005, (Ordinance No. 3740) in accordance with Article XXVI of the Chandler Zoning Code; and

WHEREAS, pursuant to Arizona Revised Statutes §9-462.01(E) and Article XXVI of the Chandler Zoning Code, Ordinance No. 3740 contained Condition No. 6, a condition of approval (“Condition of Approval”), relating to the timing of the development of the property which stated “[c]onstruction shall commence above foundation walls within three (3) years of the effective date of the ordinance granting this rezoning or the City shall schedule a public hearing to take administrative action to extend, remove or determine compliance with the schedule for development or take legislative action to cause the property to revert to its former zoning classification”; and

WHEREAS, an application to extend the Condition of Approval for an additional three (3) years was filed and subsequently approved on May 28, 2009, extending the expiration of the condition to January 12, 2012; and

WHEREAS, an application to extend the Condition of Approval for an additional three (3) years was filed and subsequently approved on January 24, 2013, extending the expiration of the condition to January 12, 2015; and

WHEREAS, an application to extend the Condition of Approval for an additional three (3) years was filed on July 14, 2014, and subsequently withdrawn by the applicant on March 9, 2015; and

WHEREAS, at no time from the December 12, 2005, approval of Ordinance No. 3740 through the present have the owner or applicant requested City approval of any building plans, site design plans or any other submittal evidencing an intent to comply with the Condition of Approval contained in Ordinance No. 3740 nor have they otherwise satisfied the Condition of Approval;

WHEREAS, due to the inability of the applicant to satisfy the Condition of Approval contained in Ordinance No. 3740, and the subsequent extensions thereto, the City, pursuant to Arizona Revised Statutes §9-462.01(E) and Article XXVI of the Chandler Zoning Code, has scheduled a public hearing to take administrative action to extend, remove or determine compliance with the schedule for development or to take legislative action to cause the property to revert to its former zoning classification of Agriculture District (“AG-1”); and

WHEREAS, notice of the time, place and date of the public hearing has been sent by certified mail to the owners and applicants in accordance with Arizona Revised Statutes §9-462.01(E) and Article XXVI of the Chandler Zoning Code; and

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Chandler, Arizona, as follows:

SECTION 1. The owners and applicants have not satisfied the Condition of Approval in Ordinance 3740 in the time period since its effective date, January 11, 2006.

SECTION 2. The zoning of the property described in Ordinance No. 3740 and as set forth in legal description attached hereto as Exhibit A is hereby reverted from PAD to AG-1.

SECTION 3. Except where provided, nothing contained herein shall be construed to be an abridgment of any other ordinance of the City of Chandler.

SECTION 4. The Planning Department of the City of Chandler is hereby directed to enter such changes and amendments as may be necessary upon the Zoning Map of said Zoning Code in compliance with this ordinance.

INTRODUCED AND TENTATIVELY APPROVED by the City Council this \_\_\_\_ day of July, 2015.

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

PASSED AND ADOPTED by the City Council this \_\_\_\_ day of \_\_\_\_\_, 2015.

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

**CERTIFICATION**

I, HEREBY CERTIFY, that the above and foregoing Ordinance No. 4641 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2015, and that a quorum was present thereat.

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY



PUBLISHED: