



PLANNING & ZONING COMMISSION

TO: City of Peoria Planning & Zoning Commission
FROM: Development Review Board (Prepared by Kerilyn Weick and Blake Eggleston)
DATE: August 4, 2022
CASE NO: PZ 950-2022 (deferred from July 7, 2022)
REQUEST: Hold a Public Hearing and forward a recommendation to City Council on the request of City of Peoria to amend Appendix A, the Unified Development Code relating to Cryptocurrency Mining & Data Centers.

SUMMARY

An amendment to Appendix A of the Unified Development Code (UDC) is proposed to allow Data Centers by special use in the industrial and institutional zoning districts.

Types of data centers include: server farms, web hosting, cluster computing, cloud storage, colocation centers, and cryptocurrency mining. Data centers can come in all shapes and sizes. They might be large \$250 million dollar facilities or as small as shipping containers. What large and small data centers have in common are their externalities. First, they are very heavy users of electricity and water for powering and cooling their facilities. Second, this dense cluster of technology and fans run 24/7 and produce high-frequency, consistent noise. Lastly, data centers do not require a lot of staff and have little to no on-site customers, hence generate little traffic.

These characteristics of data centers most closely align with uses appropriate to the Class I-3 (General Industrial District). Special Use review is recommended to consider the compatibility with neighboring land uses and the need for special design considerations. With the Special Use review, data centers may be appropriate in Class I-1 (Industrial/Business Park) District and Class 1-2 (Railroad/Warehouse Industrial District); noting that uses in Class I-1 (Industrial/Business Park) District need to be designed for compatibility with neighboring residential, office and commercial districts. For uses common to the N-1 (Institutional) District, data centers may be compatible and required for the use, as such the recommendation allows data centers under special use review.

Data Centers are not appropriate for commercial districts. Uses in commercial districts are intended for commerce – providing commercial retail and service needs. The C-2 (Large-Scale Commercial) District is intended to support a variety of commercial uses which share common traits of large scale and bulk commercial uses. In many C-2 (Large-Scale Commercial) areas, foot traffic and clustering of like businesses is important to existing business. Permitting data center use in this district would not support the purpose and intent of the Unified Development Code to have vibrant commercial areas and active shop fronts.

The proposed text amendment recommends the following:

Use	Permitted Zoning Districts	Special Use Zoning Districts
Data Center	None	I-1, I-2, I-3, and N-1

See the attached proposed ordinance for complete details.

DEVELOPMENT REVIEW BOARD RECOMMENDATION

The Development Review Board recommends approval of the proposed text amendment.

ATTACHMENTS

1. Proposed Ordinance

**AN ORDINANCE AMENDING APPENDIX A THE UNIFIED DEVELOPMENT CODE
OF THE CITY OF PEORIA RELATING TO CRYPTOCURRENCY AND DATA CENTERS**

WHEREAS, the City of Peoria is a home rule municipality pursuant to Article VII, Section 6, of the Illinois Constitution of 1970; and

WHEREAS, as a home rule municipality, the City may exercise any power and perform any function pertaining to its government and affairs including zoning regulations and uses; and

WHEREAS, the City of Peoria desires to amend Appendix A, the Unified Development Code;
NOW, AND THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PEORIA, ILLINOIS AS FOLLOWS:

Section 1: Appendix A of the Peoria City Code, being Ordinance No. 17,403 as adopted on October 11, 2016, is hereby amended by deleting the following stricken words and adding the following underlined words:

5.0 – PERMITTED LAND USES

5.2 PERMITTED USE TABLE

5.2.2 Permitted Use Table

KEY:		Blank cell = Not Permitted											■ = Permitted				□ = Special Use					Use Performance Standard				
USE CATEGORY	SPECIFIC USE	A1	P1	RE	R1	R2	R3	R4	R5	R6	R7	R8	O1	O2	N1	CN	C1	CG	C2	B1	I1		I2	I3		
INDUSTRIAL		A1	P1	RE	R1	R2	R3	R4	R5	R6	R7	R8	O1	O2	N1	CN	C1	CG	C2	B1	I1	I2	I3			
Heavy Industrial (see 5.6.5.D)	All heavy industrial, except as listed below:																							■		
	<u>Data Center</u>																						□	□	□	<u>5.3.4.B</u>

5.3 – USE AND PERFORMANCE STANDARDS

5.3.4 Industrial Use Performance Standards

B. Data Center

1. The use of cargo containers, railroad cars, semi-truck trailers and other similar storage containers for any component of the operation is strictly prohibited.
2. The use shall be designed, constructed, operated, and maintained so as not to cause noise in excess of the maximum noise levels established in Section 4.5.7 Industrial Districts Performance Standards.
3. Within 30 days of commencing operations, the Building Permit applicant shall submit an affidavit containing the following:
 - a. Name and qualifications of the person who performed the noise measurements;
 - b. Measured decibel levels;
 - c. A statement affirming the measurement was done in the manner outlined in Section 4.5.7; and
 - d. A statement affirming the sound emission levels do not exceed the allowable octave band sound pressure levels of Section 4.5.7.
4. The city reserves the right to require independent verification of noise measurements.

5.6– USE CATEGORIES

5.6.5 Industrial Use Categories

D. Heavy Industrial

Firms involved in research and development activities without light fabrication and assembly operations; limited industrial/manufacturing activities. The uses emphasize industrial businesses, and sale of heavier equipment. Factory production and industrial yards are located here. Sales to the general public are limited.

Principal Uses	Accessory Uses	Uses Not Included
Asbestos and radioactive materials products Any use that is potentially dangerous, noxious or offensive to neighboring uses in the district or those who pass on public ways by reason of smoke, odor, noise, glare, fumes, gas, vibration, threat of fire or explosion, emission of particulate matter, interference with radio, television reception, radiation or any other likely cause Animal processing, packing, treating, and storage, livestock or poultry slaughtering, animal slaughter, stockyards, concentrate plant, processing of food and related products, production of lumber, tobacco,	Associated office Food preparation or dining area Product repair Repackaging of goods Warehouse, storage Residential Unit for Security purposes (single unit)	Animal waste processing (see Waste-Related Service) Dredging, earth extraction, clearing or grading (timber cutting), extraction of phosphate or minerals, extraction of sand or gravel, borrow pit, metal, sand stone, gravel clay, mining and other related processing, stockpiling of sand, gravel, or other aggregate materials (see Resource Extraction) Recycling facility including recyclable material storage, including construction

<p>chemical, rubber, leather, clay, bone, paper, pulp, plastic, stone, or glass materials or products, production or fabrication of metals or metal products including enameling and galvanizing, batch plant Bulk storage of flammable liquids Chemical, cosmetics, drug, soap, paints, fertilizers and abrasive products Commercial feed lot Concrete batching and asphalt processing and manufacture, batch plant <u>Data Center</u> Earth moving and heavy construction equipment and transportation equipment Explosives Gypsum manufacture, linoleum manufacturing Fabricated metal products and machinery Foundry, forge plant Impound lot, wrecker service includes city wreckers, auto storage, automobile dismantlers and recyclers, wrecking, junk or salvage yard Leather and leather products includes tanning and finishing Petroleum, liquefied petroleum gas and coal products and refining Primary metal manufacturing, electroplating, graphite Pulp mills Rubber and plastic products, rubber manufacturing Scrap metal processors Sawmill, pulp mill Secondary materials dealers Tire recapping Tobacco products Transportation equipment</p>		<p>material (see Waste-Related Service) Repair and service of motor vehicles, motorcycles, RVs, boats, and light and medium trucks (see Vehicle Sales and Service)</p>
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6.0 – FORM DISTRICTS

6.5 WAREHOUSE DISTRICT

D. Warehouse District – Local

7. Permitted Uses

c. Industrial uses shall be considered to encompass all of the Industrial use categories except data center, waste-related services and animal processing, as defined in Section 5.6.

10.0 – DEFINITIONS

10.3 Defined Terms

Data Center: A facility used primarily for the storage, management, and processing of digital data and that is used to house computer and network systems, including associated components such as servers, network equipment and appliances, and data storage systems; systems for monitoring and managing infrastructure performance; internet related equipment and services; data communications connections; environmental controls; fire protection systems; and security systems and services. Uses include but are not limited to: server farms, web hosting, cluster computing, cloud storage, colocation centers, and cryptocurrency mining. Uses that include associated components of a data center as ancillary to the principal use on the property shall not be considered a Data Center.

Section 2. This Ordinance shall be in full force immediately and upon passage and approval according to law.

PASSED BY THE CITY COUNCIL OF THE CITY OF PEORIA, ILLINOIS,
THIS _____ DAY OF _____, 2022

APPROVED:

Mayor

ATTEST:

City Clerk

EXAMINED AND APPROVED:

Corporation Counsel