



**PUBLIC NOTICE
PLANNING & ZONING COMMISSION**

Meets

Wednesday, July 26, 2023

6:00 PM

**ELOY CITY COUNCIL CHAMBERS
595 NORTH C STREET
ELOY, ARIZONA 85131**

AGENDA

I. Call to Order

II. Roll Call

III. Invocation

IV. Pledge of Allegiance

V. Public Appearances

Those wishing to **ADDRESS THE PLANNING & ZONING COMMISSION** may do so by signing in on a form provided by the Community Development Director, identifying the topic(s) or agenda item(s). **ACTION** taken as a result of public comment regarding non agenda items will be limited to directing staff to study the matter or rescheduling the matter for further consideration and decision at a later date. **SPEAKERS SHALL BE LIMITED TO THREE (3) MINUTES.**

VI. Motion to approve the May 30, 2023 meeting minutes of the Planning and Zoning Commission

- A. The meeting minutes for the May 30, 2023 Planning & Zoning Commission will be included in the packet for their next regularly scheduled meeting.

VII. Old Business: Possible discussion and/or action on the following:

- A. Conduct a public hearing for a Staff initiated request to amend the Eloy City Code, Chapter 21-Zoning: Article III. Section 21-3-1.39 Supplemental Use Standards-Solar, Utility Scale Generation Facilities; Article IX. Section 21-9-1 Definitions; Article IX. Section 21-9-2 Acronyms. **Several letters have been received by the City related to this case, and are attached.** (Case No. TA2023-006)
- B. Commission to make a recommendation for approval, approval with conditions, denial or continuance for Case No.: TA2023-006 to amend Chapter 21-Zoning: Article III. Section 21-3-1.39 Supplemental Use Standards-Solar, Utility Scale Generation Facilities and Article IX. Section 21-9-1 Definitions and Section 21-9-2 Acronyms, as presented.

VIII. New Business: Possible discussion and/or action on the following:

IX. Informational Item:

X. Communications:

- A. Ex-Officio Member Announcements
- B. Community Development Director Announcements

XI. Motion to Adjourn

POSTED BY 5:00 PM, ON FRIDAY, JULY 21, 2023 AT ELOY CITY HALL, ELOY POST OFFICE, TROY THOMAS COMMUNITY CENTER, TOLTEC COMMUNITY/SENIOR CENTER AND CITY WEBSITE: www.elayaz.gov

A handwritten signature in black ink, reading "Mary Myers", followed by a horizontal line.

Mary Myers, MMC, CPM
City Clerk

INDIVIDUALS WITH SPECIAL ACCESSIBILITY NEEDS MAY CONTACT LORENA LaSALDE-RIOS, ADA COORDINATOR FOR THE CITY OF ELOY AT 520-466-9201 OR 520-466-7455 (TDD). IF POSSIBLE, SUCH REQUESTS SHOULD BE MADE 72 HOURS IN ADVANCE. ONE OR MORE MEMBERS OF THE COMMISSION AND/OR STAFF MAY PARTICIPATE BY TELEPHONIC OR VIDEO MEANS.

CITY OF ELOY

REQUEST FOR COMMISSION ACTION

Agenda Item: **VII.A.**

Date: **7/26/2023**

Date submitted:
06/29/2023

Action: Formal

Subject: Conduct a public hearing for a Staff initiated request to amend the Eloy City Code, Chapter 21-Zoning: Article III. Section 21-3-1.39 Supplemental Use Standards-Solar, Utility Scale Generation Facilities; Article IX. Section 21-9-1 Definitions; Article IX. Section 21-9-2 Acronyms. Several letters have been received by the City related to this case, and are attached. (Case No. TA2023-006)

TO: Planning and Zoning Commission

FROM: Jon Vlaming

RECOMMENDATION:

Based on the conduct of the working session with interested stakeholders on June 28, 2023, the Staff recommendations are as follows for several key discussion points:

Utility Scale Solar Generation Buffer: Staff recommends that the Planning & Zoning Commission recommend the "Blue Option" which represents a distance of 2,200' from Interstate 10 and utilizes existing parcel boundaries and ownership to transect through a portion of Project A. This option would result in a potential "take" of 71 acres, if approved. See the attachment " Project A Buffer Options and Recommendations".

Zoning Ordinance Text Amendment: Staff recommends that the Planning & Zoning Commission recommend the amended version (see the attachment "Chapter 21-Solar Zoning Text Amendment" of Eloy City Code, Chapter 21-Zoning: Article III. Section 21-3-1.39, Supplemental Use Standards-Solar, Utility Scale Generation Facilities. It also includes new definitions (Article IX. Section 21-9-1 Definitions) and an additional acronym (Article IX Section 21-9-2 Acronyms), as shown on the attached draft text.

DISCUSSION:

The City has been the subject of significant interest for the siting of utility scale solar generation and battery storage facilities due to Eloys' location, existing electrical

substation, accessibility to the grid, land values and large parcel ownership. In addition, external factors including the diminishment of support for such facilities in neighboring communities and ongoing discussions regarding reduced surface water deliveries to Central Pinal County, and continued locations for data centers and semi-conductor manufacturing in Maricopa County are all driving large utility scale solar generation and battery storage projects to potentially locate in Eloy.

This onslaught of demand has been a surprise to the City and with the anticipated 25-30 year timeframe of these projects (at a minimum), prompting Staff to request policy direction from City leadership to accommodate such uses in the future. As such, City leadership thought it was prudent to conduct a community conversation regarding these uses to ascertain their short and long term benefits and constraints. Their initial direction was to identify only the area south of Interstate 10 as the appropriate location to consider any future utility-scale solar uses and to identify an appropriate buffer (separation) between Interstate 10 and these uses to not only minimize their visibility to passing traffic but to have the ability to locate conventional employment and residential development pursuant to the City's adopted General Plan and Official Zoning Map. The council was also interested in the amount of area of this portion of the City that would be potentially identified for utility-scale solar use as well as their attendant development standards and post-use clean up provisions (decommissioning).

The City Council held two public work sessions with the members of the Eloy Planning and Zoning Commission and City staff on February 6 and February 27, 2023 to address the issues associated with the provision of utility scale solar generating and storage facilities within the City of Eloy. An additional work session was also held with the members of the Eloy Planning and Zoning Commission on March 29, 2023 to continue the dialogue with interested parties. The Planning and Zoning Commission conducted a public hearing on this item on May 3, 2023, where a continuance was granted by the Commission. The third public hearing with the Eloy Planning & Zoning Commission, City staff has prepared both a recommended buffer distance from Interstate 10 and amendments to Section 21-3-1.39, Supplemental Use Standards. The key items of these amendments are summarized below:

Establish a Buffer (Separation) of Utility Scale Solar Within Proximity to Interstate

10: In response to the input from the community relative to the adjacency of existing utility scale solar projects in the northern portion of Eloy, the City Council has directed staff to evaluate a buffer (separation of land that is not developed with utility scale solar) within proximity to Interstate 10. Staff supports the buffer alternative which establishes a distance of 2,200 feet, as measured from the southern boundary of the Interstate 10 right of way. For Project A, this boundary would remove approximately 71 acres (from its original 1,645 acres) as illustrated on the attached map, Solar Buffer Blue Option.

City staff has received a letter from an adjacent property owner to Project A. This letter requests a setback of 1,000 feet from their common boundary with Project A where existing mature Pecan Trees are currently located adjacent to proposed solar generation facilities. The letter is attached for reference.

Limit Utility Solar Generation and BESS Acreage to 11,744 acres (16% of City-wide total): City staff met with project stakeholders in late June who requested that the proposed 16% acreage cap be increased to 20% (14,680 acres). While Staff understands the request, it is maintaining its existing recommendation for 16%. **Note: The text draft dated 7.11.23 indicated that the cap had been increased, but that has been brought to Staff's attention and corrected back to 16% in the attached clean and legislative drafts.**

As background for the acreage cap, the existing constructed, designed and approved acreage within the City is 2,234 acres (3.0 percent of the City's incorporated area).

If Projects A-E were approved as presented and amended with the recommended buffer, this acreage would total 5,530 acres:

Proposed Project A: 1,574 acres (if the recommended buffer is selected)
Proposed Project B: requested to be removed
Proposed Project C: 651 acres
Proposed Project D: 1,285 acres
Proposed Project E: 2,020 acres
Subtotal 5,530 acres (7.5 percent of the City's incorporated area).

The cumulative total acreage is 7,764 acres (10.5 percent) which allows a maximum increment of 3,980 additional acres of solar generation facilities to total 11,744 acres (16 percent of the City's incorporated area). Staff is aware of approximately 3,500 acres (in addition to Projects A-E above, that are contemplated for solar generation facilities at this time south of Interstate 10.

Eloy Zoning Ordinance Text Amendment: The City intends to amend and augment the Eloy City Code, Chapter 21-Zoning: Articles III and IX. These include the following:

Section 21-3-1.39 Supplemental Use Standards-Utility Scale Solar Generation and Battery Energy Storage System Facilities;
Section 21-9-1 Definitions;
Section 21-9-2 Acronyms.

The following components have been addressed in the updated text version:

Locational Criteria-Contiguity: Placed this provision as a "will utilize" provision.

Utility Scale Lot Coverage: Staff recommends retaining the previously supported 3% lot coverage maximum (not counting the solar array lot coverage).

Groundwater Extinguishment: Staff has removed all references to this provision in the text.

Gateway Roadway Right of Way Dedication: Staff has removed the provision for an additional 100' of Right of Way and replaced it with an addition of eighteen feet to the landscape tract (to total 30 feet) on both sides of a Major Arterial Roadway that is designated as a Gateway Corridor.

A "clean" and legislative draft version of these text changes is included as an attachment for ease of review of the Zoning Code text revisions.

FISCAL IMPACT:

These decisions have a positive and negative fiscal impact on the City of Eloy. The positive fiscal impacts will result from the generation of construction sales taxes, indirect sales taxes afforded through site development and construction, and enhanced property tax collections for the various taxing authorities (i.e. City of Eloy, public school districts, Central Arizona College and Eloy Fire District, etc.). Potential indirect negative fiscal impacts would result from the lack of full-time equivalent employees on the property when constructed, long term utilization of the land for modest site improvements-as opposed to the future implementation of the entitlements (over the next 25-30 years) that have been adopted previously (typically for conventional master planned residential community development). Conventional development, if and when realized, would have a higher valuation and consequential tax assessment to the benefiting taxing authorities.

Potential Buffer Options for the Area Surrounding Project A, Milligan Solar Project

The two images below enlarge the five buffer options to determine the northern boundary for Project A, Milligan Solar Project. These five options are summarized below and mapped on the following pages:

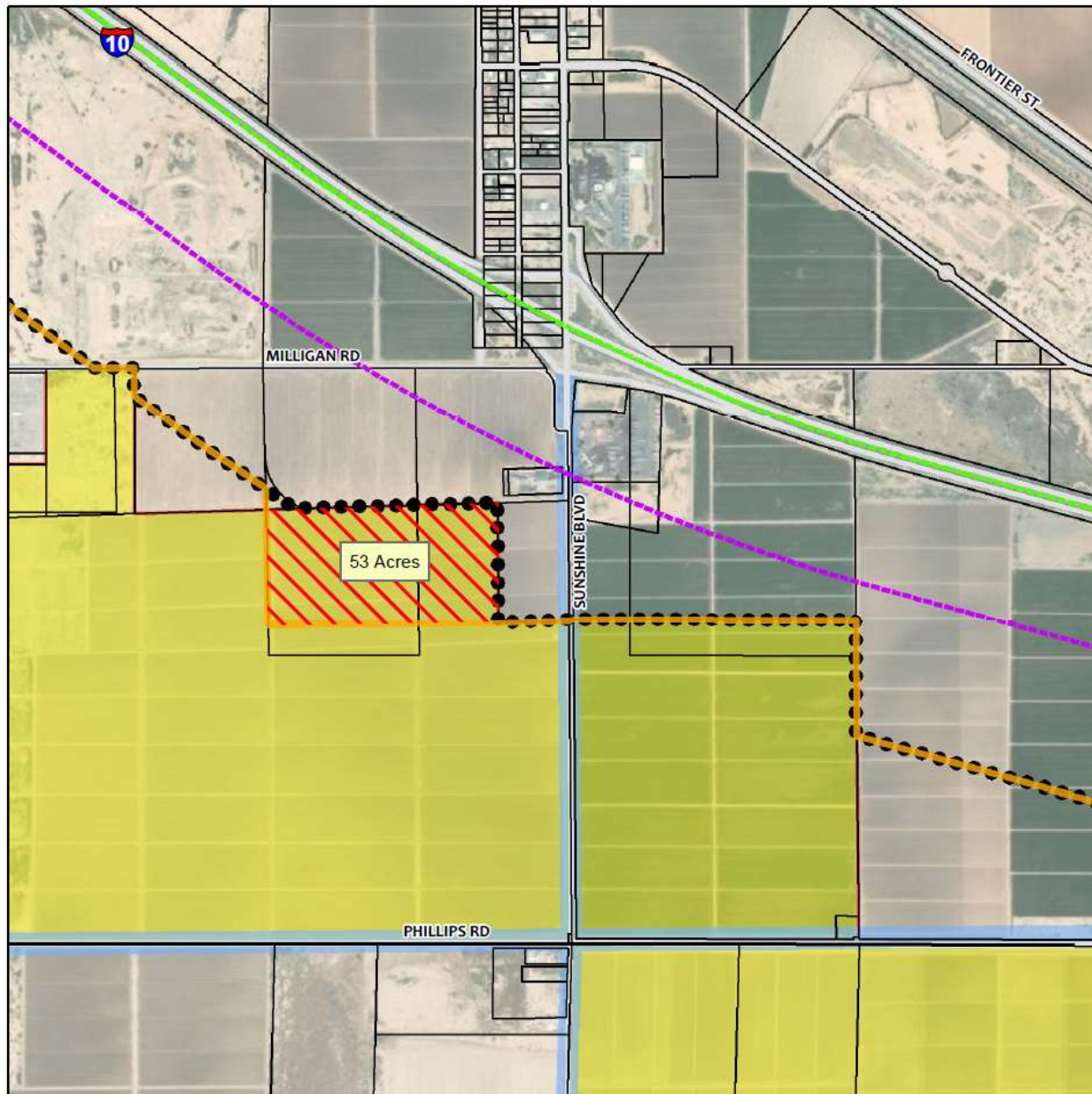
Green Option: The **green** line represents a distance of 0' from Interstate 10. The impact to Project A is a "take" of 0 acres. Staff is not supportive.

Purple Option: The **purple** line represents a distance of 1,200' from Interstate 10 and approximately 800' distance from the Sunshine Blvd. interchange with Interstate 10. The impact to Project A is a "take" of 0 acres. Staff is not supportive.

Black Option: The **black** option represents a distance of 2,640' from Interstate 10 and a 2,200' distance from the Sunshine Blvd. interchange with Interstate 10. This option recognizes the existing boundary of Project A. The impact to Project A is a "take" of 0 acres. Staff is not supportive.

Orange Option: The **orange** line represents a distance of 2,600' from Interstate 10 and a 2,200' distance from the Sunshine Blvd. interchange with Interstate 10. The impact to Project A is a "take" of 53 acres. Staff is not supportive.

Blue Option: The **blue** line represents a distance of 2,200' from Interstate 10 and a 2,500' distance from the Sunshine Blvd interchange with Interstate 10. The impact to Project A is a "take" of 71 acres. Staff is supportive.



Solar Buffer Orange Option

Eloy, Arizona

Solar Buffers

Orange Option

0' From I-10 (ALT. A)

1,200' From I-10 (ALT. B)

2640' From I-10 (Except Project A)

Proposed Solar Projects

A - 1,645 Acres

Gateway Corridor

Proposed Gateway Corridor

Reference

Parcels

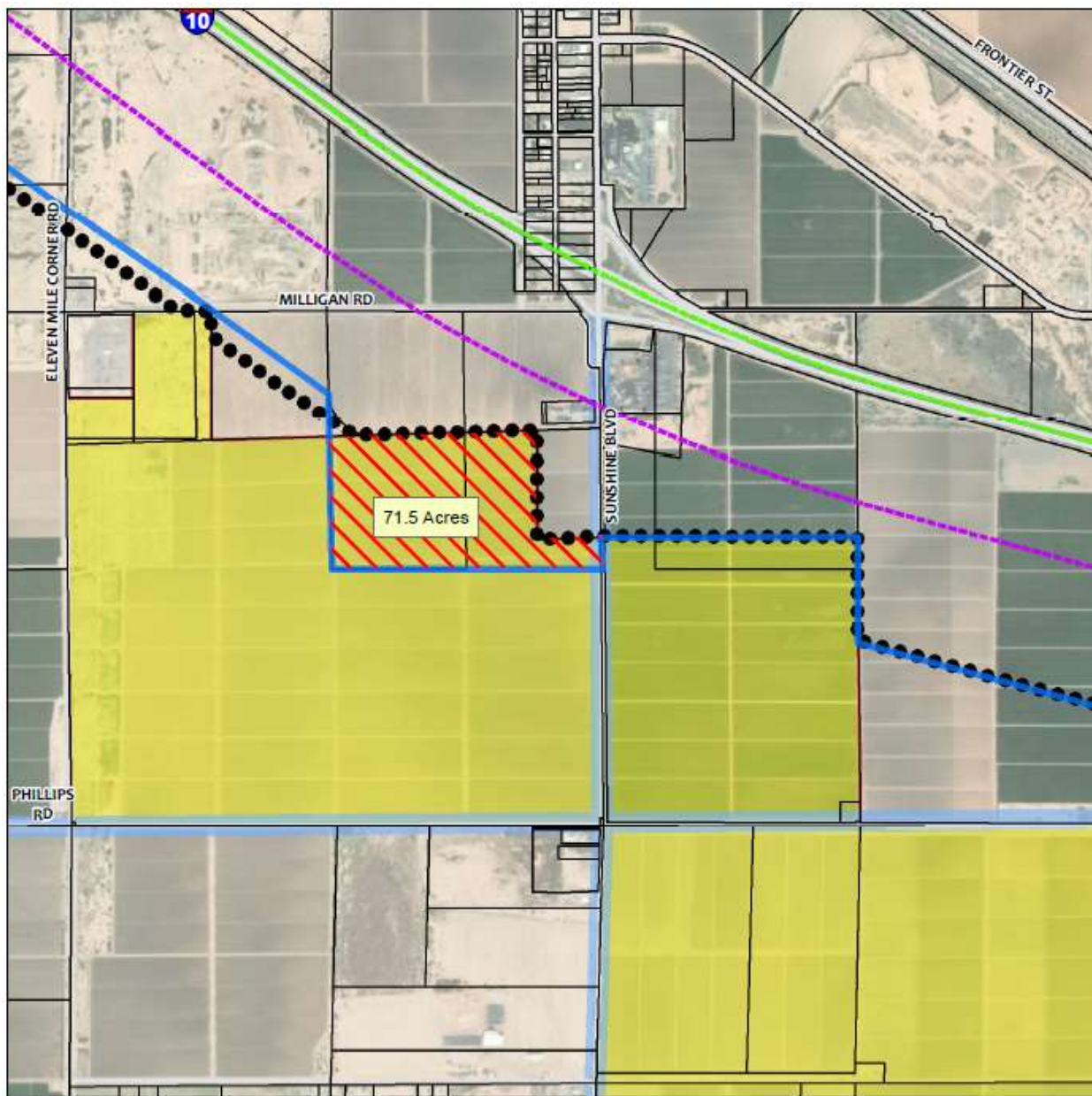
Roadway

Canal



1,000 500 0 1,000 Feet

Document Name: Solar_Option Orange



Solar Buffer Blue Option

Eloy, Arizona

Solar Buffers

- Blue Option
- 0' From I-10 (ALT. A)
- 1,200' From I-10 (ALT. B)
- 2640' From I-10 (Except Project A)

Proposed Solar Projects

- A - 1,645 Acres

Gateway Corridor

- Proposed Gateway Corridor

Reference

- Parcels
- Roadway
- Canal



1,100 550 0 1,100 Feet

Document Name: Solar_Option Blue

21-3-1.39 Solar, Utility Scale Generation and Battery Energy Storage System Facilities

A. Locational Criteria:

The ~~City will~~may utilize consider the following criteria ~~to identify and other factors when evaluating the~~ that will identify appropriate locations within the City ~~(and future expansion)~~ for utility scale solar use~~this use includes:~~

1. Located south of Interstate 10
2. Located approximately ½ mile from an Interstate 10 traffic interchange and a minimum of (2,400') from the southern right of way boundary of Interstate 10
3. Located contiguous to an existing and/or approved utility scale solar generation facility for a minimum distance of 2,600 feet (south of Interstate 10 only).

The City may utilize the following criteria to assist in the siting of appropriate utility scale solar uses:

13. Located proximate to an existing or designed and capital funded electrical substation, transmission line or other satisfactory inter-tie location
24. Located on a previously utilized site exhibiting challenging characteristics for reuse (i.e. a existing brownfield site, aggregate extraction site, etc.) and/or a site exhibiting low vegetative, ecological and/or cultural resource values
5. Located contiguous to an existing and/or approved utility scale solar generation facility for a minimum distance of 2,600 feet so as not to create a "checkerboard" land use pattern where non-solar lands are surrounded by large-scale solar projects.

B. Acreage Limit and Future Expansion: The cumulative acreage maximum for utility scale solar generation, including supportive BESS uses, in the City of Eloy is 11,744 acres (~~16 % of the City's total incorporated area~~). The ability to increase the cumulative acreage maximum may only occur with a formal written request to the City Council by the Applicant. The burden of proof to substantiate such request will be the sole responsibility of the Applicant, prior to the acceptance of any entitlement, site plan or building plans by the City of ~~Eloy~~.

C. Conforming Development: That development of the utility scale solar generation and supportive BESS project shall be in compliance with the CUP narrative or Planned Area Development document and/or the Eloy Zoning Ordinance.

D. Project Zoning Amendments: Any major changes or modifications to the subject CUP or PAD shall be reviewed and processed in accordance with those procedures outlined in the Eloy Zoning Ordinance, as may be amended from time to time. Locations proposed for utility scale solar with underlying Planned Area Developments previously adopted by the City Council ~~shall not be severed, and existing PADs may be amended to add Utility Scale Solar as a permitted use and~~

Commented [E1]: Keep 1 & 2 as mandatory; 3-5 up for consideration as part of project submittal
Current language leaves consideration for

Commented [E2]: Definition of or diagram

Commented [E3]: Increase to 20% to allow for potential expansion of current projects

Commented [JV4]: We have a comment submitted that we will review and discuss.

~~shall not be severed.~~ If PAD severing is proposed, the portion of the PAD proposed for utility scale solar shall voluntarily rescind its PAD entitlements and revert to its base zoning districts. That portion of the PAD not proposed for utility scale solar shall retain its PAD status. If the resulting base zoning districts do not permit utility scale solar, such areas will be voluntarily downzoned to R1-43, R1-54, RR2.5, RR-5, or RR-20 and the entire area will be reviewed and approved with a Conditional Use Permit. The Zoning Administrator, or his/her designee, may administratively approve minor amendments and will determine the difference between major and minor amendments. ~~Any areas voluntarily downzoned will be reviewed and approved as a minor general plan amendment.~~

Commented [CR5]: Note to City - need to discuss how this works and if this can preempt the General Plan?

- E. Site Plan Approval: The property owner/agent shall submit and receive Eloy Planning & Zoning Commission approval for the Site Plan for the entire project prior to obtaining construction plan approval.
- F. Utility Scale Solar Development Standards
The development standards identified in Table 3-1-1 of this section apply to all principal uses and structures, except as otherwise expressly stated in this chapter. Regulations governing accessory uses and structures are identified in Section 21-3-2 of this chapter.

TABLE 3-1-1 Utility Scale Solar Development Standards

Project Size, Minimum	Project Width, Minimum	Front Setback	Side Setback	Side Setback (Street)	Rear Setback	Lot Coverage, Maximum	Building Height, Maximum
160 acres	1,300 lineal feet	75' /100' ^{1, 2}	75' /100' ^{1, 2}	75' /100' ^{1, 2}	75' /100' ^{1, 2}	10 3% ^{1, 2}	As per underlying zoning district for principal structures. Accessory structures is fifteen feet (15') ³⁴

Commented [JV6]: We need to discuss and quantify why this number

Notes:

1. A setback of one hundred feet (100') shall occur between the utility scale solar generation project and any existing adjacent residential homes or acreage zoned R1-12, R1-6, R-2, and R-3.

2. ~~The setback shall be increased to one hundred feet (100') where the solar project boundary abuts a proposed Gateway Corridor (i.e. Sunland Gin Road, Toltec Road, Sunshine Boulevard, future southerly extension of SR-87, Phillips Road, Harmon Road or Pretzer Road) or any other arterial roadway served with a traffic interchange to a freeway or proposed regional corridor.~~
23. Freestanding, ground mounted solar arrays shall not count toward the lot coverage percentage. All inverters, inverter pads, BESS containers and on-site project substations are to be included in the lot coverage percentage determination.
34. ~~Does not apply to poles and other facilities associated with on-site substation uses.~~

G. Development Conditions of Approval: The following minimum conditions of approval shall be imposed on every utility scale solar generation and supportive BESS project. ~~Other site specific conditions may be imposed at the discretion of the Zoning Administrator or his/her designee, based on existing and/or potential site conditions.~~

1. Pre and Post Construction Property Maintenance: A Site Maintenance Agreement shall be mutually executed between the Property Owner ~~or the Property Owner's designee~~ and the City (as a condition of approval) to ensure that all undeveloped and developed portions of the subject property shall be maintained in a natural, debris-free, and weed-free condition. Subsequent to the construction of the solar arrays, native low growing vegetation shall be used to stabilize the site for the duration of the facility's use. Weed control or mowing shall be performed routinely and a performance bond reflecting the costs of such maintenance for a period of six (6) months shall be posted and maintained by the Property Owner or the Property Owner's designee. Solar panels shall be repaired or replaced or removed when they are either nonfunctional or in visible disrepair. Persistent failure, over a period of six (6) months, to maintain the site or its improvements may result in ~~revocation~~ of the conditional use permit or planned area development entitlements and initiate the facility's decommissioning by the City of Eloy.

~~Prior to revoking a conditional use permit or zoning, and prior to initiating a partial or complete the decommissioning of any project, the City must provide the Property Owner or the Property Owner's designee and the developer with official notice of the City's intent to revoke via certified mail. The notice shall identify each specific reason for the commencement of the revocation or decommissioning process and shall provide the Property Owner or the Property Owner's designee and developer with thirty (30) calendar days to remedy the issue identified in the notice. If the remedy requires-is one that takes more than thirty (30) calendar days to completeimplement, the Property Owner or the Property Owner's designee developer shall, within the thirty (30) -daycalendar day period, respond and inform the City, identifying the scope of work and requesting a reasonable timeframe-how much time it needs to remedy the identified issue(s). The City and Property Owner or the Property Owner's designee-and shall mutually determine the appropriate-then be given that much~~

Commented [CR7]: Question for City - is this intended to be an expansion of the ZA's current authority? If not, this should be deleted to avoid ambiguity. On the other hand, if this is a new power, then we need to understand the bounds.

Commented [JV8]: This needs to rest with the Property Owner.

Commented [E9]: INSERT Language regarding a cure period

Commented [JV10]: Lets discuss. Won't the Site Maintenance Agreement provide the clarity needed? Also, we have adopted the International Property Maintenance Code and strive for voluntary compliance.

timeframe to completely resolve the issue(s)implement the remedy. In the event thatf thirty (30) calendar days pass and the issues have not been completely resolved nor has the City received any written correspondence from the Property Owner or the Property Owner's designee,remedied or, in the case of remedies that take more than thirty days, if the additional time passes without a remedy, than the City may place the item on a City Council Agenda for the Council to allowreeeive public comment and input from the Pproperty Oowner or Property Owner's designee and developer prior to considering a revocation ofvoting-on whether to revoke the conditional use permit (or other entitlement on the property), commencing decommissioning of the project, or providing the Pproperty Oowner or Property Owner's designee-developer additional time to remedy the issue(s). The specific process for this revocation procedure shall be set out in the Site Maintenance Agreement and the revocation and decommissioning process described herein can only be pursued for allegations related to violations of the Site Maintenance Agreement and/or the International Property Maintenance Code (IPMC):

2. Perimeter Landscape Treatment: The property owner/developer shall coordinate with City Staff to select appropriate drought tolerant landscape vegetation (from the Pinal AMA Low Water Use Plant List prepared by the Arizona Department of Water Resources) to be located in a minimum ten (10) foot landscape setback along all minor and major arterial frontages of the project. The landscape setback along Sunland Gin Road, Toltec Road, Sunshine Boulevard, Phillips Road, Harmon Road, and Pretzer Road shall be a minimum of thirtytwenty feet (320'). Unless otherwisespecifically agreed to by the Zoning Administrator-City Staff, aAll landscape areas are to be initially served with a drip irrigation and water tank storage system and irrigated on a regularly scheduled basis to promote vigorous vegetative health and growth. If municipal water service is extended to within four hundred (400) feet of the project boundary, the irrigation system shall be retroactively extended, connected and activated for use. Landscaping and irrigation systems shall be maintained throughout the life of the project by the developer.

3. Utility Scale Solar Generation Perimeter Security: The entire perimeter of the subject utility scale solar generation facility shall be enclosed, at a minimum with a chain link fence, powder coated sage green, and erected to a height of seven (7) feet as measured from the finish grade of the land prior to the commencement of operations of the utility scale solar generation facility. The fence shall be maintained in an upright and functional condition pursuant to the executed Site Maintenance Agreement and the adopted National Electric Code.

4. Lighting: Any on-site lighting provided for the operational phase of the utility scale solar generation or BESS Facility shall comply with Section 21-4-5: Outdoor Lighting of the Eloy Zoning Code.

5. Noise: Noise from Utility Scale Solar Facilities shall be subject to the provisions governing noise from Section 13-15 and 13-16 of the Eloy City Code.~~Daytime-generated~~

Commented [JF11]: It is critical that all systems are maintained regardless of owners, age of project etc. I can see these being sold and maintenance becomes ignored.

Commented [CR12]: I was previously not aware of this but the City has a noise ordinance that deals with all the types of issues we have concerns about. Prefer to use the City's existing ordinance especially since solar is already a quiet use and it does not make sense to make it subject to even stricter standards.
https://codelibrary.amlegal.com/codes/eloyaz/latest/eloy_az/0-0-0-4870#JD_13-15

~~noise from any solar component or activity will be under 70 dBA (as measured at the property line) with noise emissions generated from dusk to dawn under 35 dBA.~~

6. Construction/Building Inspections: The Applicant shall allow designated City of Eloy 3rd Party Inspectors as well as City employee's access to the utility scale solar generation facility premises with forty-eight (48) hour notice for inspection purposes as set forth in their application.

7. Pre-Operational Training: The Applicant shall arrange a training session with the Eloy Fire District to familiarize personnel with issues unique to the utility scale solar generation facility prior to the initiation of solar operations.

8. Regulatory Compliance: The utility scale solar generation facility shall be designed, constructed, and tested to meet relevant local, state, and federal standards, as applicable.

9. **Regional Land Use Impacts and Mitigation:** At the discretion of the Zoning Administrator, the ~~Property Owner or Property Owner's designee/agent~~ shall contact existing/proposed land use entities (i.e. Sawtooth Airfield, Kitt Peak Observatory, farms, ect.) to ~~discuss and memorialize in written form, the potential impacts of the project. Such dialogue shall be submitted to the Zoning Administrator for review and reference.~~ ~~confirm that the proposed project does not create direct or indirect negative impacts to their existing or planned operations, or if so, such impacts can be mitigated by the property owner/developer.~~

Commented [E13]: comment of clarification

10. Minor and Major Arterial Road Dedication: The property owner/developer shall dedicate the full right of way for all minor and major arterial roads (as identified on the City's adopted General Plan-Circulation Map) or as identified by the Eloy Public Works Director prior to obtaining a building permit. The half-street dedication for major arterial rights of way for Sunland Gin Road, Toltec Road, Sunshine Boulevard, Phillips Road, Harmon Road, and Pretzer Road (Gateways), shall be increased to eighty-three (83) feet to increase the standard twelve (12) foot landscape area to a total of a thirty (30) foot landscape area.

11. Interim Arterial Road Improvements: The property owner/agent shall improve all perimeter minor and major arterial roads located along the proposed utility scale solar generation and supportive BESS project boundary (or internal to the project boundary) with a double chip seal pavement width of twenty-eight (28) feet within the projects' half-street rights of way. The subbase of such roadways shall be six (6) inches of aggregate base course material. Low water crossings shall be installed at grade, in locations where drainage model shows flow, and side ditches on the side of roads shall capture regular storm flows and convey flows along current drainage paths.

a. Internal Project Roadway Emergency Response Access: The property owner/agent shall coordinate with the Eloy Fire District on the required roadway cross section to provide adequate internal circulation necessary to serve a vehicle

with 75,000 gross vehicle weight from the project vehicular access points to key internal project components (i.e. inverters, batteries, etc.) for fire and emergency response apparatus.

b. Battery Energy Storage Systems: The provision of a battery energy storage system, only to directly support the utility scale solar generation facility, shall only be located within the boundaries of the benefitting utility scale solar generation facility.

c. ~~Groundwater Extinguishment: To the extent allowed by law, all Type-I Non-irrigation and Irrigation Grandfathered Rights associated with the property to be developed as a utility scale utility scale solar generation facility shall be properly extinguished and the resulting extinguishment credits conveyed to the City of Eloy (or pledged to the City of Eloy account at the Arizona Department of Water Resources) prior to the issuance of any building permit by the City of Eloy.~~

H. Project Decommissioning: Successful decommissioning of the utility scale solar generation facility and BESS (as applicable) shall entail the preparation of a decommissioning plan, cost estimate, financial assurances, and the complete removal of non-operational above and below ground improvements. If the State of Arizona adopts statewide solar generation facilities decommissioning rules and/or standards subsequent to the City's adoption of the provisions below, the City reserves the right to review the adopted State rules and/or regulations and to incorporate all, or portions thereof, through an executed amendment of this ordinance.

1. Decommissioning Plan: The Applicant shall submit a decommissioning plan to the City of Eloy for approval prior to, or in conjunction with, the building permit submittal. The purpose of the decommissioning plan is to specify the procedure by which the Applicant, or its successor, would remove ~~all of~~ the above and below ground improvements associated with the utility scale solar generation (and if applicable BESS) facilities ~~to a depth of forty-eight (48) inches~~ after the end of their usefulness and to restore the property for immediate non-solar related uses.

2. Decommissioning Cost Estimate: The decommissioning plan shall include a decommissioning cost estimate prepared by an ~~independent third-party~~ Arizona licensed professional engineer ~~mutually agreed upon by the Applicant and the City~~ which will quantify the gross estimated cost to decommission the utility scale solar generation facility (and BESS Facility, if applicable) in accordance with the decommissioning plan and these conditions. ~~If the decommissioning cost estimate shall not include any estimates or offsets for the resale or salvage values of the utility scale solar generation facility, or BESS equipment and materials, it shall be supported by an attached bid (dated within six (6) months) from a third party vendor confirming their intent to buy and/or salvage the identified solar generation components. The cost of preparing the estimate shall be paid by the Applicant.~~

Commented [E14]: LOOK further into Salvageable value can offset decommissioning costs

~~3. Decommissioning Cost Estimate Peer Review: The applicant, or its successor, shall reimburse the City for an independent review and analysis by a licensed engineer of the initial decommissioning cost estimate.~~

Commented [CR15]: The preceding addition of an independent reviewer eliminates the need for this section.

34. Decommissioning Cost Estimate Update: The applicant, or its successor, shall cause the independent third-party Arizona licensed professional engineer to update the decommissioning cost estimate every ~~seventen~~^{five (7105)} years and reimburse the City for an independent review and analysis by a licensed engineer of each decommissioning cost estimate revision. The cost of preparing this update shall be paid by the Applicant.

Commented [E16]: KEEP 7

I. Decommissioning Financial Assurances: Prior to the City's approval of the building permit, the Applicant shall provide financial assurances to ensure that decommissioning can successfully occur by choosing through either of the following options:

1. Letter of Credit or Surety Bond for Full Decommissioning Cost and Guaranty: A letter of credit issued by a financial institution that has (i) a credit rating of at least ~~Baa3~~^{or higher by Moody's or BBB- or higher by Standard and Poor's; or other credit rating and financial ratios and capitalization requirements that are reasonably acceptable to the City} "A-" from Standard & Poor's or A3 from Moody's and assets (50%) and capital surplus (50%) totaling at least \$10,000,000,000; (ii) a comparable rating from another nationally recognized bond rating agency; (iii) other credit rating and capitalization reasonably acceptable to the City, in the full amount of the decommissioning estimate; or

Commented [E17]: DISCUSS more with City bond council

2. Tiered Securitization: An amount equal to, or more than, ten (10) percent of the approved decommissioning cost estimate to be deposited in a cash escrow account at a financial institution acceptable to the City of Eloy; or an amount equal to, or more than, ten (10) percent of the decommissioning cost estimate in the form of a letter of credit or surety bond issued by a financial institution that has a credit rating of at least "A-" from Standard & Poor's or A3 from Moody's and assets (50%) and capital surplus (50%) totaling at least \$10,000,000,000, or an A.M. Best financial strength rating of at least "A- (Excellent) or other credit rating and capitalization reasonably acceptable to the City of Eloy, with the amount of the letter of credit or surety bond increasing by an additional ten (10) percent each year in years 2-9 after commencement of operation of the utility scale solar generation facility.

3. Letter of Credit ~~Adjustment Escalator~~: Following each revisions of the decommissioning cost estimate, ~~In the tenth (10th) year of operation, the Applicant shall adjust increase the value of the letter of credit to one hundred (100) percent of the then-current decommissioning cost estimate. At such time, the Applicant may be entitled to a return of the ten (10) percent cash escrow.~~

Commented [E18]: REVIEW further with bond agency

4. Decommissioning Securitization Review: Upon the receipt of the first revised decommissioning cost estimate (following the ~~seventh~~^{fifth (75th)} year anniversary), any increase or decrease in the decommissioning securitization shall be funded by the

Commented [E19]: ADD State legislation would supersede language

applicant or refunded to the applicant (if permissible by the form of security) within ninety (90) calendar days and will be similarly readjusted for every subsequent sevenfive-year decommissioning cost estimate update.

5. Receipt of Securitization Funds: The assurance~~securitization~~ must be received prior to the approval of the building permit and must remain in full force for the duration of the life span of the utility scale solar generation facility and until all decommissioning is completed to the satisfaction of the City of Eloy. If the City receives notice or reasonably believes that any form of assurance~~securitization~~ has been revoked, or the City receives notice that any assurance~~securitization~~ may be revoked, the City may, after providing notice and a reasonable opportunity to post a replacement security, -revoke the conditional use permit or planned area development entitlement and shall be entitled to take all actions necessary to obtain the rights to the securitized funds.

J. Applicant/Property Owner Obligation: Within six (6) months after the complete cessation of use of the utility scale solar generation facility for electrical power generation or transmission, the applicant or its successor, at its sole cost and expense, shall initiate, and provide continuous, decommissioning of the utility scale solar generation facility in accordance with the mutually approved decommissioning plan. If the Applicant or its successor fails to complete all decommissioning of the utility scale solar generation facility, in accordance with the schedule provided in the mutually approved decommissioning plan, the property owners shall immediately commence decommissioning activities in accordance with the decommissioning plan. Following the completion of decommissioning of the entire utility scale solar generation facility and payment for such costs, arising out of a default by the applicant or its successor, any remaining securitized funds held by the City shall be distributed to the property owners(s) in the same percentage of the securitized funds matched with the percentage of the property owner's acreage ownership of the utility scale solar generation facility.

K. Applicant/Property Owner Default; Decommissioning by the City of Eloy: If the Applicant, its successor, or the property owner(s) fail to decommission the utility scale solar generation facility pursuant to the mutually approved decommissioning plan and the City has not approved a repowering of the solar generation facility, the City shall have the right, but not the obligation, to commence decommissioning activities and shall have access to the property, and shall have the right to draw on securitized funds up to the amount of the actual decommissioning costs, ~~access to the full amount of the decommissioning securitized funds~~, and the rights to the utility scale solar generation facility and BESS equipment and materials remaining on the property. If applicable, any excess decommissioning securitized funds shall be returned to the current owner of the property after the City has completed the decommissioning activities and paid all outstanding invoices. Prior to the issuance of any permits,

Commented [CR20]: Note to City - need to discuss this provision as it may inadvertently make financing impossible.

the Applicant and the property owners shall deliver a legal instrument to the City of Eloy granting the City (1) the right to access the property, and (2) an interest in the utility scale solar generation facility equipment and materials to complete the decommissioning upon the Applicant's and property owner's default. Such instrument(s) shall bind the Applicant and property owners and their successors, heirs, and assigns. Nothing herein shall limit other rights or remedies that may be available to the City to enforce the obligations of the Applicant, including under the City's zoning powers.

Commented [E21]: LOOK more financing issue
Any interest granted to city would have to be subordinate to financing parties interest

1. Equipment/Building Removal: All physical improvements, materials, and equipment related to solar energy generation, ~~shall be removed from the both~~ surface and ~~all the~~ subsurface components, ~~shall be removed to a depth of forty-eight (48) inches in their entirety.~~ The pre-existing soil grade will also be restored following disturbance caused in the removal process. All perimeter fencing will be removed and recycled or reused. Upon approval of the Zoning Administrator, or his/her designee, the existing perimeter fencing may remain in place.

Commented [E22]: OK within industry standards 36 – 48

2. Infrastructure Removal. All access roads located within private property will be removed. The exception to removal of the access roads and associated culverts or their related material would be based upon written request from the current or future landowner to allow all, or a portion of these facilities to remain in place for use by that landowner. ~~Otherwise, all access roads will be removed within areas that were previously used for agricultural purposes and topsoil will be redistributed to provide substantially similar growing media as was present within the areas prior to site disturbance.~~

Commented [E23]: Access roads on private property

3. Partial Decommissioning. If decommissioning is triggered for a portion, but not the entire utility scale solar generation facility, then the applicant or its successor will commence and complete decommissioning, in accordance with the decommissioning plan, for the applicable portion of the utility scale solar generation facility; the remaining portion of the utility scale solar generation facility would continue to be subject to the decommissioning plan.

Section 21-9-1 Definitions: Augment this section with the following definitions:

Battery Energy Storage Systems (BESS): Are facilities that capture unused energy from the inverter, allowing it to be stored for later use during reduced periods of energy production.

Decommissioning: The act of making the components of the Utility scale solar generation Facility inoperative, and then to dismantle, responsibly dispose of, and return the site to its pre- construction condition.

Persistent: Continuing to obstinately and continuously maintain a course of action in spite of opposition.

Photovoltaic: Are arrays of cells containing a solar voltaic material that converts solar radiation in direct current electricity.

Property: A single, or an aggregation of, Pinal County Assessor's parcels to achieve the minimum identified Project Size.

Solar Array: A combination of a large number of panels, or an interconnected system of panels, or an integrated system of panels, that deliver the on-site generated electricity to a single connection point and at the desired voltage.

~~Utility scale solar generation Facility: An improved area of land in which a large number of solar arrays are organized in an interconnected arrangement to deliver electricity to a single connection point (i.e. substation), at a desired voltage. Utility Scale Solar Generation Facilities does not include solar facilities that power associated buildings (e.g. a solar facility that provides electricity directly to an associated industrial user).~~

Solar Panel: Consists of multiple photovoltaic cells interconnected in an electrical circuit, which may be connected to an exterior circuit at a single point.

Solar, Utility Scale: Consists of a minimum site area of 160 acres, which generates solar power from ground mounted structures (which are the principal land use) with a direct connection to the electrical grid and typically conveying power to third parties. ~~Solar, Utility Scale does not include solar facilities that power associated buildings (e.g. a solar facility that provides electricity directly to an associated industrial user).~~

~~Utility Scale Solar Generation Facilities do not include on-site solar facilities that supply power to on-site buildings (e.g. a roof-top or at-grade solar facility that only provides electricity directly to the permitted or conditionally permitted land use) nor do they include utility scale natural gas plants (including combined cycle generation) or thermoelectric plants.~~

Commented [E24]: INSERT this amt into the USSGF definition since this definition is being deleted

Section 21-9-2 Acronyms: Augment this section with the following acronym:

BESS _____ Battery Energy Storage System: ~~Augment this section with the following definitions~~

Comments:

- ~~Permacrops and buffer within the setbacks section of the language~~
- ~~Distribute red-line to rest of the group from today & amendment from today~~
- ~~Redistribute another version that includes today's legislative format as part of package to P&Z – week to week 1/2 to finish~~
- ~~July 25th P & Z meeting – only agenda item – public hearing~~

21-3-1.39 Solar, Utility Scale Generation and Battery Energy Storage System Facilities

A. Locational Criteria:

The City will utilize the following criteria to identify appropriate locations within the City for utility scale solar uses:

1. Located south of Interstate 10
2. Located approximately ½ mile from an Interstate 10 traffic interchange and a minimum of (2,400') from the southern right of way boundary of Interstate 10
3. Located contiguous to an existing and/or approved utility scale solar generation facility for a minimum distance of 2,600 feet (south of Interstate 10 only).

The City may utilize the following criteria to assist in the siting of appropriate utility scale solar uses:

1. Located proximate to an existing or designed and capital funded electrical substation, transmission line or other satisfactory inter-tie location
2. Located on a previously utilized site exhibiting challenging characteristics for reuse (i.e. existing brownfield site, aggregate extraction site, etc.) and/or a site exhibiting low vegetative, ecological and/or cultural resource values

B. Acreage Limit and Future Expansion: The cumulative acreage maximum for utility scale solar generation, including supportive BESS uses, in the City of Eloy is 11,744 acres (16 % of the City's total incorporated area). The ability to increase the cumulative acreage maximum may only occur with a formal written request to the City Council by the Applicant. The burden of proof to substantiate such request will be the sole responsibility of the Applicant, prior to the acceptance of any entitlement, site plan or building plans by the City of Eloy.

C. Conforming Development: That development of the utility scale solar generation and supportive BESS project shall be in compliance with the CUP narrative or Planned Area Development document and/or the Eloy Zoning Ordinance.

D. Project Zoning Amendments: Any major changes or modifications to the subject CUP or PAD shall be reviewed and processed in accordance with those procedures outlined in the Eloy Zoning Ordinance, as may be amended from time to time. Locations proposed for utility scale solar with underlying Planned Area Developments previously adopted by the City Council may be amended to add Utility Scale Solar as a permitted use and shall not be severed. If PAD severing is proposed, the portion of the PAD proposed for utility scale solar shall voluntarily rescind its PAD entitlements and revert to its base zoning districts. That portion of the PAD not proposed for utility scale solar shall retain its PAD status. If the resulting base zoning districts do not permit utility scale solar, such areas will be voluntarily downzoned to R1-43, R1-54, RR2.5, RR-5, or RR-20 and the entire area will be reviewed and approved with a Conditional Use Permit. The Zoning Administrator, or his/her designee, may administratively approve minor amendments and will determine the difference between major and minor amendments.

E. Site Plan Approval: The property owner/agent shall submit and receive Eloy Planning & Zoning Commission approval for the Site Plan for the entire project prior to obtaining construction plan approval.

F. Utility Scale Solar Development Standards: The development standards identified in Table 3-1-1 of this section apply to all principal uses and structures, except as otherwise expressly stated in this chapter. Regulations governing accessory uses and structures are identified in Section 21-3-2 of this chapter.

TABLE 3-1-1 Utility Scale Solar Development Standards

Project Size, Minimum	Project Width, Minimum	Front Setback	Side Setback	Side Setback (Street)	Rear Setback	Lot Coverage, Maximum	Building Height, Maximum
160 acres	1,300 lineal feet	75' ^{1, 2}	75' ¹	75' ¹	75' ^{1, 2}	3% ²	As per underlying zoning district for principal structures. Accessory structures is fifteen feet (15') ³

Notes:

1. A setback of one hundred feet (100') shall occur between the utility scale solar generation project and any existing adjacent residential homes or acreage zoned R1-12, R1-6, R-2, and R-3.
2. Freestanding, ground mounted solar arrays shall not count toward the lot coverage percentage. All inverters, inverter pads, BESS containers and on-site project substations are to be included in the lot coverage percentage determination.
3. Does not apply to poles and other facilities associated with on-site substation uses.

G. Development Conditions of Approval: The following minimum conditions of approval shall be imposed on every utility scale solar generation and supportive BESS project.

1. Pre and Post Construction Property Maintenance: A Site Maintenance Agreement shall be mutually executed between the Property Owner or the Property Owner's designee and the City (as a condition of approval) to ensure that all undeveloped and developed portions of the subject property shall be maintained in a natural, debris-free, and weed-free condition. Subsequent to the construction of the solar

arrays, native low growing vegetation shall be used to stabilize the site for the duration of the facility's use. Weed control or mowing shall be performed routinely and a performance bond reflecting the costs of such maintenance for a period of six (6) months shall be posted and maintained by the Property Owner or the Property Owner's designee. Solar panels shall be repaired or replaced or removed when they are either nonfunctional or in visible disrepair. Persistent failure, over a period of six (6) months, to maintain the site or its improvements may result in revocation of the conditional use permit or planned area development entitlements and initiate the facility's decommissioning by the City of Eloy.

Prior to revoking a conditional use permit or zoning, and prior to initiating a partial or complete decommissioning of any project, the City must provide the Property Owner or the Property Owner's designee with official notice of the City's intent to revoke via certified mail. The notice shall identify each specific reason for the commencement of the revocation or decommissioning process and shall provide the Property Owner or the Property Owner's designee with thirty (30) calendar days to remedy the issue identified in the notice. If the remedy requires more than thirty (30) calendar days to complete, the Property Owner or the Property Owner's designee shall, within the thirty (30) calendar day period, respond and inform the City, identifying the scope of work and requesting a reasonable timeframe to remedy the identified issue(s). The City and Property Owner or the Property Owner's designee shall mutually determine the appropriate timeframe to completely resolve the issue(s). In the event that thirty (30) calendar days pass and the issues have not been completely resolved nor has the City received any written correspondence from the Property Owner or the Property Owner's designee the City may place the item on a City Council Agenda to allow public comment and input from the Property Owner or Property Owner's designee prior to considering a revocation of the conditional use permit (or other entitlement on the property), commencing decommissioning of the project, or providing the Property Owner or Property Owner's designee additional time to remedy the issue(s). The specific process for this revocation procedure shall be set out in the Site Maintenance Agreement and the revocation and decommissioning process described herein can only be pursued for allegations related to violations of the Site Maintenance Agreement and/or the International Property Maintenance Code (IPMC)

2. Perimeter Landscape Treatment: The property owner/developer shall coordinate with City Staff to select appropriate drought tolerant landscape vegetation (from the Pinal AMA Low Water Use Plant List prepared by the Arizona Department of Water Resources) to be located in a minimum ten (10) foot landscape setback along all minor and major arterial frontages of the project. The landscape setback along Sunland Gin Road, Toltec Road, Sunshine Boulevard, Phillips Road, Harmon Road, and Pretzer Road shall be a minimum of thirty feet (30'). Unless otherwise agreed to by the Zoning Administrator, all landscape areas are to be

initially served with a drip irrigation and water tank storage system and irrigated on a regularly scheduled basis to promote vigorous vegetative health and growth. If municipal water service is extended to within four hundred (400) feet of the project boundary, the irrigation system shall be retroactively extended, connected and activated for use. Landscaping and irrigation systems shall be maintained throughout the life of the project by the developer.

3. Utility Scale Solar Generation Perimeter Security: The entire perimeter of the subject utility scale solar generation facility shall be enclosed, at a minimum with a chain link fence, powder coated sage green, and erected to a height of seven (7) feet as measured from the finish grade of the land prior to the commencement of operations of the utility scale solar generation facility. The fence shall be maintained in an upright and functional condition pursuant to the executed Site Maintenance Agreement and the adopted National Electric Code.
4. Lighting: Any on-site lighting provided for the operational phase of the utility scale solar generation or BESS Facility shall comply with Section 21-4-5: Outdoor Lighting of the Eloy Zoning Code.
5. Noise: Noise from Utility Scale Solar Facilities shall be subject to the provisions governing noise from Section 13-15 and 13-16 of the Eloy City Code.
6. Construction/Building Inspections: The Applicant shall allow designated City of Eloy 3rd Party Inspectors as well as City employee's access to the utility scale solar generation facility premises with forty-eight (48) hour notice for inspection purposes as set forth in their application.
7. Pre-Operational Training: The Applicant shall arrange a training session with the Eloy Fire District to familiarize personnel with issues unique to the utility scale solar generation facility prior to the initiation of solar operations.
8. Regulatory Compliance: The utility scale solar generation facility shall be designed, constructed, and tested to meet relevant local, state, and federal standards, as applicable.
9. Regional Land Use Impacts and Mitigation: At the discretion of the Zoning Administrator, the Property Owner or Property Owner's designee shall contact existing/proposed land use entities (i.e. Sawtooth Airfield, Kitt Peak Observatory, farms, ect.) to discuss and memorialize in written form, the potential impacts of the project. Such dialogue shall be submitted to the Zoning Administrator for review and reference.
10. Minor and Major Arterial Road Dedication: The property owner/developer shall dedicate the full right of way for all minor and major arterial roads (as identified on the City's adopted General Plan-Circulation Map) or as identified by the Eloy Public Works Director prior to obtaining a building permit. The half-street

dedication for major arterial rights of way for Sunland Gin Road, Toltec Road, Sunshine Boulevard, Phillips Road, Harmon Road, and Pretzer Road (Gateways), shall be increased to eighty-three (83) feet to increase the standard twelve (12) foot landscape area to a total of a thirty (30) foot landscape area.

11. Interim Arterial Road Improvements: The property owner/agent shall improve all perimeter minor and major arterial roads located along the proposed utility scale solar generation and supportive BESS project boundary (or internal to the project boundary) with a double chip seal pavement width of twenty-eight (28) feet within the projects' half-street rights of way. The subbase of such roadways shall be six (6) inches of aggregate base course material. Low water crossings shall be installed at grade, in locations where drainage model shows flow, and side ditches on the side of roads shall capture regular storm flows and convey flows along current drainage paths.

- a. Internal Project Roadway Emergency Response Access: The property owner/agent shall coordinate with the Eloy Fire District on the required roadway cross section to provide adequate internal circulation necessary to serve a vehicle with 75,000 gross vehicle weight from the project vehicular access points to key internal project components (i.e. inverters, batteries, etc.) for fire and emergency response apparatus.

- b. Battery Energy Storage Systems: The provision of a battery energy storage system, only to directly support the utility scale solar generation facility, shall only be located within the boundaries of the benefitting utility scale solar generation facility.

H. Project Decommissioning: Successful decommissioning of the utility scale solar generation facility and BESS (as applicable) shall entail the preparation of a decommissioning plan, cost estimate, financial assurances, and the complete removal of non-operational above and below ground improvements. If the State of Arizona adopts statewide solar generation facilities decommissioning rules and/or standards subsequent to the City's adoption of the provisions below, the City reserves the right to review the adopted State rules and/or regulations and to incorporate all, or portions thereof, through an executed amendment of this ordinance.

1. Decommissioning Plan: The Applicant shall submit a decommissioning plan to the City of Eloy for approval prior to, or in conjunction with, the building permit submittal. The purpose of the decommissioning plan is to specify the procedure by which the Applicant, or its successor, would remove the above and below ground improvements associated with the utility scale solar generation (and if applicable BESS) facilities to a depth of forty-eight (48) inches after the end of their usefulness and to restore the property for immediate non-solar related uses.
2. Decommissioning Cost Estimate: The decommissioning plan shall include a decommissioning cost estimate prepared by an independent third-party Arizona licensed professional engineer mutually agreed upon by the Applicant and the

City which will quantify the gross estimated cost to decommission the utility scale solar generation facility (and BESS Facility, if applicable) in accordance with the decommissioning plan and these conditions. If the decommissioning cost estimate includes any estimates or offsets for the resale or salvage values of the utility scale solar generation facility, or BESS equipment and materials, it shall be supported by an attached bid (dated within six (6) months) from a third party vendor confirming their intent to buy and/or salvage the identified solar generation components . The cost of preparing the estimate shall be paid by the Applicant.

3. Decommissioning Cost Estimate Update: The applicant, or its successor, shall cause the independent third-party Arizona licensed professional engineer to update the decommissioning cost estimate every seven (7) years. The cost of preparing this update shall be paid by the Applicant.

I. Decommissioning Financial Assurances: Prior to the City's approval of the building permit, the Applicant shall provide financial assurances to ensure that decommissioning can successfully occur by choosing either of the following options:

1. Letter of Credit or Surety Bond for Full Decommissioning Cost and Guaranty: A letter of credit issued by a financial institution that has (i) a credit rating of at least Baa3 or higher by Moody's or BBB- or higher by Standard and Poor's; and financial ratios and capitalization requirements that are acceptable to the City, in the full amount of the decommissioning estimate; or
2. Tiered Securitization: An amount equal to, or more than, ten (10) percent of the approved decommissioning cost estimate to be deposited in a cash escrow account at a financial institution acceptable to the City of Eloy; or an amount equal to, or more than, ten (10) percent of the decommissioning cost estimate in the form of a letter of credit or surety bond issued by a financial institution that has a credit rating of at least "A-" from Standard & Poor's or A3 from Moody's and assets (50%) and capital surplus (50%) totaling at least \$10,000,000,000, or an A.M. Best financial strength rating of at least "A- (Excellent) or other credit rating and capitalization reasonably acceptable to the City of Eloy, with the amount of the letter of credit or surety bond increasing by an additional ten (10) percent each year in years 2–9 after commencement of operation of the utility scale solar generation facility.
3. Letter of Credit Adjustment: Following each revision of the decommissioning cost estimate, the Applicant shall adjust the value of the letter of credit to one hundred (100) percent of the then-current decommissioning cost estimate.
4. Decommissioning Securitization Review: Upon the receipt of the first revised decommissioning cost estimate (following the seventh (7th) year anniversary), any increase or decrease in the decommissioning securitization shall be funded by the applicant or refunded to the applicant (if permissible by the form of security)

within ninety (90) calendar days and will be similarly readjusted for every subsequent seven-year decommissioning cost estimate update.

5. Receipt of Securitization Funds: The assurance must be received prior to the approval of the building permit and must remain in full force for the duration of the life span of the utility scale solar generation facility and until all decommissioning is completed to the satisfaction of the City of Eloy. If the City receives notice or reasonably believes that any form of assurance has been revoked, or the City receives notice that any assurance may be revoked, the City may, after providing notice and a reasonable opportunity to post a replacement security, revoke the conditional use permit or planned area development entitlement and shall be entitled to take all actions necessary to obtain the rights to the securitized funds.

J. Applicant/Property Owner Obligation: Within six (6) months after the complete cessation of use of the utility scale solar generation facility for electrical power generation or transmission, the applicant or its successor, at its sole cost and expense, shall initiate, and provide continuous, decommissioning of the utility scale solar generation facility in accordance with the mutually approved decommissioning plan. If the Applicant or its successor fails to complete all decommissioning of the utility scale solar generation facility, in accordance with the schedule provided in the mutually approved decommissioning plan, the property owners shall immediately commence decommissioning activities in accordance with the decommissioning plan. Following the completion of decommissioning of the entire utility scale solar generation facility and payment for such costs, arising out of a default by the applicant or its successor, any remaining securitized funds held by the City shall be distributed to the property owners(s) in the same percentage of the securitized funds matched with the percentage of the property owner's acreage ownership of the utility scale solar generation facility.

K. Applicant/Property Owner Default; Decommissioning by the City of Eloy: If the Applicant, its successor, or the property owner(s) fail to decommission the utility scale solar generation facility pursuant to the mutually approved decommissioning plan and the City has not approved a repowering of the solar generation facility, the City shall have the right, but not the obligation, to commence decommissioning activities and shall have access to the property, and shall have the right to draw on securitized funds up to the amount of the actual decommissioning costs, , and the rights to the utility scale solar generation facility and BESS equipment and materials remaining on the property. If applicable, any excess decommissioning securitized funds shall be returned to the current owner of the property after the City has completed the decommissioning activities and paid all outstanding invoices. Nothing herein shall limit other rights or remedies that may be available to the City to enforce the obligations of the Applicant, including under the City's zoning powers.

1. Equipment/Building Removal: All physical improvements, materials, and equipment related to solar energy generation, shall be removed from the surface and the subsurface to a depth of forty-eight (48) inches. The pre-existing soil grade will also be restored following disturbance caused in the removal process. All perimeter fencing will be removed and recycled or reused. Upon approval of

the Zoning Administrator, or his/her designee, the existing perimeter fencing may remain in place.

2. Infrastructure Removal. All access roads located within private property will be removed. The exception to removal of the access roads and associated culverts or their related material would be based upon written request from the current or future landowner to allow all, or a portion of these facilities to remain in place for use by that landowner.
3. Partial Decommissioning. If decommissioning is triggered for a portion, but not the entire utility scale solar generation facility, then the applicant or its successor will commence and complete decommissioning, in accordance with the decommissioning plan, for the applicable portion of the utility scale solar generation facility; the remaining portion of the utility scale solar generation facility would continue to be subject to the decommissioning plan.

Section 21-9-1 Definitions: Augment this section with the following definitions:

Battery Energy Storage Systems (BESS): Are facilities that capture unused energy from the inverter, allowing it to be stored for later use during reduced periods of energy production.

Decommissioning: The act of making the components of the Utility scale solar generation Facility inoperative, and then to dismantle, responsibly dispose of, and return the site to its pre- construction condition.

Persistent: Continuing to obstinately and continuously maintain a course of action in spite of opposition.

Photovoltaic: Are arrays of cells containing a solar voltaic material that converts solar radiation in direct current electricity.

Property: A single, or an aggregation of, Pinal County Assessor's parcels to achieve the minimum identified Project Size.

Solar Array: A combination of a large number of panels, or an interconnected system of panels, or an integrated system of panels, that deliver the on-site generated electricity to a single connection point and at the desired voltage.

Solar Panel: Consists of multiple photovoltaic cells interconnected in an electrical circuit, which may be connected to an exterior circuit at a single point.

Solar, Utility Scale: Consists of a minimum site area of 160 acres, which generates solar power from ground mounted structures (which are the principal land use) with a direct connection to the electrical grid and typically conveys power to third parties.

Utility Scale Solar Generation Facilities do not include on-site solar facilities that supply power to on-site buildings (e.g. a roof-top or at-grade solar facility that only provides electricity directly to the permitted or conditionally permitted land use) nor do they include utility scale natural gas plants (including combined cycle generation) or thermoelectric plants.

Section 21-9-2 Acronyms: Augment this section with the following acronym:

BESS	Battery Energy Storage System
------	-------------------------------



July 19, 2023

Jon Vlaming
Community Development Director
Community Development Department
595 North C Street
Eloy, AZ 85131

Subject: Draft Solar Ordinance Comments

Dear Jon,

We kindly request that a copy of this letter be included in the Planning and Zoning packet scheduled for Wednesday, July 26.

Firstly, we would like to address the current definition of contiguity in section A3. We respectfully request that the contiguity criteria be moved to the section of considerations rather than being deemed as a required criterion. Our reasoning behind this request is that, at present, all current applicants would not meet this contiguity criteria due to a lack of proximity to the only approved CUP in the city that is south of I-10. By relocating it to the considerations section, we believe this modification would enable a fairer evaluation process for all applicants. Furthermore, the term 'contiguous' lacks clarity as it does not specify whether utility scale solar projects need to be contiguous within the project itself or with future projects.

We would also like to propose an increase in the lot coverage maximum mentioned in Table 3-1-1. Our suggestion is to raise the limit from the existing 3% to 5%. We believe that this adjustment would provide more flexibility for the future development of standalone battery projects. As the industry advances and technologies evolve, the additional percentage would enable us to implement innovative solutions more effectively and sustainably.

Thank you again for considering our input.

Sincerely,

A handwritten signature in black ink that reads "Ashley Johnson". The signature is written in a cursive, flowing style.

Ashley Johnson

VIEL GLUCK, LLC

July 19, 2023

Mr. Jon Vlaming
Community Development Director
Planning & Zoning Commission
595 N. C Street, Suite 104
Eloy, AZ 85131

RE: City of Eloy Solar Ordinance

Dear Mr. Vlaming,

We would like to request that a copy of this letter be provided to each Planning & Zoning Commission Member and to each City Council Member. Please also include this letter in the package you are distributing in preparation for the July 26th P&Z meeting. Thank you for the opportunity to comment on the latest draft of the Eloy solar ordinance (the “Ordinance”) dated July 11, 2023. This Ordinance has many implications for us since we own thousands of acres in the City of Eloy, many of which are south of I10 and will be heavily affected by this Ordinance. We have the following comments and recommendations on the proposed Ordinance that we hope will be beneficial to both the City and to property owners.

1. Contiguity Requirement (Section A.3):

This requirement belongs better in the list of criteria the City may utilize instead of being a hard and fast rule of contiguity. There may be instances where the City would want to grant approval of a project that doesn’t technically meet the 2,600 minimum.

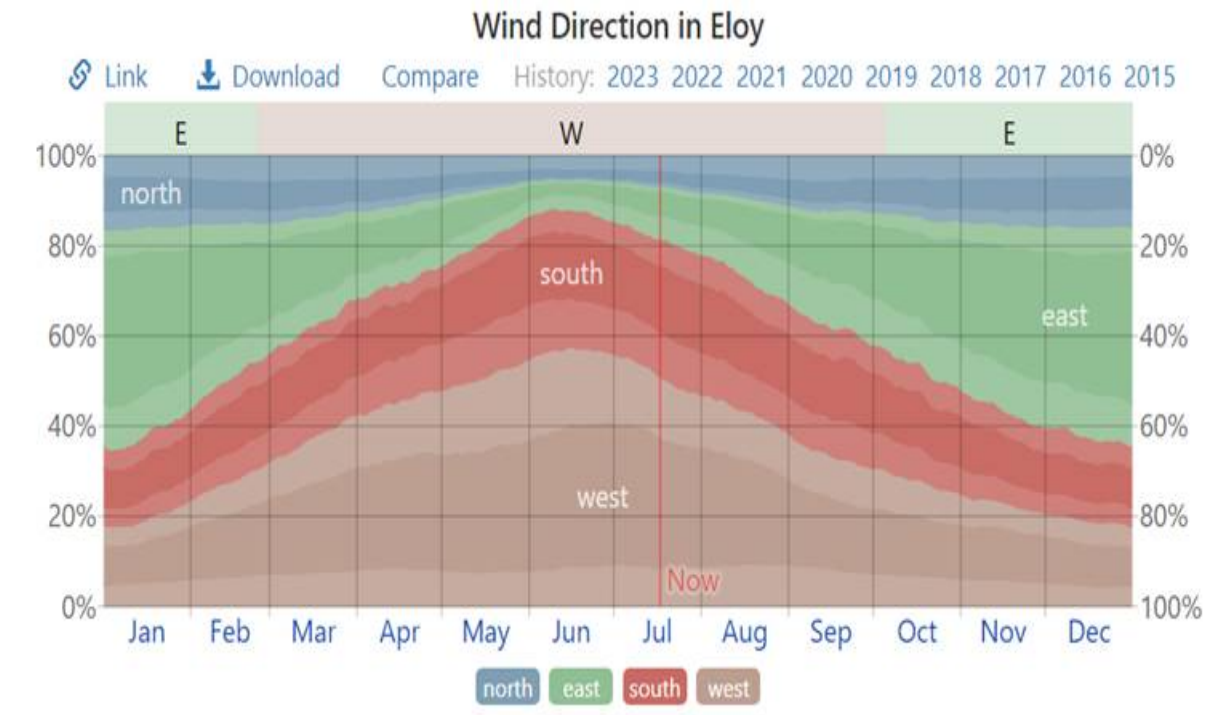
2. Buffer for Permanent Crops (Section A):

As you are aware, we are owners of approximately 1,400 acres at I10 and Highway 87 in Eloy called “Daybreak” (see Exhibit A – Proposed Tree Buffer). This property includes a 900-acre pecan orchard with thousands of pecan trees. Exhibit A shows our pecan trees are contiguous to where Savion is hoping to locate their project (Project A on the Solar Facilities Map). We are concerned about the heat that will be generated by Savion’s solar project next door and how that may negatively affect our crop yields, nut quality, tree health, and sales profits, since pecan trees are highly susceptible to heat stress.

Studies have shown that solar projects increase heat at the solar project site. As we stated in our letter from May 2023, there is much uncertainty regarding the heat that solar projects transfer to surrounding property. One study we found showed that heat doesn’t reasonably dissipate until about 1,000 feet from the solar project.

Additionally, prevailing winds and seasonality weigh heavily into this discussion. According to weatherspark.com, prevailing winds in Eloy are “most often from the west for 7.4 months, from February 24 to October 5, with a peak percentage of 58% on June 15. The wind is most often from the east for 4.7 months, from October 5 to February 24, with a peak percentage of 48% on January 1.” Also, according

to the graph below (from the same website), approximately 30% of the winds originate from the south during the hottest time of the year. Therefore, most of the winds come from the southwest during the hottest months of the year. With Savion's proposed project being southwest of our orchard, this is the worst-case scenario from a wind standpoint.



With so much uncertainty surrounding the heat effects of solar, and with the likelihood that the hot air from Savion's project will likely blow in the direction of our pecan trees, we believe a 1,000-foot buffer is necessary. (For your reference, Exhibit A shows what a 1,000-foot buffer would look like between our pecan trees and Savion's solar project.)

As such, we recommend adding the following provision to Section A of the Ordinance as one of the criteria the City will utilize to identify appropriate locations within the City for utility scale solar uses:

“Located at least 1,000 feet from any and all existing permanent crops.”

Your team has already made some good changes to the proposed solar ordinance. We ask that you include this change as well.

3. Acreage Limit and Future Expansion (Section B):

The current draft shows a 20% cap on solar acreage in Eloy. It is my understanding that this percentage cap may still be in question. We want to make sure the cap remains at least 20% and not the 16% threshold that was in the last draft of the Ordinance. The reason we need to have at least 20% is to allow room for expansion beyond the current map of proposed projects. With a cap of 16% (11,744 acres of Eloy's 73,400 acres), the City would only allow for approximately 4,229 more acres of solar beyond what is currently planned (total of 7,515 acres currently showing as proposed and approved). As you know, NextEra Energy, Inc. is proposing a substantial solar project in Eloy of approximately 4,000 acres, which does not show up on the City's current map of proposed solar projects.

My partners and I are currently under an option agreement to sell NextEra approximately 2,300 acres (separate from our pecan orchard discussed above) as part of NextEra's 4,000-acre project. For your reference, Exhibit B shows our properties that are under an option agreement with NextEra. For added context, Exhibit C shows our properties within the boundaries of NextEra's proposed project.

With a 16% threshold allowing for 4,229 more acres of solar, theoretically NextEra's project could be accepted by the City under the threshold. However, the City has not accepted NextEra's pre-application submittal, making it unclear whether NextEra is next in line to take up the remainder of the allowable solar acreage under a 16% cap. It is therefore conceivable that Eloy could grant application to a different solar project before NextEra, thereby disqualifying NextEra from submittal.

A 16% threshold would be very tight, as described above. Also, with the water situation in Pinal County being particularly dire, and with the low likelihood of residential development in south Eloy on the near horizon, we don't have many uses for our south Eloy properties. If Eloy pivots and returns to the 16% threshold, Eloy could be removing one of the only remaining uses we have for our property, causing all the negative financial implications that would follow.

Our preference would be to have no acreage cap at all, but if an acreage cap is adopted, then **we recommend staying with a cap of 20 percent**. Staying at a 20% cap would increase the total allowable solar acreage to 14,680 (73,400 acres x 20%), thereby increasing the remaining allowable acreage to about 7,165 acres (up from 4,229 acres), which would be a more reasonable limit.

4. Eloy Solar Facilities Map:

We recommend that Eloy include NextEra's project as one of the Proposed Solar Projects on its Solar Facilities Map (see Exhibit D for a proposed edit to Eloy's map showing NextEra's project as Project F). It makes no sense that NextEra would not be included in this map, as they have clearly expressed their intentions for a solar project but were rejected from making a pre-application submittal because of the impending Ordinance. The rules should be applied fairly. It is my understanding that at least one of the projects that currently appears on Eloy's Proposed Solar Projects map has not made a formal application to the City, however their project does appear on the map. We ask that NextEra be granted the same courtesy.

Thank you for your consideration. Please let me know if you have any questions.

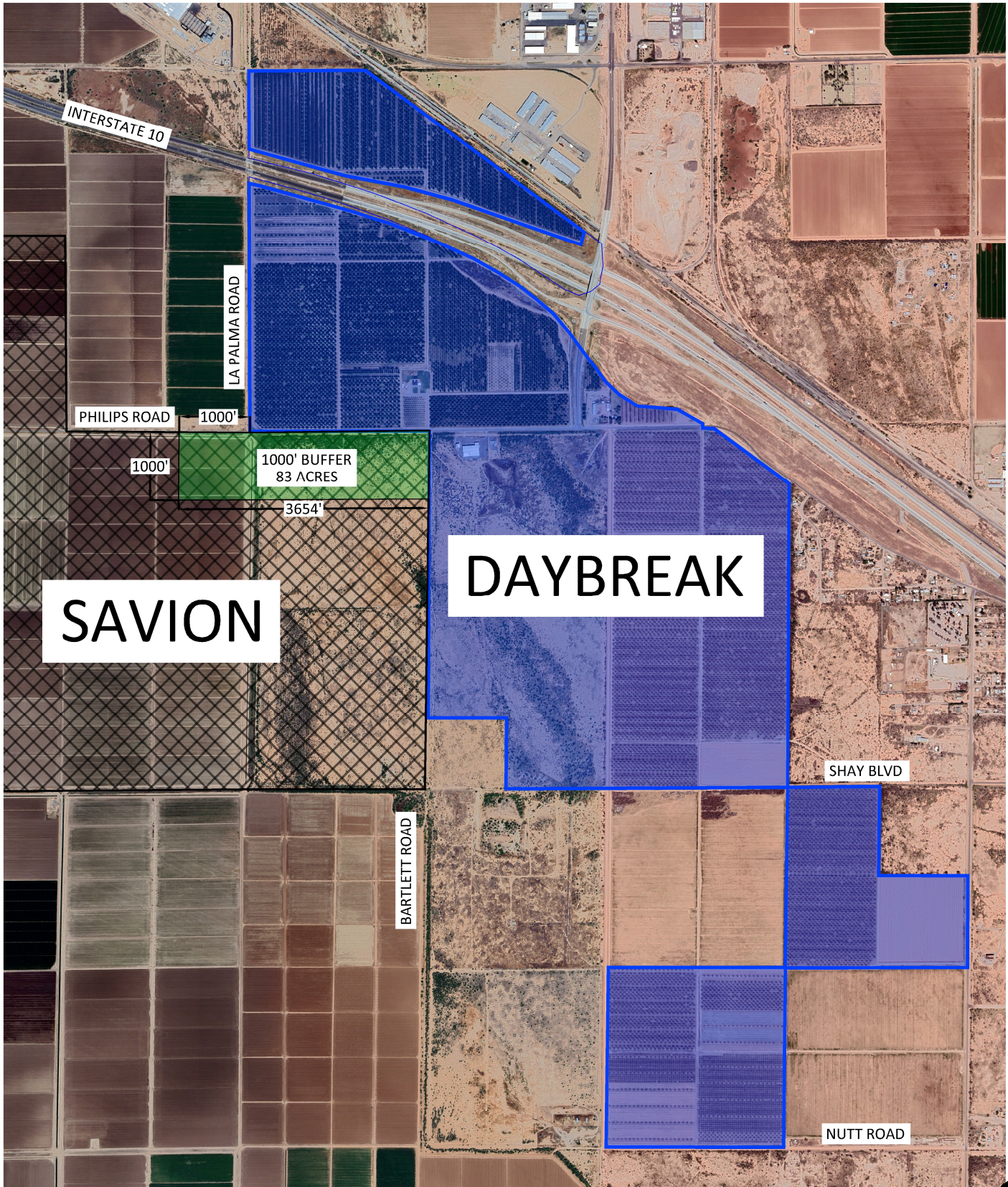
Respectfully,



Elijah T. Cardon
Member and Manager of Viel Gluck, LLC

EXHIBIT A

PROPOSED TREE BUFFER



N.T.S.

EXHIBIT B

CARDON/HIATT/BOWDEN/LESUEUR OPTION TO NEXTERA

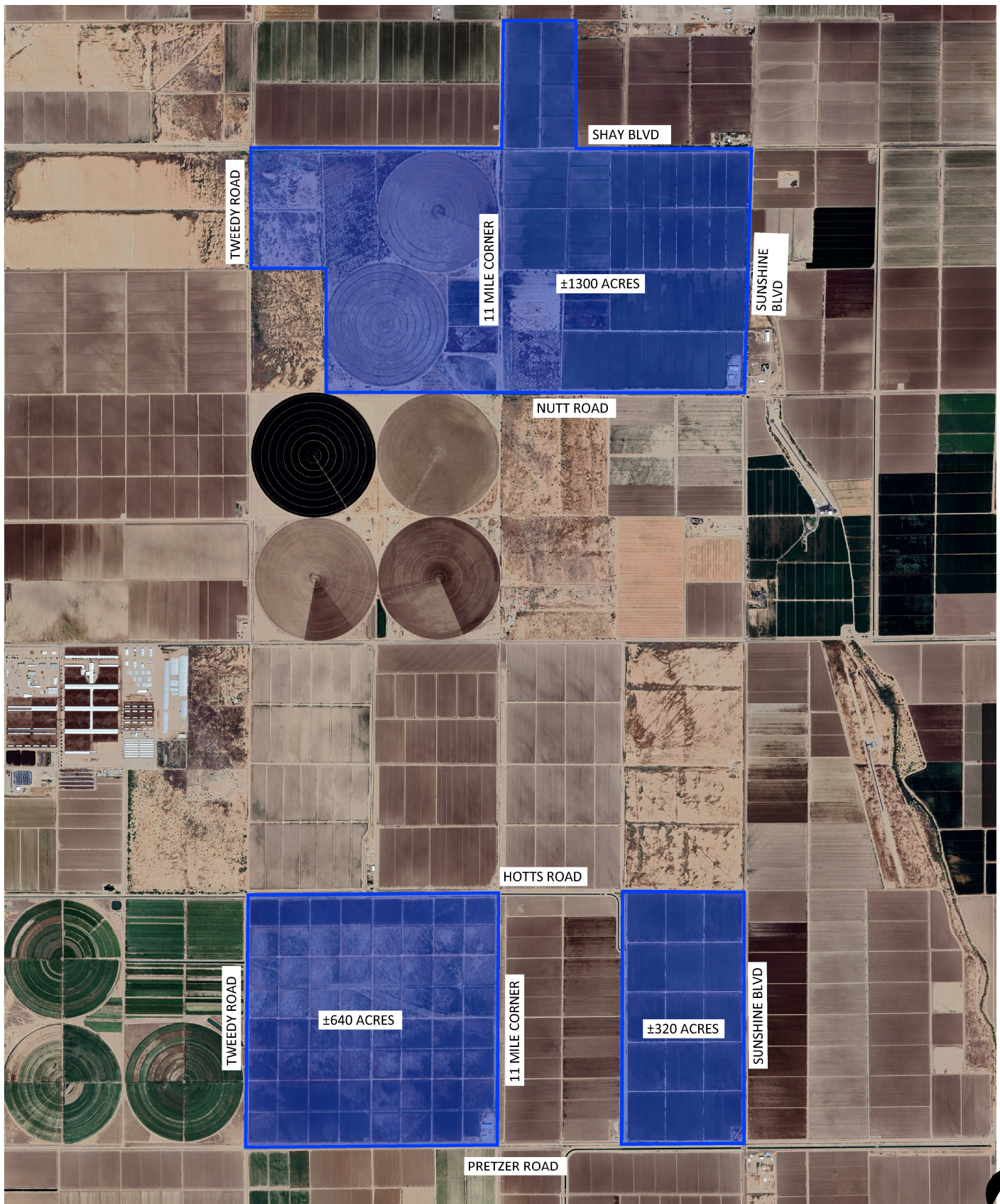


EXHIBIT C

CARDON/HIATT/BOWDEN/LESUEUR INSIDE NEXTERA PROJECT

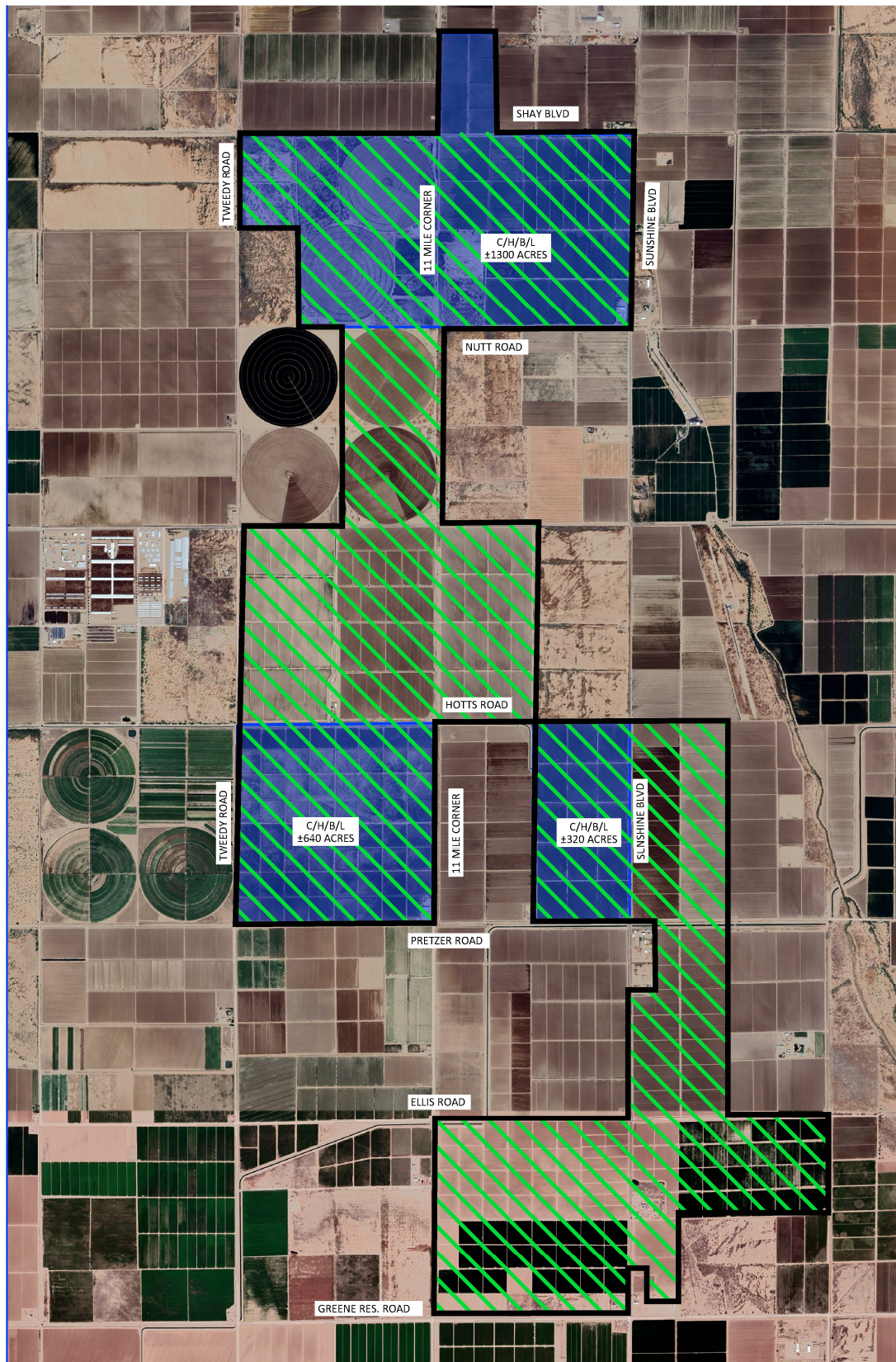
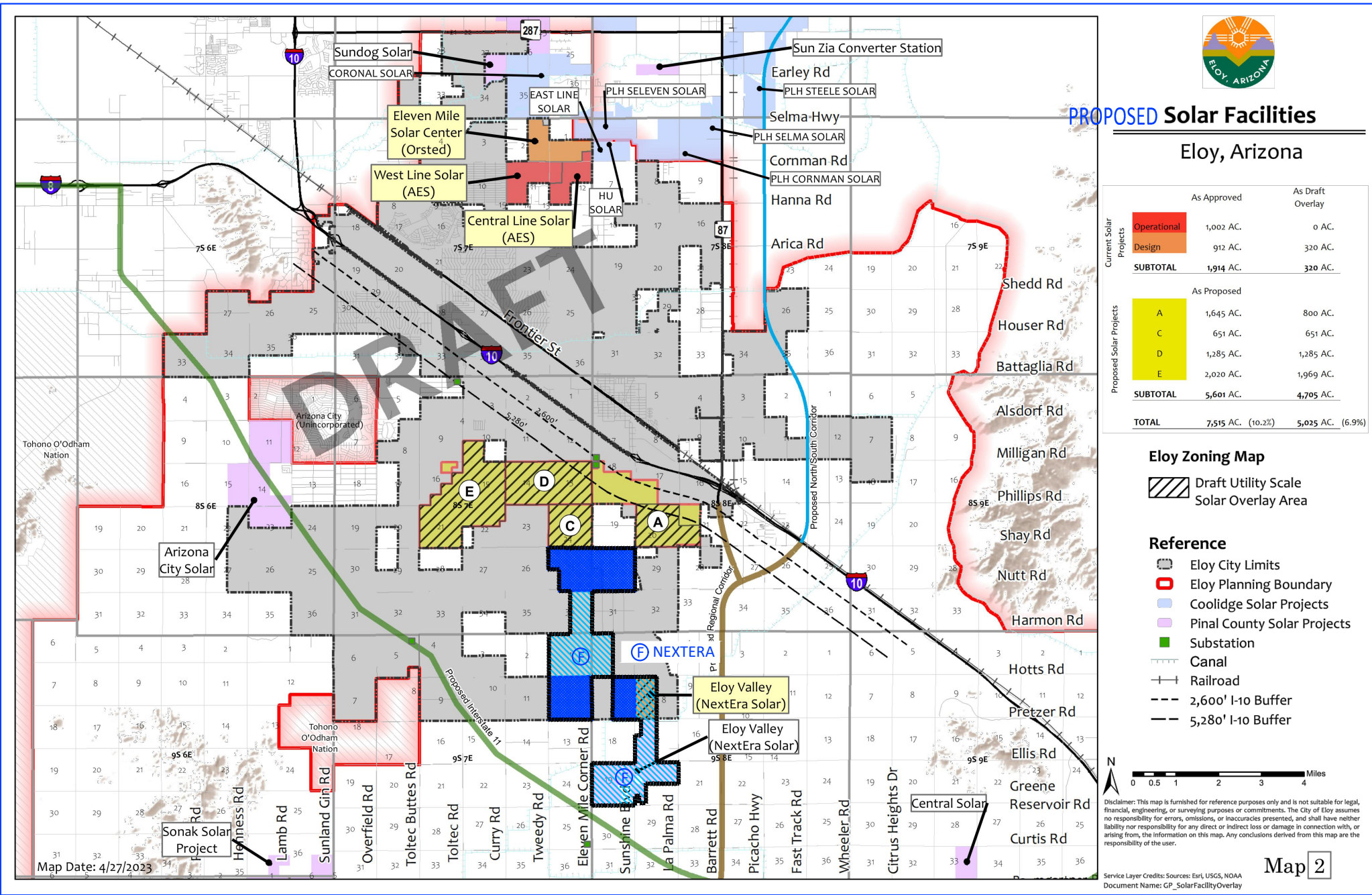


EXHIBIT D



21 July 2023

Jon,

Thanks again for the working session a few weeks ago to walk through some of the ongoing concerns with the draft ordinance. A few outstanding issues from Savion's perspective that make this draft unworkable:

- Section A – Locational Criteria
 - Section A.2: As you know, this provision cuts 91 acres from our project area, and we will not accept this. We would expect to see language that allows for all of the current applications, including ours. We would suggest adding the following language: *"Except as necessary to include the full project areas of all the current projects under development that shown in Exhibit [A]."* We would like to see this language incorporated into the draft that will be considered by P&Z, as we feel we have seen support from several of the commissioners.
 - Section A.3: I recognize the intent in avoiding a patchwork of development, but this provision does not work. As written, this would require the next project to be adjacent to the approved (but not yet built) NextEra project. This will force all the existing projects that are not adjacent to the NextEra project to sit and wait for the project adjacent to it to first be approved, and it would therefore create an unknown timeline for the development of projects in Eloy.
 - The bifurcation of this section was helpful, but, as written, it is unclear how the city is to treat the last two criteria (mandatory, optional, etc.).
- Section C – Confirming Development: what does the city mean by "supportive BESS"? We would suggest replacement (throughout the document) of the word "supportive" with "associated" to avoid confusion.
- Section G.1 – Property Maintenance: what does the city mean by "natural condition"? A built environment seems inherently unnatural, so it is important to get clarity on the city's expectations for maintenance. Can we see an example of a Site Maintenance Agreement in Eloy? I believe you suggested that the city had several, perhaps with other types of industries.
- Section G.9 -- Regional Land Use Impacts and Mitigation: We'd like to see a geographic limitation on this. In other words, at the discretion of the city, we can be directed to talk with specified land use entities within one mile of the project boundary.
- Section G.11.b – I assume that the intent here is for the BESS to be sited within the project area, but these are typically sited on the edge of the project area. As written, this indicates the BESS is to be sited within *the solar array*, which would be awkward and inefficient and, in our case, would reduce the solar generating capacity that could fit on the site.

Let me know if it would be helpful to set up a call. I am happy to do so. We look forward to hearing from you.

Thank you,



Michelle Matthews
Development Director
mmatthews@savionenergy.com



Utility Scale Solar Energy Generation Facilities

Planning & Zoning Commission Public Hearing

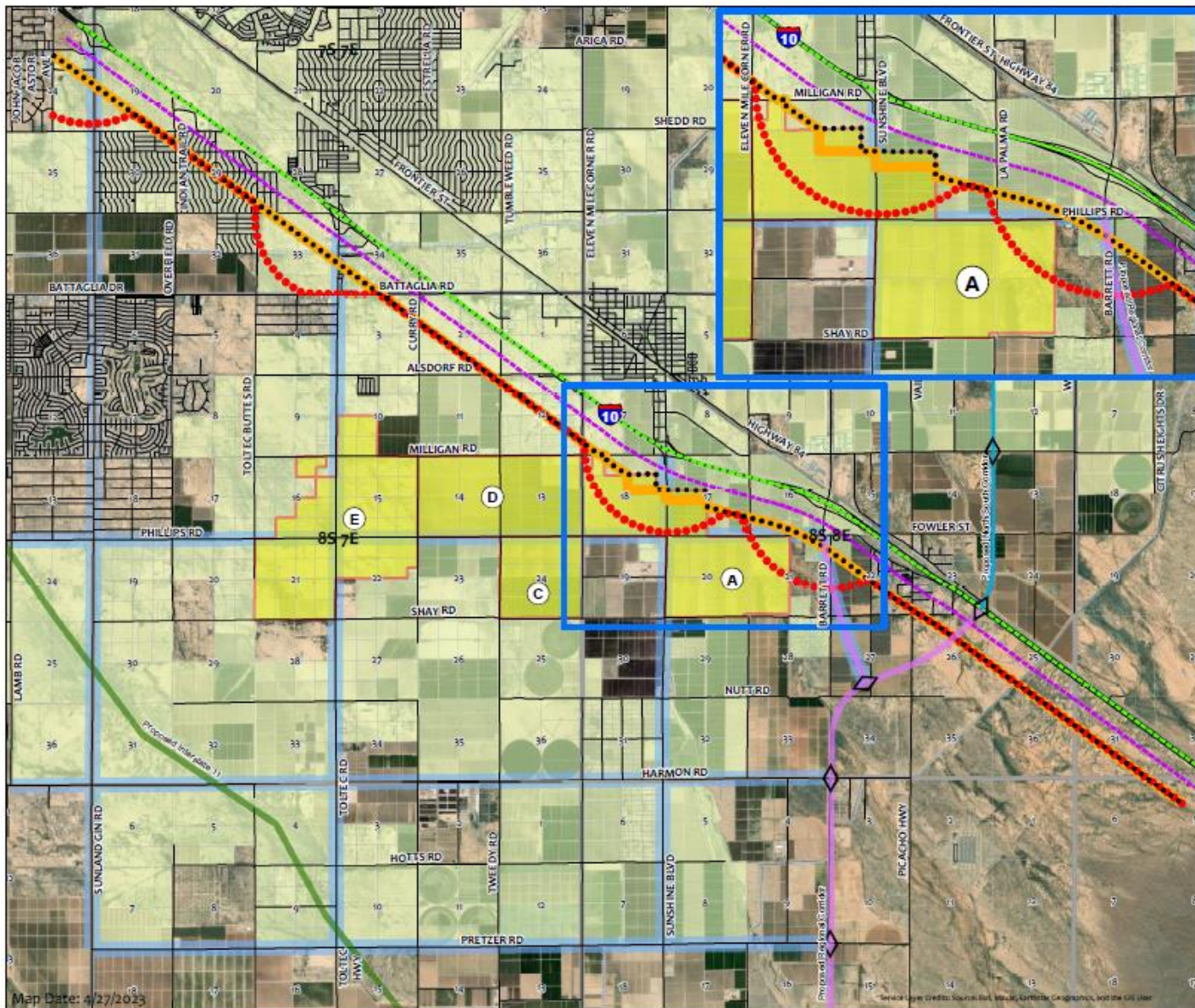
May 3, 2023

COMMUNITY DEVELOPMENT DEPARTMENT



Agenda for This Public Hearing

- Open Public Hearing
- Zoning Map Amendments: Utility Scale Solar Generation Buffer/Utility Scale Solar Overlay/Utility Scale Expansion
 - Staff Overview
 - Commission Questions/Discussion
 - Applicant Comment/Questions
 - Commission Questions/Discussion
 - Staff Summary of Commission Direction
- Zoning Text Amendments: Section 21-3-1.39 Supplemental Use Standards-Utility Scale Solar Generation and Battery Energy Storage System Facilities and Section 21-9-1 Definitions, and Section 21-9-1 Acronyms
 - Staff Overview
 - Commission Questions/Discussion
 - Applicant Comment/Questions
 - Commission Questions/Discussion
 - Staff Summary of Commission Direction
- Close Public Hearing



Solar Overlay Buffer

Eloy, Arizona

Buffer Distance Alternatives

- 0' From I-10 (Alt. A)
- 1,200' From I-10 (Alt. B)
- 2,600' From I-10 and All of Project A (Alt. C)
- 2,600' from I-10 and Most of Project A (Alt. D)
- 4,170 - 5,300' From I-10 (At Traffic Interchange & 2,600' Buffer) (Alt. E)

Proposed Solar Projects

- A 1,645 Acres
- C 651 Acres
- D 1,285 Acres
- E 2,020 Acres
- Proposed Gateway Corridor

Reference

- Proposed Interchange
- Parcels
- Eloy Incorporated Area
- Unincorporated Pinal County
- Roadway
- Canal



0 0.575 0.75 1.5 2.25 5 Miles

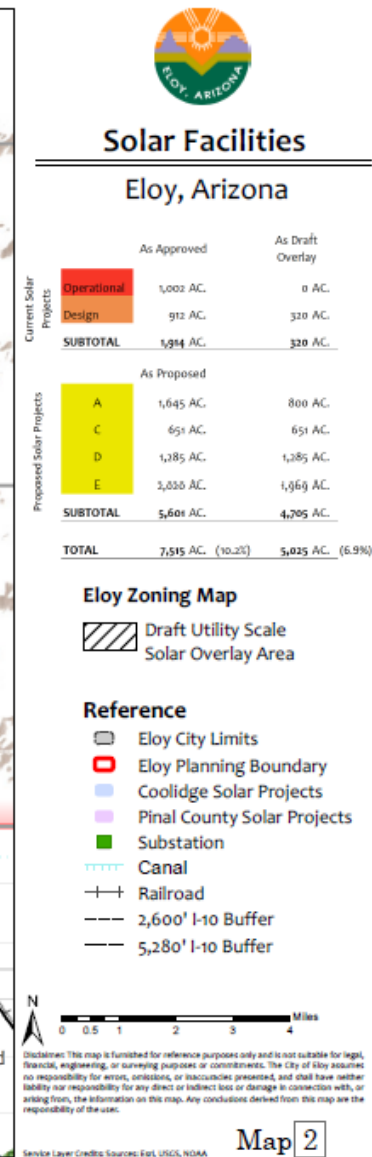
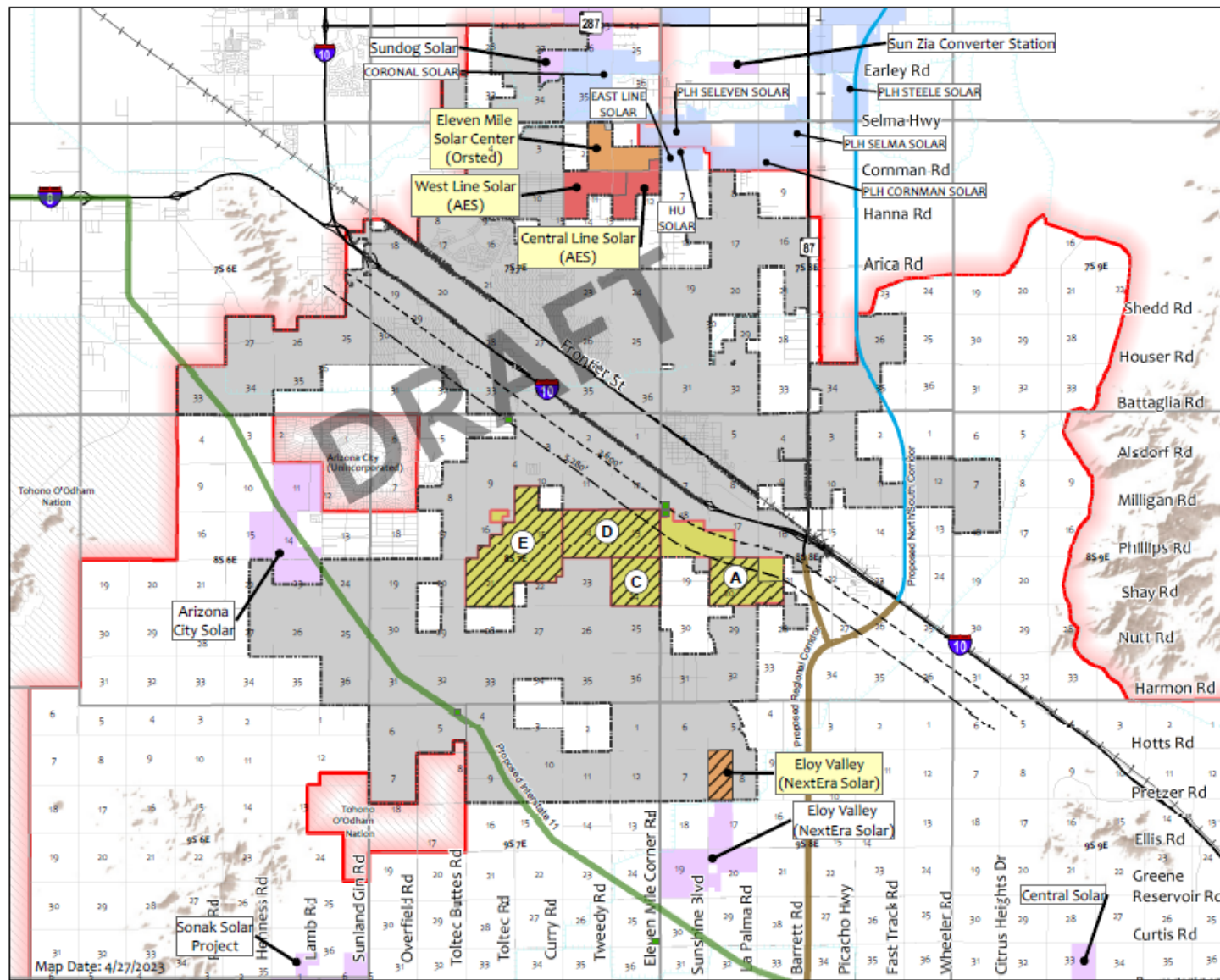
Disclaimer: This map is furnished for reference purposes only and is not suitable for legal, financial, engineering, or surveying purposes or commitments. The City of Eloy assumes no responsibility for errors, omissions, or inaccuracies presented, and shall have neither liability nor responsibility for any direct or indirect loss or damage in connection with, or arising from, the information on this map. Any conclusions derived from this map are the responsibility of the user.

Document Name: Solar_Phillips_Aerial

Map 1

COMMUNITY DEVELOPMENT DEPARTMENT





COMMUNITY DEVELOPMENT DEPARTMENT



April 24, 2023

Invitation to learn about the proposed Eloy Valley II Solar project

Dear Interested Party:

We invite you to join us for an in-person neighborhood meeting to meet our team, provide input and learn more about our company and the proposed Eloy Valley II Solar Project (the Project).

Eloy Valley Energy II LLC (the Applicant) proposes to construct and operate a photovoltaic (PV) solar facility and battery energy storage system (BESS) on approximately 2,500 acres of privately owned land, with approximately 620 acres of land within unincorporated Pinal County, Arizona. The Project parcels in unincorporated Pinal County is outlined in Figure 1 (see attachment). The Project includes a solar generation facility with an output of approximately 200 megawatts (MW), an operation and maintenance building, and associated project infrastructure such as electrical collector lines between the solar panels and substation.

The Applicant has applied or will apply for a Non-Major Comprehensive Plan Amendment (NMCPA) from the Pinal County Planning Department to request a change to the current land use designations on the site. The current land uses identified for the site in the Pinal County Comprehensive Plan, include *Moderate Low Density Residential*, *Medium Density Residential*, *High Density Residential*, and *General Commercial*. The Applicant proposes to amend these land use designations to *Green Energy Production*, which would allow for the Project's proposed use.

Please join us for the neighborhood meeting. Details are listed below.

Neighborhood Meeting

- **Date:** Wednesday, May 10, 2023
- **Time:** 4:30 p.m.-6:30 p.m.
- **Location:** City of Eloy City Hall, Community Room—595 C Street, Eloy, Arizona, 85131

The neighborhood meeting will be an open house. Participants are encouraged to view the poster boards, ask questions and provide written comments.

Should you like to provide comments or learn more about the Project, please send your questions and/or comments via email to EloyValleySolar@nexteraenergy.com or call (602) 637-1285. Written comments or questions may also be mailed to Ashley Johnson, NextEra Energy Resources, LLC, 700 Universe Blvd., Juno Beach, FL 33408. For additional information, please visit the Project website at: www.eloyvalleysolar.com

Sincerely,

Ashley Johnson
Lead Project Manager, Development
Eloy Valley Energy II LLC

Attachments: Project site map

700 Universe Boulevard, Juno Beach, Florida 33408

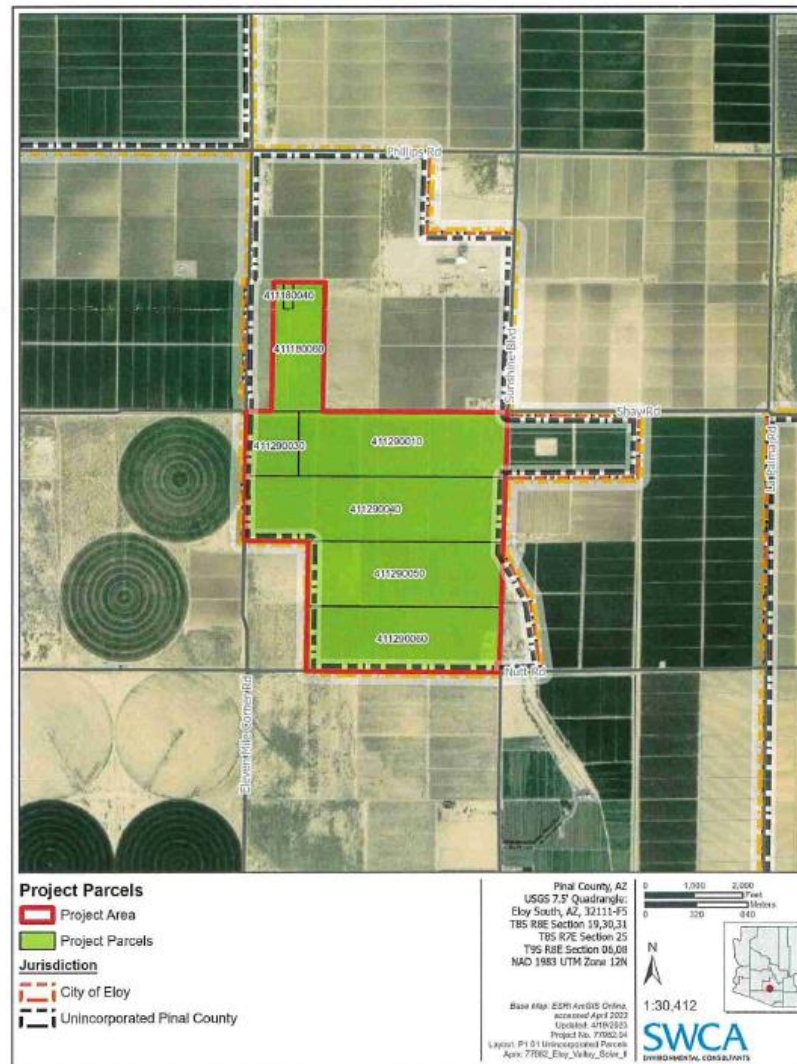
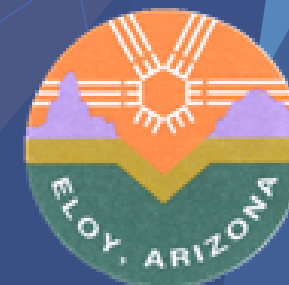
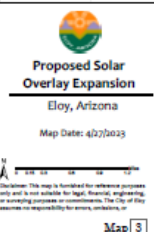


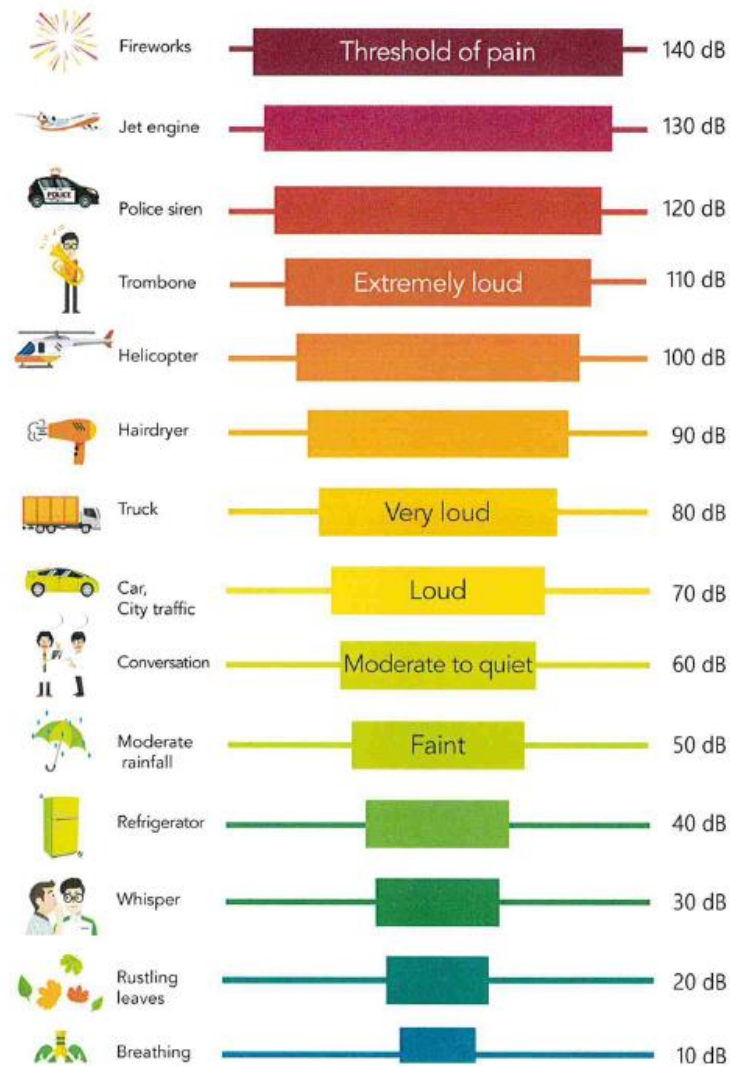
Figure 1: Proposed Project site





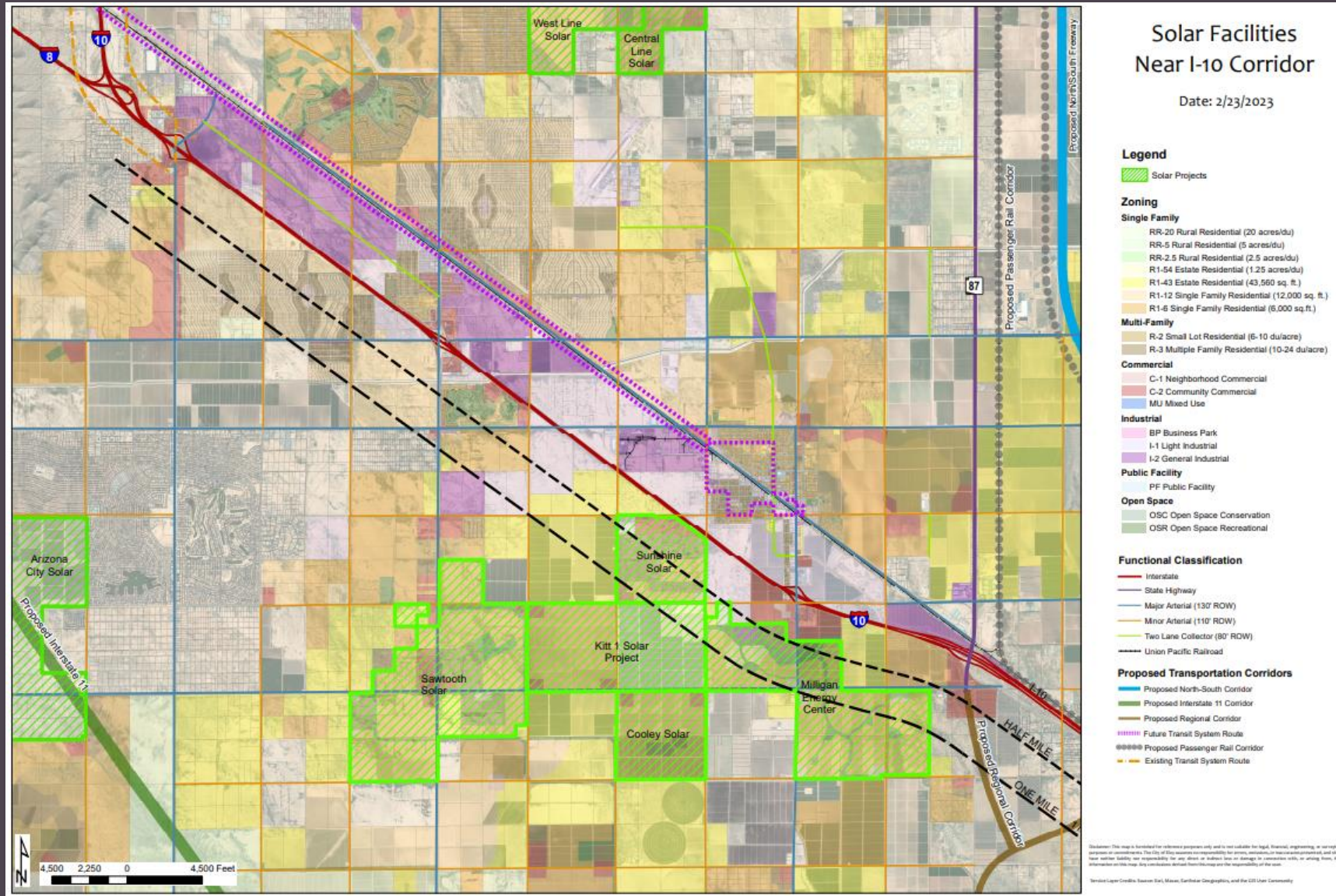
COMMUNITY DEVELOPMENT DEPARTMENT

Decibal Scale (dB)



COMMUNITY DEVELOPMENT DEPARTMENT

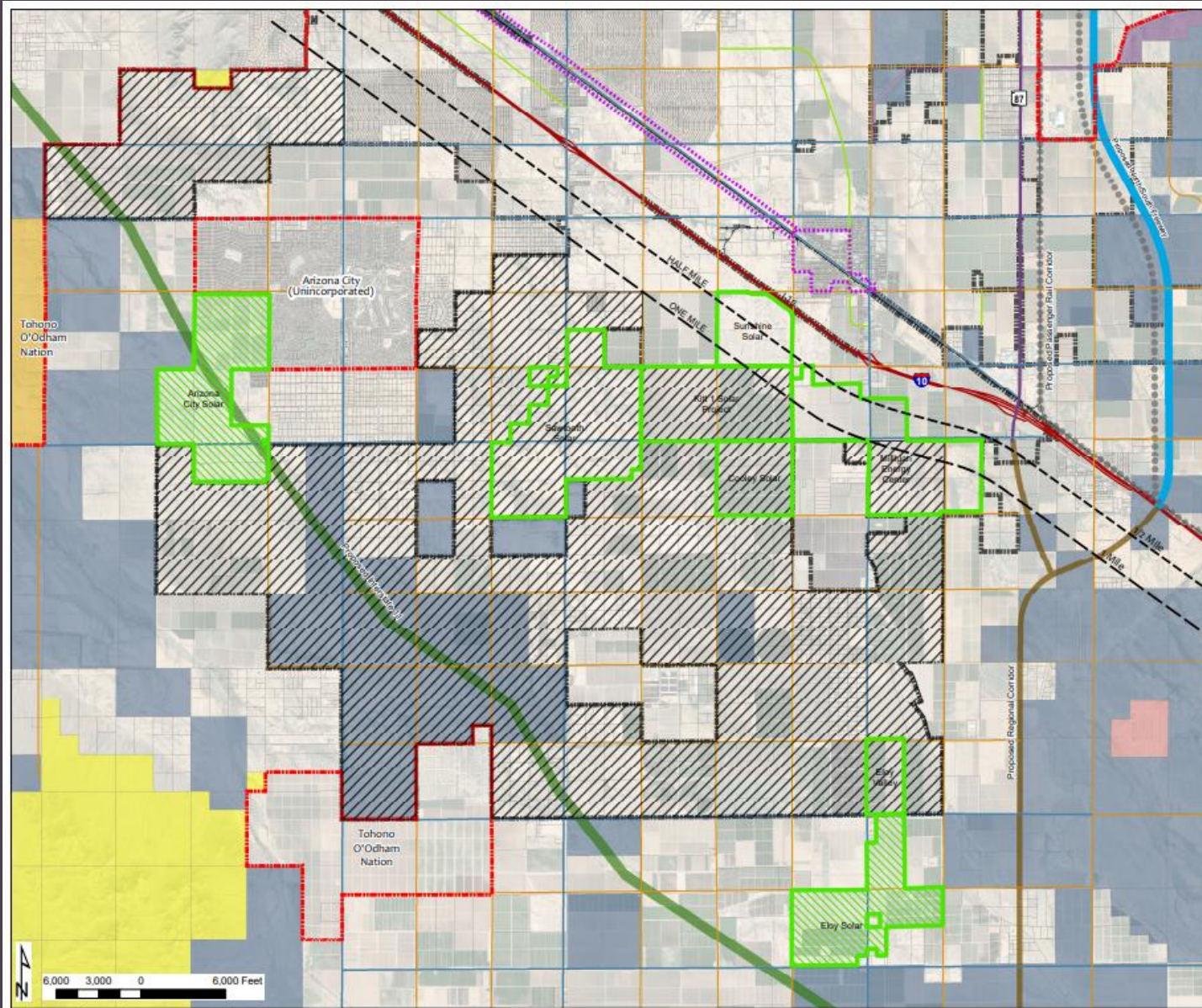




COMMUNITY DEVELOPMENT DEPARTMENT

Solar Facility Overlay Near I-10 Corridor

Date: 2/23/2023



Solar Projects

- Eloy Proposed Solar Project
- Pinal County Proposed Solar Project
- Solar Overlay

Land Ownership

- Private Land
- State Trust Land
- Tribal Community
- Bureau of Land Management
- Military
- State Parks
- Bureau of Reclamation

Functional Classification

- Interstate
- State Highway
- Major Arterial (130' ROW)
- Minor Arterial (110' ROW)
- Two Lane Collector (80' ROW)
- Union Pacific Railroad

Proposed Transportation Corridors

- Proposed North-South Corridor
- Proposed Interstate 11 Corridor
- Proposed Regional Corridor
- Future Transit System Route
- Proposed Passenger Rail Corridor
- Existing Transit System Route

Reference

- EloyCityLimits
- Eloy Planning Boundary

Disclaimer: This map is furnished for reference purposes only and is not suitable for legal, financial, engineering, or planning purposes or commitments. The City of Eloy assumes no responsibility for errors, omissions, or inaccuracies presented, and shall not be held liable for any direct or indirect loss or damage to construction, or arising from, the information on this map. Any conclusions derived from this map are the responsibility of the user.

Source: Layer Credits: Source: Esri, Maxar, Earthstar Geographics, and the IGN User Community

COMMUNITY DEVELOPMENT DEPARTMENT





Solar Overlay Buffer

Eloy, Arizona

Buffer Distance Alternatives

- 0' From I-10 (Alt. A)
- 1,200' From I-10 (Alt. B)
- 2,600' From I-10 and All of Project A (Alt. C)
- 2,600' from I-10 and Most of Project A (Alt. D)
- 4,170 - 5,300' From I-10 (At Traffic Interchange & 2,600' Buffer) (Alt. E)

Proposed Solar Projects

- A 1,645 Acres
- C 651 Acres
- D 1,285 Acres
- E 2,020 Acres
- Proposed Gateway Corridor

Reference

- Irrigation Right
- Proposed Interchange
- Parcels
- Eloy Incorporated Area
- Unincorporated Pinal County
- Roadway
- Canal

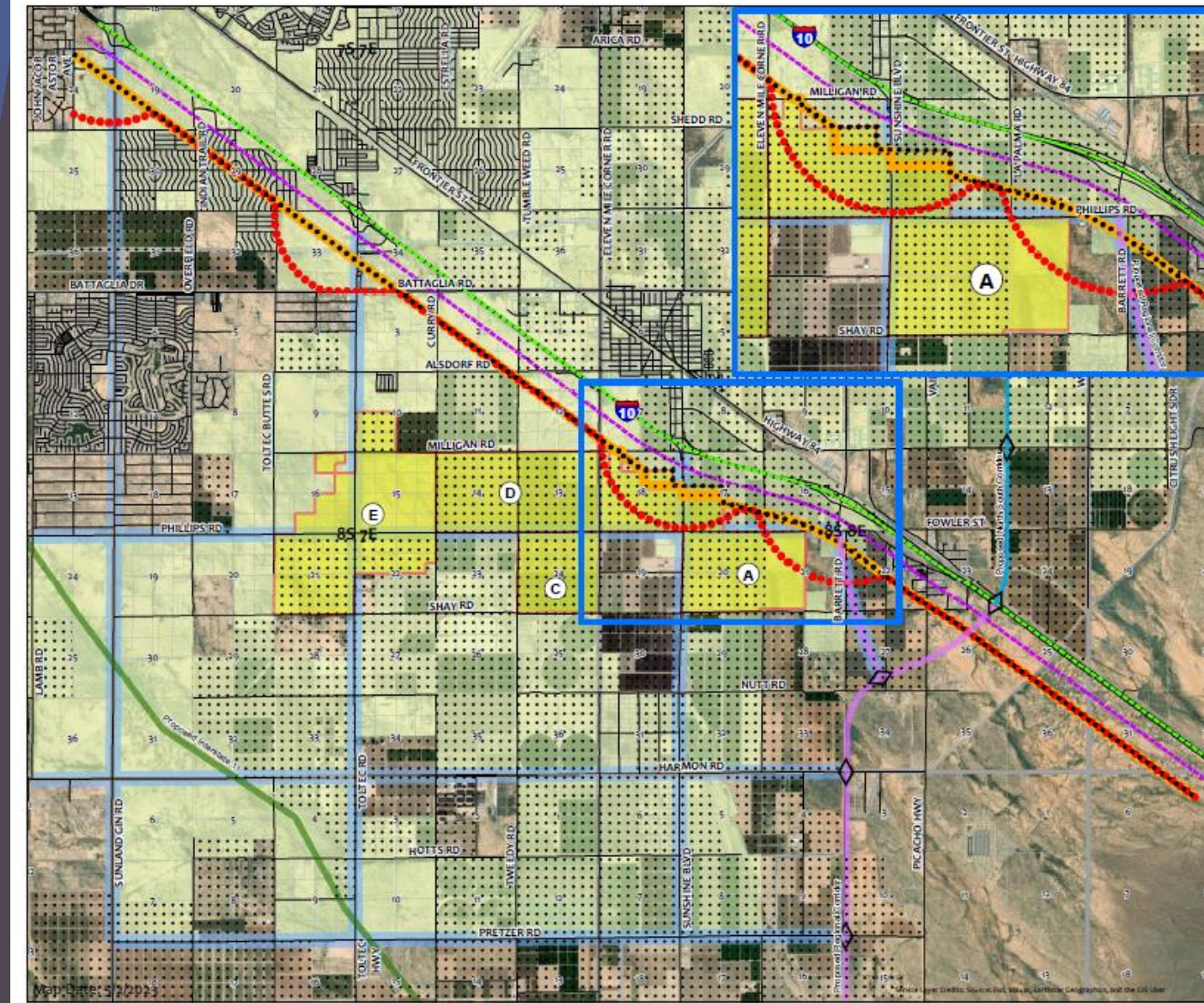


0 0.75 1.5 2.25 3 Miles

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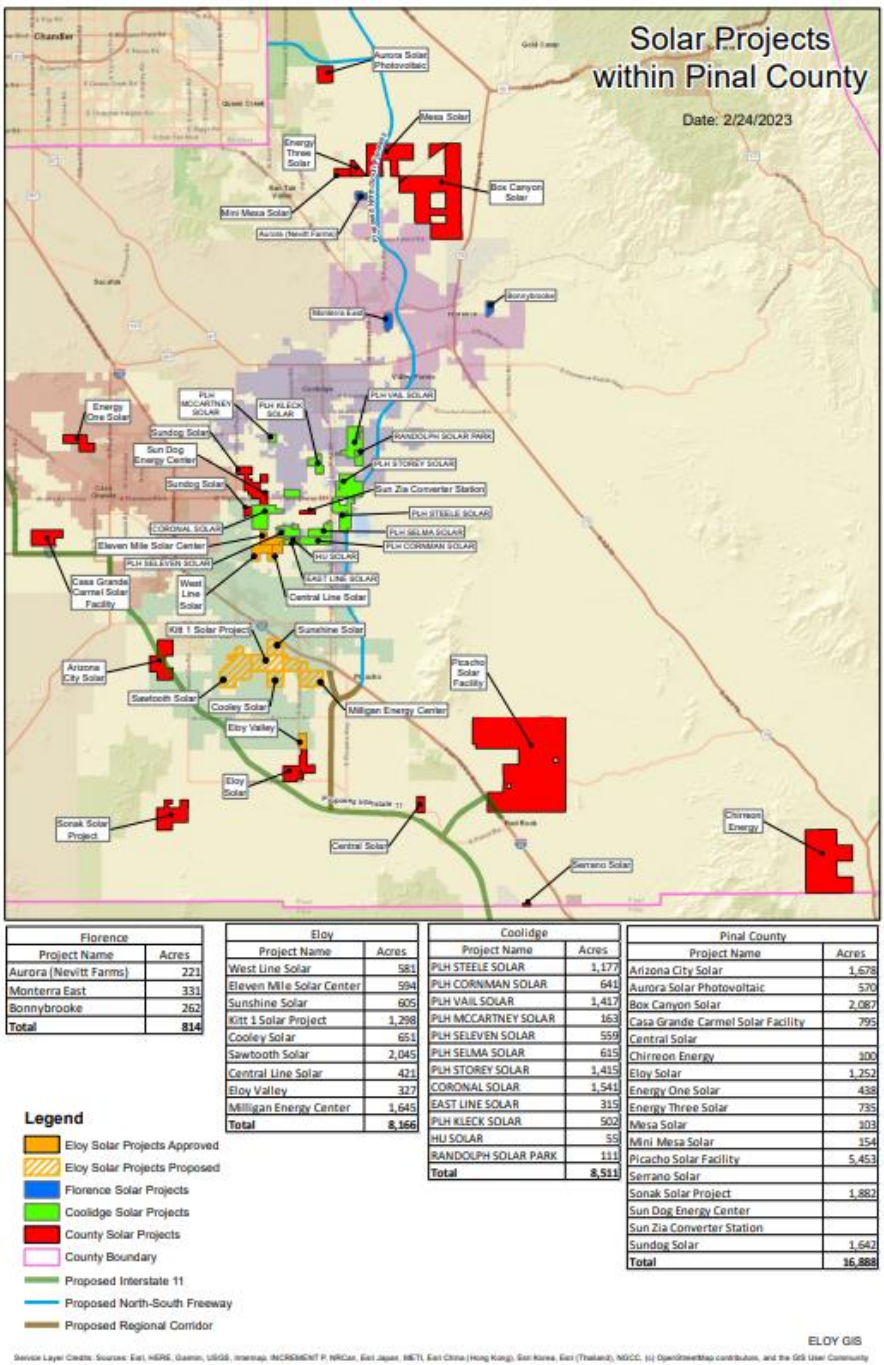
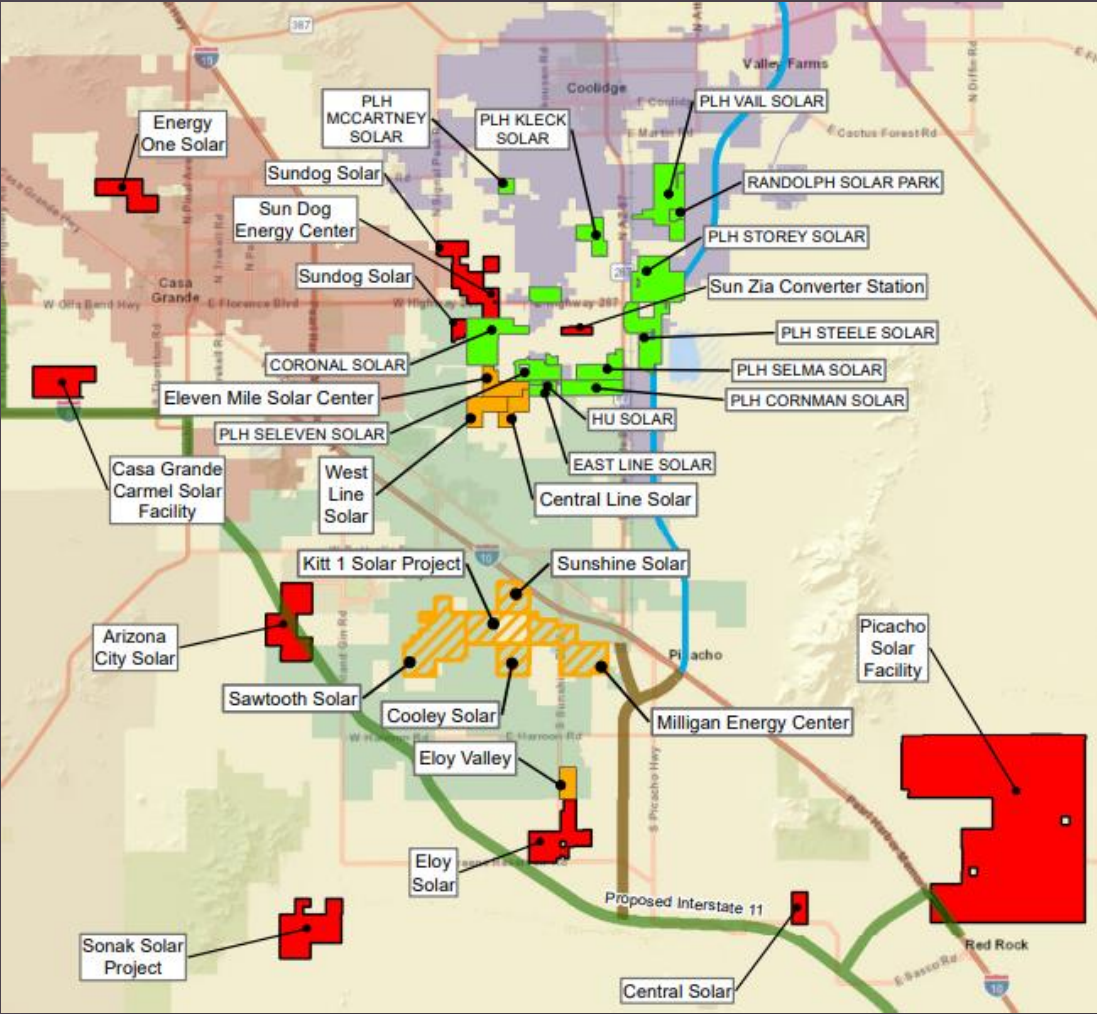
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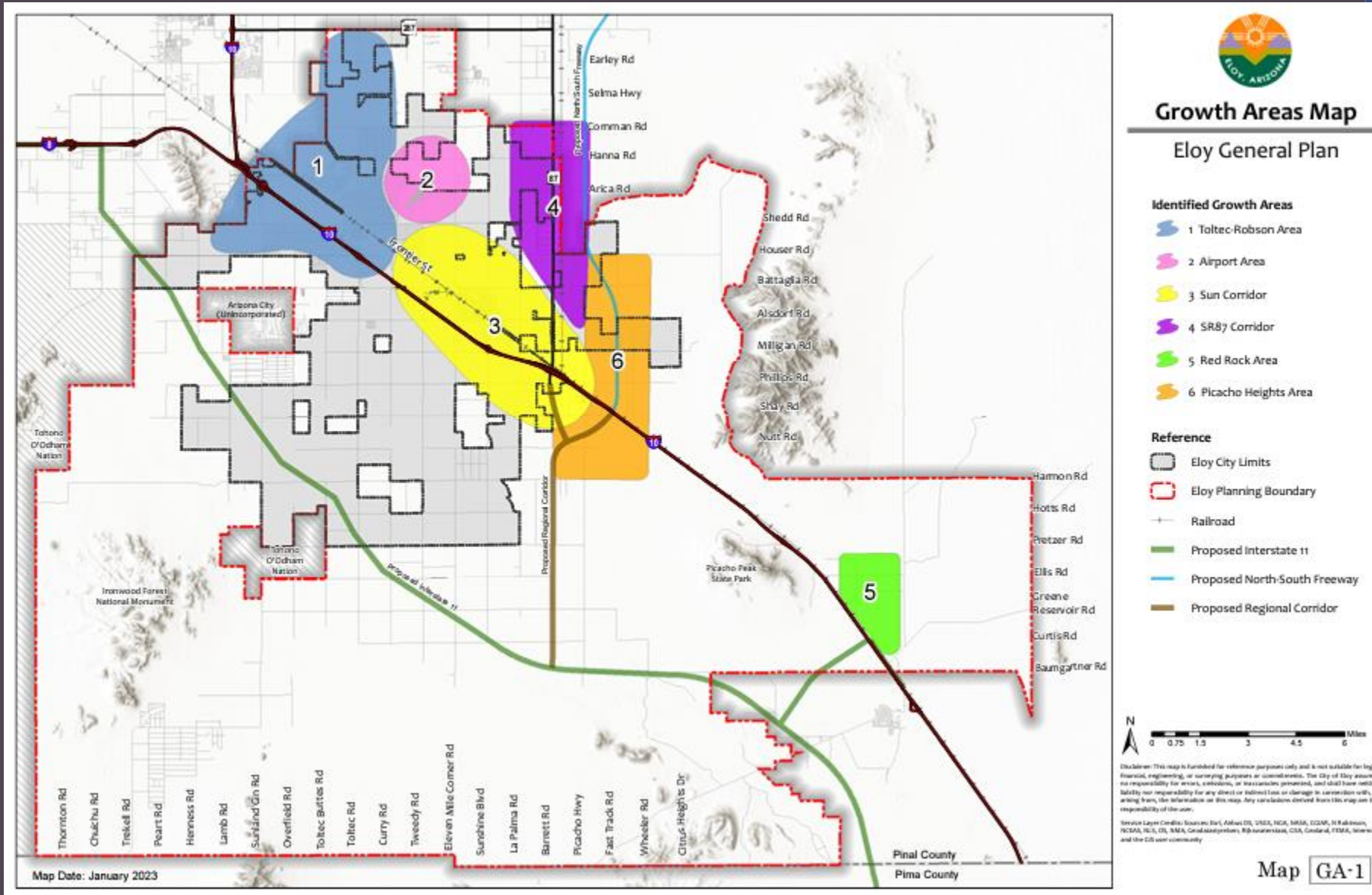
Map 1



COMMUNITY DEVELOPMENT DEPARTMENT

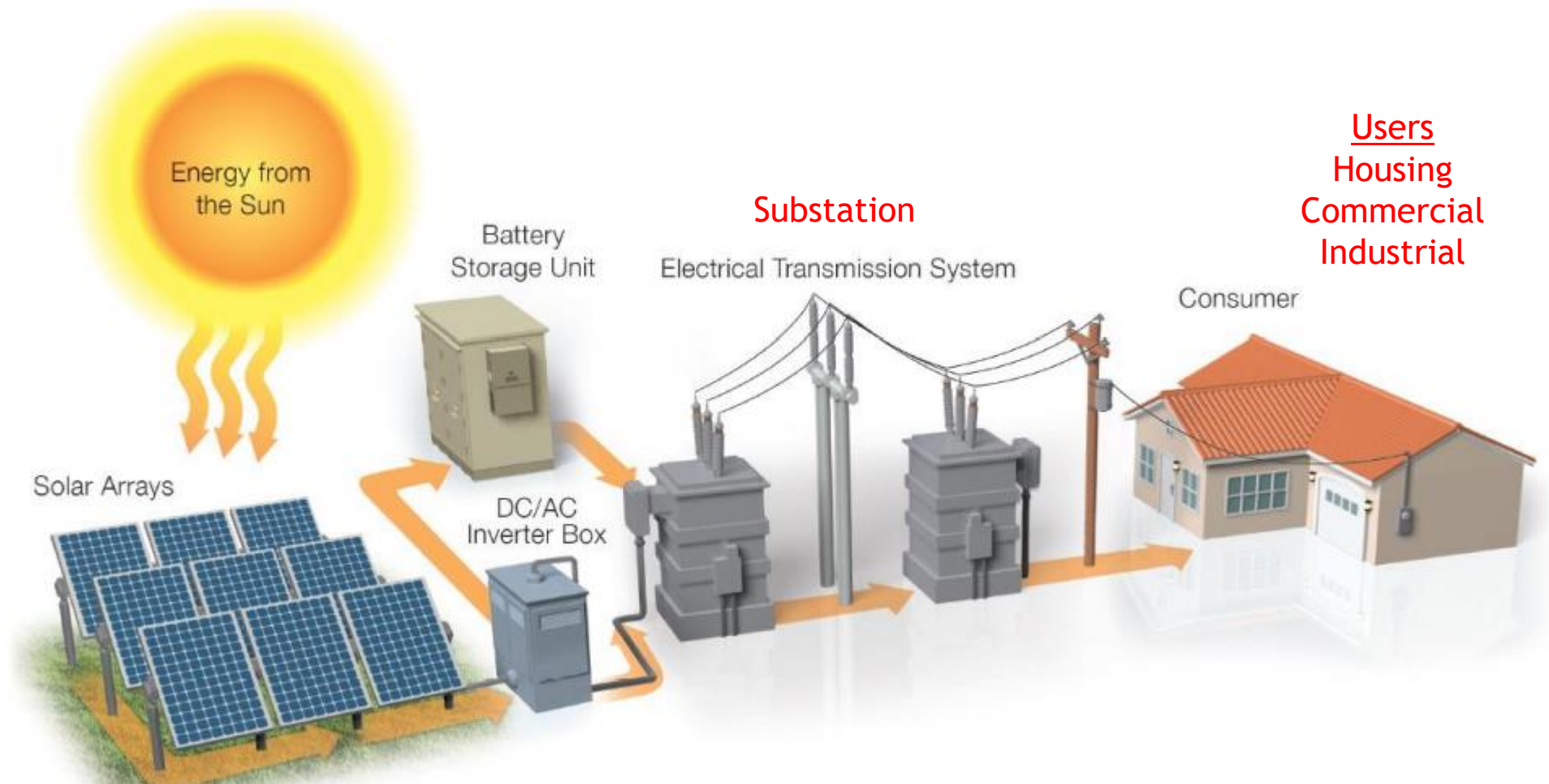
Utility Scale Solar Projects in Pinal County





COMMUNITY DEVELOPMENT DEPARTMENT

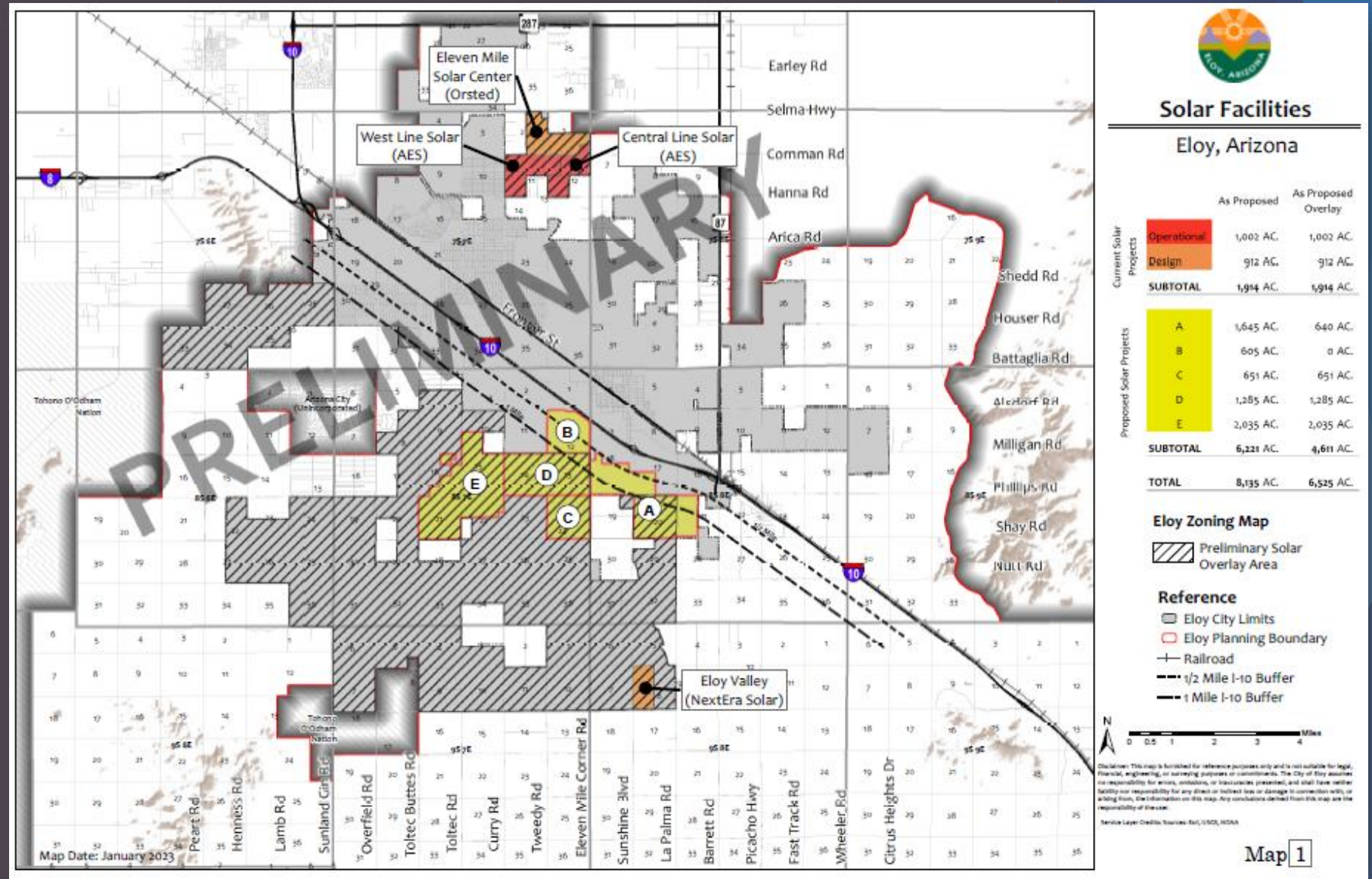
What does this Technology Look Like and How does it Function?



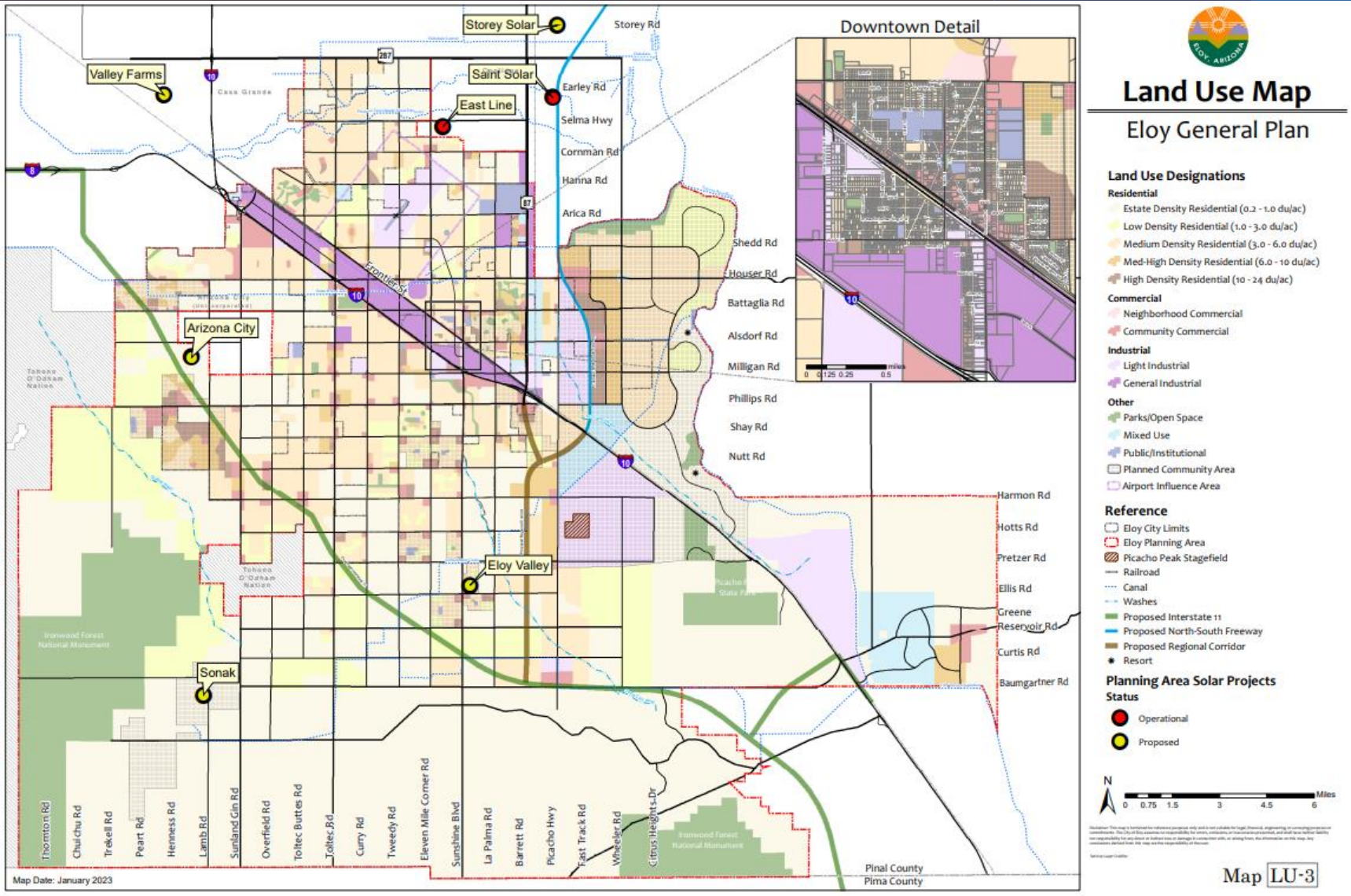
Why Is Eloy (and Pinal County) The Focus?

- Capital Cost: Proximity to the electric grid via our existing substation locations for short gen-tie distances to connect their projects
- Capital Cost: Ability to locate these facilities in a region with ample acreage at lower land prices than Maricopa County
- Regional Push Back: Our neighboring communities are recently not supporting solar projects causing more focus on Eloy
- Water Availability: Agricultural land are anticipated to be impacted by impending significant restrictions on Central Arizona Project water deliveries to Pinal County
- Awareness: Anticipated low level of community input and awareness to plan and approve solar projects in a rural region
- Electrical Source Changes: Highly likely diminished hydroelectric power generation at Hoover and Glen Canyon Dams and non-expansion of Coolidge Generating Station

Where is utility scale solar located (or planned to be located) in our City?



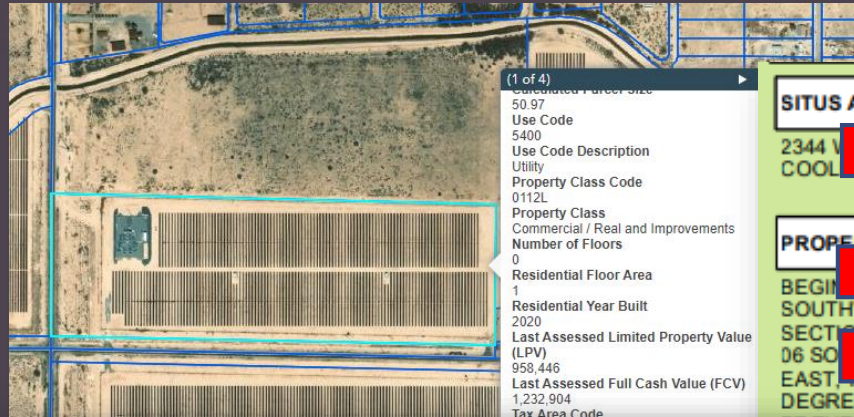
Where is solar proposed to be located within our Planning Area?



What are the Direct Impacts of These Solar Projects?

- Assessments on Solar Improved Property-will significantly increase due to improvements; will depreciate over time
- Economic-a range of short and long term direct and indirect implications
- Adjacent Property Values-Will be determined based on development type (i.e. residential, employment, etc.)
- Electric Magnetic Fields-Proximity to Solar Only
- Heat Island Effect-Proximity to Solar Only
- Visual Impact-Centralizing projects could create an expanse of solar arrays; potential for significant impact adjacent and proximate to I-10
- Agricultural Use-minimal ongoing water use (needed for perimeter landscaping), but reduced ongoing direct and indirect community economic benefit
- Fire Hazard-Focused on Battery Energy Storage Facilities and Smoke Plume Direction
- Construction Noise and Dust-Minimal due to lack of existing adjacent residents
- Decommissioning-Remove improvements and return land to vacant condition for immediate redevelopment

What is the incremental Property Tax Increase and to Whom Do They Benefit?

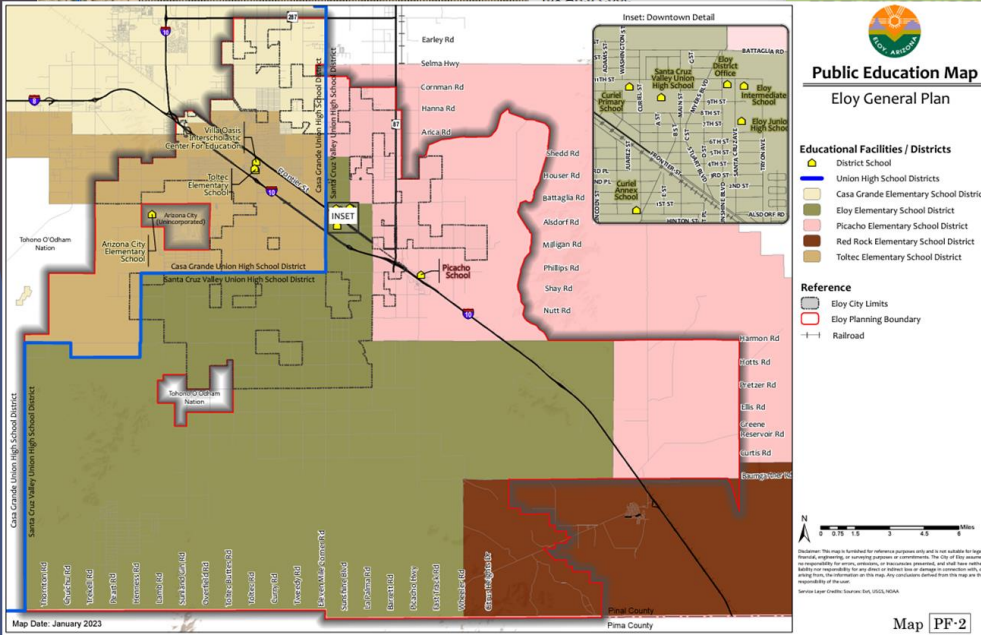


SITUS ADDRESS
2344 V
COOL

PROPERTY DESCRIPTION
BEGIN
SOUTHWEST CORNE
SECTION
06 SO
EAST
DEGREES EAST 2646

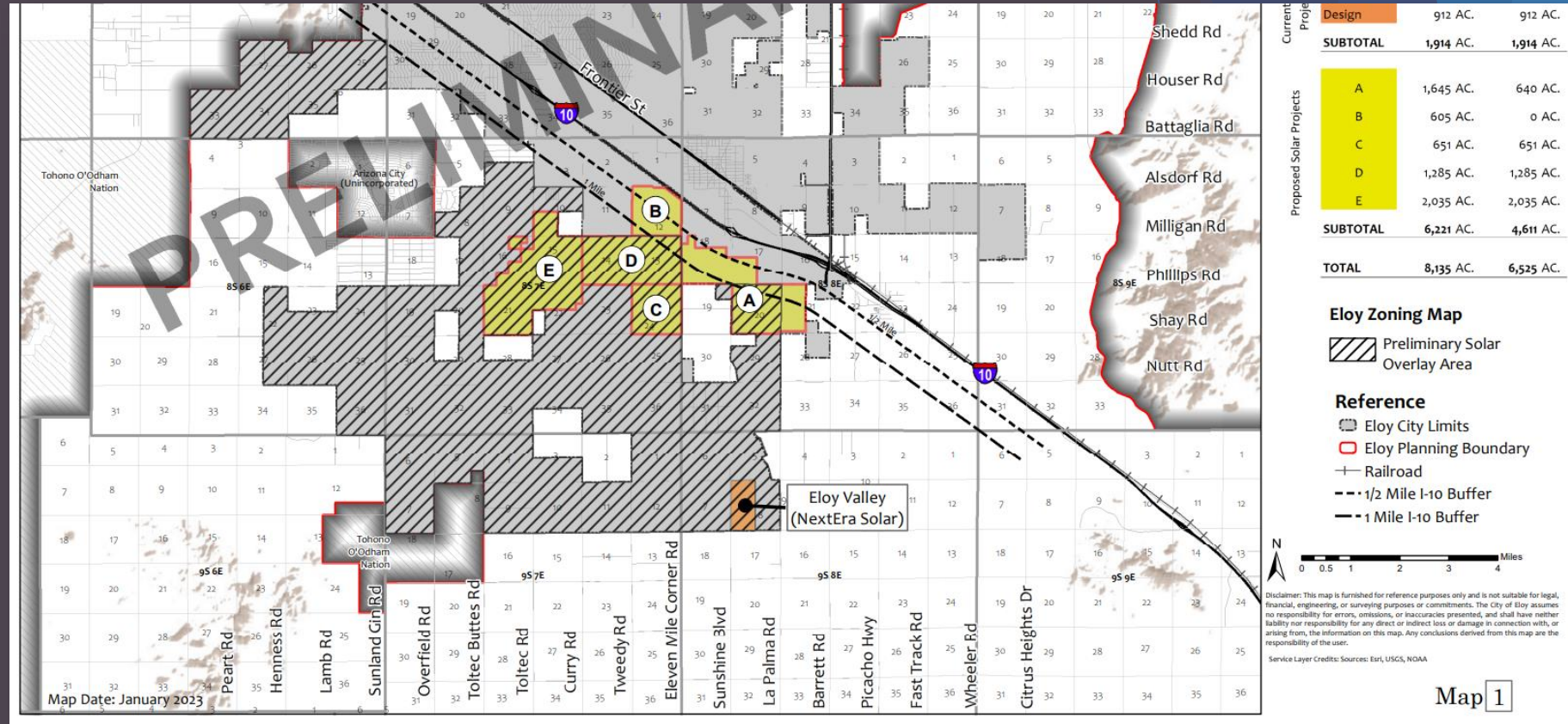
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2000	Pinal County	PRM		3.4410	169.02	5,496.68	5,327.66
2000	Pinal County	PRM	Schl Resr	0.1190	5.86	190.08	184.22
2010	School Equalization	PRM		0.4263	20.20	0.00	-20.20
4152	City of Coolidge	PRM		1.5036	80.76	2,401.88	2,321.12
4152	City of Coolidge	SEC	Bonds	0.3113	10.42	497.28	486.86
7021	Coolidge USD #021	PRM		4.4219	237.78	7,063.60	6,825.82
7021	Coolidge USD #021	SEC	"B" Bonds	1.4177	66.42	2,264.64	2,198.22
8150	Pinal County Jr College	PRM		1.8705	93.80	2,987.96	2,894.16
8150	Pinal County Jr College	SEC	Bonds	0.1875	8.08	299.52	291.44
11900	Fire Dist Assistance Tax	SEC		0.0554	2.70	88.50	85.80
14613	Central AZ Water Conservation	SEC		0.1400	6.62	223.64	217.02
14900	Pinal County Library	SEC		0.0965	4.56	154.14	149.58
15625	Pinal County Flood	SEC		0.1693	8.02	270.44	262.42
16603	Central Arizona Irrg	ACRE		40.0000	1,936.10	2,038.00	101.90
30002	Cntrl AZ Vly Inst Tech(CAVIT)	SEC		0.0500	2.36	79.88	77.52
	TOTALS				2,652.70	24,056.24	21,403.54

BEGINNING 2015, TAX BILL DETAIL IS DISPLAYED AS GROSS TAXES BEFORE REDUCTIONS



Should All of These Lands South of I-10 be designated with the Solar Overlay?

- What parcels want to opt in?
- Are there any parcels that want to opt out?
- Staff believes that clustering such use is preferred



What are our Adopted Use Standards to Consider Solar Projects?

21-3-1.39: SOLAR GENERATION FACILITY:



A. All solar generation facilities must comply with the following standards:

1. Lot Size: A minimum lot size of one hundred sixty (160) acres shall be established and maintained.
 - a. Setbacks: A building, structure, or lot shall not be developed, used, or occupied unless it establishes and maintains minimum yard setbacks of forty feet (40').
2. Lot Coverage: Maximum lot coverage percentage shall be ten percent (10%) except that freestanding, ground mounted solar devices shall not count toward the lot coverage percentages.
3. Building Height: Building height shall not exceed the height limitations designated for the zone in which such building is located, except that thermal towers may extend up to two hundred feet (200') in height provided that the tower is centrally located on the property and maintains a safe fall zone equal to or greater than the height of the tower. (Ord. 18-880, 7-23-2018)

What are our adopted zoning criteria to consider solar projects?

TABLE 2.2-1

TABLE OF ALLOWED USES FOR RESIDENTIAL DISTRICTS

P = Permitted use C = Conditional use NP = Not permitted O = Overlay District

Use Category And Specific Use Type	Residential Zoning Districts										
	RR-20	RR-5	RR-2.5	R1-54	R1-43	R1-12	R1-6	R-2	R-3	PF	Supplemental Use Regulations
8											
School, public or private, 9 - 12	C	C	C	C	C	C	C	C	C	P	21-3-1.35
Social service facility	NP	NP	NP	NP	NP	NP	NP	NP	C	P	
Solar generation facility	C	C	C	C	C	NP	NP	NP	NP	C	21-3-1.38

TABLE 2.3-1

TABLE OF ALLOWED USES FOR
COMMERCIAL AND MIXED-USE DISTRICTS

P = Permitted use C = Conditional use NP = Not permitted

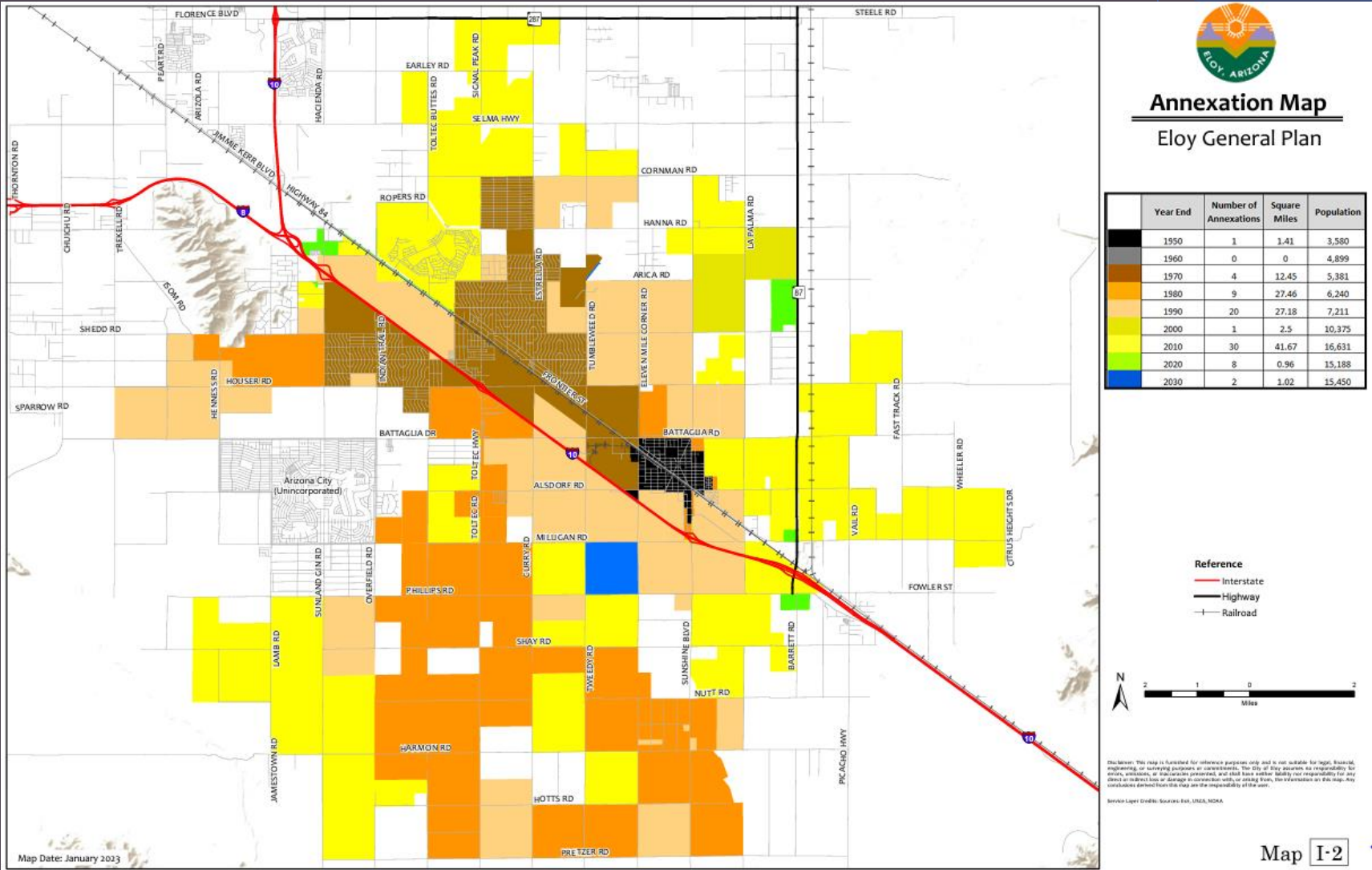
Use Category	Specific Use Type	Commercial And Mixed-Use Zoning Districts				
		C-1	C-2	MU	PF	Supplemental Use Regulations
	governmental organization					
	Public safety facility	P	P	P	P	
	Religious assembly	P	P	P	NP	21-3-1.33
	School, boarding	C	C	C	P	21-3-1.35
	School, public or private, K - 8	C	C	C	P	21-3-1.35
	School, public or private, 9 - 12	C	C	C	P	21-3-1.35
	Social service facility	C	C	C	P	
	Solar generation facility	C	C	C	C	21-3-1.38

TABLE 2.5-1

TABLE OF ALLOWED USES FOR BUSINESS, INDUSTRIAL AND PUBLIC FACILITY DISTRICTS

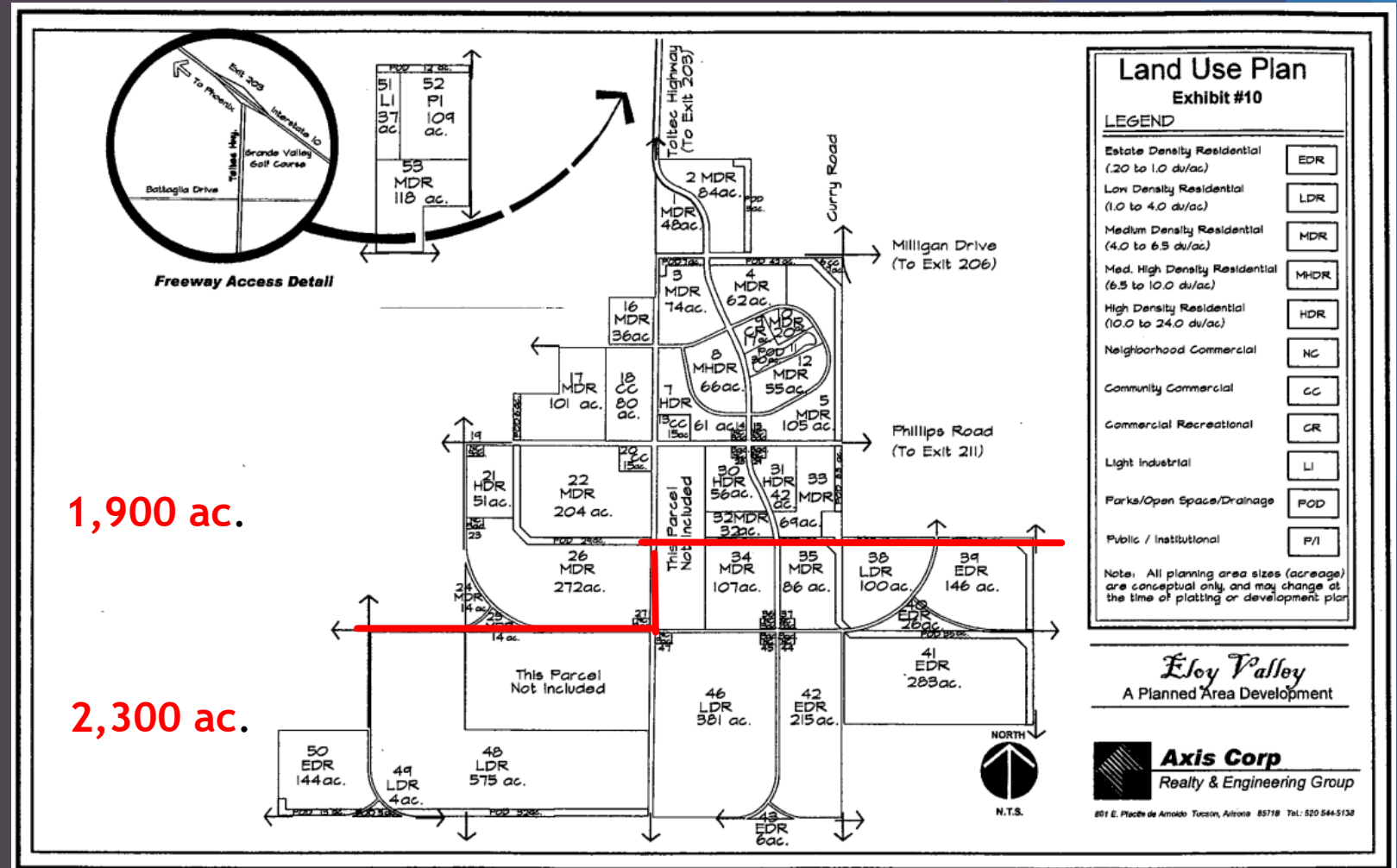
P = Permitted use	C = Conditional use			NP = Not permitted	
	Industrial Zoning Districts				
Use Category And Specific Use Type	BP	I-1	I-2	PF	Supplemental Use Regulations
Hospitals	P	C	NP	P	
Non-profit/non-governmental organization	P	C	C	C	
Public safety facility	P	P	P	P	
Religious assembly	P	P	C	NP	21-3-1.33
Solar generation facility	C	C	C	C	

Annexation Chronology of Eloy



Eloy Valley Planned Area Development/Cortederro

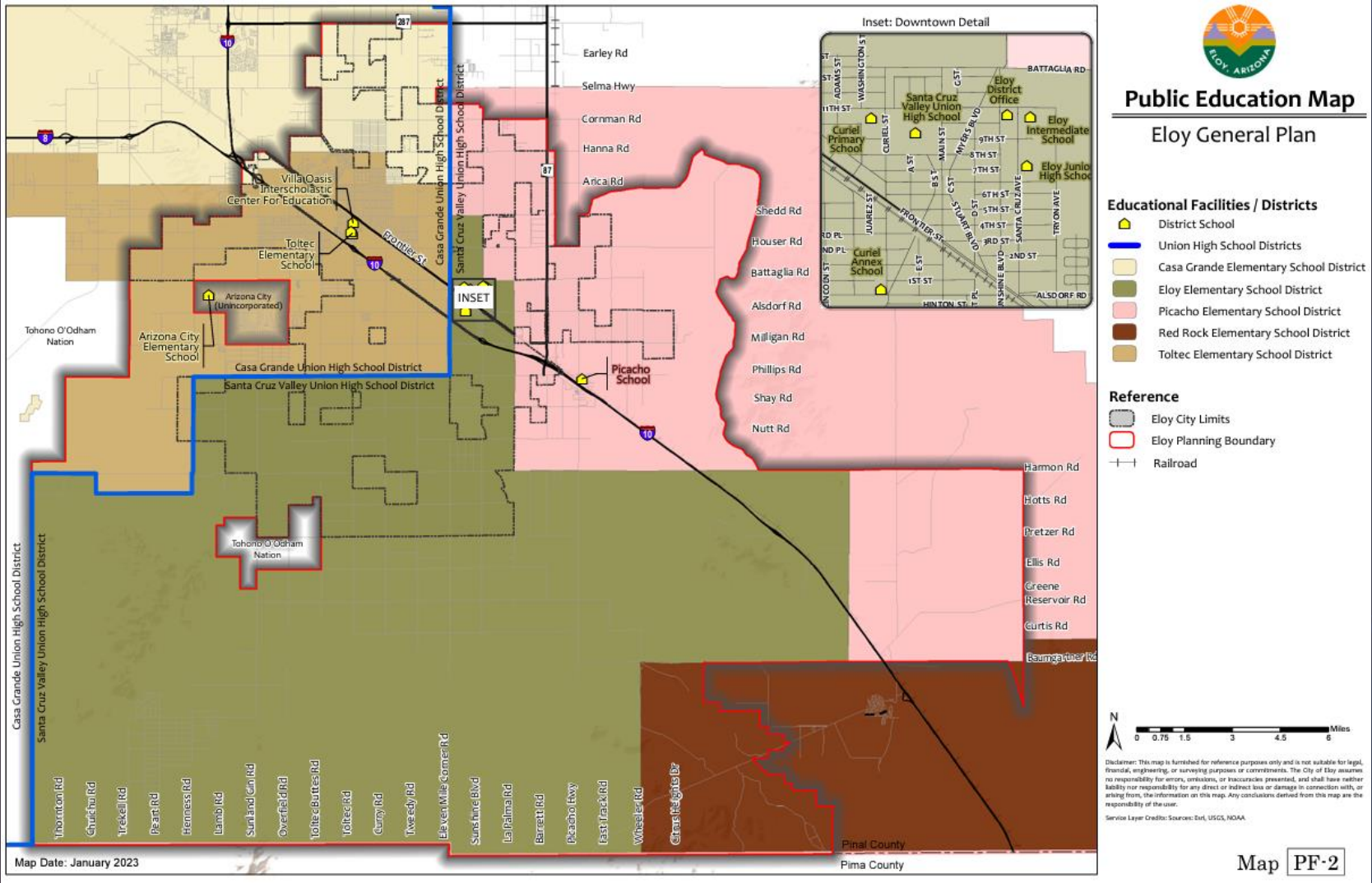
- Prior approved PAD
- Solar Applicant requested severing
- If so, increases administration and limits
- If not, maintains existing PAD, but allows more solar in the City
- Sets precedent for other applicants



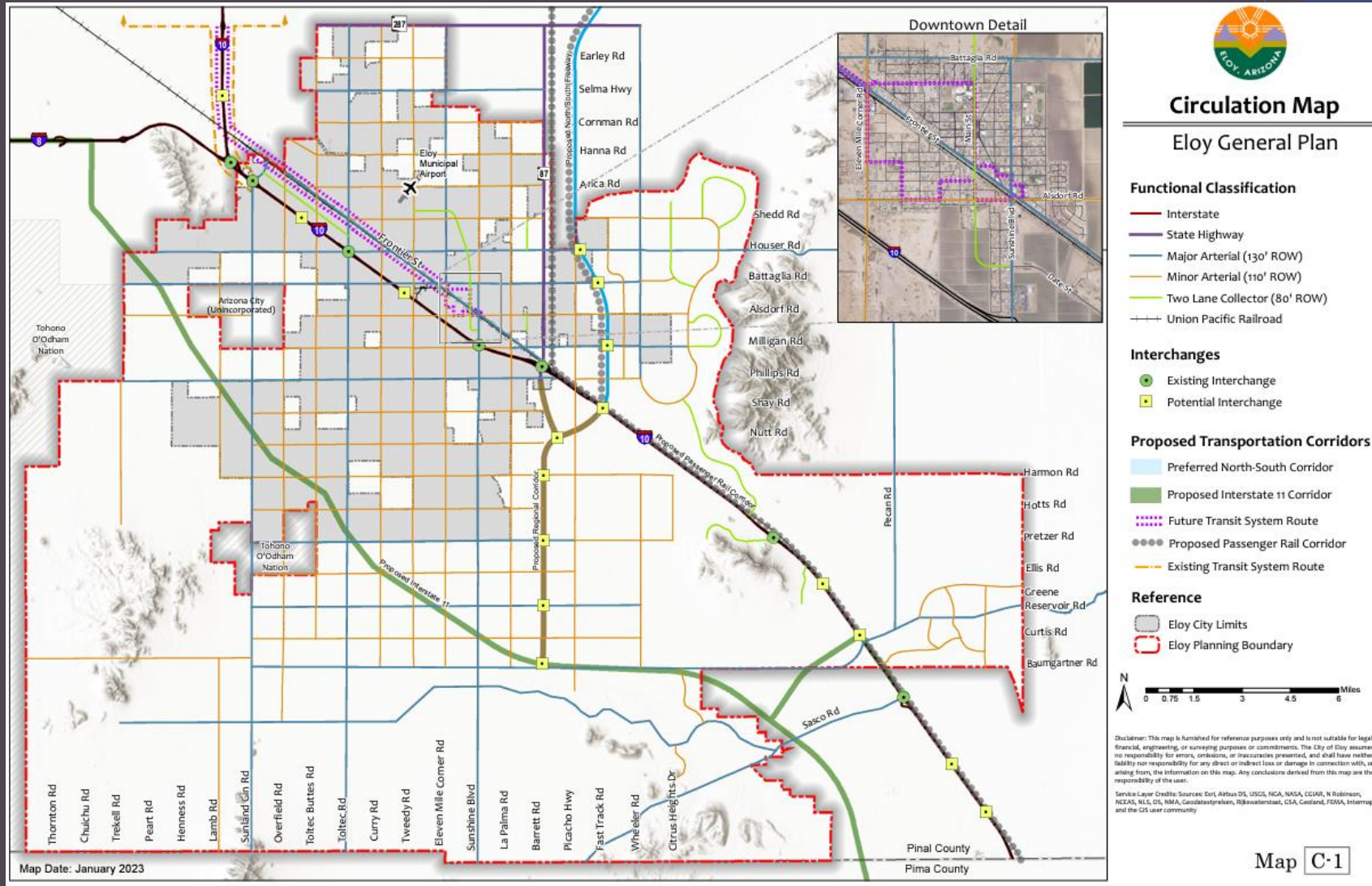
City Council Work Session on Solar Development



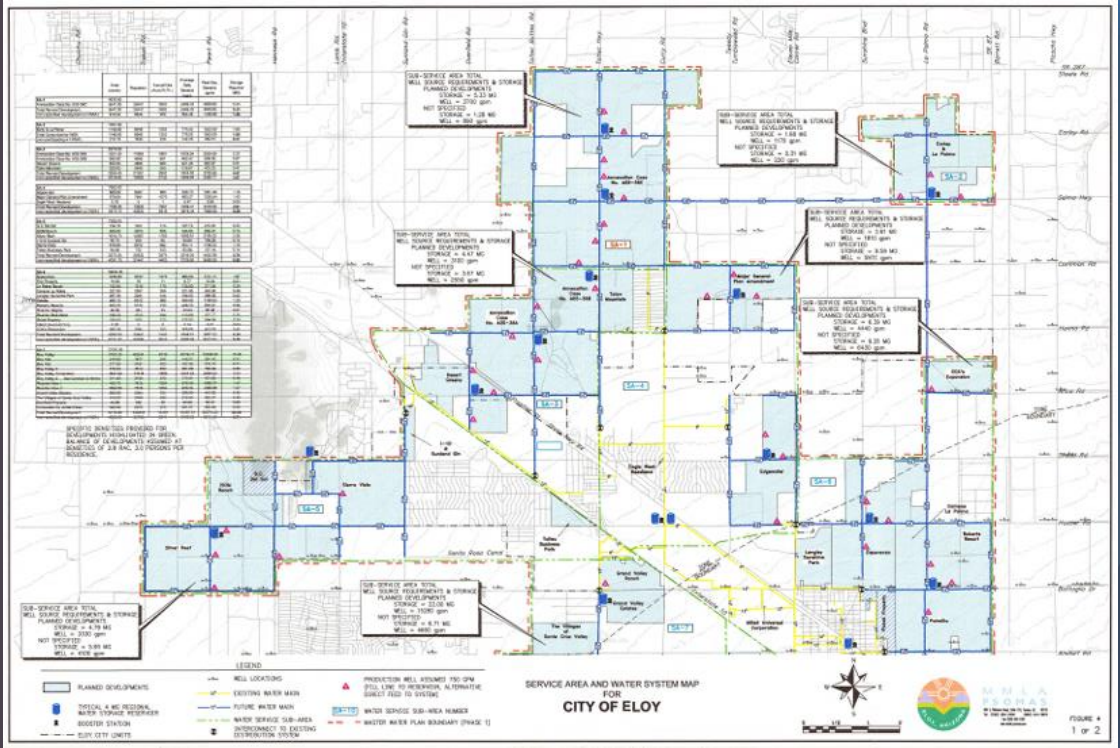
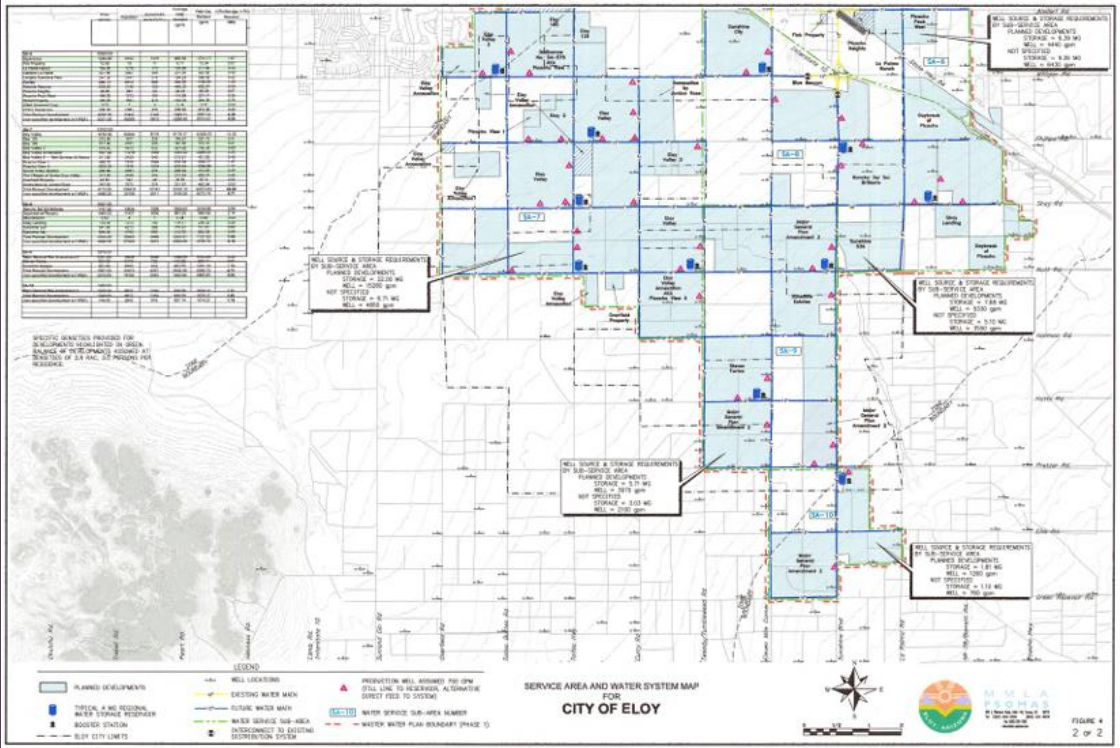
Public School District Boundaries



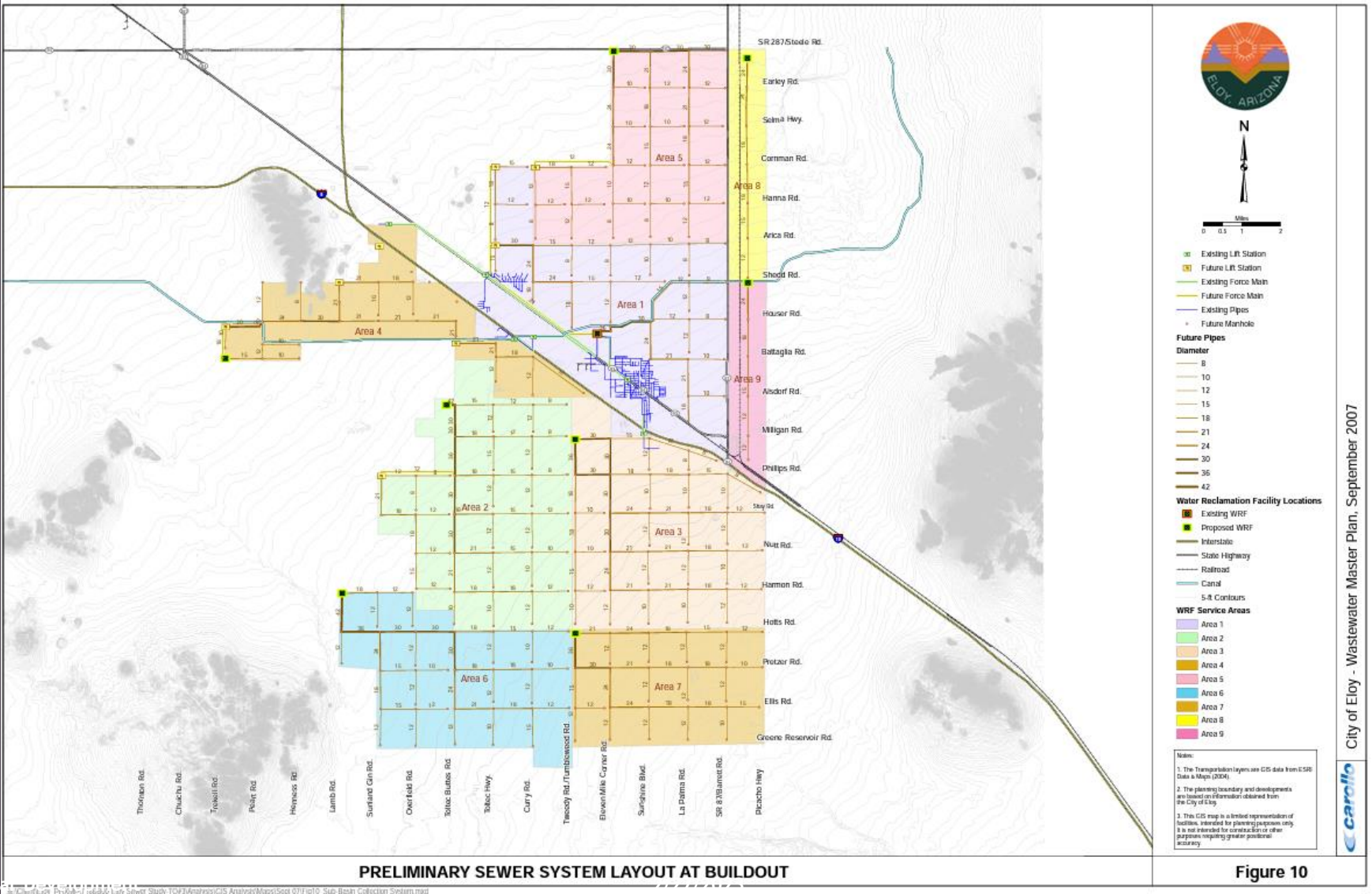
Future Circulation System/Eloy General Plan



Water Master Plan



Sewer Master Plan



What Does This Energy Drive and Where Does it Go?

- Predominately data centers up in the Valley
- Example: Approximately 560 acres of arrays generates 100 megawatts of electricity
 - Could power approximately 16,000 homes, or
 - Could power approximately 20% of a 450 MW data center



Why Solar Now?

- Electricity providers have mandates to reduce carbon emissions:
 - SRP's goal is to reduce carbon emissions by 60% by 2035 and 90% by 2050;
 - APS's goal is to reduce carbon emissions by 65% by 2030 and 100% by 2050
 - TEP's goal is to reduce carbon emissions by 80% by 2035
- Recent Arizona Corporation Commission ruling on not expanding Randolph Generating Station adds to the pressure of confirming a substitute source to meet future electrical demands in South Central Arizona.
- Electricity providers have extended Requests for Proposals and applicants are responding with significant projects proposed within, and proximate to, our City.
- If approved by the City, such projects expect to have a useful life of 20-30 years.

What are the Anticipated Direct and Indirect Fiscal Impacts of These Solar Projects on Eloy?

Direct

- Enhanced Property Taxes
 - Transition from Ag. To Utility-Moderate
 - Transition from Ag. To Master Planned Community-Substantial
- Construction Jobs-Moderate
- Construction Sales Taxes-Moderate
- Full Time Jobs-Minimal

Indirect

- Retail Sales Tax Revenues-Minimal
- Potential for local supplier and labor for construction-Minimal
- Ability to assist in community funding for beneficial local service agencies-Moderate

CITY OF ELOY

REQUEST FOR COMMISSION ACTION

Agenda Item: VII.B.

Date: 7/26/2023

Date submitted:
06/29/2023

Action: Formal

Subject: Commission to make a recommendation for approval, approval with conditions, denial or continuance for Case No.: TA2023-006 to amend Chapter 21-Zoning: Article III. Section 21-3-1.39 Supplemental Use Standards-Solar, Utility Scale Generation Facilities and Article IX. Section 21-9-1 Definitions and Section 21-9-2 Acronyms, as presented.

TO: Planning and Zoning Commission

FROM: Jon Vlaming

RECOMMENDATION:

Commission to make a recommendation for approval, approval with conditions, denial or continuance for Case No.: TA2023-006 to amend Chapter 21-Zoning: Article III. Section 21-3-1.39 Supplemental Use Standards-Solar, Utility Scale Generation Facilities and Article IX. Section 21-9-1 Definitions and Section 21-9-2 Acronyms, as presented.

DISCUSSION:

Presented in previous item.

FISCAL IMPACT:

Presented in previous item.