

**Zoning Request
ZC-25-02**

**900BLK Francis Harris Ln
904 Francis Harris Ln Light
Industrial**



Summary

Request:	Zoning change from Future Development and Character District 2.5 to Light Industrial.		
Applicant:	Armbrust & Brown, PLLC, 100 Congress Ave, #1300 Austin, TX, 78701	Property Owner:	Highlander SM One, LLC P.O Box 470249, Fort Worth, TX 76147 Donald and Germaine Tuff C/O: Kristen Quinney Porter P.O Box 312643, New Braunfels, TX 78131

Notification

Application:	January 22, 2025	Neighborhood Meeting:	N/A
Published:	March 9, 2025	# of Participants	None
Posted:	March 7, 2025	Personal:	March 7, 2025
Response:	See attached comments. 1 call also received from resident who was concerned about the proposed TMP road adjacent Grant Harris Rd.		

Property Description

Legal Description:	Approximately 199.49 +/- acres of land, more or less, out of the A.M Esnaurizar Survey, Abstract No. 6		
Location:	Generally located on the western side of Francis Harris Lane, south of the intersection between Grant Harris Rd and Francis Harris Lane		
Acreage:	199.49 +/-	PDD/DA/Other:	N/A
Existing Zoning:	CD-2.5/ ETJ (FD upon annexation)	Proposed Zoning:	Light Industrial
Existing Use:	Vacant/Residential	Proposed Use:	Data Center
Existing Occupancy:	Restrictions do apply in CD 2.5 zoning, but they do not apply in the land currently in the ETJ.	Occupancy:	Restrictions Do Not Apply
Preferred Scenario:	Conservation/Cluster	Proposed Designation:	Commercial/Employment Low
CONA Neighborhood:	N/A	Sector:	N/A
Utility Capacity:	Available (no data available for water and electricity as these will not be provided by the City of San Marcos)	Floodplain:	No
Historic Designation:	N/A	My Historic SMTX Resources Survey	No. There is an existing cemetery within the boundary of the site, however the cemetery is not included within this request.

**Zoning Request
ZC-25-02**

**900BLK Francis Harris Ln
904 Francis Harris Ln Light
Industrial**



Surrounding Area

	Zoning	Existing Land Use	Preferred Scenario
North of Property:	None (ETJ)	Vacant/ Rural Residential	Conserve/Reserve
South of Property:	Heavy Industria/ ETJ	Power Plant/ Agricultural/ Rural Residential	Conserve/Reserve & Commercial/Employment Low
East of Property:	Heavy Industria/ ETJ	Power Plant/ Vacant	Conserve/Reserve & Commercial/Employment Low
West of Property:	None (ETJ)	Vacant	Conserve/Reserve

Staff Recommendation

<input type="checkbox"/> Approval as Submitted	<input checked="" type="checkbox"/> Alternate Approval	<input type="checkbox"/> Denial
<ul style="list-style-type: none"> Staff recommends <u>partial approval</u> of ZC-25-02 for all of the requested tract with the exception of a 50 ft buffer along the northwestern property line of the Highlander, SM One, LLC Tract adjacent the private driveway (Grant Harris Rd). This 50 ft buffer is recommended for the less intense zoning district of Character District-1 (with the consent of the applicant). This recommendation for approval is <u>subject to the approval of the associated Preferred Scenario Amendment PSA-25-01.</u> 		
Staff: Julia Cleary, AICP	Title : Senior Planner	Date: March 12, 2025

Commission Recommendation

<input type="checkbox"/> Approval as Submitted	<input type="checkbox"/> Approval with Conditions / Alternate	<input checked="" type="checkbox"/> Denial
Speakers in favor or opposed		
John Maberry (applicant - in favor) Michael Whellan (applicant-in favor) Michael Gaudini (applicant -in favor) Katy Buchanan (opposed) Abby Wetzel(opposed) Mary Devine(opposed) Bill Miller(opposed) Lisa Marie Coppoletta (opposed) Hayat Qurunful (opposed) Jennifer Lindsey (opposed) Nikkye Vargas (opposed) Linda Coker (opposed)	Zachary Tindell (opposed) Brandon Blocker (opposed) Maxfield Baker (opposed) Aaron Brown (opposed) Shannon Brown (opposed) Annette Dever (opposed) Lisa Prewitt (opposed) Sissy Maddox (opposed) Taylor Garret (opposed) Abigail Lindsey (opposed) Virginia Parker (general comments) Camille Phillips (opposed) Kiri Naomi (opposed) Lisa Arceneaux (opposed)	Jenny Holdson (opposed) Cynthia Smith (opposed) Yansi Arevalo (opposed) Maxochitl Cortez (opposed) Athena Morgan (opposed) Johnny Storbeck (opposed) Lauren Renee (opposed) Amy Oakes (opposed) Georgia Parker (opposed)

Zoning Request	900BLK Francis Harris Ln 904 Francis Harris Ln Light Industrial
ZC-25-02	

**Recommendation from the Planning and Zoning Commission Meeting held March 25, 2025**

A motion was made by Commissioner Spell, second by Commissioner Meeks to recommend denial of the request. The vote passed with an 8-0 vote

For: 8 (Agnew, Burleson, Costilla, Dunn, Garber, Kelsey, Meeks, Spell, Van Oudekerke)

Against: 1 (Case)

Absent: 0

Discussion Topics:

(Please note that discussion pertained to both this Zoning Change item and the associated Preferred Scenario Amendment PSA-25-01)

Restrictive Covenants/ Potential Postponement The applicant requested to postpone the items to draft restrictive covenants for consideration by the Planning and Zoning Commission. A motion to postpone the item to a future meeting failed 7-2.

Water/Energy Use Commissioner Garber noted that large data centers could use up to 100 Megawatts of power, which was the same as 80,000 households and so the data center could potentially consume double the amount of all City of San Marcos households. He also noted that per the Department of Energy 1% of all global electricity is consumed by data centers, and in 2023 data centers used 74 Gigawatts, which was a 55% increase from the previous year, so the consumption of electricity from data centers was increasing. Regarding water use, he also noted that it was not known how often the water would need to be changed. Commissioner Spell stated that he could not see a way to make the project acceptable, however maybe Council could find a way to “thread the needle” by requiring the development to use purple pipe.

Noise – Commissioner Garber stated that the average noise level in server areas was 92 decibels and 96 decibels in the server racks, compared to a heavy metal concert which is between 80-120 decibels, and cited a study which said the hum from data centers could be heard from up to 2 and a half miles away, and continued exposure to a low level hum could disrupt sleep and possibly cattle. He also noted that noise from the data center could negatively impact visitors to the cemetery.

Change to Comprehensive Plan so soon after adoption Commissioner Garber noted that there had been 2 requests to change the Comprehensive Plan since it was adopted, and that the community had specifically designated the Conservation/Cluster areas in order to limit growth in those areas of the City over the life of the comprehensive plan, and if the city continues to make changes then what was the point of the plan. Commissioner Agnew remarked that the site should probably have been designated as “Neighborhood Low” in the Preferred Scenario map due to the existing CD 2.5 zoning. (Staff note: this is the first request to change the Preferred Scenario map since Comprehensive Plan adoption in November, 2024)

Impact on Cemetery Commissioner Garber asked who owned the cemetery and had they been notified. Staff responded that appraisal district considered the cemetery and the applicant’s site as part of one property and so there is not a cemetery property owner to send notice to. Staff also noted that the 1912 deed to the property specifically identified the cemetery site, stated that the cemetery was reserved for the use of the descendants of those 1912 property owners, but did not convey the land.

Zoning Request	900BLK Francis Harris Ln 904 Francis Harris Ln Light Industrial
ZC-25-02	



Impact of Federal Policy/ Demand for Data Centers – Commissioner Spell referenced the August 2022 CHIPS Act from the Biden administration, which aimed to increase semiconductor production in the United States for the purpose of having more data centers in the United States in order to compete with China.

Development within the City Limits vs Outside - Chair Case stated that it would be preferable to have the development in the City limits as opposed to outside, as the City would have control over the regulations.

History

This zoning change covers 199.49 acres of land on the western side of Francis Harris Lane and is accompanied by the following applications:

- PSA-25-01 – Preferred Scenario Amendment from Conservation/ Cluster to Commercial/Employment – Low.
- AN-25-02 - Annexation request for the southwestern part of the site located outside of the city limits (approx. 64 acres).

The applicant is requesting this zoning change in order to construct a data center. Data centers are considered a Light Industrial use and so would only be permitted under either Light Industrial or Heavy Industrial zoning. No proposed site plans have been received at this time.

Additional Analysis

Per Table 4.1 of the Land Development Code, Light Industrial zoning is not permitted within Conservation/Cluster Place Types. Approval of the associated Preferred Scenario Amendment to Commercial/Employment – Low (PSA-25-01) is required before this zoning change can be approved.

Grant Harris Rd, a private driveway/ access easement with several residential structures, runs along the northwestern boundary of the property. These properties do not currently have any direct roadway frontage – the City of San Marcos Thoroughfare Plan would require the developer to dedicate Right of Way at the time of platting which would provide direct road frontage to these properties.

Staff is proposing to designate a 50' Character District-1 (CD-1) buffer along the northwestern boundary of the property adjacent Grant Harris Rd. The applicant agrees with this modification of the request.

Comments from Other Departments

Police	No Comment
Fire	With respect to the associated annexation case (and in the event that the applicant seeks to de-annex if this zoning change is denied), Fire would still likely be required to assist County ESDs if there were a fire on the proposed data center site due to existing cooperative agreements. Fire would prefer that this site remains within/ is annexed into the city limits.
Public Services	No Comment
Engineering	No Comment
Economic Development	The proposed use is a target industry under the Economic Development Policy identified as a desirable industry for the City of San Marcos. Target industry: Information Technology.

Zoning Request
ZC-25-02

900BLK Francis Harris Ln
904 Francis Harris Ln Light
Industrial



Evaluation			Criteria for Approval (Sec.2.5.1.4)
Consistent	Inconsistent	Neutral	
	<u>X*</u>		Whether the proposed zoning map amendment implements the policies of the adopted Comprehensive Plan and preferred scenario map <i>There is a pending Preferred Scenario Amendment (PSA-25-01) from Conserve/Reserve to Commercial/Employment Low. The zoning change cannot be approved without the approval of the associated Preferred Scenario Amendment. If the PSA is approved, the evaluation would change from "Inconsistent" to "Consistent".</i>
		<u>N/A</u>	Whether the proposed zoning map amendment is consistent with any adopted small area plan or neighborhood character study for the area <i>Studies were not complete at the time of the request.</i>
		<u>X</u>	Whether the proposed zoning map amendment implements the policies of any applicable plan adopted by City Council <i>There are no applicable plans or studies related to this site.</i>
		<u>N/A</u>	Whether the proposed zoning map amendment is consistent with any applicable development agreement in effect <i>There is no development agreement in effect for this site.</i>
<u>X</u>			Whether the uses permitted by the proposed change in zoning district classification and the standards applicable to such uses shall be appropriate in the immediate area of the land to be reclassified <i>The proposed LI zoning allows manufacturing & light industrial uses like industrial office, warehouse, & distribution.</i>
<u>X</u>			Whether the proposed zoning will reinforce the existing or planned character of the area <i>The surrounding area is a combination of Heavy Industrial across Francis Harris Ln to the southeast, with agricultural/ rural agricultural on all other sides.</i>
<u>X</u>			Whether the site is appropriate for the development allowed in the proposed district <i>The site is relatively flat with limited tree cover and is located next to an existing heavy industrial use.</i> <i>The site encloses an approx. 1 acre cemetery site (not part of this request). Access to the cemetery must be maintained per Section 711.041 of the Texas Health and Safety Code.</i>
<u>X</u>			Whether there are substantial reasons why the property cannot be used according to the existing zoning <i>Most of the site is entitled to develop as single family residential (CD 2.5 zoning) however there are potential quality of life concerns for future residents due to the proximity of the neighboring power plant. For the southwestern portion of the tract, "FD" zoning is considered to be a temporary zoning upon annexation until the landowner proposes a specific use.</i>

**Zoning Request
ZC-25-02**

**900BLK Francis Harris Ln
904 Francis Harris Ln Light
Industrial**



Evaluation			Criteria for Approval (Sec.2.5.1.4)
Consistent	Inconsistent	Neutral	
<u>X</u>			Whether there is a need for the proposed use at the proposed location <i>The city does not have any specific studies identifying the need for data centers or proposed locations, however on page 4 of their application letter, the applicant notes that the site is conducive to a data center due to its size, proximity to the power plant, and lack of environmentally sensitive features. According to an article in the December 19th, 2024 edition of the Austin Business Journal, the data center vacancy rate in the Austin-San Antonio market was at a record low of 1.8%, and 96% of facilities under construction were pre leased.</i>
		<u>X</u>	Whether the City and other service providers will be able to provide sufficient public facilities and services including schools, roads, recreation facilities, wastewater treatment, water supply and stormwater facilities, public safety, and emergency services, while maintaining sufficient levels of service to existing development <i>Staff do not have data regarding the proposed energy or water use of the development at this time as these utilities will not be provided by the city.</i>
		<u>X</u>	Whether the proposed rezoning will have a significant adverse impact on property in the vicinity of the subject property <i>There are several residential structures along the northwestern boundary on Grant Harris Rd. As the homes are not located within the city limits there is no Transitional Protective Yard requirement per Section 7.2.2.2 of the Code. Staff is proposing a 50' buffer alongside these properties on Grant Harris Rd which would trigger the Transitional Protective Yard requirement unless the land was dedicated as Right of Way per the City's Thoroughfare's Plan.</i>
		<u>N/A</u>	For requests to a Neighborhood Density District, whether the proposed amendment complies with the compatibility of uses and density in Section 4.1.2.5 <i>This is not a request for a Neighborhood Density District.</i>
<u>X</u>			The impact the proposed amendment has with regard to the natural environment, including the quality and quantity of water and other natural resources, flooding, and wildlife management <i>The site is not located within the floodplain, Edwards Aquifer Recharge Zone, or San Marcos River Corridor.</i>
<u>X</u>			Any other factors which shall substantially affect public health, safety, morals, or general welfare