

Provo City Planning Commission

Report of Action

March 25, 2026

***ITEM 1** Development Services requests Ordinance Text Amendments to Title 14 to remove power generation as a permitted use in the Data Center Overlay Zone and update environmental impact requirements. Citywide Application. Hannah Salzl (801) 852-6423 hsalzl@provo.gov PLOTA20250048

The following action was taken by the Planning Commission on the above described item at its regular meeting of March 25, 2026:

RECOMMENDED DENIAL

On a vote of 5:0, the Planning Commission recommended that the Municipal Council deny the above noted application.

Motion By: Jonathon Hill

Second By: Anne Allen

Votes in Favor of Motion: Joel Temple, Matt Wheelwright, Jonathon Hill, Jon Lyons, Anne Allen

Jonathon Hill was present as Chair.

- New findings stated as basis of action taken by the Planning Commission or recommendation to the Municipal Council; Planning Commission determination is not generally consistent with the Staff analysis and determination.

TEXT AMENDMENT

The text of the proposed amendment is attached as Exhibit A.

STAFF PRESENTATION

The Staff Report to the Planning Commission provides details of the facts of the case and the Staff's analysis.

CITY DEPARTMENTAL ISSUES

- The Coordinator Review Committee (CRC) has reviewed the application and given their approval.

NEIGHBORHOOD MEETING DATE

- Citywide application; all Neighborhood District Chairs received notification.

NEIGHBORHOOD AND PUBLIC COMMENT

- This item was City-wide or affected multiple neighborhoods.
- Neighbors or other interested parties were present or addressed the Planning Commission.

CONCERNS RAISED BY PUBLIC

Any comments received prior to completion of the Staff Report are addressed in the Staff Report to the Planning Commission. Key issues raised in written comments received subsequent to the Staff Report or public comment during the public hearing included the following:

- Jeff Chavez, a CEO of Volition Industries and Provo resident, is working to develop a large data center in Provo. He discouraged the Planning Commission on the grounds that (1) Volition intends to use islanded energy fuel cell power generation and (2) Volition's data center claims to be able to bring 2.5-4 million dollars in tax revenue every year. He cautioned Provo from turning away investment opportunities. It should be noted that the prohibition of islanded power generation comes from the Utah Municipal Power Agency (Provo's power provider) and was not an item addressed by the proposed amendment.

PLANNING COMMISSION DISCUSSION

Key points discussed by the Planning Commission included the following:

- Commissioner Lyons expressed that it seemed premature to close the door on power generation without a fuller understanding of current and emerging power generation trends and potential economic impacts. He asked Jeff Chavez, the CEO of Volition Industries and Provo resident, about the potential tax revenue for the City and about the

credibility of the Bloom energy fuel cells. He responded that the fuel cells are fueled by natural gas but do not use combustion and so have lower emissions than traditional natural gas power stations. Bloom's fuel cells are safe and quiet, and Volition aims to be a good community partner with small-scale data centers near metro areas. Their potential data center would be 30-40 MW on Sierra Vista near the Vox Fulfillment property.

- Commissioner Hill felt that data centers are an increasingly important part of infrastructure that enable economic growth and job creation by supporting other industries. He worried that Provo could lose the opportunity to build cutting-edge data centers if the code were to be too conservative. Commissioner Allen noted that on the other hand, Provo could avoid old-fashioned data centers by being conservative about what they approve. Commissioner Hill gave an example of innovations in efficiency and operations in other fields that were lost to government over-regulation. He expressed that the proposed amendment went too far and closed off too many options.
- Commissioner Wheelwright agreed, noting that although technology will continue to improve, it would still be unwise to shut the door to the good opportunities available now.
- Commissioner Temple supported the idea of making power generation a conditional use within the Data Center Overlay Zone with strict performance standards. The other Commissioners agreed. Commissioner Temple also mentioned considering a Community Benefit Agreement, an agreement where developments that meet certain requirements must provide additional community benefits.

FINDINGS / BASIS OF PLANNING COMMISSION DETERMINATION

The Planning Commission identified the following findings as the basis of this decision or recommendation:

- A blanket ban is too strong. They recommend that the Council consider performance-based standards or other alternatives that would also mitigate the concerns of the public about data centers but that would allow projects that are good for the community to move forward and allow Provo to better react to changing technologies.



Planning Commission Chair



Director of Development Services

See Key Land Use Policies of the Provo City General Plan, applicable Titles of the Provo City Code, and the Staff Report to the Planning Commission for further detailed information. The Staff Report is a part of the record of the decision of this item. Where findings of the Planning Commission differ from findings of Staff, those will be noted in this Report of Action.

Legislative items are noted with an asterisk (*) and require legislative action by the Municipal Council following a public hearing; the Planning Commission provides an advisory recommendation to the Municipal Council following a public hearing.

Administrative decisions of the Planning Commission (items not marked with an asterisk) **may be appealed** by submitting an application/notice of appeal, with the required application and noticing fees to the Development Services Department, 445 W Center Street, Provo, Utah, **within fourteen (14) calendar days of the Planning Commission's decision** (Provo City office hours are Monday through Thursday, 7:00 a.m. to 6:00 p.m.).

EXHIBIT A

Chapter 14.34A DC – DATA CENTER OVERLAY ZONE

Sections:

- 14.34A.010 Purpose and Objectives.**
- 14.34A.020 Permitted Uses.**
- 14.34A.030 Lot Standards.**
- 14.34A.040 Project Plan Approval.**
- 14.34A.050 Development Standards for Data Centers of All Sizes.**
- 14.34A.060 Development Standards for Large Data Centers.**
- 14.34A.070 Other Requirements.**

14.34A.010 Purpose and Objectives

The Data Center Overlay Zone (DC Overlay) is established to provide prudent development standards for data centers and similar digital infrastructure facilities ~~as well as any associated power generation facilities~~. The provisions of this zone are intended to minimize the negative environmental effects of data centers ~~and power generation~~, especially to air quality, water use, and energy demands.

For the purposes of this Title, a “data center” is defined as a dedicated building or facility designed primarily for housing networked servers and computing infrastructure for continuous operation. It excludes computational facilities primarily engaged in cryptocurrency mining, blockchain validation, or other distributed ledger technology operations.

14.34A.020 Permitted Uses

The following principal [uses](#) and no others are permitted in the DC Overlay:

- (1) Data centers.;
- ~~(2) Energy generation facilities and transmission infrastructure, subject to Utah Municipal Power Authority (UMPA) policies.~~

14.34A.030 Lot Standards

Each lot or parcel in the DC Overlay must comply with PCC Section 15.03.100 (Adequate Public Facilities).

14.34A.040 Project Plan Approval

See PCC Sections 15.03.300 and 15.03.310.

14.34A.050 Development Standards for Data Centers of All Sizes.

- (1) The DC Overlay may only be combined with Light Manufacturing (M1) and Planned Industrial Commercial (PIC) Zones. Development within the DC Overlay must comply with the development standards of the underlying zone unless otherwise specified in this Chapter.
- (2) Data centers must also comply with all requirements listed in Provo City’s Data Center Policy and Application Procedures as well as UMPA Data Center Policies.

- (3) No data center ~~or energy generation~~ may be located closer than two hundred (200) feet to any school, park, or residential property, measured in a straight line between the closest property lines of lots on which the respective uses are located.
- ~~(a) Equipment that produces emissions in excess of state and federal base limits (or that requires emissions reduction credits to operate) may not be located closer than five hundred (500) feet to any school, park, or residential property, measured in a straight line between the closest wall enclosing the equipment and the closest property lines of lots on which the respective uses are located.~~
- (4) Data centers must establish a mechanism (e.g., performance bond, etc.) in accordance with UMPA Data Center Policies to offset risks to taxpayers.
- ~~(5) Applicants for data centers with aggregate power loads of five megawatts (5 MW) or more must cover the cost of having their application reviewed by an independent environmental expert of the City's choice.~~
- (5) Data centers must use non-evaporative cooling methods and may not discharge treated water used for cooling into the municipal systems.
- (6) The following additional information must be provided as part of the Zone Map Amendment application:
- (a) A project narrative and development timeline, including construction milestones and phasing;
 - (b) Legal entity disclosures;
 - (c) A Community Benefit Plan including workforce training, infrastructure investments, renewable energy projects, and tax revenue projections;
 - (d) A statement of how the data center furthers the environmental goals in the Provo City General Plan and the Conservation and Resiliency Plan.
 - (e) An agreement with UMPA to ensure adequate compensation for the use of UMPA and Provo Power's transmission and distribution infrastructure;
 - (f) A detailed power load ~~and generation~~ plan;
 - (g) A site plan including all utility infrastructure (electric, water, wastewater);
 - ~~(h) Noise studies to ensure compliance with PCC Section 9.06.040 and any requirements of the zone;~~
 - (i) An estimation of vibrations produced from operations and an explanation of strategies used to reduce vibrations (e.g., vibration isolation systems, floating floors, structural dampening);
 - (j) An environmental review that includes the identification and explanation of conservation strategies for the following resources, noting unused practical industry strategies and justification for not pursuing them on this project:
 - i. Energy efficiency (e.g., server clustering, high-efficiency cooling systems),
 - ~~ii. Renewable energy,~~
 - iii. Water and wastewater (e.g., ~~purple pipe irrigation, water alternatives~~ water reuse strategies, pretreatment details), and

- iv. A comparison of water and power usage for data centers of similar scales and for other structures of similar size for different industries;
- (k) An ~~air quality analysis and mitigation plan~~ estimation of the amount of pollutants that would be produced that includes CO₂, NO_x, VOCs, ozone, PM_{2.5}, PM₁₀, methane, and any other pollutants produced at the site **and compares them against the estimated emissions of a similarly sized office building**; and
- (l) An end-of-life plan for all technological waste, which must be disposed of at an e-waste recycling facility licensed by the Department of Environmental Quality.

~~(7) The following additional standards apply to all energy generation facilities in the DC Overlay.~~

- ~~(a) Independent “islanded” power plants are prohibited. Any new power generation, whether renewable or non-renewable, produced by the data center to serve its own power demand must be interconnected with Provo City and follow UMPA policies.~~
- ~~(b) Data centers may also provide on-site energy through renewable sources (e.g., geothermal, solar, etc.) and are encouraged to draw from energy produced on-site to meet demand during times of heightened grid demand. On-site battery energy storage systems (BESS) must be appropriately encased to prevent leaking. On-site BESS must comply with the latest safety standards and certifications.~~

~~(8) Confirmation of emissions credits, if required, must be submitted for verification before a building permit may be issued.~~

14.34A.060 Development Standards for Large Data Centers.

- ~~(1) This section applies to all data centers with aggregate power loads exceeding fifty megawatts (50 MW), per UMPA Data Center Policies.~~
- ~~(2) A new power generation facility (plant) must be constructed and must be sufficient to cover the projected load.~~
- ~~(3) As part of the Zone Map Amendment application, the developers must submit a site plan that includes the details of the new power generation facility. The site plan must be reviewed and approved by UMPA.~~
- ~~(4) The construction of the plant may be scaled but must be completed and operational before the data center’s load requirement exceeds fifty megawatts (50 MW).~~
- ~~(5) The developer is responsible for all costs associated with the development, design, construction, and operation of the new plant. The developer is also responsible for any costs to update the local power grid infrastructure to accommodate the increased load and for any associated system load studies. Once the construction and commissioning of the power plant are complete, operation of the plant will be transferred to UMPA, with ownership of the plant to be negotiated.~~

14.34A.0760 Other Requirements

- (1) *International Building Code*. The requirements of the International Building Code, as adopted by the Provo Municipal Council (the IBC), apply and must be met. If there is a conflict between the IBC and this Chapter, the IBC controls, unless the conflicting provision of this Chapter was adopted more recently than the Council's adoption of the IBC.
- (2) The operator of a use permitted in this Chapter must comply with all other license requirements of the City or any public agency related to the use.
- (3) Data centers must comply with the noise limits in PCC Section 9.06.040 and any requirements of the zone.