

**GAINESVILLE PLANNING AND APPEALS BOARD
MINUTES OF MEETING
FEBRUARY 13, 2024**

CALL TO ORDER Chairman Carter at 5:30 p.m.

Members Present: Chairman Doug Carter, Vice-Chair Ryan Thompson and Board Members Jane Fleming, Eddie Martin and Rick Young

Members Absent: Board Member Kelvin Simmons

Staff Present: Community & Economic Director Rusty Ligon, Community & Economic Deputy Director Matt Tate and Recording Secretary Gwen Fleming

Others Present: Council Member Barbara Brooks

Chairman Carter acknowledged the recent loss of Councilman George Wangemann and former Planning and Appeals Board Member Rich White.

MINUTES OF JANUARY 9, 2024

There was a motion to approve the minutes as presented.

Motion made by Vice-Chair Thompson
Motion seconded by Board Member Young
Vote – 5 favor, 1 absent (Simmons), 1 vacant

OLD BUSINESS

NEW BUSINESS

A. Variance Request

- 1) Request from **Raven Residential Group** to vary the front yard setback requirement on a 0.925± acre tract located on the south side of Washington Street, west of the intersection of Washington Street and West Academy Street (a/k/a **521 Washington Street, SW**), having a zoning of Neighborhood Business (N-B).

Ward Number: Two
Tax Parcel Number(s): 01-027-001-003
Request: Residential condominium community

Staff Presentation: Chairman Carter stated Deputy Director Tate received notification from the applicant requesting the item be tabled to the March 12, 2024 Planning and Appeals Board meeting.

There was a motion to table the rezoning request to the March 5, 2024 Planning and Appeals Board meeting.

Motion made by Board Member Young
Motion seconded by Board Member Martin
Vote – 5 favor, 1 absent (Simmons), 1 vacant

The motion was amended the motion to table the rezoning request to the March 12, 2024 Planning and Appeals Board meeting.

Motion made by Board Member Young
Motion seconded by Vice-Chair Thompson
Vote – 5 favor, 1 absent (Simmons), 1 vacant

B. Rezoning Request

- 1) Request from the **City of Gainesville** to rezone two parcels totaling 0.5± acre located within the Midtown Overlay Zone (a/k/a **718-A Bradford Street and 733 Main Street SW**) from Light Industrial (L-I) to Office and Institutional (O-I).
Ward Number: Three
Tax Parcel Number(s): 01-015-001-010 and 013
Request: Existing uses

Staff Presentation: Deputy Director Matt Tate gave the following staff presentation:

The City of Gainesville is proposing to rezone 0.5 acre which includes two properties owned by G-4 Development Group, LLC from Light Industrial (L-I) to Office and Institutional (O-I), within the Midtown Overlay Zone. The adjacent uses include The G4 Development Group offices, Midland Salon South Bradford self-storage and medical offices.

The properties consist of a 9,500± square foot photography studio under development and a parking lot which are part of the G-4 Development Group complex. There are no other changes proposed to the properties at this time. As part of the approved Tax Allocation Development (TAD) agreement the properties were conditionally required to be rezoned from L-I to O-I to a more suitable zoning for the existing uses.

The Comprehensive Plan places the property within the *Downtown Mixed-Use Future Land Use category* and the *Central Core* Character Area which is consistent with the request.

The Planning Division staff is recommending **approval** of this rezoning request with a zoning of **Office and Institutional (O-I)** based on the Comprehensive Land Use Plan and the existing uses.

FAVOR: None

OPPOSE: None

There was a motion to recommend approval to rezone the subject property for existing uses from Light Industrial (L-I) to Office and Institutional (O-I).

Motion made by Board Member Martin
Motion seconded by Board Member Young
Vote – 5 favor, 1 absent (Simmons), 1 vacant

C. Special Use Requests

- 1) Request from **Raven Residential Group** for a special use on a 0.925± acre tract located on the south side of Washington Street, west of the intersection of Washington Street and

West Academy Street (a/k/a **521 Washington Street, SW**), having a zoning of Neighborhood Business (N-B).
Ward Number: Two
Tax Parcel Number(s): 01-027-001-003
Request: Residential condominium community

Staff Presentation: Chairman Carter stated Deputy Director Tate received notification from the applicant requesting the item be tabled to the March 12, 2024 Planning and Appeals Board meeting.

There was a motion to table the rezoning request to the March 12, 2024 Planning and Appeals Board meeting.

Motion made by Board Member Martin
Motion seconded by Board Member Young
Vote – 5 favor, 1 absent (Simmons), 1 vacant

- 2) Request from **HadjPadj Technologies, LLC** for a special use on a 1.37± acres tract located on the south side of Palmour Drive, west of the intersection of Palmour Drive and Queen City Parkway (a/k/a **1176 Palmour Drive, SW**), having a zoning of Heavy Industrial (H-I).
Ward Number: Five
Tax Parcel Number(s): 15-035-000-015
Request: Data mining facility

Staff Presentation: Deputy Director Matt Tate gave the following staff presentation:

The applicant is proposing a special use within (H-I) zoning for a data mining facility. The adjacent uses include the Lee Gilmer Airport, Laser Craft Technologies and Ace Hardware Distribution Facility. The property is undeveloped and is located within the Gainesville Industrial Park South and the Airport Overlay Zone and is adjacent to a future segment of the Highlands to Islands trail network. The proposed development includes two 8' x 20' data center structures and a single access driveway from Palmour Drive. Specifically, the data mining facility is a high-powered computing server center that searches and analyzes a large batch of raw data. The mining facility will operate will operate 24 hours a day and 7 days a week which produce noise from fans/blowers that cool the servers. However, the applicant states the noise level drops to a conversation level of (65 dB) values after 100 feet of distance.

Comments were received from Kate Mattison, Director of Gainesville Parks & Recreation. She states that significant investment is being made in this area for a new segment of the Highlands to Islands trail system that will be complete within a couple of years. Noise pollution is a concern and would be detrimental to the trail from an aesthetic and a safety aspect.

The Comprehensive Plan places the property within the *Industrial Future* land use category and the *Economic Development Gateways character area* which includes a wide range of office, business, light industrial, manufacturing, research, and development uses which should continue to support economic development while preserving and strengthening important natural and cultural resources, and environmental sustainability.

Staff believes the level and mitigation of the noise has not been clearly determined by the applicant and it is unknown how far reaching the impacts may be on nearby properties, Highlands to Islands Trail and the community as a whole. Additionally, the Industrial Park

South covenants when created stated that no lot or any portion of the property shall be used so as to cause a nuisance such as sound, smoke, fumes, odors, dust or other hazards. Although the covenants have expired, development within the park was designed with this restriction in mind and staff believes that any future uses should function in a manner that is respectful to nearby businesses. Therefore, staff is recommending **denial** of this special use request.

Applicant Presentation: **Viral Chhadua**, 2313 Crystal Court, stated is the owner of HadjPadj Technologies, he handed the Board a packet and told of his educational background. He then stated there are operation centers in Arkansas, Oklahoma, North Dakota, Texas, Nebraska, North Carolina, Paraguay in South America and various parts of Georgia such as Winder, Jasper and Villa Rica. He said the proposal for data center includes running servers for the purpose of bitcoin mining and servers that provides processing power for training A-I models and traditional servers that provides infrastructure as a service known as cloud computing for small tech companies. Mr. Chhadua then questioned the comment in the staff report regarding the potential impact to nearby properties including the airport and other heavy industrial zoned properties.

Chairman Carter stated he would have Mr. Tate comment but would be whether the noise would become a nuisance to those nearby. Deputy Tate stated there was not enough information provided by the applicant to make a determination but the main concern being the noise and impacts it could have on adjacent businesses as well as reaching far beyond the airport.

Mr. Chhadua then asked if there was a zoning noise ordinance for heavy industrial zoned properties that would be in violation for the use. Deputy Tate then read the description for Heavy Industrial zoned properties. The applicant then said since staff is recommending denial of the proposed special use request and asked where would be a location for the request. He then said heavy industrial zoned properties are usually where businesses go that make a lot of noise if needed.

Chairman Carter reminded the applicant of it being a public hearing on the application and should keep the focus on this specific project. Chairman Carter also said to focus on merits of the particular project and is not a time to be debating parts of the staff report that should have been discussed outside of the premises of the Planning and Appeals Board meeting. Mr. Carter reminded the applicant the board members need to hear about the project and then the Board will have three options of voting in approval, denial or table the request.

Mr. Chhadua then spoke about the data centers producing noise and agreed the staff report concerns are valid but his opinion believes the concerns are overblown. He stated the cause of the noise is primarily from fans on the serves which run 6,000 to 7,000 rpms to keep the processing chips from overheating and the intake exhaust fans on the data huts which remove the heat out of the hut and brings in fresh cold air from the outside. He then explained the packet in regards to distance stating the future segment of the Highland Inland trail is approximately 120 feet away and could be further if needed; the loading bay to Poly Enterprise facility is 200 feet and could be further if needed; Ace Hardware distribution center loading bay is 390 feet away but could only get closer if the huts are moved; and the middle of the airport run-way to the north is about 350 feet away and could be further if needed. He stated the nearest residential area is almost a half mile away which would never hear the noise. He then spoke and explained noise measurement levels in different scenarios such as semi-trucks, car traffic, airplanes and chicken plant coolers. He stated the trail is approximately 120 feet from the proposed location of the hut. Mr. Chhadua advised of being in the industry

for three years and was aware that noise would be a concern for the project and wanted to be sure of the correct zoned properties and had reached out to the zoning department and followed their instructions. He then quoted a February 2023 email from Mr. Tate stating the use would be more appropriate suited within Heavy Industrial area away from residential districts which the applicant stated the proposed location meets those requirements and faces the airport, not residential area does not feel there would be negative impact to nearby properties. He then mentioned Kate Mattison of Parks & Rec comment in the staff report regarding a park user may not be able to hear a threat coming as they wouldn't be aware of their surroundings and he suggested if that is a concern then maybe not putting a pedestrian trail through an industrial park. Mr. Chhadua stated he is aware of the importance of the trail is for the City and community and would like to make an offer for the Parks & Rec department and the trail to replant trees and bushes along the 40-foot setback along Palmour Drive which would be professionally managed year-round which will help buffer and dampen the noise along the trails. He stated the noise from the proposed site will be the least amount of noise heard by pedestrians along the trail while walking. He stated again the noise from the servers is emitted 24/7 which is the same as the cooling towers and compressors on every chicken poultry plant and storage facility. He then spoke about the noise levels from all sides of the airport from other plants and units on top of trucks. He then spoke about the illustration of the data huts on the last page of the handout stating the noise level is quieter than other industries that are permitted in less intense zoning with the Gainesville UDC. The applicant stated the huts use active cooling technology which means they have intake and exhaust fans which creates a positive pressure inside the huts, naturally forces air through the servers so the fans will never run a hundred percent. He explained there are vents on top that face up which carries hot air and sound upward so sound will never travel sideways so it will never get to nearby properties or the trail. He stated the concern over noise is valid but very overblown due to a first and second search result on Google links to mainstream articles of Bitcoin mining and stated is the same source of articles used by Mr. Tate from prior emails in 2023. Mr. Chhadua spoke about important details that were not mentioned in the articles such as size and being close to residential areas. He again stated the proposed huts acts as a shell and helps dampen the noise from the servers so the only thing noise would be the exhaust and intake fans but not the servers. The applicant stated due to some operations which had operations too close to residential areas, the noise concern will always follow the industry but does not want to do the same as those operations but set better standards for the industry. He then stated he is a Gainesville resident and will have to answer to the Board, local community, family and friends. He said the project will bring more value to Gainesville and local economy than any negative impact from any overblown noise concerns. He stated the lot has been vacant for some time with the owner paying property taxes and feels the development potential of the site is very limited due to the size, shape and setbacks which limits the economic value of the lot. He feels the project has a very minimal impact on the lot since there is nothing to build, not connecting to city sewer or water department but only taking the excess power from Georgia Power on their circuits which the data mining facility will use between 1 and 3 megawatts with taxes generated from each power bill between \$4,500 to \$18,000 monthly. He stated it will be bringing economic life to the lot by the owner collecting rent on the lot, a natural fence which will look much better, adding tax dollars and electrical work by Caldwell Electric. The real estate agent has roots in Gainesville and his compensation for securing the lease stays in the local economy and the benefits of the project far out-weighs the overblown noise concern. He stated there are existing industries in Gainesville that are just as loud or louder. He advised the project will add value to the local economy potentially to the amount of 1.2 million dollars and brings a new industry which will have zero impact to residential areas.

FAVOR: Floyd Baldwin, 111 Green Street, stated he formerly owned the site and developed the neighboring Poly Enterprise. Mr. Baldwin stated the best use for the site would be truck and/or trailer parking and would not be a place to build a 3,000 square foot metal building inside the park. He mentioned being a huge fan of the trail and park and all it means to Gainesville and gave the Board an expanded aerial photo of the airport and area. He stated the area is surrounded by 985, freezer operation, poultry operations across the airport, airport industrial park and vacant land. He said the question should be how to be a good neighbor with the trail that was decided to be a part of it. Mr. Baldwin said this request would be the lowest impact with fencing and no moving parts such as trucks and trailer coming and going for the site. He believes the lowest impact and highest gain for community would be accomplished with the proposed project.

Chris Cooley, 1046 Holly Drive, stated his father is the owner of the property and appreciate the work of Matt Tate and the department. Mr. Cooley stated they have looked at many other developments for the property which did not work but feels the project presented works best for the property.

OPPOSE: None

Board Comments: Chairman Carter stated any time there is something new there is reason to look closely at because of setting a standard its potential impact down the road. Chairman Carter said they are all trying to understand this request because it is new and Mr. Tate is being cautious.

Vice-Chair Thompson asked the applicant regarding expanding beyond the proposed project of two huts on the site. Mr. Chhadua stated there are no plans to expand and if so in the future, would come back before the Board. Vice-Chair Thompson asked if there had been consideration of putting an enclosure around it to mitigate sound. The applicant stated they are buildings in a sense acting as shells for the serves, prewired and easy to move around. He said the development size of the lot limits to size of the building that could be there and the huts are easier to deploy. Vice-Chair Thompson asked if there were any plans submitted regarding a buffer for noise and Mr. Chhadua stated the current site plan does not have any drawings of greenery and was rushed to get the application submitted.

Board Member Young asked about the size/scale of the buildings and stated there was no mention of a buffer in the request. Mr. Chhadua stated the buildings are 8 x 20 x 10 and to help with sound they plan to replant trees all around acting as a natural buffer and fencing it in for security reasons. Mr. Chhadua said Gainesville Public Works mentioned a 40-foot setback from Palmour Drive along with Park & Rec's comments was after submitting the site plan but would be glad to submit another plan if the Board would like to approve with conditions.

Vice-Chair Thompson suggested to the applicant the idea of tabling the request giving more time to work with staff regarding a landscape buffer. Chairman Carter stated there are three directions for recommendations and if it were approved, there are no conditions regarding landscaping, specifics on sound barrier and would prefer to be overly cautious since it is setting a standard for something different in the community. Vice-Chair Thompson stated he has done research online and seems to be a much different product being presented as far as sound, footprint and would prefer to see a more finalized product and plans from the applicant. It was suggested to have a full set of plans along with elevations. Board Member Young made the comment of additional information regarding the status and conditions of the

other ten locations would be helpful and agreed the decision made needs to be the right one since it is something new to the area.

Deputy Director Tate stated if the request was tabled and maybe conditions added, would there be additional information needed other than showing a buffer on the concept plan. The applicant stated the photos shown are from the Texas location and would be exactly the same as the Gainesville location. He stated they would provide information regarding a buffer for the trail. Mr. Tate answered the question from Board Member Young in regards to the location of the trail which was on the north side of Palmour Drive.

There was a motion to table the special use request to the March 12, 2024 Planning and Appeals Board meeting.

Motion made by Vice-Chair Thompson

Motion seconded by Board Member Young

Vote – 3 favor, 2 oppose (Fleming, Martin), 1 absent (Simmons), 1 vacant

Chairman Carter stated part of the process of the Planning and Appeals Board is to have an applicant explain their request, public comments to be made, Staff and Board to gain knowledge and understanding. He advised the applicant knowing the questions and comments from the Board, there would be no need to start over with the presentation next month but to work with staff regarding the concerns of noise and be more specific on it. Chairman Carter stated this is setting a precedence and the Board takes pride in their job and community with every project to get it right.

ADJOURNMENT

There was a motion to adjourn the meeting at 6:18 p.m.

Motion made by Board Member Young

Motion seconded by Board Member Martin

Vote – 5 favor, 1 absent (Simmons), 1 vacant

Respectfully submitted,

Doug Carter, Chairman

Gwen Fleming, Recording Secretary