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Los Lunas Meta Data Center introduces expansion dedicated to Artificial Intelligence

Felina Martinez | News-Bulletin Staff Writer

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Aerial rendering of buildings 7 and 8 in relation to the entire campus at the Facebook Data Center in
Courtesy of FacebookArtisic

LOS LUNAS — With the assistance of local leadership, the Los Lunas Meta Data Center is seeking to expand its campus through the addition of two new buildings to house next-generation technology.

“Meta’s campus is on a (roughly) 750 acre parcel of land. They initially broke ground in 2016 and, ever since they’ve been in Valencia County, they have been a great community partner,” said Los Lunas senior economic developer Victoria Archuleta in a phone interview.

Recently, the Los Lunas Village Council approved a resolution declaring the village’s intent to issue a series of taxable industrial revenue bonds (IRBs) pertaining to the proposed expansion of the Los Lunas Meta Data Center.

An IRB is a tax break for companies that plan to expand by way of construction and equipping of a future project. The inducement and notice resolution for an IRB application was submitted by Greater Kudu LLC, a subsidiary of Meta (formerly called Facebook).

“This resolution declares the intent of the village to issue up to six series of (IRBs) in an aggregate principal amount not to exceed \$7.5 billion dollars each to induce the Greater Kudu LLC to expand its existing data center facility at its

existing site,” said the village’s bond attorney Jill Sweeney at the Dec. 5 council meeting.

Sweeney said this would be the third series of IRBs to Greater Kudu LLC. According to previous News-Bulletin reporting, the first round of IRBs, which were used to create the Los Lunas Data Center in 2016, were about \$30 billion. In 2021, the Los Lunas councilors approved a little more than \$40 billion in IRBs to help with the cost of a second series of buildings at the data center.

“The purpose of an IRB is to provide certain incentives for the company to expand and operate here and bring new jobs and other benefits to the community, so this inducement resolution will allow the company to begin to take advantage of gross receipt and compensating tax abatement because this is an equipment IRB,” Sweeney explained.

The other thing this resolution does, said Sweeney, “is give the team the go ahead to proceed with economic analysis including negotiation of payment in lieu of taxes and to negotiate ... when we get to the ordinance.”

Currently, the Los Lunas Data Center is made up of seven large buildings. In 2021, they began construction of three additional buildings, which David Williams, the Los Lunas Meta Data Center community development manager, said is anticipated to be completed by the end of 2025.

Now, they are proposing a third expansion of two new buildings that, according to the resolution, will house “next generation data center facilities to support current products and enable future generations of AI (artificial intelligence) hardware.”



The purple light leads the way as a logistics technician transports racks of servers to be stored in one of the data halls at Meta's Data Center Campus in Los Lunas.

News-Bulletin file photo

Archuleta said what's special about this proposed expansion is these facilities would be the first of its kind in Meta's portfolio dedicated to AI and machine learning applications.

"Meta also owns Instagram and WhatsApp, among others, so anytime someone's on their app (utilizing AI) that has to be powered and generated somewhere, right? So this is a new model that we're really

excited to support Meta in doing, and we're fortunate that Meta is looking at doing that here, in Los Lunas, to really move this advanced technology forward," said Archuleta.

The two new buildings would also use substantially less water, said Archuleta, as "Meta has a focus on minimizing their water use and also offsetting the amount of electricity and power that they're using."

She said Meta has also been making upgrades to their existing buildings to help conserve water.

"When they initially started, they had an estimated amount of water that they projected they were going to use," said Archuleta. "Through all the advances in technology and water restoration and their dedication to sustainability, they've used way less water than I think any of us thought they would."

Archuleta said to her knowledge the Los Lunas Data Center currently employs about 300 full-time Meta-associated employees and around 1,100 construction workers.

“They’re looking at an \$800 million investment in the construction and development costs for the (proposed) two new buildings,” Archuleta said. “Once that’s done, we’re expecting that would add about 30 new, full-time jobs upon completion.”

Sweeney said the proposed two new buildings would entail about two to three years of construction, which is expected to begin promptly in the spring should all go as planned. She also told the council that traffic studies, monitoring and planning for the future is all in the works.

“This is the beginning of this process. An application has been submitted, been reviewed and all the steps have been taken up to this point in accordance with your economic development policy,” Sweeney said. “So this is your opportunity to give your non-binding intent to the team to go forward, then we’ll come back to you probably at your January 30 meeting with an ordinance and all the nuts and bolts of the transaction.”

“I’m excited about the concept of the high-tech around here. I think it’s going to be great for the area,” said councilor James Runyon.

The council then unanimously voted in approval of the inducement and notice resolution which includes authorization to publish notice of intent to adopt the IRB ordinance.

“This is already one of their largest campuses in the United States, so if they move forward with this third expansion it would be a really substantial benchmark for Meta and Los Lunas,” said Archuleta. “I think it’s really special and is a compliment to the village of Los Lunas and our teams that are able to support this type of growth and development and that, more than anything, we’re business friendly and open to allowing that kind of growth.”

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