

Data Centers

TRANSPORTATION, PLANNING AND DEVELOPMENT COMMITTEE



Agenda

- 1. May 11 Data Center Recap**
- 2. May 26 Public Hearing Recap**
- 3. Legal Framework for Moratoriums in NC**
- 4. Project Status**
- 5. Interdisciplinary Team**

May 11 Meeting Recap

- **Hold a public hearing for a moratorium on May 26**
 - ✓ May 26: public hearing (needs 2 week notice period if >60 days)
 - June 8: Council action

- **Referral to TPD Committee:**
 - June 1: presentation and next steps overview
 - Late Summer: recommended actions

- **150 day moratorium**
 - June 8 - November 5

Brief Summary from May 26 Public Hearing

□ **Most speakers were in favor of City Council adopting a moratorium and cited the following concerns:**

- Water use/thermal discharge
- Energy use
- Urban Heat Island Effect
- Noise
- Groundwater contamination
- Light pollution
- Environmental Justice
- Decommissioning
- Issues with Artificial Intelligence

□ **Speakers opposed to a moratorium cited the following concerns:**

- Data centers are critical infrastructure for communities
- Misinformation exists that may apply to hyperscale data centers but not all
- Need collaboration on standards before a complete ban on data centers
- Moratoria cannot be applied retroactively to already approved projects
- Down-zoning law does not allow changes to current by-right classifications

Municipality	Moratorium	Definition of Data Center Pre-Moratorium
Charlotte		Yes
Durham	Passed 05/2026 (60 Days)	No
Brevard	Passed 03/2026 (90 Days)	No
Kings Mountain	Passed 02/2026 (6 Months)	No
Wendell	Passed 04/2026 (Through 12/31/2026)	No
Gates County	Passed 06/2025 (1 Year)	No
Chatham County*	Passed 02/2026 (1 Year)	No
Town of Canton	Passed 02/2026 (1 Year)	No
Boone	Passed 03/2026 (1 Year)	No
Apex	Passed 04/2026 (1 Year)	No
Orange County	Passed 04/2026 (1 Year)	No
Rowan County	Passed 04/2026 (1 Year)	No
Swain County	Passed 04/2026 (1 Year)	No
* The Chatham County moratorium was recently challenged in a lawsuit filed by Eco Tip West on April 23, 2026, that raises violations of state and constitutional law, and claims the Eco Tip data center is exempt from the moratorium.		

NC General Statutes 160D-107. Moratoria

□ Required Statements:

- 1) A statement of the problems or conditions necessitating the moratorium and what courses of action, alternative to a moratorium, were considered by the local government and why those alternative courses of action were not deemed adequate.
- 2) A statement of the development approvals subject to the moratorium and how a moratorium on those approvals will address the problems or conditions leading to imposition of the moratorium
- 3) A date for termination of the moratorium and a statement setting forth why that duration is reasonably necessary to address the problems or conditions leading to imposition of the moratorium.
- 4) A statement of the actions, and the schedule for those actions, proposed to be taken by the local government during the duration of the moratorium to address the problems or conditions leading to imposition of the moratorium.

160D-107. Moratoria

□ Required Statements:

- 1) A statement of the problems or conditions necessitating the moratorium and what courses of action, alternative to a moratorium, were considered by the local government and why those alternative courses of action were not deemed adequate.
 - *Concerns about environmental impacts, energy consumption, and water usage*
 - *Increase in demand and size between current and under construction data centers*
 - *Limited legal authority due to SL 2024-57 (SB 282) and needing to review performance standards*

G.S.160D-107. Moratoria

□ Required Statements:

- 2) A statement of the ***development approvals subject to the moratorium*** and how a moratorium on those approvals will address the problems or conditions leading to imposition of the moratorium
 - *Applies to the acceptance, processing and approval of applications for new telecommunications and data storage facilities as defined in the UDO*
 - *Conditions leading to the moratorium are the emergence of data centers, in particular hyperscale facilities, and the need to address their impacts*
 - *Will provide opportunity to conduct meaningful research on the effects of these uses to ensure organized and responsible growth without sacrificing progress towards comprehensive plan goals*

160D-107. Moratoria

□ Required Statements:

3) A date for termination of the moratorium and a statement setting forth why that duration is reasonably necessary to address the problems or conditions leading to imposition of the moratorium.

- *Moratorium would end November 5 or upon the adoption of specific standards addressing the uses of data centers (whichever comes first)*
- *This allows time to research impacts and solutions and engage Council and the community on proposed solutions*

160D-107. Moratoria

□ Required Statements:

- 4) A statement of the actions, and the schedule for those actions, proposed to be taken by the local government during the duration of the moratorium to address the problems or conditions leading to imposition of the moratorium.

During the 150 days:

- *An environmental consultant will conduct independent research and make recommendations in collaboration with the City*
- *The City will have an interdisciplinary group to make policy recommendations and investigate solutions found in other municipalities*
- *Staff will engage Council and the community on proposed next steps for feedback and solutions*
- *Any proposed changes will likely require Council adoption*

160D-107(c) Exempt Projects

□ State law requires that a moratorium does NOT apply to the following:

- Projects with valid building permits
- Projects with complete applications for development approvals
- Projects for which substantial expenditures have been made in good faith reliance on a valid development approval
- Approved site-specific vesting plans (for example, approved rezonings)

**except when the government can show an imminent threat to public health or safety with factual evidence*

□ Staff proposes that the moratorium shall NOT apply to:

- Facilities whose primary purpose is supporting the internal operations of a business, institution, government entity, healthcare provider, telecommunications provider, or other permitted principal use so long as such data processing activities are not offered as a primary service to off-site users.

Data Centers in the Pipeline

Project	Status under a Moratorium	Building Size	Expected Energy Capacity	Type of Data Center	Notes
AREP Powerhouse	Exempt	1,250,100 sf	300 – 500 MW	Hyperscale	Vested due to Conditional Zoning Plan approved by City Council in 2023 (RZP-2023-030)
Digital Moore's Chapel	Exempt	2,340,000 sf data center 224,000 sf office	400 MW	Hyperscale	Vested due to Conditional Zoning Plan approved by City Council in 2025 (RZP-2024-144)
Digital Uptown	Exempt	165,000 sf	12 MW	Colocation	By-right project in permitting
American Tower Rezoning	Paused	Up to 40,000 sf	3MW	Edge	Would be able to continue through the rezoning process once moratorium concludes

Current Land Use Context in NC

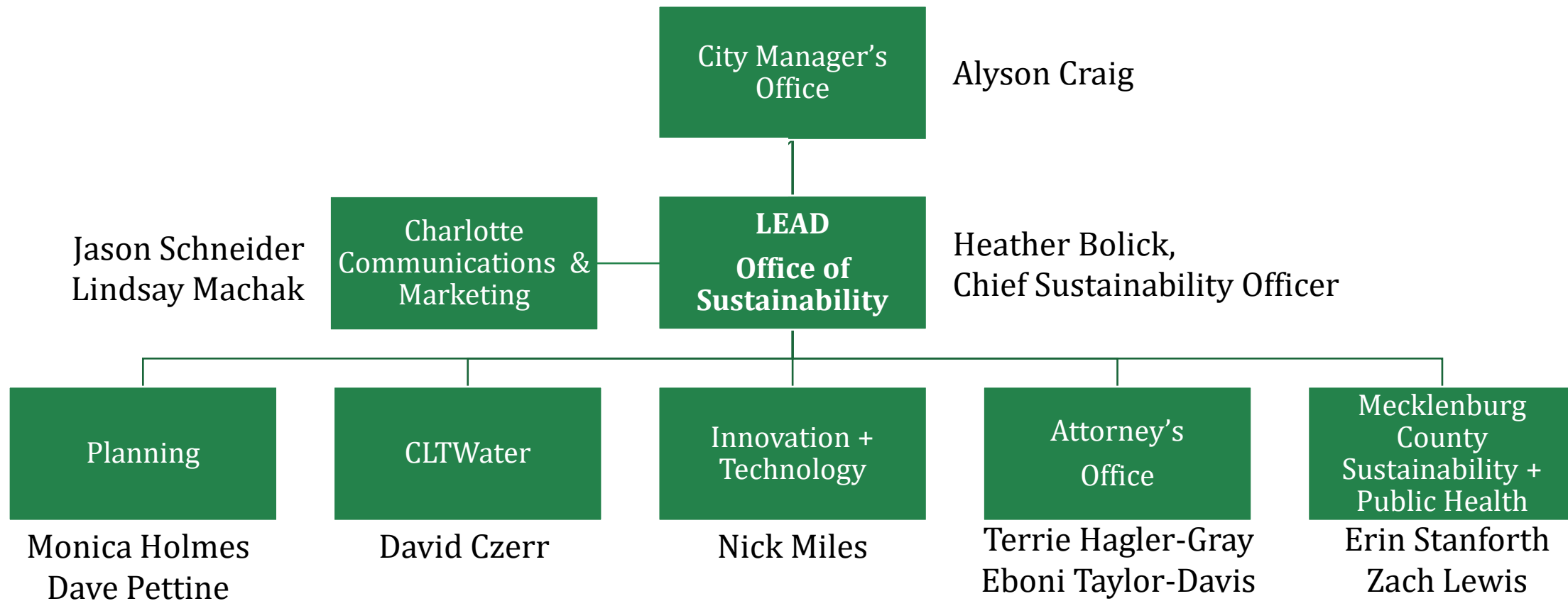
1. Current law: Session Law 2024-57 (SB 382)

Restricts reducing development density, creating non-conformities, or limiting permitted land uses, significantly limiting municipal planning authority

2. What to Watch

- The legislature may consider changes to S.L. 2024-57 in 2026
- The legislature may consider data center legislation in 2026
 - Staff have identified at least 9 bills related to data centers (most have been filed in 2026)
- SB 730:
 - New bill that has emerged since May 11th Council Meeting
 - Would require site assessments for ≥ 100 MW data centers
 - Would require utility service contracts between data centers and electric public utilities include certain provisions designed to protect residential ratepayers and other customers from costs associated with data centers
 - Requires the development of nuclear facilities before retiring coal power plants
- Remains unclear if both House and Senate are prepared to enact bills related to land use & data centers

Interdisciplinary Team



Discussion