



# Moratorium on Data Centers

**Bill 26-0431**

by **Denver City Council Members Serena Gonzales-Gutierrez** (At-Large),  
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# The Problem...

- Data centers are not adequately regulated in Denver and have no specific permitting requirements.
- Data centers historically use massive amounts of energy and water, creating stress on overburdened resource streams.
- Denver needs thoughtful regulations to ensure safety, equity, and protection of neighborhood resources.



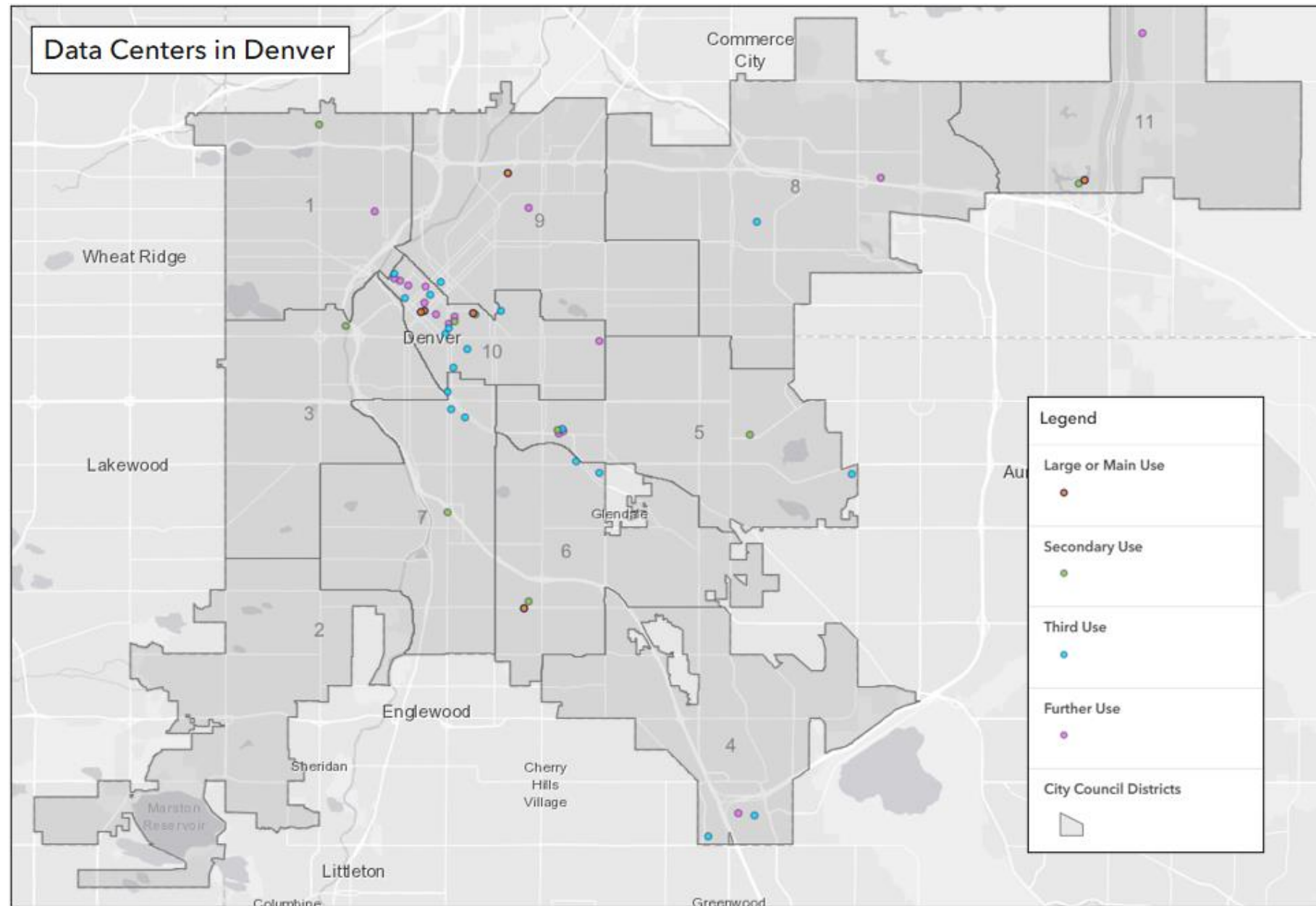
Source: [datacenters.google/discover-more/photo-gallery](https://datacenters.google/discover-more/photo-gallery)

# Data Centers in Denver

Main Use- 6  
Secondary Use- 9  
Third Use- 19  
Further Use- 16

There are approximately 50 data centers in Denver. Five buildings are used entirely as data centers, others are secondary operations.

Data provided by Energize Denver



# Peer City & State Regulations

**71% of Colorado cities do not have specific data centers regulations.**

**Sample of other city/state regulations across the country:**

- Apex, NC: 1-year moratorium
- Aurora, IL: 6-month moratorium
- Champaign County, IL: 1-year moratorium
- Chatham County, NC: 1-year moratorium
- Frederick County, MD: Overlay zone limits
- Johnson County, IA: 1-year moratorium
- Peculiar, MO: Zoning exclusion
- Virginia: Temporary moratorium
- Maryland: Energy generation requirements
- Wisconsin: Temporary pause and actions to protect community
- St. Charles, MO: 1-year moratorium
- Linn County, IA: Exclusive-use zoning
- Monticello, MN: Conditional-use permit
- Orange County, NC: 1-year moratorium
- Wendell, NC: Temporary moratorium
- Kansas City, MO: Industrial zoning limits
- Madison, WI: 1-year moratorium
- Lordstown, OH: Moratorium
- St Louis, MO: Permitting, zoning & water code, public hearing, and ensure it does not threaten public welfare
- New York: Proposed 3 year moratorium

# The Moratorium will...

- Halt new development and construction for one year from the effective date (May 21). Current data center operations and permitted construction not impacted.
- Convene a working group to address issues related to the impacts of data center development and craft policy recommendations in line with current city plans: Blueprint Denver; neighborhood plans; Comprehensive Plan 2040; and the City's Climate Goals.



Source: [datacenters.google/discover-more/photo-gallery](https://datacenters.google/discover-more/photo-gallery)

# Working Group Make Up

- (3) Council Members
- (2) Utility Companies
- (2) Union Representation
- (1) Industry Representative
- (3) Advocacy Groups
- (7) Community Members
- (1) Subject Matter Expert
- (7) Ex-Officio Members from Denver City Departments



# Potential Outcomes of the Working Group

## Issues Addressed

- Zoning for data centers
- Guidance for cooling systems
- Guidance for energy use
- Renewable energy requirements

## Codes Addressed

- Zoning Code
- Building Code
- Energy Code
- Green Code
- DRMC



# Next Steps...

- **Finalize** working group members.
- **Hire** a facilitator to manage and direct the working group.
- **Release** the list to the public once the working group members have been confirmed.



Source: [datacenters.google/discover-more/photo-gallery](https://datacenters.google/discover-more/photo-gallery)



# Appendix

## Peer States:

- **Virginia** [HB 1515](#) proposes to institute a temporary moratorium that would stay in place until July 1, 2028, or until all existing interconnection requests are fulfilled. Continued until the 2027 session in House Rules committee.
- **New York** [S9144](#) would prevent the state or local governments from issuing permits for new data centers designed to use at least 20 megawatts of electricity for three years. Also requires the public service commission to issue an order or orders to minimize the impact of new data centers on electricity and gas rates for residential, commercial, and industrial users.
- **Maryland** [HB0120](#) aims to halt new data center construction unless they are co-located with dedicated power generation, such as nuclear or natural gas facilities
- **Georgia** [HB1012](#) - enacts a statewide moratorium on the construction or development of new data centers until March 2027. "The General Assembly finds and declares it to be the policy of this state that although data centers are a valuable economic resource, it is in the public interest to pause new construction so that the impact of such data centers on the natural resources, environment, and vital areas of this state can be fully understood. The state has an essential public interest in establishing minimum standards for land use in order to protect and preserve its natural resources, environment, and vital areas."
- **Vermont** [VT S0205](#) would establish a temporary moratorium, preventing the operation or construction of any "AI data center" (defined as requiring over 100 megawatts of new electricity) in Vermont until July 1, 2030
- **New Hampshire** [HB1265](#) - prohibits the construction of data centers in New Hampshire and establishes a committee to study the environmental impact of data centers
- **Oklahoma** [SB 1488](#) would establish a moratorium on the construction of new data centers in until November 1, 2029 and direct the Oklahoma Corporation Commission to study the long-term effects on state infrastructure and resources
- **South Dakota** [SB232](#) would impose a one-year moratorium on the construction or expansion of hyperscale data centers
- **Wisconsin** - [LRB-6377/ LRB-6391](#) Establishes a temporary pause on the development of large-scale data centers in Wisconsin and outlines state actions for appropriate protections to ensure that residents, communities, and ratepayers are not harmed by unchecked development
- **Pennsylvania** - [COMING SOON](#) - legislation to protect local communities from corporate exploitation by establishing a statewide three-year moratorium on hyperscale data center development
- **Florida** [HB 1007](#) proposes to ban data centers on environmentally sensitive, agricultural, or residential lands and requires 500-foot setbacks from neighboring properties
- **Delaware** [SB205](#) proposes requiring data centers to potentially supply their own energy or pay for grid upgrades

## Peer Cities:

### Enacted Moratorium:

#### [Aurora, IL](#)

180 days (6 mo), September 25, 2025 - March 24, 2026

#### [St Charles, MO](#)

1 year, August 22, 2025 - August 22, 2026

#### [Clayton County, GA](#)

Until end of year, September 3, 2025 - December 31, 2025

#### [Johnson County, IA](#)

1 year, November 6, 2025 - November 8, 2026

#### [Larimer County, CO](#)

7 months, January 27, 2026 - August 25, 2026

### Enacted Ban:

#### [Peculiar, MO](#)

October 21, 2024

Removed data centers as an allowable use in district zoned “light industrial”. Originally was added into the zoning code but was later amended (10/21/24) making data centers not permitted within the city.

#### [Lordstown, OH](#) \*

December 3, 2025

Complete ban (Ordinance No. 57-025) within the town. Data center developer file a complaint with the courts to accept and review site plans under the laws that were in effect before the ban.

\*Ban repealed- currently considering moratorium.

# Peer Cities - Guardrails

## St. Louis, MO - [XO](#)

Requires a public hearing, a conditional use permit, or prove the center will not threaten public safety/ welfare. In addition, a framework will be developed under the zoning and water code for future data center development.

September 19, 2025

Planning Commission and CC favored a moratorium

## Atlanta, GA - [Legislation](#)

Defines and limits where they are allowed to be located.

September 3, 2024

## Loudoun County, in Northern Virginia - [Zoning Amendment](#)

Data centers can no longer be approved of administratively, they must now obtain special exemption approval which involves legislative review and public hearings before both the Board of Supervisors and the Planning Commission. March 18, 2025

## Santa Clara, CA - Zoning Code

Must obtain a conditional use permit.

Some data centers also use recycled water, unsure if this is mandated.

## Prince William County, VA - [Budget](#)

Noise ordinance and Prince William County Board of Supervisors' decision in April to raise the county's data center tax rate by about 70% from \$2.15 to \$3.70.125

October 28, 2025 for Noise, April, 2024 for tax rate

Original noise ordinance was much stricter, final ordinance was watered down. Original "would have reduced acceptable noise limits in industrial areas from 79 to 67 decibels during the day and from 72 to 62 decibels at night", adopted ordinance, "includes smaller reductions. It limits daytime noise in industrial areas to 73 decibels during the day and 68 at night."<sup>16</sup>

## Manassas, VA - [Tax Rate](#)

City Council passed a budget to include a 72% tax increase on equipment owned by data centers.

July 1, 2025, fiscal year.

## Chicago, IL - [Tax](#)

Chicago's "Cloud Tax" is a municipal levy applied to cloud computing services and software-as-a-service (SaaS) platforms accessed by users within the city.