

Moratorium on New Data Centers

26-0431

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DENVER
OFFICE OF CITY COUNCIL

The Problem

- Data Centers are not specifically regulated within the City and County of Denver and have no specific permitting requirements.
- Data centers historically use large quantities of energy and water, creating stress on these already overburdened resource streams.
- Denver is in need of thoughtful regulations to ensure safety and equity in our neighborhoods.

Peer Cities and States

Virginia [HB 1515](#)

- Temporary moratorium

New York [S9144](#)

- 3 year moratorium

Maryland [HB0120](#)

- Energy generation requirements

Wisconsin - [LRB-6377/ LRB-6391](#)

- Temporary pause and actions to protect community

[Lordstown, OH](#)

- Complete ban

[St Charles, MO](#)

- One year moratorium

[Johnson County, IA](#)

- One year moratorium

[St. Louis, MO](#)

- Permitting, zoning & water code, public hearing, and ensure it does not threaten public welfare

New moratoriums continue to be announced every week from states and cities around the country including a proposal for a national moratorium. See more in the appendix.

Considerations

- Outreach to utility companies - Need time
- Outreach to community - Consider the health and wellness of residents, and goals and needs of the community
- Current city plans
 - Blueprint Denver
 - Neighborhood Plans
 - Comprehensive Plan 2040
- Climate goals

Moratorium Language

- Effective for 1 year from the effective date (May 21)
- Halts new construction and development
- Moratorium may be up to one year or extended if process needs additional time

Working Group

Who will participate:

The Working Group will consist of community members, industry stakeholders, utility companies, subject matter experts, union representation, city departments, and City Council.

What it will affect:

Any new or proposed data center, either new construction or redevelopment of an existing property that has not received a zoning permit, Site Development Plan, or Site Development Plan amendment.

What is will not affect:

Current data center work that has already been permitted.

Potential Outcomes of Moratorium

Potential Outcomes

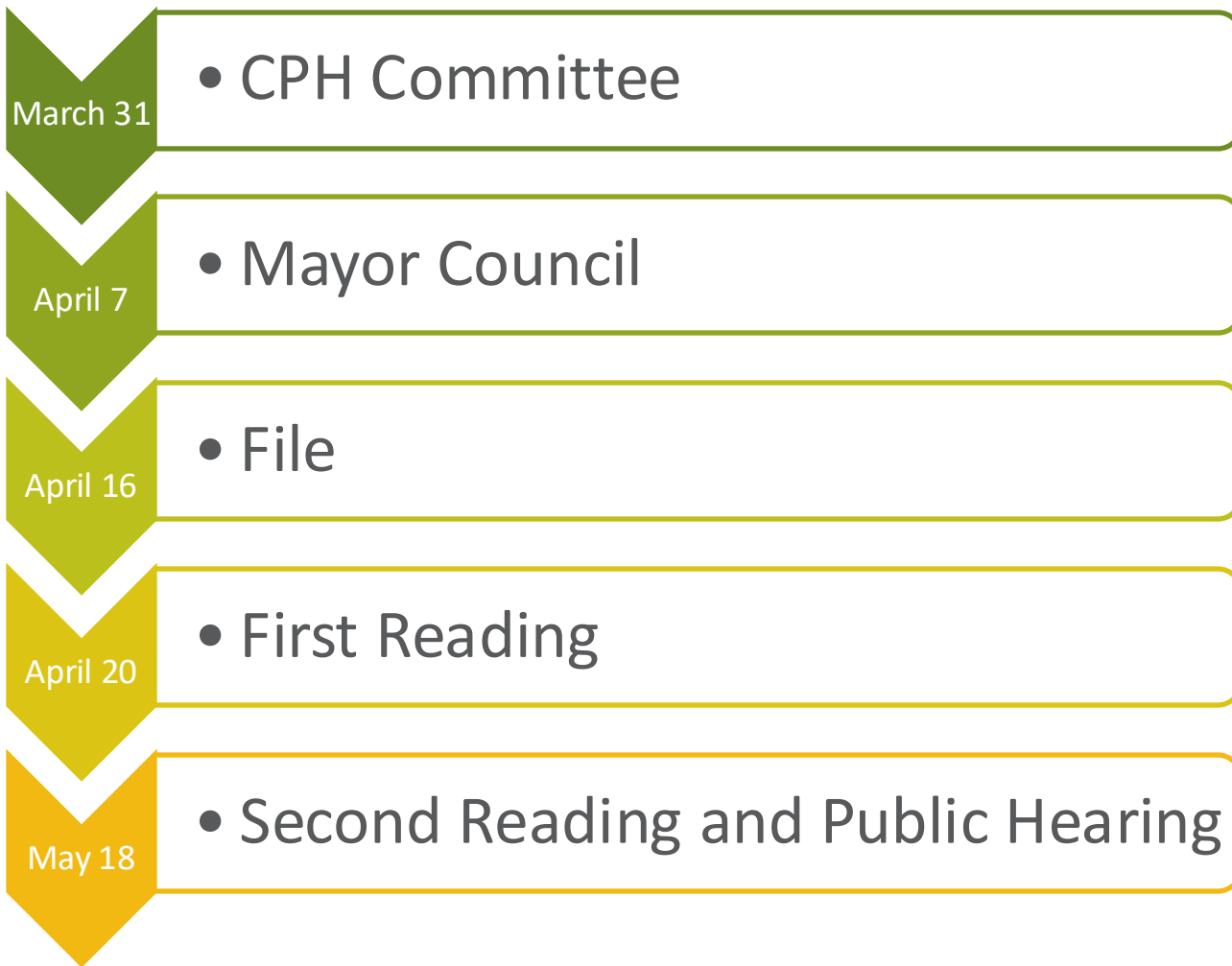
- Zoning for data centers
- Guidance for cooling systems
- Guidance for energy use
- Renewable energy requirements

Codes Potentially Affected

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



Timeline



Questions and Discussion

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



Peer States

- **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



Peer States

- 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

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 27th, 2026

August 25, 2026



Peer Cities- Ban

City's Who Have Banned:

[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.

Peer Cities- Guardrails

City's Who Have Instituted 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

Peer Cities- Guardrails

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.¹⁶”

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.¹²⁷