



Legislation Text

File #: 91135, Version: 1

**Fiscal Note**

This ordinance establishes a temporary moratorium on the issuance of zoning certificates for data centers and telecommunications centers. The policy goal of the temporary moratorium is to allow City agencies to research issues related to these facilities, including possible long-term fiscal impacts. Any additional funding for either the research element of the ordinance or long-term fiscal impacts identified as a result of that research, will require a resolution to amend the current budget or could impact appropriations in future budgets. The extent of either short- or long-term impacts are indeterminate at this time.

**Title**

Creating Section 28.140 to establish a temporary moratorium on the consideration and/or issuance of zoning certificates for data centers and telecommunications centers and amending 28.061, 28.082, and 28.151 to accommodate the temporary moratorium.

**Body**

DRAFTER’S ANALYSIS: This proposed ordinance creates a temporary moratorium on issuance of zoning certificates for data centers and telecommunications centers of more than 10,000 square feet of floor area. Data centers are facilities, contained within a single building or in a collection of buildings, used primarily for the storage, management, processing, and transmission of digital data, which primarily houses computer or network equipment, systems, servers, appliances and other associated components related to digital data operations. The facility may also include utility infrastructure to support sustained operations at the data center. Currently, Madison’s zoning code (MGO Chapter 28) does not include a definition or specific standards for ‘data centers’ as a use category. In MGO Chapter 28, ‘telecommunications centers’ is a category that has historically encompassed this type of business but is outdated.

A moratorium is a planning tool that will give the City time to set responsible rules for a new use category. While our community and economy benefit from data storage, research studies and observations in other communities show that certain large-scale data centers may pose a significant strain on energy, water use, emergency services, traffic, noise, air quality and urban development challenges that require planning and consideration. Without a zoning regulation that reflects current best practices to responsibly manage this use, the construction of new data centers may affect property values, the implementation of the City’s long-range land use plans, and be detrimental to the public health, safety and general welfare. Therefore, a twelve (12) month moratorium is necessary to research and establish well-informed, consistent zoning and/or regulatory standards applied to data centers and telecommunications centers.

The moratorium will allow the City of Madison agencies, including the Office of the City Attorney (“OCA”) and the Department of Planning and Economic Development (“DPCED”), to research best practices and safeguards, including creating a definition of data centers, and other use types if needed; identify the specific planning and development considerations relevant to our community for the responsible operation of data centers in the future; and propose potential standards. Agencies may assess fiscal impacts, including long-term City of Madison service and infrastructure costs for policymakers’ considerations. Additionally, a twelve (12) month moratorium will allow the City of Madison to gain insights from the newly created Dane County Advisory Committee on Data Centers for the purposes of regional coordination.

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Please see Legistar File No. 91135 Body in Attachments.