

Data Centers Update

TRANSPORTATION, PLANNING & DEVELOPMENT COMMITTEE



Data Centers Update

Council Priority Alignment

Well-Managed Government

- Ensuring the city demonstrates inclusivity through commitment to and focusing on equity and safeguarding the environment; leadership in financial stewardship; reviewing best practices; and maintaining consistency in approach with an emphasis on effective and efficient services that are accountable, customer focused, and inclusive.

Purpose

Council Feedback on Timeline & Approach

Agenda

Progress to Date

Community Engagement Timeline & Tactics

Considerations for changes to mitigate the impacts of Data Centers

Progress to Date

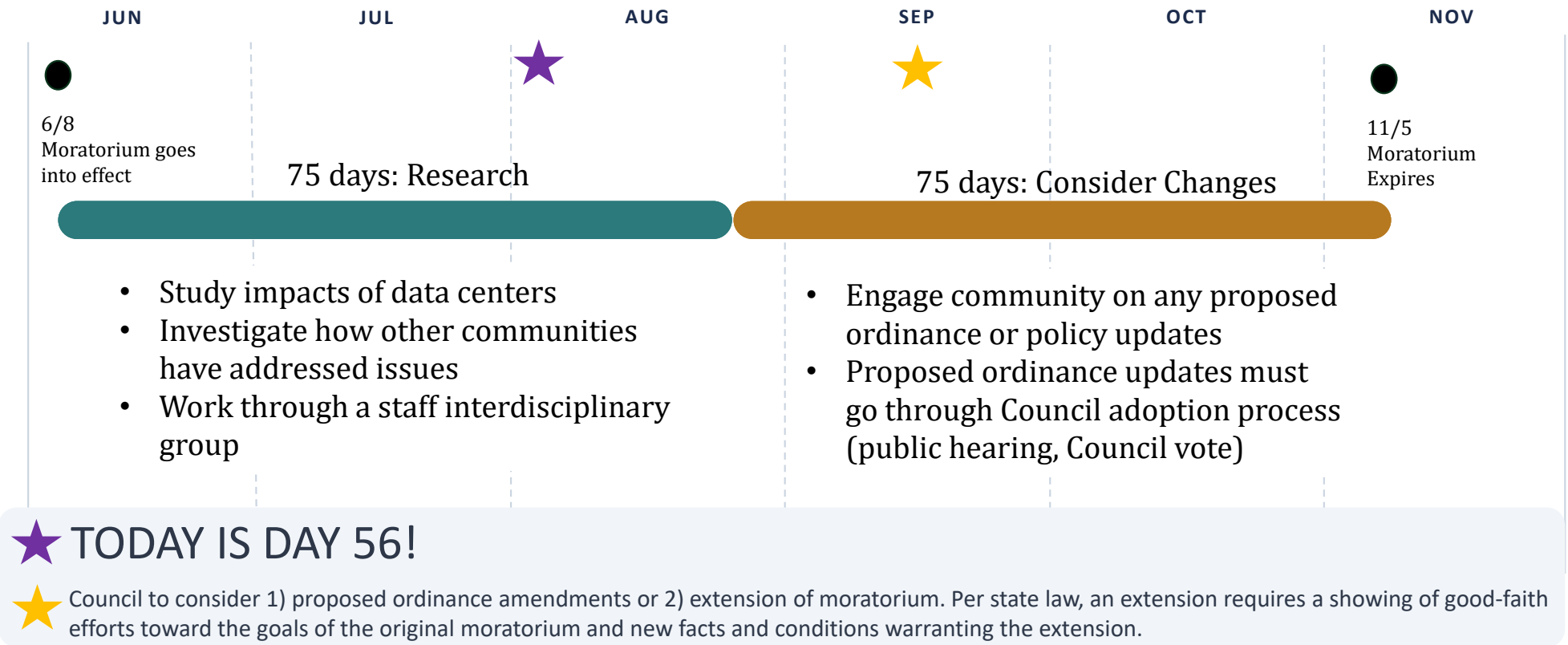
Goal of the Moratorium

Listen to the Community and understand concerns

Research and understand the impacts of the growing industry of Data Centers

Implement solutions that mitigate the impacts of Data Centers under the City's legal authority

150-day Moratorium Timeline



Consistent Moratorium Implementation



Staff has updated workflows in permitting systems, zoning queues, and intake procedures to ensure the moratorium applies consistently



Created clear criteria and a verification process for determining exemptions



Continue to notify applicants, zoning reviewers, planning boards, and elected officials of the moratorium, its scope, and exemptions



Tracking all incoming inquiries and attempted submissions



Monitoring exempt project progress

Public Feedback Highlights



Environmental & Resource Concerns

- Water, electricity demand, utility costs, heat, noise, and pollution near neighborhoods



Community Impacts

- Fears over declining quality of life near proposed sites
- Residents want transparency, early engagement, and equity



Regulatory & Planning Needs

- Proposed updates to land-use categories for hyperscale facilities
- Need for clearer performance standards and zoning guidance
- Desire for equitable cost-sharing (energy, water) from data center operators



Community Focus Group

Clean Aire NC	Jeff Robbins, Executive Director	Environmental Advocacy
Catawba Riverkeeper	Brandon Jones*	Environmental Advocacy
Urban Land Institute	Nathan Wright	Commercial Development
Commercial Real Estate Development Assoc.	Robert Combs, The Keith Corp	Commercial Development
CRCBR	Ben Rojahn, CBRE	Commercial Development
UNCC – Climate & Public Health	Michelle Eichinger*	Academia
UNCC Energy Production & Infrastructure Center	Dr. Robert Cox	Academia
Water Utility Expert	Jackie Jarrell	Utility Expert
Energy United Electric Cooperative	Thomas Golden, CEO	Utility Expert
Data Center Coalition	Dan Diorio, VP Policy	Data Center Expert
Black Political Caucus	Shawn Grady	Community Voice
Neighborhood Leader - D1	Shawn Williams	Community Voice
Northwood Estates Community Org – D2	Ron Ross	Community Voice
District 4 Coalition	Juan Euvin, Chair	Community Voice
Bioinformatics Scientist, Resident -D5	Abeoseh Flemister*	Community Voice
Neighborhood Leader - D7	Isabella Olen	Community Voice
Tuckaseegee/Northwest Community Alliance – D3	Sam Smith	Community Voice
Concerned Resident - D2	Craig Reynolds*	Community Voice
Concerned Resident - D5	Deanna Argenio May	Community Voice

*Spoke at the Public Hearing on 5/26/26

Data Center Moratorium Microsite

Launched June 8, 2026



Frequently Asked Questions: Data Centers & Moratorium

Published on June 08, 2026



Frequently Asked Questions

What is a data center?



How does Charlotte define data centers?



What is a moratorium?



Timeline

May 11

Staff presented council information about data centers and where the city currently stood with data center developments. Watch the presentation on YouTube.

June 1

Staff followed up with additional information about a potential moratorium and presented to the Transportation, Planning and Development Committee. Watch the presentation on YouTube.

June 8

Council approved the 150-day moratorium following discussion and feedback from the community. Watch the June 8 City Council Business Meeting on YouTube.

July 9

A community focus group met to look at information about data centers with technical experts and identify where more information may be needed. Watch the presentation on YouTube.

The next public update is scheduled to be presented to the Transportation, Planning and Development Committee on Aug. 3. Tune in on the [Gov Channel](#).



WORLD
RESOURCES
INSTITUTE

RESEARCH DATA INITIATIVES INSIGHTS

Rising to the Climate Change Challenge

WRI works with governments, businesses and civil society to stabilize the climate so that people and nature can thrive.

Environmental Impact Insights

Energy-Water Trade-off

- Choice of cooling system: designs that use less energy tend to use more water, and vice versa
- The type of data center (i.e. conventional cloud versus AI) drives very different cooling needs. The amount of heat a facility must remove depends on how densely power is packed
- Data centers can consume substantial direct and indirect water resources driven primarily by cooling technology, facility size, and local climate
- Data centers can impose very high and rapidly increasing electricity demands, potentially requiring new generation and grid infrastructure while contributing significantly to overall load growth and associated emissions

Environmental Impact Insights

Land Use

- Large, infrastructure intensive data center campuses can alter development patterns and affect nearby properties, especially when located close to residential or sensitive uses

Noise

- Continuous cooling systems and periodic generator testing generate industrial noise
- Noise conditions may vary among facilities depending on site design, surrounding land uses, operational characteristics, and local conditions rather than representing a uniform characteristic of all data centers

Environmental Impact Insights

Air Quality

- Fossil fuel generation used to power or back up data centers produces pollutants such as NOx and PM2.5, creating both local and regional air quality and public health risks

Urban Heat Island

- Waste heat from cooling systems and heat absorbing campus infrastructure can measurably increase local ambient temperatures, intensifying urban heat island effects in surrounding areas

Community Engagement Timeline & Tactics

Community Engagement Tactics



Community Task Force ¹

Council-appointed and modeled on the SAFE Charlotte Community Input Group. Experts brief members for the group to deliver policy recommendations.



Education Campaign ²

A campaign covering data center types, the City's authority and limits, legal risks, and options for change. Video, social messaging, webpage and FAQs included.



Community Survey ³

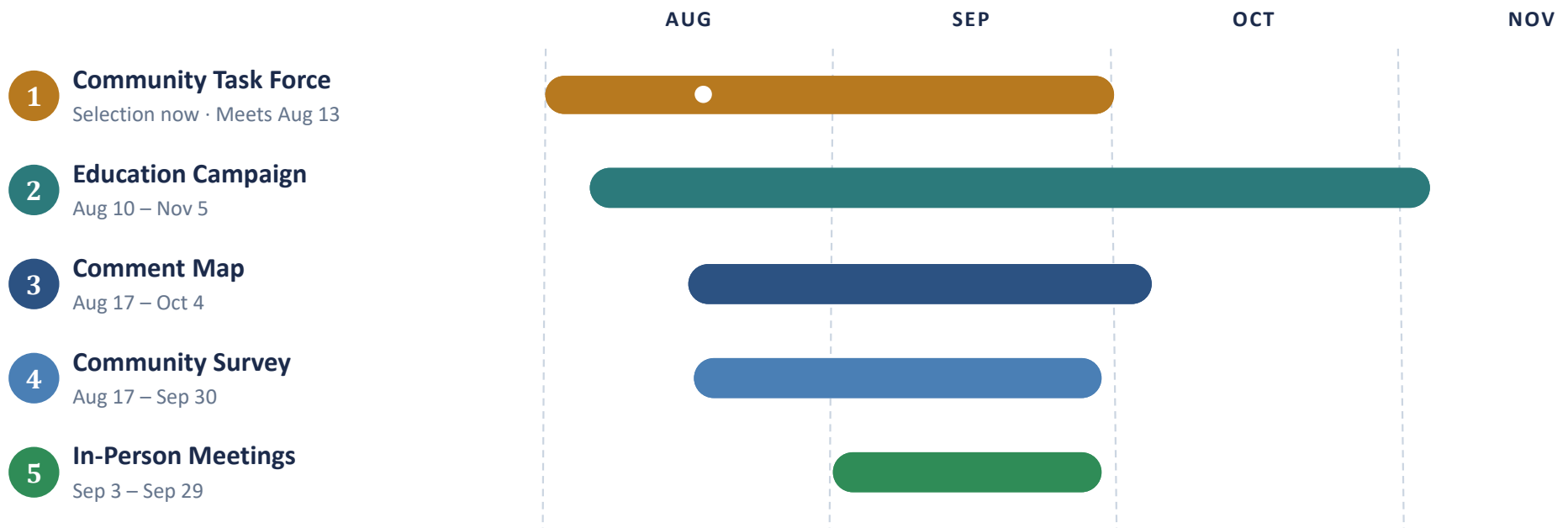
Residents rank their priorities and concerns and note the aspects of data centers they support.



In-Person Meetings ⁴

Facilitated sessions that educate residents while gathering their feedback in person.

Proposed Community Engagement: Timeline & Tactics



Community Tools



Listening Sessions

In person + Zoom



Online Surveys

Website + social media



Interactive Comment Map

Input by district



Community Task Force

Policy review and
recommendations

Guiding approach: Present the facts first · Frame trade-offs honestly · Educate on real constraints

Community Task Force

The Task Force gives residents a direct hand in shaping data center policy before Council votes.

 **Diverse**

 **Empowered with real
decision-making influence**

 **Genuinely representative**



Composition

20 members. Each council member selects one representative; Staff adds Advisory Council members and Business Districts.



Scope

Nine sections of the data center policy, each receive a deep dive with subject matter experts.



Technical Experts

Attend meetings to offer expertise and answer the group's questions.



Subject Matter Experts

Present during meetings to open each topic for group discussion.

Proposed Task Force Meeting Dates

August 14 – September 24, 2026

August 14	 Virtual	12:00 – 1:30 PM	
August 19	 CMGC	6:00 – 8:30 PM	
August 27	 CMGC	6:00 – 8:30 PM	
September 3	 CMGC	6:00 – 8:30 PM	
September 10	 Virtual	6:00 – 8:30 PM	
September 17	 CMGC	6:00 – 8:30 PM	
September 24	 CMGC	6:00 – 8:30 PM	If needed

CMGC = Charlotte–Mecklenburg Government Center

Proposed Community Meeting Dates

Open community sessions · 2026



DAYTIME IN-PERSON

September 2



EVENING IN-PERSON

September 10 & 15



VIRTUAL SESSIONS

September 25 & 29



SATURDAY IN-PERSON

September 26

Considerations for changes to mitigate the impacts of Data Centers

Current Legislative Context in NC

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

Local governments can no longer impose zoning changes that reduce development entitlements on any property without property owner consent

2. FY 2027 State Budget Sales Tax Adjustments (Sec. 44.3 & 44.4)

Eliminates the sales tax exemption for electricity used in datacenters, effective for purchases on or after when the bill becomes law

3. Proposed SB 730 Legislation

- 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
- Require closed loop water cooling systems

Considerations for Changes - Water

Already Do	Can Do	Can't Do	Under Evaluation
✓ Water Impact Study for all large water users ✓ Developer-Funded Upgrades: Recovers capital investments, operations, and per-gallon treatment ✓ Regulates wastewater and stormwater	Require a water conservation plan as part of the application*	Require specific cooling systems to reduce water usage (building code)	Require Ongoing Water Usage Reporting

*would likely require 3rd party to help zoning staff review

Considerations for Changes – Zoning

Already Do	Can Do	Can't Do	Under Evaluation
✓ Setback, height, landscape, & screening requirements ✓ Tree save requirements ✓ Water Supply Watershed Protection Districts ✓ If a project needs a rezoning, work with the community and developer	Require additional information for community (i.e. informational meeting or notices)	Remove zoning districts where data centers are allowed as defined today**	Redefine data centers and add requirements for high-intensity developments**

*Would likely require 3rd party to help zoning staff review

** Session Law 2024-57 (SB 382) doesn't allow zoning changes that reduce development entitlements on any property without property owner consent

Considerations for Changes - Energy

Already Do	Can Do	Can't Do	Under Evaluation
✓ Bonus Incentive for Green Building Certification	Require an energy, conservation plan as part of the application* Add Data Center Regulation to our Legislative Agenda as a priority	Require specific cooling systems to reduce energy usage (building code)	Proposed SB 730 would require: • site assessments for ≥ 100 MW data centers • utility service contracts include provisions to protect residential ratepayers • Require closed loop water cooling systems

*would likely require 3rd party to help zoning staff review

Considerations for Changes - Noise

Already Do	Can Do	Can't Do	Under Evaluation
✓ Issue a noise violation when sound exceeds specified limits ✓ The noise ordinance includes additional restrictions near schools, houses of worship and medical facilities.	- Require a noise mitigation plan as part of the application* - Update the Noise Ordinance	Eliminate Noise Completely	Details of any proposed language changes including low frequency (humming) concerns

*would likely require 3rd party to help zoning staff review

Considerations for Changes – Light Trespass

Already Do	Can Do	Can't Do	Under Evaluation
✓ Maximum Lighting Regulations ✓ Exterior lighting requirements for screening or shielding as to not cause glare	Require a lighting assessment/study as part of the application*	Eliminate exterior lighting completely	Text Amendment to require even stricter limits on uplighting, trespass, and color temperature

*would likely require 3rd party to help zoning staff review

Considerations for Changes – Other

Already Do	Can Do	Can't Do	Under Evaluation
✓ Require an air quality permit (from County)	Require an air quality impact assessment as part of the application* Require a decommissioning plan as part of the application* Add Data Center Regulation to our Legislative Agenda as a priority	Change air quality requirements without State/Federal authorization	Fossil-fuel systems allowed only for emergencies or testing

*Would likely require 3rd party to help zoning staff review

** Session Law 2024-57 (SB 382) doesn't allow zoning changes that reduce development entitlements on any property without property owner consent

Implementation Considerations

Submittal requirements that include important mitigation/conservation plans for energy, noise, water, etc. would likely require 3rd party review

Ongoing compliance reporting needs to be considered

Can only enforce what is within the City's authority to regulate

Enforcement should be scaled to impact being mitigated

Immediate Next Steps

Align on Task Force Meeting Schedule

Task Force Appointments

Set and Promote Community Meeting Schedule

Discussion and Questions