Data Center Moratorium

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What is a moratorium?

- In North Carolina, a moratorium is a temporary, legal halt or suspension of specific activity, law or obligation, commonly used by local governments to pause development approvals while updating plans and regulations.

- Authorized under G.S. 160D-107

Moratorium on Data Centers, Data Processing Facilities, Cryptocurrency Mining, and any use associated with Data Processing Facilities.

**Per Board of Commissioners Action on January 20th**

Necessity Scope and Plan (4 Statements) N.C. G.S. 160D 107(d)

- A local government needs to be clear about why the moratorium is necessary as well as when and how the issues will be resolved. At the time of adopting a development moratorium the regulation must include the following details:

  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.

Statement 1: Necessity

- Considerable amounts of water and energy usage.
  - 50-1000 MW of power at any given moment.
  - 1-5 million gpd of water
  - Environmental Impacts
  - Noise Concerns
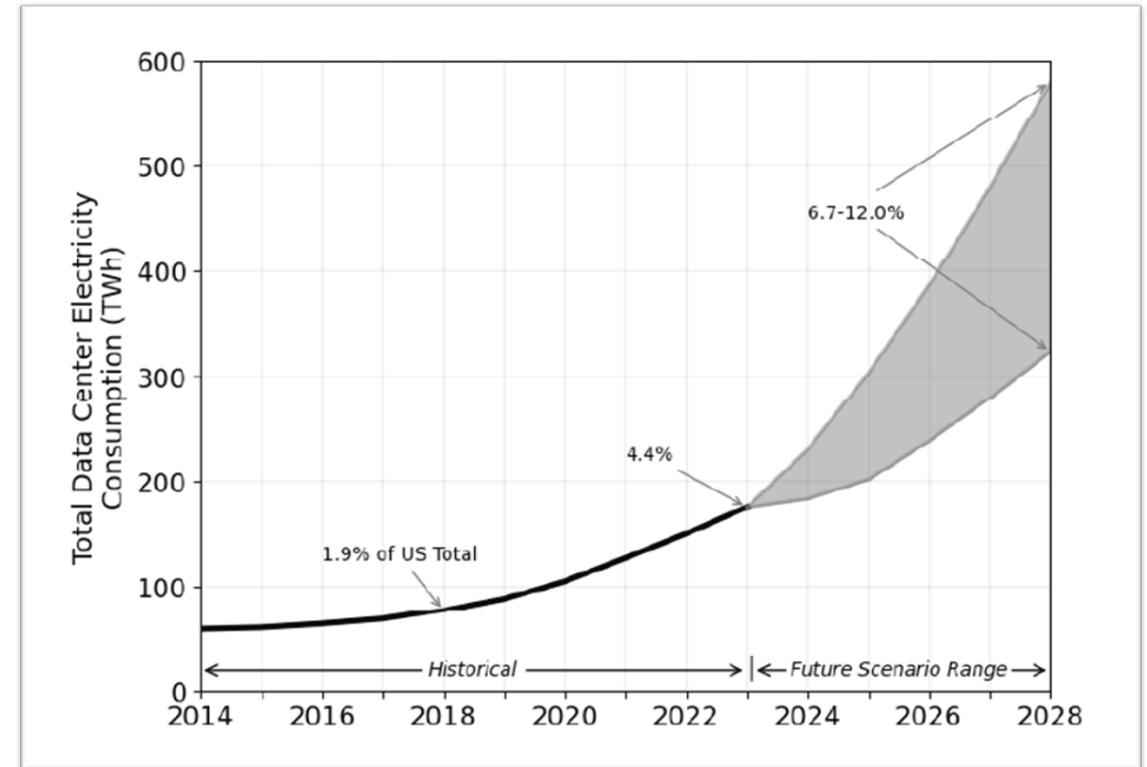
Sources: Shehabi et al., 2024 United States Data Center Energy Usage Report, LBNL 2001637

Statement 2: Applicability and Scope

- All development approvals for data centers, data processing facilities, cryptocurrency mining operations, and any uses associated with data processing facilities are subject to the moratorium.
  - AI Computing and Modeling
  - Cryptocurrency Mining
  - Web Services and Hosting
  - Genome Sequencing

Statement 3: When does it end?

- The Moratorium will last for up-to one year. February 11th, 2026 – February 11th, 2027.

Statement 4: The Plan for the 12 Months

- First four (4) months staff will study the impacts of data centers, data processing facilities, cryptocurrency mining, and any other uses associated with data processing facilities.

- Planning Staff will develop the land use regulations required to mitigate the negative impacts associated with land uses.

- Six (6) to eight (8) months for the text amendment legislative process.

- The research, policy development, and legislative processes necessitate an adequate moratorium time limit of twelve (12) months.

Public Hearing
Receive Comments from the Public

Make the Motion:

- Move to adopt an ordinance instituting a temporary moratorium on the permitting of Data Centers, Data Processing Facilities, Cryptocurrency Mining Operations, and any use associated with Data Processing Facilities within Chatham County for up to one year, pursuant to general statute 160D-107.