

**ORDINANCE NO. 2979**

**AN ORDINANCE ESTABLISHING A TEMPORARY MORATORIUM ON  
DEVELOPMENT APPROVALS FOR CERTAIN DATA CENTERS PENDING REVIEW  
OF ZONING AND DEVELOPMENT REGULATIONS**

**WHEREAS**, the City Council of the City of Homewood finds that recent technological developments and increased demand for digital infrastructure have resulted in proposals for the development and expansion of large-scale data centers throughout the State of Alabama and the United States; and

**WHEREAS**, facilities operating at substantial electrical loads may have significant impacts upon water consumption, electrical infrastructure, emergency services, traffic patterns, noise levels, land use compatibility, and the public health, safety, and welfare; and

**WHEREAS**, Central Alabama has experienced recurring periods of drought and water stress, including significant drought events in 2000, 2007-2008, and 2011-2012, flash drought events in 2016, 2019, and 2023, and severe drought conditions affecting portions of Central Alabama during 2026, demonstrating the importance of prudent planning regarding large-scale water users and long-term water resource availability; and

**WHEREAS**, the City Council finds that large-scale data centers may require substantial water resources for cooling and related operations and that the long-term effects of such facilities on municipal and regional water resources should be evaluated before additional facilities are permitted within the City; and

**WHEREAS**, the City Council further finds that prudent planning requires consideration of present and future water availability, utility infrastructure capacity, drought resiliency, and the cumulative impacts of large-scale water users on the public health, safety, and welfare of the citizens of Homewood; and

**WHEREAS**, the City Council recognizes that reliable and affordable electrical service is critical to the health, safety, and welfare of the citizens and businesses of Homewood; and

**WHEREAS**, facilities meeting the definition of a Data Center under this Ordinance may impose substantial demands upon electrical generation, transmission, and distribution infrastructure and may require significant utility-system investments to accommodate increased electrical loads; and

**WHEREAS**, the City Council finds that large-scale increases in electrical demand have become a matter of growing concern throughout the United States as utilities, regulators, and local governments evaluate the impacts of data center development on electrical infrastructure capacity, system reliability, and utility costs; and

**WHEREAS**, the City Council further finds that it is appropriate to evaluate the potential impacts of large-scale Data Centers on electrical infrastructure and the affordability of utility

service for residents and businesses before additional such facilities are permitted within the City; and

**WHEREAS**, facilities meeting the definition of a Data Center under this Ordinance may impose substantial demands upon electrical transmission and distribution infrastructure; and

**WHEREAS**, the City of Homewood is a compact municipality with a valued residential character that has long emphasized walkability, neighborhood preservation, parks, recreational opportunities, and a high quality of life for its residents; and

**WHEREAS**, the City Council finds that the preservation of neighborhood character, outdoor recreational opportunities, and compatibility among residential, commercial, and other land uses constitutes an important governmental objective directly related to the public health, safety, and welfare; and

**WHEREAS**, the City maintains and supports an extensive network of parks, greenways, trails, and recreational facilities that contribute substantially to the quality of life enjoyed by Homewood residents; and

**WHEREAS**, facilities meeting the definition of a Data Center under this Ordinance may involve substantial mechanical equipment, cooling infrastructure, electrical equipment, backup power systems, and related operations capable of generating noise and other impacts that may affect nearby residential neighborhoods, parks, trails, and recreational facilities; and

**WHEREAS**, the City Council finds that additional study is necessary to determine appropriate standards governing the location, design, screening, buffering, operation, and noise characteristics of Data Centers to preserve the quality of life enjoyed by the citizens of Homewood; and

**WHEREAS**, the City Council finds that because Homewood encompasses approximately eight square miles and contains limited undeveloped land, decisions regarding the location and intensity of major infrastructure uses may have long-term and irreversible effects upon surrounding properties and the overall character of the community; and

**WHEREAS**, the City is presently engaged in an active and ongoing review of its Comprehensive Plan, including the evaluation of future land-use patterns, infrastructure needs, community character objectives, economic development policies, and growth-management strategies; and

**WHEREAS**, the City Council finds that because Data Centers represent a unique and potentially high-intensity land use with significant infrastructure and utility demands, it is appropriate that any regulations governing such facilities be considered in conjunction with the City's ongoing Comprehensive Plan review so that future zoning decisions are coordinated with the City's long-range planning objectives and the public health, safety, and welfare of its citizens; and

**WHEREAS**, the City Council finds that facilities operating at an aggregate electrical demand of one megawatt (1 MW) or less are generally characterized as small-scale or "micro" data centers serving local business, institutional, or operational needs and that publicly available industry information indicates such facilities typically do not create the substantial utility, infrastructure, land-use compatibility, noise, water-consumption, or community impacts associated with larger commercial and hyperscale data center developments; and

**WHEREAS**, the City Council further finds that the one megawatt (1 MW) threshold established in this Ordinance represents a reasonable and objective distinction between small-scale facilities unlikely to create significant community impacts and larger facilities that warrant additional study and potential regulation due to their potential effects on utility infrastructure, water resources, land-use compatibility, and the public health, safety, and welfare; and

**WHEREAS**, the City Council is aware that a large-scale data center facility with a reported ultimate electrical demand of up to approximately three hundred megawatts (300 MW) is presently being considered for development in the vicinity of Homewood and outside the municipal limits, and that the construction and phased build-out of such a facility may not be completed until approximately 2028; and

**WHEREAS**, the City Council finds that the development and operation of large-scale regional data center facilities may provide important information concerning actual impacts upon electrical infrastructure, water resources, utility-system capacity, service reliability, and related public infrastructure, and that the City should have an opportunity to evaluate such information and other relevant data as it becomes available in determining appropriate long-term regulations governing Data Centers within Homewood; and

**WHEREAS**, the City's Zoning Ordinances do not presently contain use-specific regulations governing the location, development, operation, or expansion of Data Centers; and

**WHEREAS**, the City Council desires to evaluate and consider appropriate zoning classifications, development standards, operational standards, and locational criteria applicable to such facilities before additional development occurs; and

**WHEREAS**, allowing new Data Centers to proceed under existing zoning classifications before completion of the City's review could result in development patterns and infrastructure commitments that may be inconsistent with future regulations and difficult or impossible to reverse; and

**WHEREAS**, the City Council finds that the absence of a pending Data Center application presents a unique opportunity for the City to evaluate and adopt appropriate regulations before any such proposal is submitted and before vested rights or development expectations arise under existing regulations; and

**WHEREAS**, the City Council finds that any consideration of zoning and development regulations applicable to Data Centers should occur through a deliberate and transparent public process that affords residents, property owners, businesses, utility providers, and other

stakeholders a meaningful opportunity to review and comment upon proposed regulations before their adoption; and

**WHEREAS**, the City Council finds that residents of Homewood have historically taken an active role in land-use and zoning matters affecting the character of their neighborhoods and community, and that sufficient time should be provided to allow meaningful public participation in the consideration of regulations governing Data Centers; and

**WHEREAS**, the City Council further finds that the development of appropriate regulations governing Data Centers will require the collection and evaluation of information concerning land-use compatibility, infrastructure capacity, water resources, noise impacts, utility demands, buffering and screening requirements, and other matters affecting the public health, safety, and welfare, and that adequate time is necessary to complete such review and public engagement; and

**WHEREAS**, a temporary moratorium is necessary to preserve the status quo while the City studies and considers appropriate amendments to its zoning and development regulations; and

**WHEREAS**, the City Council finds that a twelve-month moratorium period is reasonably necessary to allow the City, through its staff, consultants, Planning Commission, City Council committees, and public hearing process, to collect and evaluate information concerning utility capacity, water resources, electrical demand, noise, buffering, emergency services, land-use compatibility, and regional infrastructure impacts; to prepare proposed zoning and development standards; and to provide meaningful public review before final action by the City Council; and

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOMEWOOD, ALABAMA, AS FOLLOWS:**

**SECTION 1. PURPOSE.**

The purpose of this Ordinance is to suspend temporarily the acceptance, processing, review, and approval of applications relating to the establishment or expansion of certain Data Centers while the City evaluates appropriate zoning, land use, infrastructure, operational, and development standards applicable to such facilities.

**SECTION 2. DEFINITION.**

“Data Center” means a facility, building, structure, campus, or portion thereof primarily used for the housing, operation, maintenance, processing, storage, transmission, management, or support of servers, computing equipment, networking equipment, data storage systems, cloud computing infrastructure, artificial intelligence computing infrastructure, or similar electronic equipment used to process, store, transmit, or manage digital information, which operates at, is designed to operate at, or is reasonably anticipated to operate at a maximum aggregate electrical demand greater than one megawatt (1 MW), determined based upon the total aggregate electrical demand of the facility, development, or campus as a whole, including all buildings, structures, phases, and utility services associated therewith.

The term "Data Center" shall not include any facility that operates, is designed to operate, or is reasonably anticipated to operate at a maximum aggregate electrical demand of one megawatt (1 MW) or less, determined based upon the total aggregate electrical demand of the facility, development, or campus as a whole, including all buildings, structures, phases, and utility services associated therewith.

### **SECTION 3. TEMPORARY SUSPENSION.**

Effective upon the effective date of this Ordinance, all activities relating to the acceptance, review, approval, permitting, licensing, or authorization of any new Data Center or expansion of an existing Data Center within the City shall be suspended.

The City shall not accept, process, review, approve, or act upon any application for rezoning, conditional use approval, special exception, variance, development plan, site plan approval, building permit, land disturbance permit, certificate of occupancy, utility-related approval, or any other City authorization required for the establishment or expansion of a Data Center.

### **SECTION 4. EXEMPTIONS.**

This Ordinance shall not apply to:

- (a) Any development for which a complete application required for the applicable approval was submitted to and accepted for processing by the City prior to the effective date of this Ordinance;
- (b) Existing facilities lawfully operating on the effective date of this Ordinance, except for expansions that would increase the facility's maximum aggregate electrical demand;
- (c) Routine maintenance, repair, replacement of equipment, or interior improvements that do not increase the facility's maximum aggregate electrical demand; or
- (d) Temporary emergency facilities necessary for disaster response or protection of public health and safety.

### **SECTION 5. TERM.**

This Ordinance shall remain in effect for twelve (12) months from its effective date.

The City Council may extend this Ordinance one (1) time for a period not exceeding six (6) months by either ordinance or resolution at a public meeting upon written findings that the conditions giving rise to the moratorium continue to exist, that the City remains actively engaged in developing appropriate regulations, and that additional time is reasonably necessary to complete such work.

**SECTION 6. SEVERABILITY.**

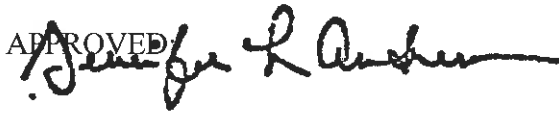
If any part, provision, or section of this Ordinance is declared to be unconstitutional or invalid by any court of competent jurisdiction, all other parts, provisions, or sections of this Ordinance not thereby affected shall remain in full force and effect.

**SECTION 7. EFFECTIVE DATE**

This Ordinance shall become effective as of that date upon its adoption by the City Council, or as otherwise becoming law.

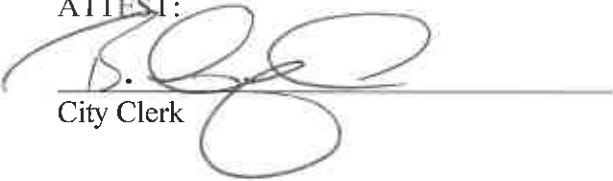
**ADOPTED** this the 22 day of June, 2026.

**APPROVED**



\_\_\_\_\_  
Mayor

**ATTEST:**



\_\_\_\_\_  
City Clerk

**This notice posted:** June 23, 2026

**At the following locations:** Mayor's Office (City Hall), Homewood Public Library, Homewood Senior Center (Oak Grove Road) and Lee Community Center (Rosedale)  
**And at [www.cityofhomewood.com](http://www.cityofhomewood.com)**

STATE OF ALABAMA     )  
JEFFERSON COUNTY     )

I, the undersigned City Clerk of the City of Homewood, do hereby certify that the foregoing Ordinance No. 2979 is a true and correct copy of an ordinance passed by the City Council of said City at a regular meeting held on June 23, 2026, a quorum being present, and as same appears of record in Minute Book No. 2026.

  
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City Clerk, City of Homewood

2979

**15.06.26**