

ORDINANCE

WHEREAS, the City of Chicago is home to approximately 39 data centers, most of which are located in the central business district or along major utility corridors leading into the central business district; and

WHEREAS, Chicago's existing data center policies and regulations were designed for an earlier generation of facilities and do not adequately address the operational characteristics, environmental impacts, or community concerns associated with current data centers; and

WHEREAS, noise generated by cooling systems, diesel generators, and other equipment used in or for data centers is among the most common community concerns related to data center operations and has resulted in numerous 311 complaints from nearby residents; and

WHEREAS, air emissions from diesel generators used in or for data centers are an additional significant concern raised by residents and other stakeholders; and

WHEREAS, growing national demand for data center capacity has increased pressure on regional electric systems, contributing to concerns regarding electricity costs, grid capacity, and the City's ability to meet greenhouse gas reduction goals; and

WHEREAS, rapid data center growth may contribute to increased electricity demand and higher utility costs, and the City aims to mitigate potential lack of energy supply and potential price burdens on working families and businesses; and

WHEREAS, water consumption by data centers varies widely by facility size and design, with typical facilities using approximately 300,000 gallons per day of this precious, limited resource; and

WHEREAS, a time-limited moratorium would provide the City with the ability to craft updated long-term policies, Code revisions, and rules that protect affordability, public health, welfare, and the environment and prevent nuisance conditions within the City; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. *Definitions.*

For the purpose of this ordinance, the following definitions apply:

"Data center" means a space occupied by a business or related businesses, in which at least 1,000 square feet and at least 20% of the total enclosed floor space occupied by the business or related businesses on the site: (a) primarily is used for the storage, management, and processing of electronic data; (b) primarily houses (i) computer and network systems, including associated components such as servers, network equipment and appliances, telecommunications, and data storage systems, (ii) systems for monitoring and managing infrastructure performance, (iii) internet-related equipment and services, (iv) data communications connections, and (v) infrastructure, such as environmental controls, fire protection systems, and security systems and services; and (c) is without routine human occupancy, excluding occupancy by maintenance, testing, or security personnel. A data center

may be housed in one or more buildings on a single site or on adjacent sites. "Data center" as used in this ordinance is a subset of "electronic data storage centers" as defined in Section 17-17-0104-U.1 of the Zoning Code.

"New or expanded" means not previously in existence or requiring a building permit to add square footage for use as a data center.

SECTION 2. *Moratorium.* For one year after the effective date of this ordinance, no City department or agency shall issue a permit, approval, license, or other permission in furtherance of establishing a new or expanded data center for which a building permit (other than a building permit for demolition or repair) has not been issued as of the effective date of this ordinance. Permissions to which the moratorium applies include, but are not limited to:

(a) Zoning map amendments, planned developments, and other approvals issued under Title 17 of the Municipal Code of Chicago ("Code").

(b) Building permits issued under Chapter 14A-4 of the Code.

(c) Air pollution control permits issued under Section 11-4-620 of the Code.

(d) Public way work licenses issued under Section 10-20-100 of the Code.

The moratorium shall expire one year after the effective date of this ordinance without further action by the City Council.

SECTION 3. *Exclusions.* The moratorium described in Section 2 shall not apply to a data center that: (a) is owned and exclusively used by units of federal, state, or local government; or (b) is owned and exclusively used by medical facilities in the City.

SECTION 4. *Notification.* Within five days of the effective date of this ordinance, any City department with online permission applications shall place a link to this ordinance in a prominent place on the permission application website.

SECTION 5. *Effective date.* This ordinance shall take effect upon passage and approval.