R E S O L U T I O N

WHEREAS, the rapid expansion of data centers across the United States, including Illinois, has increased demand for electricity, water, and land, raising concerns about environmental sustainability, energy affordability, and community impacts; and

WHEREAS, data centers support modern technologies, including cloud computing, web hosting, and artificial intelligence, but large-scale "hyperscale" facilities can consume vast amounts of electricity and millions of gallons of water per day for cooling, straining utilities, water systems, and natural resources; and

WHEREAS, a December 2025 report by Illinois state agencies indicated that increasing demand from data centers, among other factors, may contribute to future power shortages and rising electricity costs for residents and businesses; and

WHEREAS, Illinois has encouraged data center development through significant tax incentives, with at least 27 facilities receiving nearly $1 billion in estimated lifetime tax benefits, underscoring the need for oversight to ensure responsible growth; and

WHEREAS, on February 11, 2026, Sen. Ram Villivalam and Rep. Robyn Gabel introduced the POWER Act, which would establish environmental, water, and energy standards for new hyperscale data centers; and

WHEREAS, the POWER Act would require data centers to pay for their own energy infrastructure, use renewable energy sources, and prohibit shifting costs onto residential ratepayers; and

WHEREAS, the legislation would also require data centers to track and publicly report water usage, obtain permits, meet water efficiency standards, conduct environmental impact assessments, engage communities, and enter community benefits agreements; and

WHEREAS, additionally a Public Benefits and Affordability Fund would be created, supported by data center operators, to assist with energy affordability, air quality monitoring, and water infrastructure improvements in impacted communities; and

WHEREAS, the City recognizes both the economic benefits of data center investment and the importance of protecting residents from increased utility costs, environmental degradation, and infrastructure strain; now, therefore

BE IT RESOLVED, that we, members of the City Council of the City of Chicago, do hereby urge the Illinois General Assembly to pass the POWER Act to ensure responsible, transparent, and sustainable development of data centers across the State.



GILBERT VILLEGAS
Alderman, 36th Ward