

## **AN ORDINANCE TO BE ENTITLED:**

AN ORDINANCE OF THE MAYOR AND ALDERMEN OF THE CITY OF SAVANNAH, GEORGIA, IMPOSING A TEMPORARY MORATORIUM ON DEVELOPMENT OR CONVERSION ACTIVITY RELATED TO LARGE-SCALE DATA CENTERS WITH AN ELECTRICAL CAPACITY OF TEN (10) MEGAWATTS OR GREATER AND PROHIBITING THE CONVERSION OF WAREHOUSES AND LARGE INDUSTRIAL BUILDINGS OF TWO HUNDRED THOUSAND (200,000) SQUARE FEET OR MORE TO DATA CENTER USE WITHIN THE CORPORATE LIMITS OF THE CITY OF SAVANNAH; PROVIDING FOR DEFINITIONS; ESTABLISHING THE SCOPE AND APPLICABILITY OF THE MORATORIUM; SETTING FORTH OBJECTIVE STANDARDS AND CRITERIA FOR EXCEPTIONS; PROVIDING FOR VESTED RIGHTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE AND AUTOMATIC SUNSET; AND FOR OTHER PURPOSES.

**WHEREAS**, the Mayor and Aldermen of the City of Savannah (the “City”) is a municipal corporation duly organized and existing under the laws of the State of Georgia, possessing home rule authority pursuant to Article IX, Section II, Paragraph IV of the Georgia Constitution and O.C.G.A. § 36-35-3, which grants municipalities the power to adopt ordinances relating to their property, affairs, and local government for which no provision has been made by general law and which are not inconsistent with the Constitution or any charter provision applicable thereto;

**WHEREAS**, the City possesses the authority to exercise its zoning powers pursuant to Article IX, Section II, Paragraph IV of the Georgia Constitution and the Georgia Zoning Procedures Law, O.C.G.A. § 36-66-1 et seq., including the authority to regulate land uses in a manner that promotes the public health, safety, morals, and general welfare of the community;

**WHEREAS**, the City is authorized to adopt and implement a comprehensive plan pursuant to O.C.G.A. § 36-70-3 and to exercise its police power to enact reasonable regulations in furtherance of the legitimate public interest;

**WHEREAS**, large-scale data center facilities, defined herein as data centers with an aggregate designed electrical load capacity of ten (10) megawatts or greater, represent a category of intensive industrial use that presents unique and substantial impacts on municipal infrastructure, public health, public safety, and the natural environment that are not adequately addressed by the City’s existing zoning ordinance and land use regulations;

**WHEREAS**, large-scale data centers require extraordinary water consumption for cooling systems, often requiring millions of gallons of water daily, placing significant strain on the City’s potable water supply, wastewater treatment capacity, and stormwater management infrastructure;

**WHEREAS**, large-scale data centers impose extraordinary demands upon the electrical grid, requiring dedicated substation construction and transmission line upgrades that may affect

the reliability of electrical service to existing residential and commercial customers within the City;

**WHEREAS**, large-scale data centers generate substantial high- and low-frequency sounds from industrial cooling systems, including cooling towers, chillers, and mechanical ventilation equipment, operating continuously twenty-four(24) hours per day, seven (7) days per week, which may adversely impact the health, welfare, and quality of life of residents in adjacent neighborhoods;

**WHEREAS**, large-scale data centers contribute to urban heat island effects through the continuous discharge of waste heat from cooling systems, and their reliance on backup diesel generators for emergency power creates potential air quality impacts, including emissions of nitrogen oxides, particulate matter, and other pollutants;

**WHEREAS**, the construction of large-scale data centers requires intensive heavy vehicle traffic for delivery of equipment, materials, and construction components, placing significant stress upon local road infrastructure and creating safety concerns for residents;

**WHEREAS**, the City's current Zoning Ordinance does not include specific zoning classifications, site development standards, setback requirements, screening and buffering requirements, noise limitations, water use limitations, or other standards specifically tailored to address the unique characteristics and impacts of large-scale data center facilities;

**WHEREAS**, the City has experienced increased interest from data center developers seeking to convert existing warehouses and large industrial buildings of two hundred thousand (200,000) square feet or more to data center use, which conversion presents unique and distinct infrastructure, land use compatibility, and public safety concerns beyond those associated with new construction;

**WHEREAS**, the conversion of large industrial buildings to data center use fundamentally alters the character of the use in a manner not contemplated by the original zoning approvals for such structures, potentially creating incompatible land uses within established industrial, commercial, and mixed-use districts and displacing the industrial and commercial activity for which such districts were planned;

**WHEREAS**, the preservation of existing industrial building stock for industrial and commercial uses is consistent with the City's comprehensive plan and economic development objectives, and the loss of such buildings to data center conversion may undermine the City's ability to attract and retain diverse industrial employers, consistent with the planning authority recognized in O.C.G.A. § 36-70-1 and O.C.G.A. § 50-8-30;

**WHEREAS**, the infrastructure capacity concerns, land use compatibility impacts, and public health and safety considerations associated with the conversion of warehouses and large industrial buildings to data center use arise from the nature and intensity of data center operations

and do not depend upon the occupancy status of the building at the time of conversion, and the City finds that application of the moratorium to all warehouses and large industrial buildings of two hundred thousand (200,000) square feet or more, regardless of current occupancy, is necessary to prevent circumvention of the moratorium and to ensure consistent application of the City's planning objectives;

**WHEREAS**, large-scale data center operations within existing warehouse and industrial buildings present heightened concerns regarding structural adequacy for increased electrical and mechanical loads, fire suppression system capacity, electrical service upgrades, stormwater management for increased impervious surface from ancillary cooling infrastructure, and compatibility with adjacent industrial and commercial tenants;

**WHEREAS**, the City's existing zoning ordinance does not contain specific standards governing the conversion of warehouses and large industrial buildings to data center use, including standards for electrical load capacity, cooling system placement and noise, backup generator emissions, and the adequacy of existing infrastructure to support such intensive operations;

**WHEREAS**, Georgia municipalities possess the authority under their police power to regulate land use to prevent incompatible conversions and to preserve the character of districts for their intended purposes, as recognized by the Supreme Court of Georgia in *Smyrna v. Parks* and *Westbrook v. Board of Adjustment*;

**WHEREAS**, the City has determined that it is necessary and appropriate to undertake a comprehensive study of the infrastructure capacity, zoning classifications, site development standards, and comprehensive plan amendments necessary to accommodate large-scale data center development in a manner consistent with the public health, safety, and welfare, pursuant to the City's planning authority under O.C.G.A. § 36-70-3;

**WHEREAS**, this Ordinance constitutes a temporary, reasonable, and limited moratorium enacted to preserve the status quo while the City develops appropriate regulations, consistent with the authority recognized by the Supreme Court of Georgia in *City of Roswell v. Outdoor Systems, Inc.* and *Carson v. Brown*;

**WHEREAS**, the City finds that this moratorium is reasonably necessary to protect the public health, safety, and welfare, and is supported by evidence including infrastructure capacity assessments, utility service reports, and professional planning analysis, satisfying the standard articulated by the Supreme Court of Georgia in *DeKalb County v. Townsend Associates, Inc.*;

**WHEREAS**, the City finds that absent anti-evasion provisions, the thresholds established by this Ordinance may be circumvented through the structuring, phasing, or division of data center projects among multiple parcels or affiliated entities, thereby undermining the legitimate public purposes of this Ordinance;

**WHEREAS**, this Ordinance establishes objective standards and criteria for the consideration of any exceptions to the moratorium, consistent with the requirements of O.C.G.A. § 36-66-5 and the standard set forth in *Davidson Mineral Properties v. Monroe County*, thereby ensuring that no uncontrolled discretion is vested in any City official;

**WHEREAS**, this Ordinance does not regulate the generation, transmission, or distribution of electric power, does not regulate public utilities in their capacity as providers of electric service, and does not conflict with the jurisdiction of the Georgia Public Service Commission, thereby avoiding the preemption concerns identified in *City of Buford v. Georgia Power Co.*;

**WHEREAS**, this Ordinance is not so onerous in its application as to constitute a direct appropriation or regulatory taking of private property, as affected property owners retain all economically viable uses of their property during the limited moratorium period, and the moratorium does not deprive any property owner of all reasonable investment-backed expectations, consistent with the frameworks established in *Diversified Holdings, LLP v. City of Suwanee* and *Gradous v. Board of Commissioners*;

**WHEREAS**, this Ordinance serves a legitimate public purpose and constitutes a means reasonably necessary to achieve that purpose without being unduly oppressive to affected property owners, consistent with the standard set forth in *Fairfax Mk v. City of Clarkston*;

**WHEREAS**, proper notice of the public hearing on this Ordinance has been provided in accordance with O.C.G.A. § 36-66-4, and a public hearing has been conducted by the Mayor and Aldermen of the City of Savannah, at which all interested parties were afforded the opportunity to be heard; and

**WHEREAS**, the Mayor and Aldermen of the City of Savannah find that the adoption of this Ordinance is in the best interest of the health, safety, and welfare of the citizens of the City of Savannah.

### **NOW, THEREFORE, BE IT ORDAINED**

by the Mayor and Aldermen of the City of Savannah, Georgia, and it is hereby ordained by the authority of the same, as follows:

### **SECTION 1. DEFINITIONS.**

For the purposes of this Ordinance, the following terms shall have the meanings ascribed to them herein:

**“City”** means the Mayor and Aldermen of the City of Savannah, a municipal corporation organized under the laws of the State of Georgia.

**“City Manager”** means the City Manager of the City of Savannah, or his or her designee.

**“Common Ownership or Control”** means ownership or control by the same person, entity, or affiliated group of persons or entities. For purposes of this definition, Data Center(s) shall be deemed to be under common ownership or control where: (a) one entity directly or indirectly owns or controls twenty-five percent (25%) or more of the voting interests or equity interests of another entity; (b) the entities share a common parent entity that directly or indirectly owns or controls twenty-five percent (25%) or more of the voting interests or equity interests of each; (c) the entities are managed, operated, or directed by the same individual or group of individuals; or (d) the entities are parties to a joint venture, partnership, operating agreement, or similar arrangement for the purpose of developing, owning, or operating a Data Center or Data Centers.

**“Conversion Activity”** means the submission of applications for rezoning, special use permits, conditional use permits, variances, building permits, change of occupancy permits, land disturbance permits, or site plan approvals for the conversion, retrofit, or adaptive reuse of a Warehouse or Large Industrial Building, in whole or in part, to Data Center use, regardless of the Electrical Capacity of the proposed Data Center.

**“Data Center”** means a facility whose primary purpose is housing computer systems, servers, networking equipment, and associated infrastructure for data storage, data processing, or data distribution, including associated cooling systems, power conditioning equipment, uninterruptible power supply systems, and backup power generation systems.

**“Development Activity”** means the submission of applications for rezoning, special use permits, conditional use permits, variances, building permits, land disturbance permits, grading permits, or site plan approvals for the construction of a new Large-Scale Data Center or the expansion of an existing facility to Large-Scale Data Center capacity, as defined herein. The term “Development Activity” shall be distinct from “Conversion Activity” as separately defined herein.

**“Electrical Capacity”** means the aggregate designed electrical load capacity of a Data Center, measured in megawatts (MW), as specified in facility design documents, utility service applications, engineering specifications, or any combination thereof.

**“Large-Scale Data Center”** means a Data Center, or any combination of Data Centers on a single parcel or contiguous parcels under Common Ownership or Control, with an Electrical Capacity of ten (10) megawatts or greater. For purposes of this definition, the Electrical Capacity of two or more Data Centers shall be aggregated and treated as a single Large-Scale Data Center where such Data Centers: (a) are located on parcels within one thousand (1,000) feet of one another, measured from the nearest property boundary of each parcel; (b) share common infrastructure, including but not limited to electrical substations, cooling systems, fiber optic connections, or backup power generation facilities; or (c) are under Common Ownership or Control.

**“Moratorium Period”** means the period of one hundred fifty-five (155) calendar days beginning on the Effective Date of this Ordinance, subject to extension as provided in Section 5 hereof.

**“Warehouse or Large Industrial Building”** means any existing building or structure, or any combination of connected buildings or structures on a single parcel or contiguous parcels under common ownership or control, that (i) has a gross floor area of two hundred thousand (200,000) square feet or more; and (ii) was originally constructed, designed, or most recently used for warehouse, distribution, manufacturing, industrial, or similar commercial storage purposes. The occupancy status of such building at the time of any application for Conversion Activity shall not affect the applicability of this Ordinance.

## **SECTION 2. SCOPE AND APPLICABILITY.**

- (a) This Ordinance shall apply to all zoning districts within the corporate limits of the City of Savannah, Georgia.
- (b) This Ordinance shall apply to: (1) all new Development Activity and Conversion Activity for Large-Scale Data Centers, as defined herein; and (2) all Conversion Activity for Data Centers in Warehouses or Large Industrial Buildings, as defined herein, regardless of Electrical Capacity.
- (c) The prohibition on Conversion Activity applies to all Warehouses or Large Industrial Buildings within the corporate limits of the City, regardless of the zoning district in which such building is located.
- (d) This Ordinance shall NOT apply to:
  - (i) Data Centers with an Electrical Capacity of less than ten (10) megawatts;
  - (ii) Existing Data Center facilities lawfully operating with an Electrical Capacity of less than ten (10) megawatts that do not seek expansion to an Electrical Capacity of ten (10) megawatts or greater;
  - (iii) Routine maintenance, repair, interior modifications, or equipment replacement within existing Data Center facilities that do not increase the Electrical Capacity to ten (10) megawatts or greater;
  - (iv) Telecommunications facilities regulated by the Georgia Telecommunications and Competition Development Act, O.C.G.A. § 46-5-160 et seq.;
  - (v) Data Center operations lawfully existing and operating within a Warehouse or Large Industrial Building as of the Effective Date of this Ordinance that do not seek expansion of floor area or Electrical Capacity;
  - (vi) Conversion of Warehouses or Large Industrial Buildings to uses other than Data Center use.

- (e) Nothing in this Ordinance shall be construed to regulate the generation, transmission, or distribution of electric power by any public utility, electric membership corporation, or municipal electric authority, nor shall this Ordinance be construed to conflict with or limit the jurisdiction of the Georgia Public Service Commission over the regulation of public utilities.

### **SECTION 3. MORATORIUM ON DEVELOPMENT ACTIVITY AND CONVERSION ACTIVITY.**

- (a) During the Moratorium Period, no department, office, official, employee, or agent of the City shall accept, process, or approve any application for Development Activity related to a Large-Scale Data Center, or any application for Conversion Activity related to a Data Center in a Warehouse or Large Industrial Building, within the corporate limits of the City of Savannah.
- (b) Any application for Development Activity related to a Large-Scale Data Center, or any application for Conversion Activity related to a Data Center in a Warehouse or Large Industrial Building, that is pending as of the Effective Date of this Ordinance shall be held in abeyance without prejudice to the applicant until the expiration or earlier termination of the Moratorium Period. The filing date of any such pending application shall be preserved.
- (c) During the Moratorium Period, the City shall undertake a comprehensive study addressing, at a minimum, the following matters:
  - (i) The capacity of the City's water supply, wastewater treatment, stormwater management, electrical distribution, and road infrastructure to support Large-Scale Data Center development;
  - (ii) Appropriate zoning classifications, overlay districts, or special use categories for Large-Scale Data Center facilities;
  - (iii) Site development standards, including but not limited to setbacks, landscaping, screening, buffering, noise limitations, lighting, and water consumption standards specifically applicable to Large-Scale Data Centers;
  - (iv) The fiscal and community impact of Large-Scale Data Center development, including effects on employment, tax revenue, property values, and quality of life;
  - (v) Necessary amendments to the City's Comprehensive Plan to address Large-Scale Data Center development pursuant to O.C.G.A. § 36-70-3; and
  - (vi) Appropriate standards and regulations for the conversion of existing warehouses and large industrial buildings to data center use, including structural adequacy requirements, electrical load capacity, cooling system standards, noise mitigation, fire suppression, and compatibility with adjacent uses.
- (d) Nothing in this Ordinance shall prevent the City from processing or approving applications for uses other than Large-Scale Data Centers, or Conversion Activity as defined herein, on any property within the City.

#### **SECTION 4. ANTI-EVASION.**

- (a) It shall be a violation of this Ordinance for any person, entity, or combination of persons or entities to structure, divide, phase, or otherwise arrange a data center development project so as to avoid the thresholds or prohibitions of this Ordinance. Any such arrangement shall be treated as a single Development Activity or Conversion Activity subject to this Ordinance.
- (b) In determining whether multiple data center projects constitute a single Large-Scale Data Center for purposes of this Ordinance, the City Manager shall consider the following factors: (i) whether the projects share Common Ownership or Control; (ii) whether the projects are located within one thousand (1,000) feet of one another; (iii) whether the projects share infrastructure, utilities, access, or operational systems; (iv) whether the projects were planned, marketed, or financed as a single development; and (v) whether the aggregate Electrical Capacity of the projects, if combined, would equal or exceed ten (10) megawatts.
- (c) A determination by the City Manager under this Section shall be in writing and shall include specific findings of fact. An applicant aggrieved by such determination may appeal to the Mayor and Aldermen by filing a written notice of appeal with the City Clerk within thirty (30) calendar days of the date of the City Manager's written determination. The Mayor and Aldermen shall hear such appeal at a public meeting within forty-five (45) days of receipt of the notice of appeal.

#### **SECTION 5. DURATION.**

- (a) The Moratorium Period shall be one hundred fifty-five (155) calendar days, commencing on the Effective Date of this Ordinance.
- (b) The Mayor and Aldermen may, by separate ordinance adopted in accordance with the Georgia Zoning Procedures Law, extend the Moratorium Period for one (1) additional period not to exceed sixty (60) calendar days, upon an express finding that the comprehensive study required under Section 3(c) has not been completed and that the continued moratorium remains reasonably necessary to protect the public health, safety, and welfare.
- (c) In no event shall the total duration of the moratorium imposed by this Ordinance, including any extension, exceed two hundred fifteen (215) calendar days from the Effective Date.
- (d) In the event that the enforcement of this Ordinance, or any portion thereof, is enjoined, restrained, or otherwise stayed by order of any court of competent jurisdiction, the Moratorium Period shall be tolled for the duration of such injunction, restraining order, or stay. The Moratorium Period shall resume upon the dissolution, expiration, or reversal of

such order. The City Clerk shall maintain a public record of any tolling period and the resulting adjusted expiration date of the Moratorium Period.

## **SECTION 6. OBJECTIVE STANDARDS AND CRITERIA FOR EXCEPTIONS.**

- (a) In order to ensure compliance with O.C.G.A. § 36-66-5 and to prevent the exercise of uncontrolled discretion, the following objective standards and criteria shall govern the consideration of any request for an exception to the moratorium imposed by this Ordinance.
- (b) The City Manager may grant a limited exception to the moratorium upon written application by a property owner or developer seeking an exception to the moratorium on either Development Activity or Conversion Activity, provided that the applicant demonstrates, by clear and convincing evidence, that ALL of the following criteria are satisfied:
  - (i) The applicant has executed binding, enforceable commitments, secured by adequate financial assurances, for infrastructure improvements sufficient to fully mitigate the proposed facility's impact on the City's water supply, wastewater treatment, stormwater management, electrical distribution, and road systems;
  - (ii) The proposed facility, as designed and conditioned, complies with all existing City noise ordinances, environmental regulations, and land use standards applicable to the proposed location;
  - (iii) The applicant demonstrates, through competent appraisal evidence or other probative documentation, that denial of the exception would result in the complete deprivation of all economically viable use of the subject property, such that the continued application of the moratorium would constitute a regulatory taking under applicable law;
  - (iv) The granting of the exception is consistent with and will not be detrimental to the public health, safety, and welfare of the citizens of the City of Savannah; and
  - (v) For applications involving Conversion Activity, the applicant demonstrates that the existing building and site are structurally and mechanically adequate to accommodate the proposed Data Center use without adverse impact on adjacent properties or the surrounding district, as certified by a licensed professional engineer.
- (c) Any decision by the City Manager to grant or deny an exception shall be in writing and shall include specific findings of fact addressing each of the criteria set forth in subsection (b) above.
- (d) An applicant aggrieved by the decision of the City Manager may appeal to the Mayor and Aldermen by filing a written notice of appeal with the City Clerk within thirty (30) calendar days of the date of the City Manager's written decision. The Mayor and Aldermen shall hear such appeal at a public meeting within forty-five (45) days of receipt of the notice of appeal, and shall render a decision based upon the criteria set forth in subsection (b) above.

## **SECTION 7. VESTED RIGHTS.**

- (a) The moratorium imposed by this Ordinance shall not apply to any project for which:
  - (i) A valid building permit for a Large-Scale Data Center was duly issued by the City prior to the Effective Date of this Ordinance; AND
  - (ii) The permit holder has made substantial expenditures in good-faith reliance upon such permit prior to the Effective Date of this Ordinance.
- (b) The moratorium on Conversion Activity imposed by this Ordinance shall not apply to any Conversion Activity for which: (i) A valid building permit or change of occupancy permit for Data Center use in a Warehouse or Large Industrial Building was duly issued by the City prior to the Effective Date of this Ordinance; AND (ii) The permit holder has made substantial expenditures in good-faith reliance upon such permit prior to the Effective Date of this Ordinance.
- (c) The moratorium on Conversion Activity shall also not apply to any Conversion Activity for which the owner or operator of a currently occupied Warehouse or Large Industrial Building has, prior to the Effective Date of this Ordinance: (i) executed a binding lease termination agreement, development agreement, or contract for Data Center conversion of such building; AND (ii) made substantial expenditures in good-faith reliance upon such agreement or contract and upon the permissibility of the conversion under the City's then-existing zoning regulations.
- (d) Any person or entity claiming vested rights under this Section for Development Activity or Conversion Activity shall submit a written claim to the City Manager, together with supporting documentation establishing the applicable permit, agreement, or contract and the substantial expenditures made in good-faith reliance thereon, within thirty (30) calendar days of the Effective Date of this Ordinance. Failure to submit such claim within the time specified shall constitute a waiver of any vested rights claim under this Section.
- (e) The City Manager shall make a written determination as to the validity of any vested rights claim for Development Activity or Conversion Activity within fifteen (15) business days of the receipt of a complete submission. Such determination shall include specific findings of fact regarding the validity of the applicable permit, agreement, or contract and the nature and extent of expenditures made in reliance thereon.
- (f) For purposes of vested rights claims relating to Development Activity or Conversion Activity under this Section, "substantial expenditures" shall mean expenditures that are material in amount relative to the total cost of the proposed project and that were incurred in direct reliance upon the applicable permit, agreement, or contract, including but not limited to site preparation, foundation work, utility installation, or the purchase of materials specifically fabricated for the proposed facility.

## **SECTION 8. SEVERABILITY.**

If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions hereof. It is the express intent of the Mayor and Aldermen that this Ordinance would have been adopted had such invalid or unconstitutional provision not been included herein.

## **SECTION 9. CONFLICTING ORDINANCES.**

All ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed to the extent of such conflict, and only to such extent.

## **SECTION 10. EFFECTIVE DATE AND SUNSET.**

This Ordinance shall become effective immediately upon its adoption by the Mayor and Aldermen and signature by the Mayor (the “Effective Date”).

This Ordinance shall automatically expire and be of no further force or effect at the end of the Moratorium Period, as defined herein, without further action of the Mayor and Aldermen, unless extended in accordance with Section 5(b) of this Ordinance.

SO ORDAINED, this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

**MAYOR AND ALDERMEN OF THE CITY OF SAVANNAH**

\_\_\_\_\_  
Mayor

**ATTEST:**

\_\_\_\_\_  
Clerk of Council