Data Centers

Findings, Recommendations, and Next Steps

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Background

- Wake County hosts regular meetings with municipal planning directors and stakeholders.

- Municipalities expressed interest in the county organizing regional discussions.

- Focus is on hyperscale data centers requesting 100+ Mega Watts (MW) of power.

Goals

Establish a unified set of tools, resources and documentation to help guide decision-making

- Coordinate planning efforts across jurisdictions to address shared challenges and opportunities.

- Develop a unified framework for evaluating and managing the impacts of data centers on infrastructure, environment, land use, and community well-being.

What we learned

- Most municipalities in Wake County have fielded inquiries for a data center.

- Wake County Tax Administration notes value of data centers includes significant business personal property that rapidly depreciates. Value is uncertain because assets are listed annually and include large additions or removals.

- Many resources available and model ordinances are being developed to help communities.

Wake County Report Structure

- **Initial Considerations**
  - Power and Water

- **Site Considerations**
  - Unified Development Ordinance Use
  - Backup power
  - Noise and low frequency sound
  - Setbacks and screening
  - Reuse and decommissioning

- **Community Considerations**
  - Limited tax revenues and job creation
  - Advanced understanding of community needs

Recommendation 1: Power

Ensure developers are aware of Duke Energy's assessment policy for uses needing over 100 Megawatts.

- Upfront costs for review and analytics.

- Power request may require new infrastructure and time to construct.

- Assessment is the basis for discussion on future costs and commitments.

Next Steps

- Work with Duke Energy to determine how this process can best be aligned with the rezoning and site development process.

Recommendation 2: Water

Work with agencies to develop a water and sewer assessment policy for uses needing over 500,000 gallons per day (equivalent to ~3,000 homes).

- Model intent of Duke Energy process

- Determine threshold for "hyperscale"

Next Steps

- Work with agencies to determine thresholds, process steps, and technical tools to be used. Draft model language. Create a basis for future cost and commitment discussion.

Recommendation 3: Land Use

Work with municipalities to develop unified development ordinance (UDO) land use type for uses that require more than 100 Megawatts.

- Most municipalities don't have a specific land use category currently

- Create new category

- Require community dialogue before approval (rezoning)

Next Steps

- Work with municipalities to determine the best definitions and other elements to incorporate into the local UDO. Draft model language.

Example for illustration only

- Definition = uses 100MW power or more

- Allowed zoning districts = Industrial

- Water assessment required, if applicable

- Development standards
  - Set a large minimum lot size for the use (ex. 200 acres)
  - Set basic performance standards: setbacks, screening, lighting, parking, etc.

Sites that meet these criteria (in Wake County) will need to be annexed into a municipality and rezoned.

Recommendation 4: Use Standards

Work with municipalities to verify UDO requirements on setback, buffers, noise and lighting and update as needed.

- Ensure that ordinances cover potential specialized concerns
- Start with available guidance

Next Steps

- Work with municipalities and Regional Pines Council of Governments to determine the best definitions and other elements to incorporate into the local UDO. Draft model language.

Recommendation 5: Community Needs

Work with municipalities to identify and prioritize larger facility needs.

- Data centers do not provide traditional jobs or consistent tax base associated with commercial development.
- Identify ways community can balance expected impacts with community benefits.

Next Steps

- Work with municipalities to identify and prioritize community needs. Detail best practices for developer/ community rezoning commitments and community benefit agreements.

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