ORDINANCE #0711-26
DATA CENTER REGULATIONS

General Government and Planning Committee

September 8, 2026

Daniel Crum – Principal Planner, Planning Services

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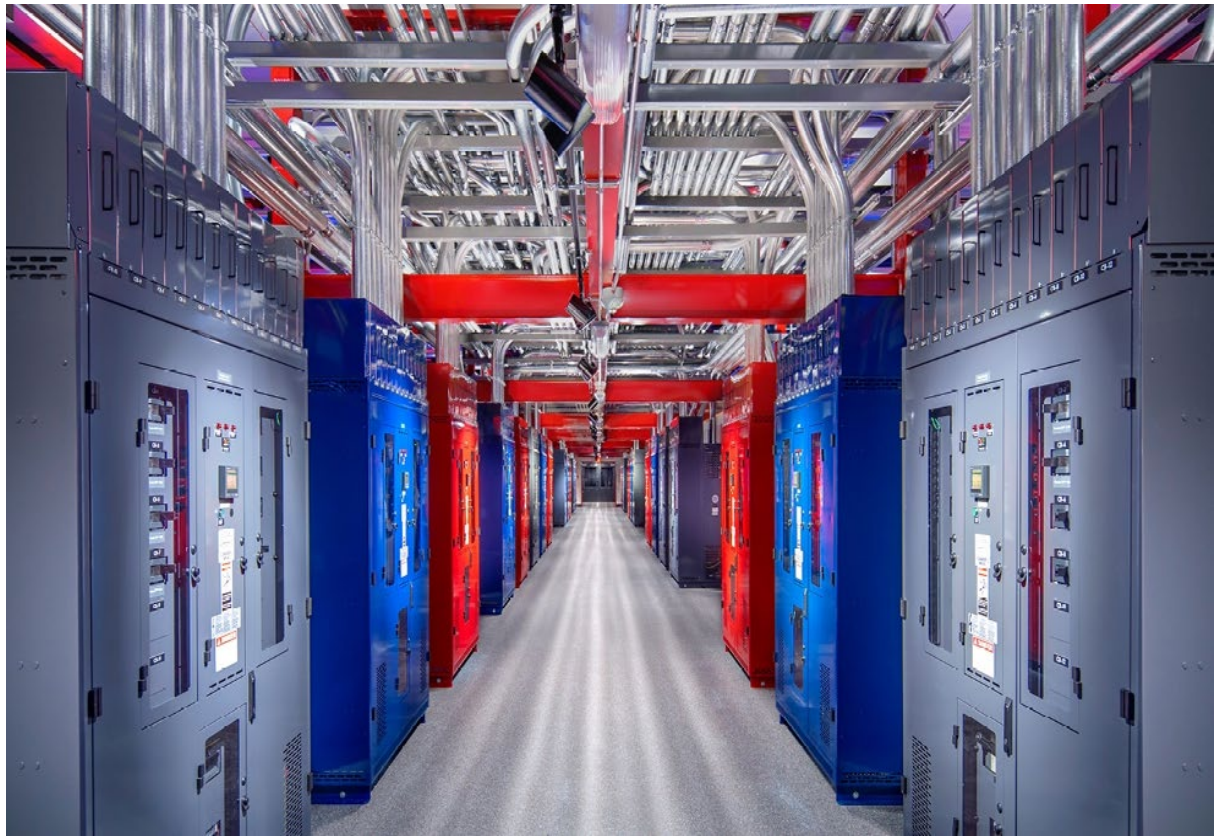
Application Information

- **Applicant** – Urban County Council
- **Initiation** – June 9, 2026
- **Intent** – To create regulations pertaining to Data Center uses

Data Center Uses

- Uses devoted to the storage, management, processing, and transmission of digital data
- Includes computer and network equipment, systems, servers, appliances, and other associated components related to digital data operations
- Listed as “Computer and Data Processing Centers” in our current ordinance
  - Allowed by-right in numerous zones



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Donnelly Printing Plant Development, Chicago

3.76 acres

1.1 million-square-foot structure

100 MW Energy Demand (enough to power approximately 65,000 homes)

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Core Scientific Campus – Muskogee, Oklahoma

65-acre campus

138,000-square-foot structure

100 MW Energy Demand (enough to power approximately 65,000 homes)

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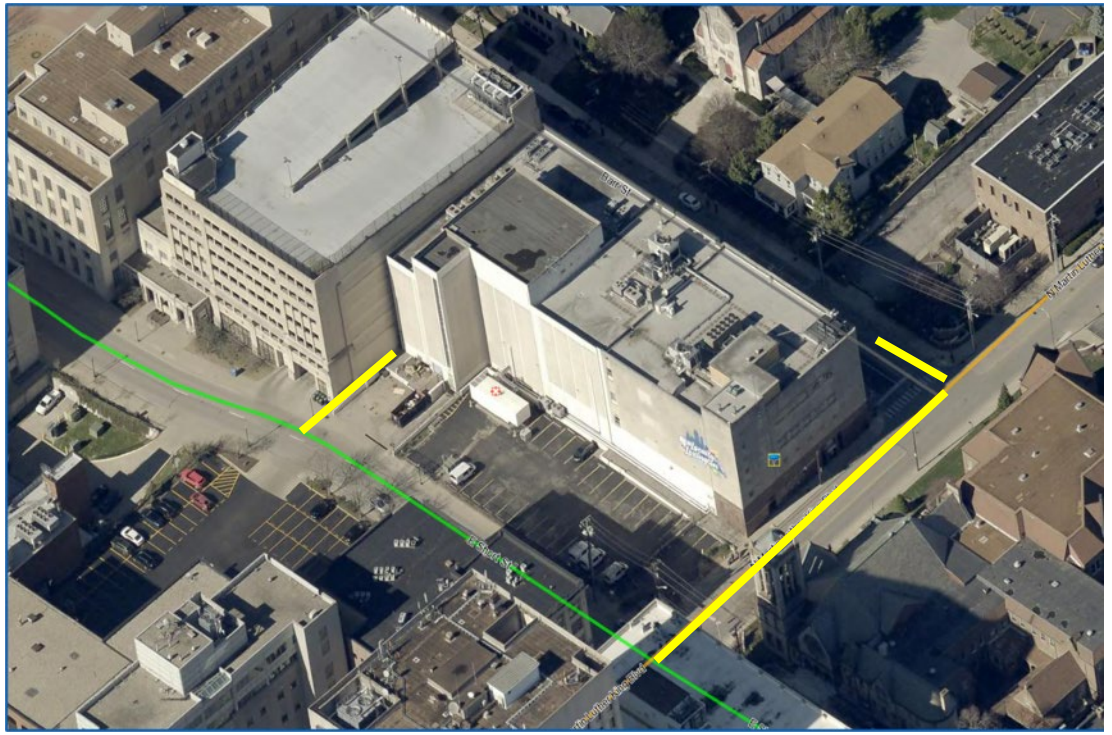
Project Rainier (Amazon) – New Carlisle, Indiana

1,200-acre campus

200,000 square feet per building (Total of 6 million square feet planned)

2.2 **GW** Energy Demand (enough to power approximately 1.43 million homes)

Windstream/ Kinetic Data Center – Lexington, KY



1.125 acres
160,500 square-foot building
One floor occupied by data center operations
Energy capacity unknown

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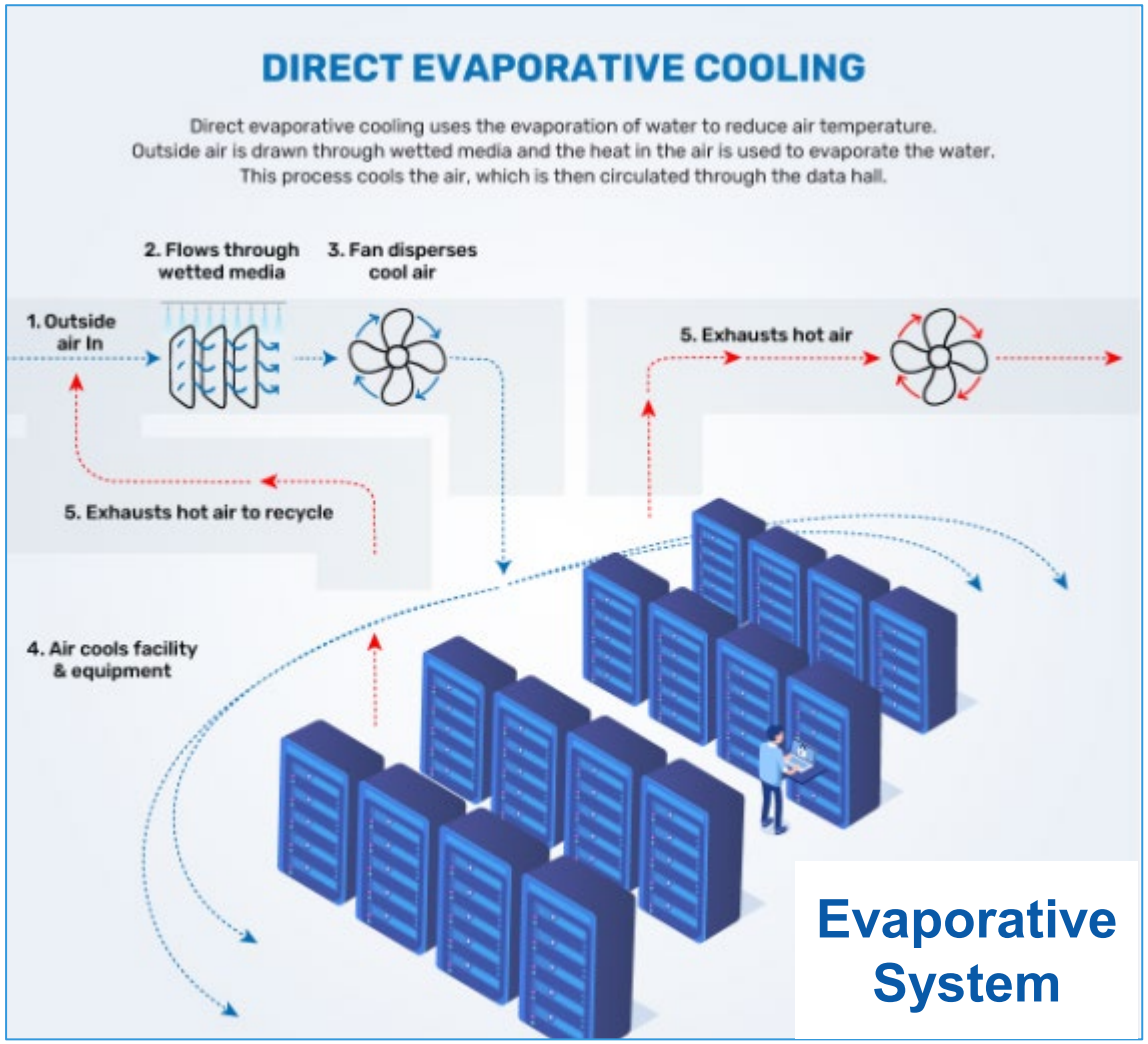
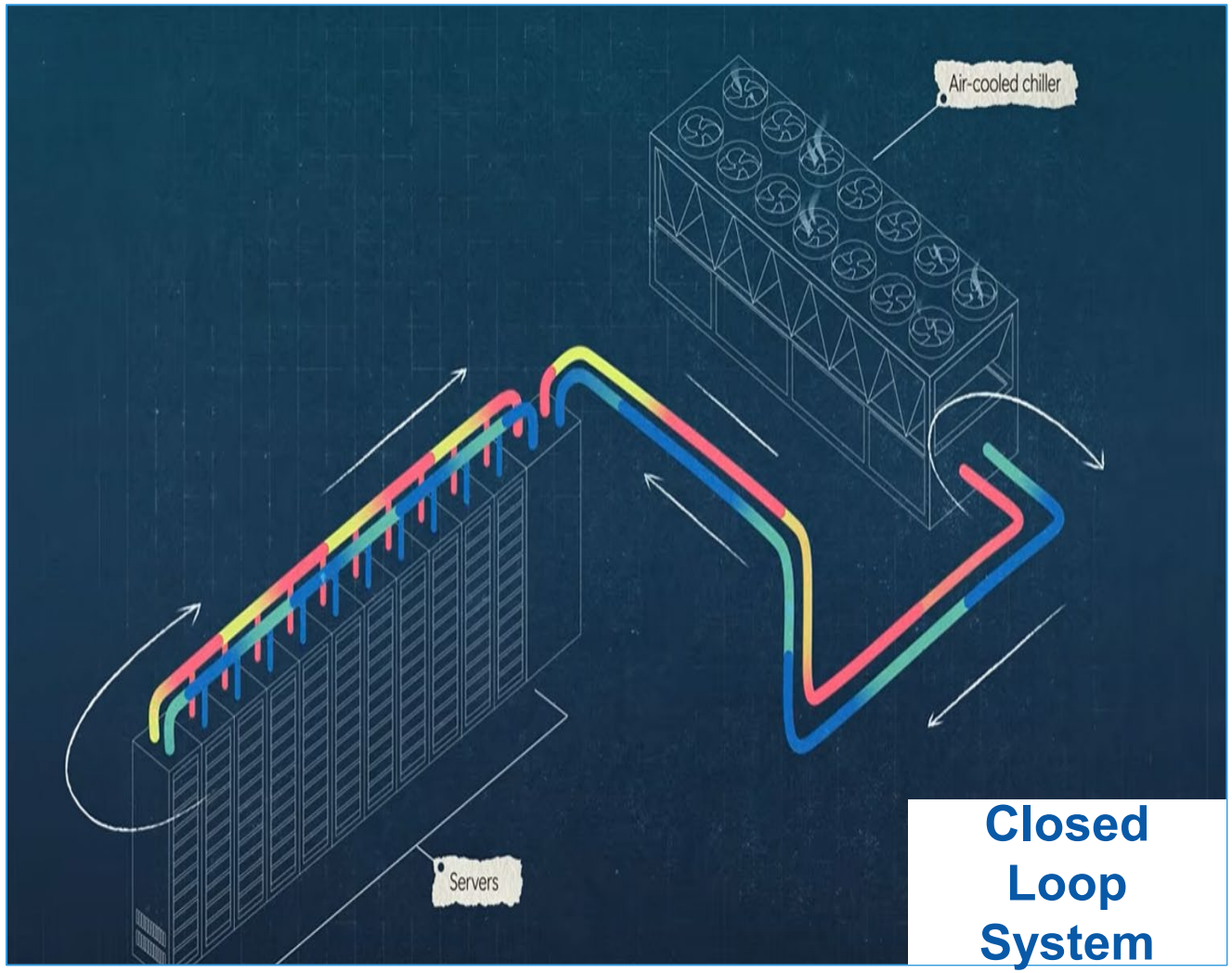
Operational Aspects: Cooling and Ventilation



Evaporative System



Closed Loop System

Operational Aspects: Utility Capacity

- Requires significant infrastructure to operate. These items are negotiated with the utility.
- Without adequate safeguards, costs of improvements to accommodate data center utility demand can be passed on to the remaining ratepayers in the community.
- Review of cost increases is governed by PSC
- Potential for “stranded assets”

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Operational Aspects: Emergency Generators

- Generators are designed to provide a backup power source in the event of issues with the primary power source
- Can be powered through electricity, natural gas, or diesel fuel
- Tested regularly to ensure working operation

Potential Land Use Impacts

- Land use impacts vary based upon the size of the facility as well as the technology/processes being utilized
- These land use impacts can include:
  - Demand on power grid/ impacts on utility rates
  - Water consumption and discharge
  - Noise levels- both constant and peak events
  - Lighting
  - Impervious surface
  - Loss of jobs-producing industrial land

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Initiation Text Framework

- Major Data Centers: Not permitted in any zone
- Minor Data Centers: Conditional Use in the B-4 and I-1 Zones
  - 50,000 square foot structure limit
  - Energy Plan
  - Water Plan
  - Noise Plan/standards
  - Spacing requirement from sensitive uses and zones
  - Generator requirements
  - Additional conditions as required by the Board of Adjustment
- Server Room: Accessory use that is scaled to the size of the overall facility
  - The larger of 2,000 square feet or 10% of the principal use.

Planning Commission Public Hearing

- Held a standalone meeting for Data Center discussion and comment on July 30, 2026
- Planning Staff presented the initiation text and answered questions
- Meeting lasted 5.5 hours and included 44 individuals providing public comment
  - Topics included concerns relating to hyper-scale data centers, impacts on the environment, utility costs, impacts on neighborhoods, and impacts to existing businesses.
- Voted 7-2 to recommend approval of the ZOTA, with the inclusion of several Planning Commission amendments

Planning Commission Recommended Text

- Modified Minor Data Center definition
  - From 50,000 square feet to **40,000 square feet**
  - Included a **25 MW** energy capacity cap
- Inclusion of additional required studies/plans
  - Stormwater management plan
  - Energy efficiency plan
  - Water quality and utilization plan
  - Decommissioning plan
- Modified spacing requirements
  - Increased buffer from 1,000 feet to **1,500 feet**
  - Included additional sensitive uses within the spacing requirement
- Reduced the allowable noise level at the property line of an adjoining residential zone or use to **30dB, 24 hours per day**
- Removed size restrictions for Server Room definition

Planning Commission Findings

Having considered the above matter on **July 30, 2026**, at a Public Hearing, and having voted **7-2** that this Recommendation be submitted to the Lexington-Fayette Urban County Council, the Urban County Planning Commission does hereby recommend **APPROVAL OF THE AMENDED TEXT** of this matter for the following reasons:

1. The proposed text amendment clearly defines data centers and removes outdated language related to "data processing centers" from the Zoning Ordinance, which provides clarity for the land use regulations of Lexington-Fayette County.

2. The proposed language protects local communities by prohibiting major data centers, which are the largest and most impactful type. Such data centers have a high likelihood of noise, emissions, energy and water consumption that can negatively impact the community.

3. The proposed text amendment creates strict, enforceable criteria for evaluating minor data centers, and ensures that there are opportunities for public input and participation in the planning process and focuses such uses in industrial areas which minimizes the external impacts on the community.

4. Lastly, the proposed text amendment allows for accessory server rooms to operate without requiring additional review or approval. Such uses provide on-site support for existing business and industrial uses within Lexington-Fayette County and are proportional to the square footage of the existing principal permitted use.

Next Steps

- Committee of the Whole meeting
  - Tuesday, October 6, 2026, at 5:30 PM in Council Chamber
  - Public Comment allowed
- Requires two readings at subsequent Urban County Council meetings
- Data Center Moratorium expires on October 31, 2026

Questions?

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