Comparison of Memphis Data Center Ordinances

Data Center Proposals – Discussion Items 10-6-2026:

1. **Ordinance 5982 – Temporary Moratorium**
2. **Ordinance 5985 – Strategic Large-Load & Digital Infrastructure District Program**
3. **Ordinance 5986 – Large-Scale Data Center Regulation (UDC Amendment)**
4. **Resolution – Comprehensive Data Center Standards**

I. Comparison

Purpose of Each Ordinance

- **5982 (Moratorium)** – Temporarily halts new data-center approvals to prevent vested rights under insufficient regulations and allow study of impacts (pp. 1–4).
- **5985 (Strategic District Program)** – Creates a long-term, source-neutral regulatory/economic system for large-load computing facilities (pp. 18–33).
- **5986 (Regulation of Data Centers)** – Establishes detailed development, cooling, water, energy, emissions, expansion, and enforcement rules for data centers (pp. 29–47).
- **Resolution (Comprehensive Standards)** – Sets Council policy priorities for future ordinances related to infrastructure cost, water, energy, noise, community benefits (pp. 52–54).

II. Cross-Ordinance Comparison Table

Policy Area	Ordinance 5982 (Moratorium)	Ordinance 5985 (Strategic District)	Ordinance 5986 (UDC Amendment)	Council Resolution
Definitions	Defines Data Center & High-Density Facility (Sec. 1, p. 2).	Defines Covered Facilities ≥10 MW & numerous technical terms (Sec. 3, pp. 18–20).	Defines Data Center & Large Data Center ≥20 MW (Sec. 1–2, pp. 29–30).	Provides no definitions; sets policy priorities.
Applicability	Applies citywide; prohibits processing of permits (Sec. 2, p. 2).	Applies prospectively to new or expanding large-load computing facilities (Sec. 5).	Applies to all data centers and expansions (Sec. 3).	Applies to all future policy/ordinance development.

Water & Cooling Blue	None—study only (Sec. 4).	Creates Memphis Water Assurance Standard (Sec. 12). Requires closed-loop, non-potable systems; strict potable-water waivers.	Prohibits evaporative & once-through cooling; bans major withdrawals; requires closed-loop & conservation plan (Secs. 6–12).	Requires closed-loop cooling, prevents aquifer withdrawals, requires reporting (Sec. 4).
Energy & Electrical Load Green	Study only; no operational rules.	Requires full-site MSED disclosure; dual energy-path review; onsite generation rules (Secs. 8–10).	Requires increasing renewable electricity percentages (Sec. 13) and carbon phase-out (Sec. 15).	Requires disclosure of all generation sources and emissions reporting (Sec. 5).
Zoning, Siting & Land Use Orange	Freezes rezonings & site approvals (Sec. 2).	Creates site-selection rules for District No. 1 (Sec. 17).	Embeds standards in UDC; requires approvals for siting & expansions (Sec. 4).	Requires buffers, noise limits, siting protections (Sec. 3).
Fiscal & Economic Provisions Purple	None.	Creates Recurring Fiscal Floor, Growth Dividend (0.5%), SDA requirements (Secs. 13–16).	Requires developer-funded electrical infrastructure (Sec. 19).	Requires cost-responsibility, community benefits, fiscal transparency (Secs. 1–2).
Enforcement & Reporting Red	Not applicable; moratorium only.	Requires annual reporting, enforcement through SDA, audits (Sec. 20).	Heavy enforcement powers including penalties, permit denial (Sec. 23).	Requires reporting on air, water, noise, community impacts (Sec. 4–7).

III. Detailed Comparison

A. Water & Cooling Regulations

5982 – Moratorium

- Calls for the study of cooling technologies and water use (Sec. 4, p. 3).

5985 – Strategic District Ordinance

- Introduces **Memphis Water Assurance Standard** (Sec. 12). Requires non-potable or dry cooling, separate metering, WUE reporting, drought plans, and limits aquifer withdrawal.

5986 – UDC Amendment

- **Prohibits evaporative cooling** and **requires closed-loop cooling** (Sec. 6).
- Bans major groundwater withdrawals (Sec. 7).
- Requires conservation plan, metering, annual reporting (Secs. 10–12).

Resolution

- Requires closed-loop or water-efficient cooling; prohibits aquifer withdrawals (Sec. 4, pp. 52–53).

B. Energy, Carbon & Load Requirements

5982

- Only requires study of electrical infrastructure impacts (Sec. 4).

5985

- Requires MSED disclosure & two energy paths (Sec. 8).
- Requires full-site energy modeling, onsite generation requirements, emissions disclosure.
- Integrated into approval scoring (Resource & Return Ledger, Sec. 14).

5986

- Progressive renewable-energy requirements (Sec. 13).
- Carbon-based electricity phase-out over 10 years (Sec. 15).
- Backup generator restrictions (Sec. 16).

Resolution

- Calls for emissions reporting & monitoring (Sec. 5).

C. Siting, Zoning & Land Use

5982

- Halts zoning approvals and requires siting studies (Sec. 2).

5985

- Creates Digital Infrastructure District No. 1 with site-selection rules based on utilities, water, impacts (Sec. 17).

5986

- Requires UDC amendments; establishes development approval requirements (Secs. 4–5).

Resolution

- Requires buffers, setbacks, noise limits, community engagement (Sec. 3).

D. Fiscal, Cost-Responsibility & Incentive Requirements

5982

- None applicable.

5985

- Introduces **Recurring Fiscal Floor** guaranteeing minimum tax equivalents (Sec. 13).
- **Regional Growth Dividend** of 0.5% of facility capital expenditures (Sec. 16).
- Requires Strategic Development Agreements with performance guarantees (Sec. 15).

5986

- Requires developers to pay incremental electrical-infrastructure costs (Sec. 19).

Resolution

- Requires applicants to cover infrastructure costs, provide community benefits, financial transparency (Secs. 1–2).

E. Enforcement & Reporting

5982

- Moratorium only; no reporting requirements.

5985

- Annual reporting for Tier II/III facilities including energy, water, emissions, workforce (Sec. 20).
- Enforcement via contract, security instruments, and audits.

5986

- Mandatory annual compliance certification; penalties, permit suspension, revocation (Sec. 23).
- Public Data Center Register required (Sec. 21).

Resolution

- Calls for quarterly public air-quality reports & community-accessible information (Sec. 4).