

Summary and Fiscal Note

1. Legislation Summary

Department: Legislative

Title: An ordinance relating to land use and zoning; introducing a new definition for data centers; adopting a moratorium on the filing, acceptance, processing, or approval of applications for the establishment or expansion of, or change of use to, data centers; amending Section 23.84A.008 of the Seattle Municipal Code; approving a work plan; declaring an emergency; and establishing an immediate effective date; all by a 3/4 vote of the City Council.

Background: Large scale data centers developed in other parts of the country demonstrate the potential for adverse utility and land use impacts for local jurisdictions. While smaller scale data centers exist in Seattle today, Seattle has no land use regulations specific to data centers. Developers of large scale data centers have expressed interest in locating in Seattle, creating an emergency where permit applicants for data centers could vest to Seattle's current codes that do not account for potential impacts of such development. The City Council proposes a new definition of data centers in Seattle Municipal Code as a facility (1) used primarily for the housing, operation, or co-location of computer and networking equipment and the handling, storing, managing, processing, and backing up of digital data; (2) having capacity in excess of 20 Megavolt-Amperes (MVA); and (3) generally requiring uninterruptible power supplies and associated infrastructure such as cooling systems, backup power

systems, and battery storage. This legislation would enact a one-year moratorium on the acceptance, processing, or approval of permit applications for data centers until regulations including land use and zoning, mitigation measures for probable impacts, and appropriate fee structures for electricity usage, are developed.

2. Capital Improvement Program (CIP)

Does this legislation create, fund, or amend a CIP Project?

☐ Yes

☒ No

a. CIP Project Name:

b. Master Project ID:

c. Project Location:

d. Start Date:

e. End Date:

f. Total Project Cost Through 2030:

3. Summary of Financial Implications

Does this legislation have financial impacts to the City?

☐ Yes

☒ No

3d. Other Financial Impacts

a. Does this legislation create any other financial impacts for The City of Seattle, such as direct or indirect costs, one-time or ongoing, that aren't mentioned above? If yes, please explain these impacts.

This moratorium does not obligate funds, but the work described in Attachment A will require funding to complete. Additional funding will be required to be identified during the next budget cycle.

b. If the legislation has costs that can be covered within the current budget, explain how. Does the department have extra resources in its budget to handle these costs? Or does the department need to shift resources away from other work to handle these costs?

Resources may need to be shifted away from other work to handle this cost given the unexpected nature of an emerging issue area as well as the potential interdepartmental nature of the work.

c. What financial costs or other impacts might happen if this legislation is not implemented?

Not implementing the legislation could result in development within city limits of large scale data centers. Such a facility could increase demands for utilities including, but not limited to, electricity and water. This could increase costs for utility customers.

d. How might this legislation affect other City departments besides the one that proposed it?

This legislation directly affects the Seattle Department of Construction and Inspections, the Seattle Department of Transportation, Seattle Public Utilities, and other departments that play a role in approving and inspecting new development for compliance with City codes. The legislation indirectly affects Seattle City Light in that it may inform the upcoming rates ordinance related to large load customers.

4. Other Impacts

a. Does this legislation require a public hearing?

☒ Yes

☒ No

The hearing will occur within 60 days of passage, pursuant to RCW 36.70A.390.

b. Does this legislation require a notice to be published in The Daily Journal of Commerce and/or The Seattle Times?

☒ Yes

☒ No

c. Does this legislation affect a piece of property?

No.

d. Race and Social Justice Initiative impacts:

1. How does this legislation affect vulnerable or historically disadvantaged communities? How did you come to this conclusion?

Please consider both impacts within City government (like employees and internal programs) and in the broader community.

N/A

2. Please attach any Racial Equity Toolkits or other racial equity analyses used to develop or assess this legislation.

N/A

3. What is the Language Access Plan for communicating with the public about this legislation?

N/A

e. Climate change impacts:

1. Emissions: Will this legislation significantly increase or decrease carbon emissions? Attach any studies or materials that inform your answer.

This legislation will not directly affect carbon emissions, but the work that occurs as part of the workplan in Attachment A will have impacts on future emissions from data center development. If this legislation is not implemented, large-scale data center development may significantly increase carbon emissions.

2. Resiliency: Will this legislation make Seattle more or less able to adapt to climate change? If it reduces resiliency, explain what can be done to lessen the impact.

This legislation will not directly affect Seattle's resiliency, but the work that occurs as part of the workplan in Attachment A will have impacts on Seattle's resiliency from the perspective of data access and utility usage and infrastructure.

f. If this legislation creates a new program or expands an existing one, what are the long-term, measurable goals? How will this legislation help achieve those goals? What methods will be used to track progress?

N/A

g. Does this legislation create a non-utility CIP that involves shared funding with a non-City partner or organization?

No