

**Agenda Sheet for City Council:****Committee:** Urban Experience **Date:** 06/15/2026**Committee Agenda type:** Discussion**Date Rec'd**

6/10/2026

Clerk's File #

ORD C36887

Cross Ref #**Project #****Council Meeting Date:** 06/15/2026**Submitting Dept**

CITY COUNCIL

Bid #**Contact Name/Phone**

SARAH DIXIT 625-6275

Requisition #**Contact E-Mail**

SDIXIT@SPOKANECITY.ORG

Agenda Item Type

Emergency Ordinance

Council Sponsor(s)

SDIXIT KTELIS PDILLON

Sponsoring at Administrators Request

NO

Lease? NO**Grant Related?** NO**Public Works?** NO**Agenda Item Name**

INTERIM ORDINANCE IMPOSING MORATORIUM ON DATA CENTERS

Agenda Wording

An ordinance imposing an immediate one-year citywide moratorium on the filing, acceptance, processing, review, and approval of applications to establish or expand data centers, setting a public hearing; and declaring an emergency.

Summary (Background)

This ordinance would impose moratorium is imposed on the filing, acceptance, processing, review, and approval of applications to establish or expand data centers, either as principal or accessory uses, or through a change of use to a data center as defined in Section 2 of this ordinance, whether as a component of a project or as the entire project for which a permit is sought. Under the ordinance, the moratorium would remain in effect for a period of one year, beginning on the date of its adoption. During this period, the City will evaluate the impacts of data center projects in the context of the City's Comprehensive Plan, Water Conservation Plan, Water System Plan, and economic development strategy, and update its Comprehensive Plan and development regulations accordingly. The ordinance directs the city to conduct a a work plan related to this ordinance, which shall include continued public participation and notice pursuant to chapter 17G.025 SMC. Work plan efforts will evaluate the potential harmful impacts of data centers and consideration of the proper procedural requirements to protect health, safety, welfare, and the natural environment. This ordinance sets the public hearing for the moratorium for July 22, 2026.

PASSED BY
SPOKANE CITY COUNCIL:

06/22/2026

CITY CLERK

What impacts would the proposal have on historically excluded communities?

All members of the Spokane community, including those in historically marginalized communities, will benefit from protection of the Spokane Aquifer, an essential natural resource.

How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities?

Data will be collected as part of the required work plan.

How will data be collected regarding the effectiveness of this program, policy, or product to ensure it is the right solution?

Data will be collected as part of the required work plan.

Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others?

Comprehensive Plan Policy CFU 5.2 – Water Conservation calls for the City to “Encourage public and private efforts to conserve water”. Comprehensive Plan Goal NE 18 - Energy Conservation states: “Promote the conservation of energy in the location and design of residential, service, and workplaces. Comprehensive Plan Policy ED 2.1 – Land Supply calls for the City to “Ensure opportunities for locating a variety of desirable, livable wage industries in Spokane that are environmentally compatible with adjacent land uses and support a range of employment types Comprehensive Plan Policy ED 3.8 – Technology-Based Industries calls on the City to “Encourage the development of advanced and emerging technology-based industries.” City of Spokane’s

Council Subcommittee Review

Not assigned to subcommittee.

Fiscal Impact			
Approved in Current Year Budget? N/A			
Total Cost		\$	
Current Year Cost		\$	
Subsequent Year(s) Cost		\$	
<u>Narrative</u>			
Amount		Budget Account	
Select	\$	#	
Select	\$	#	
Select	\$	#	
Select	\$	#	
Select	\$	#	
Select	\$	#	
Funding Source		N/A	
Funding Source Type		Select	
Is this funding source sustainable for future years, months, etc?			
Expense Occurrence		N/A	
Other budget impacts (revenue generating, match requirements, etc.)			
Approvals		Additional Approvals	
<u>Dept Head</u>			
<u>Division Director</u>			
<u>Accounting Manager</u>	BUSTOS, KIM		
<u>Legal</u>	SCHOEDEL, ELIZABETH		
<u>For the Mayor</u>			
Distribution List			

ORDINANCE NO. C36887

An ordinance imposing an immediate one-year citywide moratorium on the filing, acceptance, processing, review, and approval of applications to establish or expand data centers, setting a public hearing; and declaring an emergency.

WHEREAS, the proliferation of data centers has the potential to significantly impact the City of Spokane's energy and water infrastructure, utility affordability and reliability, jobs and economic development, public health, and the environment; and

WHEREAS, data centers consume large amounts of electricity and use significant amounts of water for cooling equipment; and

WHEREAS, data centers can produce a significant amount of noise and heat, which can negatively impact the health and wellbeing of surrounding communities; and

WHEREAS, the Spokane-Valley-Rathdrum Prairie Aquifer is the sole source of drinking water for over half a million residents in Spokane County and Kootenai County, Idaho; and

WHEREAS, the voters of Spokane County overwhelmingly approved the Aquifer Protection Area (APA) Renewal and Expansion Ballot Measure on August 5, 2025; and

WHEREAS, the City of Spokane's Comprehensive Plan Policy CFU 5.2 – Water Conservation calls for the City to "Encourage public and private efforts to conserve water"; and

WHEREAS, the City of Spokane's Water Conservation Plan envisions a reliable, sustainable, and resilient water supply where "Spokane water customers and City facilities are using water efficiently, new development construction is designed to minimize water use, and fixtures in existing developments have been upgraded to maximize water efficiency."; and

WHEREAS, the Washington State Department of Revenue's Data Center Workgroup Preliminary Report, published in December 2025, found "The direct water requirements of data centers can be substantial, depending on the size and type of cooling system used. This can affect water resources, such as water availability and water quality, through discharges of pollutants and effects on water temperatures. There could be potential impacts to public infrastructure, such as municipal water facilities, habitats, species, critical areas, and to Tribal rights, interests, and resources."; and

WHEREAS, the City of Spokane's Comprehensive Plan Goal NE 18 - Energy Conservation states: "Promote the conservation of energy in the location and design of residential, service, and workplaces."; and

WHEREAS, the Washington State Department of Revenue's Data Center Workgroup Preliminary Report found "The global electricity requirements of data centers are substantial and growing rapidly in response to businesses and consumers demanding more data services. Data centers are the largest source of expected load growth in the Pacific Northwest. Potential growth in data centers in Washington would require significant electric power grid expansion, including generating resources, substations, and local and regional transmission capacity."; and

WHEREAS, the City of Spokane's Comprehensive Plan Policy ED 2.1 – Land Supply calls for the City to "Ensure opportunities for locating a variety of desirable, livable wage industries in Spokane that are environmentally compatible with adjacent land uses and support a range of employment types."; and

WHEREAS, the City of Spokane's Comprehensive Plan Policy ED 3.8 – Technology-Based Industries calls on the City to "Encourage the development of advanced and emerging technology-based industries."; and

WHEREAS, the City of Spokane's Comprehensive Plan Policy ED 4.1 – Livable Wage calls for the City to "Encourage the recruitment of businesses that pay wages at least commensurate with the cost of living and that provide health and retirement benefits."; and

WHEREAS, a 2025 report commissioned by the Data Center Coalition found the data center industry contributed 8,990 direct jobs in Washington in 2023 and a total employment contribution of 47,960 in Washington when combined with indirect and induced effects; and

WHEREAS, the City of Spokane's Comprehensive Plan Policy LU 5.1 – Built and Natural Environment calls for the City to "Ensure that developments are sensitive to the built and natural environment (for example, air and water quality, noise, traffic congestion, and public utilities and services), by providing adequate impact mitigation to maintain and enhance quality of life."; and

WHEREAS, the City of Spokane Comprehensive Plan Policy ED 8.2 – Sustainable Economic Strategies supports the City's efforts to "achieve economic development in a manner that minimizes physical, social, and environmental impacts"; and

WHEREAS, the combined and cumulative impacts of large electrical loads, emissions, and water use associated with new or expanded data centers may exceed available infrastructure capacity and resources, may require substantial unplanned capital investments, may affect environmental quality, including watershed and aquatic systems, and wastewater treatment, may impair the City's ability to meet climate and resource management goals, and may affect the health and wellbeing of residents from air pollution, noise, and heat emissions; and

WHEREAS, the City of Spokane recognizes that data centers have the potential to contribute to the local economy, but require consideration for potential harmful impacts; and

WHEREAS, the Spokane Municipal Code does not currently have a definition for data centers, nor have current regulations and processes been developed by the City with adequate consideration of the unique impacts of data centers; and

WHEREAS, the City of Spokane is in the middle of its Comprehensive Plan periodic update and a review and modernization of its development regulations; and

WHEREAS, the City of Spokane needs additional time to analyze and determine how best to update regulations to address data centers; and

WHEREAS, the City of Spokane intends to evaluate the impacts of data centers in the context of the City's Comprehensive Plan, Water Conservation Plan, Water System Plan, and economic development strategy; and

WHEREAS, the City of Spokane intends to develop consistent processes for mitigating the harmful impacts of data centers, recognizing their potential economic benefit, establishing transparency and opportunities for public comment in review, and upholding private property rights as required under state and federal law; and

WHEREAS, the City Council has learned that the Spokane region is being considered for location of data centers, including facilities within city limits; and

WHEREAS, the prospect of location of a data center in the city limits is sudden and unexpected, and requires immediate action to prevent or mitigate the threat of vesting of applications under the current municipal development code; and

WHEREAS, the normal course of legislative procedures of the City Council cannot timely prevent the vesting of applications for data centers, and, this ordinance needs immediate effect to prevent harm to the community or government functions;

NOW, THEREFORE, the City of Spokane does ordain:

Section 1. Findings of Fact. The recitals set forth above are hereby adopted as the City Council's initial findings of fact in support of the citywide moratorium established by this ordinance. The City Council may, in its discretion, adopt additional findings after the public hearing referenced in Section 6 below.

Section 2. Definition. "Data Center" is defined as a business or commercial activity: (1) devoted to the housing, operation, or co-location of computer and networking equipment and the handling, storage, management, processing, and backing up of digital data; (2) requiring electrical capacity in excess of 25 Megavolt-Amperes (MVA); and (3) requiring uninterruptible power supplies and associated infrastructure such as cooling

systems, backup power systems, and battery storage. For purposes of this Section 2, a site may have multiple uses, but only those uses satisfying the definition of a “data center” shall be restricted under this ordinance.

Section 3. Moratorium Imposed. A citywide moratorium is imposed on the filing, acceptance, processing, review, and approval of applications to establish or expand data centers, either as principal or accessory uses, or through a change of use to a data center as defined in Section 2 of this ordinance, whether as a component of a project or as the entire project for which a permit is sought.

Section 4. Duration of Moratorium. The moratorium imposed by this Ordinance shall be in effect for a period of one year, beginning on the date of its adoption. During this period, the City will evaluate the impacts of data center projects in the context of the City’s Comprehensive Plan, Water Conservation Plan, Water System Plan, and economic development strategy, and update its Comprehensive Plan and development regulations accordingly.

Section 5. Work Plan. Pursuant to RCW 36.70A.390, the City’s Climate Resilience and Sustainability Board and the City’s Plan Commission are directed to develop a “Data Center Impact Review and Policy Framework,” to include, but not limited to, an evaluation of the potential harmful impacts of data centers and consideration of the proper procedural requirements to protect health, safety, welfare, and the natural environment. Such work plan shall include continued public participation and notice pursuant to chapter 17G.025 SMC. Resolution 2025-0125 - Establishing the 2026 Climate Resilience and Sustainability Board Work Plan, and Resolution 2026-0024 - Establishing the Plan Commission Work Program for 2026 / 2027, are hereby amended to include a Data Center Impact Review and Policy Framework.

Section 6. Public Hearing. Pursuant to RCW 35.63.200 and 36.70A.390, the City Council will hold a hearing on this moratorium on July 22, 2026. Immediately after the public hearing, the City Council may adopt additional findings of fact on the subject of this moratorium.

Section 7. Clerical Errors. Upon approval by the city attorney, the city clerk is authorized to make necessary corrections to this ordinance, including scrivener’s errors or clerical mistakes; references to other local, state, or federal laws, rules, or regulations; or numbering or referencing of ordinances or their sections and subsections.

Section 8. Emergency Clause. The City Council declares that an urgency and emergency exists such that this ordinance is needed for the immediate preservation of the public peace, health, or safety, and/or for the immediate support of City government and its existing public institutions, and that because of such need, this ordinance shall be effective immediately under Section 19 of the City Charter and under Section 01.01.080

of the Spokane Municipal Code, upon the affirmative vote of one more than a majority of the City Council.

PASSED by the City Council on June 22, 2026

Betsy J. Wilkerson
Council President

Attest:

Approved as to form:

Shirley R. Byrd
City Clerk (Acting)

[Signature]
City Attorney

[Signature]
Mayor

June 30, 2026
Date

June 22, 2026
Effective Date