

ORDINANCE NO. 2026-11

**AN ORDINANCE IMPOSING A TEMPORARY MORATORIUM ON THE
ESTABLISHMENT OF DATA PROCESSING CENTERS**

WHEREAS, the Board of Commissioners of the Town of Spring City, Tennessee, has determined that data processing centers, data centers, high-density computing facilities, cryptocurrency mining facilities, artificial intelligence computing facilities, and similar technology-based uses are emerging land uses that may not be fully addressed by existing local regulations; and

WHEREAS, such facilities may involve the installation and operation of computer systems, servers, data storage systems, networking equipment, cooling systems, backup generators, electrical infrastructure, mechanical equipment, water and sewer infrastructure, and other equipment necessary for continuous digital data operations; and

WHEREAS, such facilities may create significant issues involving land use compatibility, utility demand, electrical capacity, water usage, wastewater capacity, stormwater management, noise, vibration, heat generation, backup power generation, fire protection, emergency response, environmental conditions, public infrastructure, and the public health, safety, and welfare; and

WHEREAS, the Board of Commissioners finds that a temporary moratorium is necessary and appropriate to allow sufficient time for the Spring City Planning Commission, the Board of Commissioners, Town staff, utility personnel, and legal counsel to study and research the land use compatibility, infrastructure impacts, environmental and health impacts, and broader policy considerations associated with data processing centers; and

WHEREAS, the purpose of this moratorium is not to permanently prohibit data processing centers, but to allow the Town sufficient time to evaluate and prepare appropriate definitions, zoning classifications, permitting procedures, development standards, utility requirements, and operational safeguards for such facilities; and

WHEREAS, the Board of Commissioners finds that immediate adoption of a temporary moratorium is in the best interest of the Town and is necessary for the protection of the public health, safety, morals, convenience, order, prosperity, and general welfare of the Town of Spring City.

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the Town of Spring City, Tennessee, as follows:

SECTION 1. TEMPORARY MORATORIUM IMPOSED.

A temporary moratorium is hereby imposed for a period of two (2) years from the effective date of this Ordinance on the establishment, construction, expansion, relocation, or operation of any Data Processing Center, Data Center, High-Density Computing Facility, Cryptocurrency Mining Facility, Artificial Intelligence Computing Facility, or similar facility within the corporate limits of the Town of Spring City, Tennessee.

During the moratorium period, the Town shall not accept, review, process, approve, or issue any rezoning request, zoning approval, site plan, development plan, subdivision plat, building permit,

land disturbance permit, certificate of zoning compliance, certificate of occupancy, utility service commitment, or other municipal approval or permit for any facility or use subject to this Ordinance.

SECTION 2. DEFINITION OF DATA PROCESSING CENTER.

For purposes of this Ordinance, the terms "Data Processing Center" and "Data Center" mean any property, building, structure, facility, campus, or portion thereof that is designed, constructed, maintained, or operated for the primary purpose of housing, operating, or supporting computer systems, servers, processors, networking equipment, data storage systems, telecommunications equipment, artificial intelligence computing equipment, blockchain processing equipment, cryptocurrency mining equipment, cloud computing equipment, or similar high-density digital data equipment.

A Data Processing Center may include, without limitation, equipment rooms, server halls, mechanical and electrical equipment, cooling systems, water-cooling systems, air-handling equipment, backup generators, batteries, transformers, substations, switchgear, utility yards, fuel storage, security improvements, and other facilities or equipment necessary or accessory to the continuous operation of digital data operations.

SECTION 3. RELATED DIGITAL DATA OPERATIONS INCLUDED.

For purposes of this Ordinance, facilities used for cryptocurrency mining, blockchain validation, artificial intelligence processing, machine learning computation, cloud computing, data storage, high-density digital processing, or similar digital data operations shall be considered Data Processing Centers when such activity is the principal use of the property or facility, or when the scale of the activity creates impacts substantially similar to a Data Processing Center.

SECTION 4. EXCEPTIONS.

This Ordinance shall not apply to ordinary computer servers, network equipment, telecommunications equipment, or data systems that are accessory and incidental to a lawful principal use, including but not limited to municipal buildings, offices, schools, banks, medical offices, retail establishments, industrial facilities, or similar establishments, provided that such equipment is not operated as the principal use of the property and does not constitute a high-density computing or digital data operation as described in this Ordinance.

This Ordinance shall not prohibit the routine maintenance, repair, replacement, or upgrade of ordinary computer, network, telecommunications, or data equipment that is accessory to an existing lawful principal use and that does not increase the property into a use subject to this moratorium.

SECTION 5. DIRECTION TO PLANNING COMMISSION AND STAFF.

During the moratorium period, the Spring City Planning Commission, Town staff, utility personnel, and legal counsel are directed to study and make recommendations to the Board of Commissioners concerning appropriate regulations for Data Processing Centers and related digital data operations.

The study and recommendations may include, but are not limited to, definitions, zoning districts, permitted uses, prohibited uses, special exception or conditional use procedures, site plan standards, setbacks, buffering, screening, noise and vibration limits, water usage, sewer impacts, stormwater management, electric demand, backup generators, fuel storage, fire protection, emergency response, environmental impacts, traffic impacts, application materials, infrastructure impact studies, utility service requirements, and any other standards necessary to protect the public health, safety, and welfare of the Town.

SECTION 6. APPLICATIONS FILED DURING MORATORIUM.

Any application, request, plan, permit, approval, or utility service request submitted during the moratorium period for a use subject to this Ordinance shall not be accepted, reviewed, processed, approved, or issued by the Town until the moratorium expires or is repealed or amended by subsequent ordinance of the Board of Commissioners.

SECTION 7. DURATION; EARLY TERMINATION.

Unless extended, amended, or repealed by subsequent ordinance, this moratorium shall expire two (2) years from the effective date of this Ordinance. The Board of Commissioners may repeal or amend this moratorium before that date if appropriate regulations are adopted or if the Board otherwise determines that the moratorium is no longer necessary.

SECTION 8. SEVERABILITY.

If any section, subsection, sentence, clause, phrase, or provision of this Ordinance is for any reason held invalid, unconstitutional, or unenforceable by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance, which shall remain in full force and effect.

SECTION 9. CONFLICTING PROVISIONS.

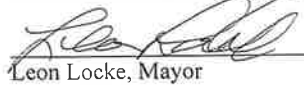
All ordinances, resolutions, policies, procedures, or parts thereof in conflict with this Ordinance are hereby repealed to the extent of such conflict only.

SECTION 10. EFFECTIVE DATE.

This Ordinance shall take effect immediately upon final passage, the public welfare requiring it.

Passed on First Reading:	July 16, 2026
Public Hearing Held:	July 30, 2026
Passed on Second and Final Reading:	July 30, 2026

TOWN OF SPRING CITY, TENNESSEE

	
Leon Locke, Mayor	Date

ATTEST:	30
	7-16-26
Brenda Dodson, City Recorder	Date