



bfritz@albemarle.org Telephone: (434) 296-5832 ext. 3242

To: Albemarle County Board of Supervisors

From: William D. Fritz, AICP

RE: Data Center Phase 2 Zoning Text and Zoning Map Amendment Update Presentation

Date: October 1, 2025

The Board of Supervisors adopted regulations for data centers on April 2, 2025. This was intended to be the first phase of regulations for data centers. Following the adoption of a resolution of intent to consider additional regulations the Board of Supervisors held a work session on August 8, 2025 to discuss potential regulations and overlay districts for data centers. During that meeting the Board of Supervisor's noted concerns about the location of potential overlay districts including the relationship to existing or potential residential development. During the work session the Board of Supervisors expressed a desire to address the environmental impacts of data centers. Staff noted that additional work was required to address noise and water consumption associated with data centers.

After considering the concerns stated by the Board of Supervisors about the relationship of the potential overlay districts to existing or proposed residential development, it was determined that some of the districts were no longer viable with the imposition of the setbacks recommended by the Board of Supervisors. Staff has researched potential regulations to address the environmental impacts of the data centers, but could not create one standard set of requirements that would address every by-right application.

After discussions with the Rivanna Water and Sewer Authority (RWSA) and the Albemarle County Service Authority (ACSA) staff's opinion is that adequate water supply is likely available for any large-scale data centers that may be proposed. However, a special use permit review can assure the concurrency of adequate infrastructure with the specific water demands on a case-by-case review. It should be noted that staff believes that adequate water can be supplied to any data center currently permitted by-right based on the 40,000 square foot size limit and the requirement that if water is used for cooling, the facility uses a closed loop cooling system.

Staff has previously noted that data centers are a changing industry, and both their design and their impacts continue to evolve. The regulation of data centers by localities is also evolving as additional information becomes available. Given the pace of change, any regulation the County adopts could become outdated quickly.

Staff recommends that the County pause the consideration of new regulations and any potential overlay districts. This pause will allow the County to evaluate the changing regulatory environment for data centers and the evolving nature of data centers. A pause in adoption of new ordinances will allow the County to evaluate and implement any potential legislation adopted by the General Assembly in the upcoming legislative session. During this pause the County will retain the existing ordinance and process any large-scale data center by special use permit. The special use permit process allows for public input and for the review of impacts on the character of the area. It also allows consideration of all impacts associated with the specific design of the facility and application of the most up-to-date regulations and conditions.