

## CITY OF MINNETRISTA



### CITY COUNCIL AGENDA ITEM

---

**Subject:** **Ordinance No. 509 Authorizing a Study and Imposing a Moratorium on Data Centers**

**Prepared By:** **David Abel, Community Development Director**  
**Sarah Sonsalla, City Attorney**

**Meeting Date:** **August 3, 2026**

---

#### **Issue:**

The proposed Ordinance No. 508 is intended to preserve the City's planning process while data center regulations are evaluated. It will protect public health, safety, and welfare and prevent the approval of new data center projects before the City establishes appropriate regulatory standards. This moratorium authorizes a comprehensive study of data centers and their potential impacts on the community.

#### **Overview:**

The proposed ordinance establishes a one-year interim moratorium on the establishment, construction, relocation, and expansion of data centers within the City of Minnetrista while the City studies whether amendments to its Comprehensive Plan, zoning regulations, and other official controls are necessary to appropriately regulate this land use.

The ordinance is authorized under Minnesota Statutes § 462.355, Subdivision 4, which allows municipalities to adopt interim ordinances while conducting planning studies related to land use and development.

Rapid growth in artificial intelligence, cloud computing, and digital storage has significantly increased demand for data centers throughout Minnesota and the United States. These facilities differ substantially from traditional commercial or industrial development due to their:

- Large building footprints
- Significant electrical demand
- Cooling infrastructure
- Water consumption
- Wastewater generation
- Backup power systems
- Noise and mechanical equipment
- Security requirements

#### **Mission Statement:**

The City of Minnetrista will deliver quality services in a cost effective and innovative manner and provide opportunities for a high quality of life while protecting natural resources and maintaining a rural character.

The ordinance finds that Minnetrista's current zoning regulations do not specifically define or regulate data centers, limiting the City's ability to evaluate these projects using existing development standards.

The ordinance defines a data center as a building or facility principally used for storing, managing, processing, or transmitting digital data through computer servers and related equipment. The ordinance excludes equipment that is merely accessory to another lawful principal use, telecommunications facilities regulated separately, and governmental emergency communications facilities.

**Conclusion:**

The interim ordinance remains effective for one year following adoption unless:

- Repealed earlier by the City Council; or
- Superseded by the adoption of permanent data center regulations.

Any extension must comply with Minnesota Statutes § 462.355, including required public hearings and findings.

If adopted, the ordinance temporarily pauses new data center development while the City undertakes a comprehensive planning effort. The moratorium preserves the City's ability to evaluate the unique land use, infrastructure, environmental, and public service impacts associated with data centers before determining whether, where, and under what conditions these facilities should be allowed within Minnetrista.

The ordinance does not permanently prohibit data centers; rather, it provides the City with time to develop informed, locally appropriate regulations before considering future proposals.

**Recommended City Council Action:**

- **Motion to adopt Ordinance No. 509 Authorizing a Study and Imposing a Moratorium on Data Centers.**
- **Motion to adopt Res. No. \_\_\_\_ Authorizing Publish Ordinance No. 509 by Title and Summary**

**Mission Statement:**

The City of Minnetrista will deliver quality services in a cost effective and innovative manner and provide opportunities for a high quality of life while protecting natural resources and maintaining a rural character.

**ORDINANCE NO. 509**

**CITY OF MINNETRISTA  
COUNTY OF HENNEPIN  
STATE OF MINNESOTA**

**AN INTERIM ORDINANCE AUTHORIZING A STUDY AND IMPOSING A MORATORIUM ON  
DATA CENTERS**

**WHEREAS**, significant developments in artificial intelligence, cloud computing, digital storage, and other technologies have increased the demand for facilities used to store, manage, process, and transmit digital data; and

**WHEREAS**, communities throughout Minnesota and the United States have received proposals for the construction and operation of new data centers; and

**WHEREAS**, data centers may involve large buildings, substantial electrical demands, backup power generation, cooling equipment, water use, wastewater generation, exterior mechanical equipment, security infrastructure, and other operational characteristics that may differ from uses currently contemplated by the City's existing land use regulations; and

**WHEREAS**, depending on their size, location, design, and operation, data centers may have impacts relating to land use compatibility, electrical infrastructure, water supply, wastewater systems, stormwater management, noise, air quality, lighting, traffic, emergency services, natural resources, and the environment; and

**WHEREAS**, the City of Minnetrista (the "City") contains a combination of residential, commercial, agricultural, rural, natural-resource, and environmentally sensitive areas that may warrant particular consideration when determining whether, where, and under what conditions data centers should be permitted; and

**WHEREAS**, the City's existing official controls do not expressly define or establish specific zoning regulations for data centers; and

**WHEREAS**, the City Council desires to study data centers and determine whether the City should amend its comprehensive plan, zoning regulations, or other official controls to regulate such facilities; and

**WHEREAS**, Minnesota Statutes, section 462.355, subdivision 4, authorizes a municipality conducting or authorizing a study regarding the adoption or amendment of its comprehensive plan or official controls to adopt an interim ordinance regulating, restricting, or prohibiting a use, development, or subdivision for up to one year in order to protect the planning process and the health, safety, and welfare of its citizens; and

**WHEREAS**, the City Council finds that a temporary moratorium is necessary to preserve the status quo and protect the City’s planning process while the City studies the appropriate regulation of data centers; and

**NOW, THEREFORE BE IT RESOLVED:**

**THE CITY OF MINNETRISTA HEREBY ORDAINS:**

**Section 1.** Purpose and Intent.

The purpose and intent of this interim ordinance (“Ordinance”) are to protect the City’s planning process and the health, safety, and welfare of the residents of the City of Minnetrista (the “City”) by:

- a) imposing, pursuant to Minnesota Statutes, section 462.355, subdivision 4, a temporary moratorium on the establishment, construction, or expansion of data centers within the City; and
- b) authorizing a study concerning whether and how the City’s comprehensive plan, zoning regulations, or other official controls should be amended to regulate data centers.

**Section 2.** Legislative Findings.

The City Council finds and determines as follows:

- a) The City is a municipality and governing body for purposes of the Municipal Planning Act, Minnesota Statutes, sections 462.351 through 462.365.
- b) The City has exercised its authority under the Municipal Planning Act by adopting a comprehensive plan, zoning regulations, subdivision regulations, and other official controls governing the use and development of land within the City.
- c) Minnesota Statutes, section 462.355, subdivision 4, authorizes the City to adopt an interim ordinance regulating, restricting, or prohibiting a use or development while the City conducts or authorizes a study concerning the adoption or amendment of its comprehensive plan or official controls.
- d) Data centers may have unique land use and infrastructure impacts based on their size, intensity, energy demands, cooling systems, water use, wastewater generation, noise, backup power systems, security requirements, and other operational characteristics.
- e) The City’s existing official controls do not expressly define data centers or establish standards governing their location, construction, expansion, or operation.
- f) Without specific regulations, the City may be unable to adequately evaluate and address the potential impacts of data centers through its existing land use regulations.

- g) The City would benefit from studying data centers, their potential local impacts, the availability and capacity of public infrastructure and services, and the regulatory approaches adopted by other governmental entities.
- h) The City should consider whether data centers should be allowed within the City and, if so, the zoning districts in which they should be permitted and the standards, conditions, and approval processes that should apply.
- i) A temporary moratorium is necessary to provide City staff, consultants, the Planning Commission, and the City Council with a meaningful opportunity to complete the study and consider appropriate amendments to the City's official controls before a data center is established, constructed, or expanded within the City.
- j) The moratorium is limited in duration and scope and is reasonably necessary to protect the City's planning process and the health, safety, and welfare of its residents.

### **Section 3. Definitions.**

For purposes of this Ordinance, the following terms have the meanings given:

- a) "Data center" means a building, portion of a building, group of buildings, or other facility principally used for the storage, management, processing, or transmission of digital data and containing computer servers, network equipment, data-storage systems, telecommunications equipment, or similar equipment used for digital data operations.
- b) A data center includes accessory and appurtenant structures, equipment, and infrastructure supporting its operation, including offices, cooling and ventilation systems, air handlers, chillers, water-storage or water-cooling systems, electrical substations, transformers, battery-storage systems, backup generators, fuel-storage systems, and other associated infrastructure.
- c) "Expansion" means an increase in the building area, equipment capacity, electrical capacity, number of servers, number or capacity of generators, water demand, cooling capacity, or operational area of an existing data center.
- d) "Data center" does not include:
  - 1) computer, server, telecommunications, or data-storage equipment that is accessory and incidental to a separate lawful principal use of the property;
  - 2) equipment used primarily to support the internal business operations of the principal occupant of a building, when the equipment does not constitute the principal use of the building or property;
  - 3) telecommunications facilities separately regulated under the City Code or applicable state or federal law; or
  - 4) governmental emergency communications or public-safety facilities.

### **Section 4. Study Authorized.**

- a) City staff and consultants are authorized and directed to conduct a study concerning data centers and the potential amendment of the City's comprehensive plan, zoning regulations, and other official controls.
- b) The study may include, without limitation:
  - the types, sizes, and operational characteristics of data centers;
  - whether data centers should be permitted within the City;
  - the zoning districts, if any, in which data centers may be appropriate;
  - whether data centers should be classified as permitted, conditional, interim, accessory, or prohibited uses;
  - minimum lot-area, setback, height, screening, landscaping, and building-design requirements;
  - electrical demand and the availability, capacity, and location of electrical infrastructure;
  - water use, cooling systems, wastewater generation, and the capacity of public and private utility systems;
  - stormwater management and potential impacts on wetlands, shoreland areas, groundwater, surface water, and other natural resources;
  - noise, vibration, lighting, air emissions, heat, and other potential effects on surrounding properties;
  - backup generators, fuel storage, battery storage, fire protection, emergency response, and public-safety considerations;
  - traffic, construction activity, road impacts, and transportation infrastructure;
  - environmental sustainability, energy efficiency, water conservation, renewable energy, waste-heat recovery, and greenhouse-gas emissions;
  - security, fencing, and site-access requirements;
  - financial assurances, decommissioning plans, site restoration, and the anticipated useful life of data center facilities;
  - application, review, monitoring, inspection, and enforcement procedures;
  - the regulations and experiences of other municipalities and governmental entities; and
  - any other matter City staff, consultants, the Planning Commission, or the City Council determines relevant to the regulation of data centers.
- c) The Planning Commission is authorized to review the study and recommend amendments to the City's comprehensive plan, zoning regulations, or other official controls.
- d) Upon completion of the study, City staff and the Planning Commission shall present their findings and recommendations to the City Council for consideration.

**Section 5. Moratorium Imposed.**

- a) A moratorium is imposed throughout the City on the establishment, construction, and expansion of data centers.
- b) During the term of this Ordinance:

- a data center is a prohibited use within the City;
  - no person may establish, construct, commence, relocate, or expand a data center within the City;
  - the City shall not accept an application submitted after the effective date of this Ordinance for a comprehensive plan amendment, rezoning, subdivision approval, site plan approval, conditional use permit, interim use permit, variance, building permit, grading permit, utility permit, or other City approval seeking or contemplating the establishment, construction, relocation, or expansion of a data center; and
  - the City shall not approve any application filed after the effective date of this Ordinance that seeks or contemplates the establishment, construction, relocation, or expansion of a data center.
- c) This Ordinance does not prohibit ordinary maintenance or repair of lawfully existing equipment or facilities that does not constitute the establishment or expansion of a data center.
- d) An application filed and determined complete before the effective date of this Ordinance shall be processed as required by applicable law. Nothing in this Ordinance extends or modifies the time limits imposed by Minnesota Statutes, section 15.99, with respect to an application filed before the effective date of this Ordinance.
- e) In accordance with Minnesota Statutes, section 462.355, subdivision 4, this Ordinance shall not halt, delay, or impede a subdivision that received preliminary approval before the effective date of this Ordinance.
- f) Nothing in this Ordinance is intended to regulate any activity that is preempted from local regulation by state or federal law.

## **Section 6. Exceptions.**

The moratorium does not apply to:

- a) computer servers, data-storage equipment, network equipment, or telecommunications equipment that is accessory and incidental to a lawful principal use and does not independently constitute a data center;
- b) routine replacement, repair, maintenance, or technological upgrading of equipment within an existing lawful building, provided the work does not establish or expand a data center;
- c) governmental emergency communications, public-safety communications, or public utility equipment that the City is prohibited from regulating under applicable state or federal law; or
- d) any activity for which application of the moratorium would violate a vested right established under Minnesota law.

## **Section 7. No Vested Rights Created.**

Except as otherwise required by applicable law, no person acquires a vested right to establish, construct, relocate, or expand a data center by purchasing or leasing property, making expenditures, conducting preliminary planning, discussing a potential project with City representatives, or submitting an incomplete application.

**Section 8.** Duration.

- a) This Ordinance shall remain in effect for one year from its effective date unless expressly repealed earlier by the City Council.
- b) If the City adopts amendments to its comprehensive plan, zoning regulations, or other official controls regulating data centers before the expiration of this Ordinance, the City Council may repeal the Ordinance or provide that it terminates upon the effective date of those amendments.
- c) Any extension of this Ordinance must comply with Minnesota Statutes, section 462.355, subdivision 4, including all applicable hearing, notice, and written-findings requirements.

**Section 9.** Enforcement and Penalty.

- a) The City may enforce this Ordinance through any lawful criminal, administrative, or civil remedy, including an action for declaratory or injunctive relief.
- b) The use of one enforcement remedy does not prevent the City from using any other remedy available under the City Code or applicable law.
- c) Any person, firm, partnership, corporation, limited liability company, or other entity violating this Ordinance is guilty of a misdemeanor and, upon conviction, is subject to the penalties authorized by state law.
- d) Each day a violation continues constitutes a separate offense.

**Section 10.** Severability.

Every section, provision, and part of this Ordinance is declared severable. If any section, provision, or part of this Ordinance is held invalid or unenforceable by a court of competent jurisdiction, the decision shall not invalidate any other section, provision, or part of this Ordinance.

**Section 11.** This Ordinance is effective upon its adoption and publication.

Adopted Date: \_\_\_\_\_, 2026.

---

Lisa Whalen  
Mayor

Attest:

---

Ann Meyerhoff  
City Clerk