



Comments on Proposed New Data Center Floating Zone District Ordinance and Amendments to the Existing Critical Digital Infrastructure Ordinance

Floating Zone District Ordinance

Establishing Controls on Total Data Center Development. Given the energy and environmental impacts of data centers on Frederick County resources and quality of life, the County should establish controls on the rate and limits on the magnitude of growth of this sector.

Energy Demands. The data center approval process should give consideration to whether the electricity required to power new data centers in floating zones will require additional transmission lines and significant upgrades to distribution infrastructure and potential ratepayer impacts.

Impact on Property Values. The approval process should assess and give consideration to the impact of floating zone property values on the affordability of other commercial/industrial uses in the floating zone.

Exclusions. Section (C)(2) of the proposed ordinance prohibits CDI floating zones in Priority Preservation Areas, Rural Legacy Areas, and Treasured Landscape Management Areas. It does not mention floating zones on portions of properties designated as green infrastructure, natural resource lands, agricultural preservation areas, or lands with a high content of prime soil Classes I – III. The floating zone designation prohibition should be expanded to include these additional areas.

Removal of “by right” Uses. The existing ordinance needs to be amended to eliminate the “by right” uses for data centers in the current base zoning provisions.

Proximity to Residential Properties. The amended ordinance should explicitly prohibit location of a CDI tract adjacent to residential property.

Adequate Electricity and Water. Section (D) should require the applicant to identify power and water sources and demonstrate adequate electricity and water to serve the project.

Amendments to Existing Critical Digital Infrastructure Ordinance

Sustainability Plan. The amended ordinance should require the development and implementation of an operational sustainability plan that adheres to at least one industry-accepted sustainability framework with published goals and performance metrics.

Screenings. Amend Section (B) (h) to require replacement of failed plantings within 90 days of failure or notification of failure.

Water Usage and Management. The amended ordinance should:

- Prohibit the location of storm drains in close proximity to fuel storage tanks
- Require utilization of pervious hard surfaces to the maximum extent practicable
- Prohibit the on-site use of ground or well water
- Require stormwater runoff to be retained for usage on site
- Require rain and stored water to be diffused before discharging to streams or tributaries

Noise. Amend Section (D) (1) to require installation of mechanical equipment at ground level and incorporate the sound management recommendations from the Frederick County Data Center Workgroup Final Report.

Energy. The amended ordinance should require data center owners/operators to purchase locally produced renewable energy through power purchase agreements and install on-site solar systems with battery storage on rooftops and/or parking canopies.

Other Issues

High Energy Use Surcharge and Personal Property Taxes. The County should establish a workgroup to examine and make recommendations on the assessment of high energy use surcharges and seek State authority as necessary to assess personal property taxes on data centers and other resource intensive businesses located in the County.

Community Benefits Agreements. The County should establish a Community Benefits Advisory Group to work with communities and data center developers on guidelines and recommendations for community benefits agreements. The County could provide exemptions from personal property taxes as an incentive to enter into CBAs.