

TOWN OF GRAY
MEETING ITEM COMMENTARY

AGENDA ITEM:

COUNCIL RESOURCE:

STAFF RESOURCE:

BACKGROUND:

EXHIBITS:

FISCAL IMPACT:

RECOMMENDATION:

MOTION:

**TOWN OF GRAY
ORDINANCE ESTABLISHING A
TEMPORARY MORATORIUM ON
DATA CENTERS**

Section 1. Title; Authority.

This ordinance, duly enacted by the Town Council of the Town of Gray, Maine (the “Town”) pursuant to Article II, Section 14 of the Town Charter, is referred to herein as the “Moratorium Ordinance.” This Moratorium Ordinance is adopted pursuant to Article VIII, Part Second, of the Maine Constitution, 30-A M.R.S. § 3001, 30-A M.R.S. § 4356, and any other enabling statutes and laws.

Section 2. Necessity.

The Town makes the following findings:

- A. There is increasing interest within or surrounding the Town in the siting and development of large-scale data center facilities used for the processing, storage, and transmission of vast amounts of digital data, which rely on extensive equipment, systems, and environmental controls to maintain suitable conditions for their operations (“Data Centers”).
- B. Such Data Centers are on a scale larger than previously contemplated by the Town or the State, and there is a strong likelihood of continued development pressure for Data Centers, including within and surrounding the Town, due to regional and national demand.
- C. The Town’s comprehensive plan, ordinances, regulations, and policies are inadequate to prevent serious public harm that could result from the siting, installation, operation, and decommissioning of Data Centers within the Town.
- D. In particular, without appropriate local regulation, the siting, installation, operation, and decommissioning of Data Centers within the Town raise legitimate and substantial questions about the impact of such facilities on the Town, including but not limited to:
 - (i) Whether Data Centers are compatible with existing and permitted land uses within the Town;
 - (ii) Whether Data Centers can be appropriately located and regulated to avoid or minimize potential adverse impacts from the noise, heat, emissions, and other nuisance conditions that may be associated with Data Centers and their extensive machinery, systems, and environmental controls;
 - (iii) Whether Data Centers can be located to avoid or minimize adverse environmental effects and visual impacts;

- (iv) Whether Data Centers will result in a shortage or overburdening of public facilities including local water supplies, roads, waste management systems, and other public infrastructure;
 - (v) Whether existing regulatory and financial assurances, if any, are adequate to ensure that such development will be properly sited, constructed, operated, and decommissioned; and
 - (v) Whether excessive land and water resources will be devoted to this emerging use to the detriment of surrounding properties, natural resources, and other existing and permitted uses.
- E. As a result, the siting, installation, operation, and decommissioning of Data Centers within the Town has the potential to overburden public facilities and poses a serious threat to the health, safety, and welfare of the Town and its residents and visitors.
- F. The Town needs time to evaluate the impacts of and prepare reasonable ordinances and regulations governing the siting, installation, operation, and decommissioning of Data Centers within the Town.
- G. The Town, with assistance from its municipal reviewing authority and other departments, intends to study its plans, ordinances, regulations, and policies to determine the effects of siting, installing, operating, and decommissioning Data Centers within the Town and to consider what additional or different ordinance provisions and regulations, if any, are appropriate for such development.
- H. It is anticipated that such study, review, and preparation of plans, ordinances, regulations, and policies will take no more than 180 days from the Date of Applicability of this Moratorium Ordinance.

Section 3. Definitions.

As used in this Moratorium Ordinance, the following terms have the following meanings:

- A. “Data Center”** means any building, structure, facility, equipment, or portion or combination thereof, that (1) is primarily designed, constructed, operated, or occupied for the processing, storage, management, mining, hosting, or distribution of large loads of digital data, artificial intelligence operations, blockchain operations, cryptocurrency mining, cloud computing, colocation services, enterprise services, or similar high-intensity computational activities; and (2) has an aggregate Data Center Area of 50,000 square feet or greater. The term “Data Center” includes but is not limited to hyperscale data centers, enterprise data centers, colocation facilities, edge computing facilities, artificial intelligence computing facilities, and cryptocurrency mining operations, whether operated as a principal use or accessory use.

B. “Data Center Area” means the gross floor area occupied by (1) any building, structure, facility, equipment, or portion or combination thereof, that contains the physical computing equipment comprising a Data Center, including but not limited to routers, graphics processing units (GPUs), switches, servers, high-density computing systems, storage systems, and other electronic and computing equipment; the physical infrastructure housing such equipment, such as data center racks and server cabinets; and any inter-equipment space and corridors used for cooling and maintenance of the physical computing equipment; and (2) any other impervious surfaces associated with a Data Center, including but not limited to access ways, parking lots, transmission corridors, and any accessory buildings or structures.

Section 4. Moratorium.

The Town does hereby declare a moratorium on (i) the siting, installation, construction, establishment, or operation of any Data Center, or the expansion of any existing facility or operation so as to render it a Data Center; (ii) the acceptance of, processing of, or acting upon any application, proposal, petition, or request pending on or after the Date of Applicability for any new or expanded Data Center; and (iii) the issuance of any development permit, license, or other regulatory approval or any other action or decision of a board, officer, official, employee, agent or department of the Town (including but not limited to a building permit, certificate of occupancy, site plan review, conditional use, or business license) related to any new or expanded Data Center (“Moratorium”).

Section 5. Retroactive Application; Duration.

This Moratorium Ordinance is expressly intended to and shall have retroactive effect. Notwithstanding 1 M.R.S. § 302 or any other law to the contrary, and regardless of its effective date, this Moratorium Ordinance shall govern and apply to all proceedings and applications for Data Centers that were or are pending before the Town at any time on or after **July 14, 2026** (the “Date of Applicability”) and, to the extent allowed by 30-A M.R.S. § 3007(6), shall nullify any final permit, license, or other approval of a new or expanded Data Center issued by a municipal reviewing authority within 45 days of the effective date.

This Moratorium shall remain in full force and effect for a period of 180 days from the Date of Applicability, unless extended, repealed, or modified in accordance with applicable law.

Section 6. Enforcement, Violations and Penalties.

This Moratorium Ordinance shall be enforced by the Code Enforcement Officer of the Town. Any person who violates any provision of this Moratorium Ordinance shall be subject to civil penalties and other remedies as provided in 30-A M.R.S. § 4452.

Section 7. Conflicts; Severability.

Any provisions of the Town's ordinances that are inconsistent with or conflict with the provisions of this Moratorium Ordinance are hereby repealed to the extent applicable for the duration of the Moratorium. Should any section or provision of this Ordinance be declared by any court of competent jurisdiction to be invalid, such a decision shall not invalidate any other section or provision.