

ORDINANCE NUMBER O- 22152 (NEW SERIES)

DATE OF FINAL PASSAGE OCT 27 2026

AN EMERGENCY ORDINANCE OF THE COUNCIL OF THE
CITY OF SAN DIEGO PURSUANT TO SAN DIEGO
CHARTER SECTION 295 AND CALIFORNIA GOVERNMENT
CODE SECTION 65858 ESTABLISHING A TEMPORARY
MORATORIUM ON DATA CENTER DEVELOPMENT,
ESTABLISHMENT, INTENSIFICATION, AND EXPANSION
AND ADOPTING FINDINGS AND DECLARATIONS.

RECITALS

The Council of the City of San Diego (Council) adopts this Ordinance based on the following:

A. The City of San Diego ("City") is a charter city with authority over municipal affairs, duly organized and operating under the constitution and laws of the State of California, with the authority to adopt and enforce land use regulations within its boundaries pursuant to its constitutional police powers and California Planning and Zoning Law. The City controls land-use development through policies in the General Plan and other land-use plans, and through zoning, development and use regulations in the San Diego Municipal Code.

B. California Government Code Section 65858 allows a City, without following the procedures otherwise required prior to adoption of a zoning ordinance, to adopt, as an urgency measure, an interim ordinance prohibiting any uses which may be in conflict with a contemplated general plan, specific plan, or zoning proposal which the legislative body, planning commission or planning department is intending to study within a reasonable time.

C. This Ordinance would establish a temporary moratorium on data center development, establishment, intensification, and expansion pursuant to the provisions and requirements of California Government Code section 65858.

D. In general, a “data center” is a physical building, facility, or part of a facility, that houses computing infrastructure, including graphics and central processing units, servers, storage devices, networking equipment, and associated power and cooling systems, for the primary purpose of processing, storing, or distributing electronic data.

E. The City’s existing General Plan, Municipal Code, zoning regulations, and other applicable land use plans and regulations do not currently define or classify data center uses, or comprehensively regulate data centers, including with respect to their use category, permissible locations, size and intensity, utility demand, water consumption, cooling systems, backup generation, buffering, noise, environmental performance, and compatibility with the permitted uses of the base zone.

F. Currently, the use category for data center co-location facilities or a third-party facility where businesses rent physical space to house their own servers, storage, and networking hardware, is a Major Transmission, Relay, and Communication Switching Systems use. This use category does not comprehensively or adequately address the impacts of Data Center Uses as defined at Section 3.A. The impacts of such Data Center Uses include but are not limited to noise, substantial water and electrical infrastructure demand that can lead to increased adverse climate effects such as drought and urban heat, and encumbering land with a low employment use that could more productively be used for housing or vibrant, mixed-use neighborhoods.

G. The continued growth of artificial intelligence requires significant physical infrastructure, including data centers, electrical generation and transmission infrastructure, backup power systems, cooling systems, and water infrastructure.

H. In 2025 and 2026, the California Legislature enacted several bills recognizing the impacts of, and the need to, regulate data center development throughout the state, including

Senate Bill (SB) 57 in 2025 and Assembly Bill (AB) 1577 (Bauer-Kahan); AB 2383 (Chavez Zbur); AB 2469 (Papan); AB 2619 (Papan); SB 886 (Padilla) (McNerney); SB 887 (Padilla); and SB 1168 (McNerney).

I. These bills together are intended to regulate certain elements of data center development, energy use, water consumption and land use approvals to address the quickly evolving development of artificial intelligence and its need for large-format data centers that require extremely large loads of electricity and water, that if managed incorrectly, could pose a serious threat to California's climate goals, and leave existing ratepayers saddled with the enormous costs to support that industry.

J. The recently enacted State legislation does not comprehensively regulate data center land uses or provide development regulations for such uses, and such regulation is within the City's constitutional police powers.

K. Data centers can require substantial amounts of water for cooling and can create significant demands for electrical and other public infrastructure, making careful planning critical and necessary to protect the reliability and affordability of essential services and infrastructure for residents and businesses.

L. The adequacy of San Diego's water supply is vital for the future of San Diego, particularly during drought and other periods of water scarcity, thus due to the significant water demands of data centers and the limited water supply in San Diego, it is necessary to carefully evaluate the water demands of data centers in relation to other uses.

M. The adequacy of San Diego's water supply is vital for the future of San Diego, particularly during drought and other periods of water scarcity, thus due to the significant water

demands of data centers and the limited water supply in San Diego, it is necessary to carefully evaluate the water demands of data centers in relation to other uses.

N. Unregulated data center development also has the potential to upend decades of planning vibrant, mixed-use neighborhoods that bring together housing, employment, retail, public spaces, and community-serving uses by placing an incompatible use within these neighborhoods.

O. The City intends within a reasonable time to study, consider, and potentially adopt amendments to the City's General Plan, Municipal Code, zoning regulations, specific plans, development standards, and other applicable land use plans and regulations to address whether, where, and under what conditions data centers should be allowed within the City.

P. The Mayor has established a temporary, advisory Data Center Stakeholder Working Group through EO 2026-2 to develop recommendations for consideration by the Council for a local policy and regulatory framework governing data center siting and development, including zoning and land-use compatibility, electricity and water demand, grid capacity, backup generation, and noise, infrastructure, environmental, and neighborhood impacts, while considering applicable federal and State requirements and relevant standards established by California's newly enacted data center laws.

Q. With the growth of artificial intelligence and the increasing need for data centers across the nation, several industry representatives have sought clarity on the City's position on data centers and expressed interest in both building stand-alone data centers and filling vacant office space with new data centers.

R. Under the City's current regulations, approval of new data centers, or the expansion or intensification of existing data center uses during the period in which the City is

studying and considering policy and regulatory changes could result in developments that are inconsistent with or in conflict with the land use policies and development regulations being contemplated, and could thereby be detrimental, inconsistent, and substantially undermine the effectiveness of future policy and regulatory changes.

S. Whether or not a proposed data center project would require approval by a hearing officer, the Planning Commission or the Council, there remain significant public health, safety, and welfare related concerns outlined above that must be analyzed prior to any data center being permitted within the City.

T. Laws and regulations continue to be enacted within California addressing data centers. Data center infrastructure and resource demands fueled by emerging growth in the artificial intelligence industry are yet to be fully studied, and wide-reaching effects are still to be determined. The City has not had an adequate opportunity to undertake a comprehensive study of the different data center technologies, designs and infrastructure and resource demands such that it can immediately consider appropriate development guidelines for these projects to ensure public health, safety and welfare.

U. The Council recognizes that data centers and similar uses may provide certain economic benefits but finds that it is in the public interest to temporarily pause approvals of new or expanded data centers until the City can comprehensively evaluate whether and under what conditions such uses are compatible with the City's long-term land use, infrastructure, and environmental policies and goals.

V. The Council considers it necessary to adopt this temporary Ordinance to explicitly prohibit data centers while the amendments to the City's General Plan, Municipal Code, zoning

regulations, specific plans, development standards, and other applicable land use plans and regulations to regulate data centers are analyzed and developed.

W. The Council intends that this temporary prohibition and moratorium apply to all currently pending development applications for Data Center Uses as defined herein, as well as all development applications for Data Center Uses received by the City during the moratorium period.

X. The Council finds that adopting this interim ordinance as an emergency ordinance, as set forth in the above recitals, which are incorporated herein by reference, and pursuant to San Diego Charter section 295(e) and Government Code sections 36934 and 36937(b), is necessary and appropriate for the immediate preservation of public health, safety, and welfare.

Y. Under San Diego Charter section 280(a)(3), this Ordinance is not subject to veto by the Mayor because it is an emergency ordinance under San Diego Charter section 295(e).

Z. The Office of the City Attorney prepared this Ordinance based on the information provided by City staff, with the understanding that this information is complete and accurate.

ACTION ITEMS

Be it ordained by the Council of the City of San Diego:

Section 1. FINDINGS. The above recitals are incorporated herein as substantive findings in support of this Ordinance. The Council hereby finds and determines that this urgency Ordinance establishing a temporary moratorium as set forth below and adopted pursuant to San Diego Charter section 295(e) and California Government Code section 65858 is necessary because:

A. Neighboring jurisdictions have received applications for Data Center Uses and the City has received inquiries and expressions of interest from industry representatives in both building stand-alone data centers and filling vacant office space with new Data Center Uses. The City reasonably anticipates receiving applications, pre-applications, and additional inquiries, and expressions of interest for new Data Center Uses, as well as for the expansion or intensification of existing Data Center Uses, and such proposals may be processed and approved under existing regulations in the absence of this interim Ordinance.

B. Existing General Plan, Municipal Code, zoning regulations, and other land use plans and regulations do not currently or adequately define or classify Data Center Uses or comprehensively regulate Data Center Uses including with respect to their use category, permissible locations, size and intensity, utility demand, water consumption, cooling systems, backup generation, buffering, noise, environmental performance, and compatibility with the permitted uses of the base zone.

C. Data centers create substantial and unique impacts including, but not limited to, electricity and water demand, grid capacity, backup generation, noise, infrastructure, environmental, and other detrimental effects on neighboring properties. Data centers have the potential to utilize land that is better served for new home development, or development that contributes to the City's vision for vibrant mixed-use neighborhoods as identified in the City's General Plan and community plans.

D. The approval of additional entitlements, permits, or other approvals for Data Center Uses for the duration of the temporary moratorium would result in a threat to public health, safety, and welfare by allowing the use of land, water and electrical resource capacity and

related infrastructure before the City can determine and adopt appropriate policies and regulations for these uses.

E. There is a reasonable likelihood that approvals granted for data centers during the City's study and consideration of potential policy and regulatory changes would conflict with, or would substantially undermine, contemplated amendments to the General Plan, Municipal Code, zoning ordinances, specific plans, or other policies or regulations addressing Data Center Uses.

F. There is a current and immediate threat to public health, safety, and welfare and approval of Data Center Uses, permits, variances, building permits, or any other reasonable entitlement for Data Center Use would result in that threat because the City's current policy and regulatory framework do not adequately address the substantial detrimental impacts associated with Data Center Use including conditions of approval that would address the potential electricity and water demand, grid capacity, backup generation, noise, infrastructure, environmental, and detrimental effects on neighboring properties. The City's zoning regulations also currently do not take into account the appropriate locations for Data Center Uses.

G. The approval of entitlements, permits, or other approvals for Data Center Uses is a current and immediate threat to public health, safety, and welfare because, absent a temporary moratorium, applications for such uses may be accepted, processed, and approved under regulations that do not comprehensively or adequately address the potentially significant infrastructure, environmental, operational, and land use compatibility issues associated with such uses.

H. The approval of additional subdivisions, use permits, variances, building permits, development permits, grading permits, or any other applicable entitlement, permit, or approval for the establishment, expansion, or intensification of data centers during the City's study period

for proposed amendments to regulations and policies for Data Center Uses would result in the threat described above by allowing such uses to proceed before appropriate policy guidance and development regulations for Data Center Uses are established.

I. A temporary moratorium on the establishment, expansion, or intensification of data centers is necessary to maintain the status quo while the City completes its study of Data Center Uses and considers any proposed policy and regulatory changes.

J. The adoption of this interim Ordinance is therefore necessary for the immediate preservation of public health, safety, and welfare within the meaning of Government Code section 65858.

K. This Ordinance is narrowly tailored, in both scope and duration, by temporarily prohibiting the establishment, expansion, or intensification of Data Center Uses while the City considers appropriate policies and regulations which include but are not limited to the location, findings, conditions, and requirements for approval for Data Center Uses.

Section 2. MORATORIUM IMPOSED. The following are prohibited pursuant to this Ordinance, so long as this Ordinance and any extensions are in effect:

A. Pursuant to Government Code section 65858, a temporary moratorium is hereby imposed on the acceptance, processing, issuance, granting and approval of any applications, permits, or entitlements for the establishment, expansion, or intensification of any Data Center Use within the City, except as expressly exempted in Sections 3.B. and 6.B below.

B. During the effective period of this Ordinance or any extension ("Moratorium Period"), no City official, officer, employee, department, board, commission, or agency shall accept as complete, process, approve, issue, or grant any map, building permit or development permit, approval, license, clearance, or entitlement that would authorize any of the following:

1. The establishment, construction, installation, occupancy, or operation of any new Data Center Use;
2. The conversion of any existing building, structure, or site to a Data Center Use;
3. The expansion, enlargement, or intensification of any existing Data Center Use including, but not limited to, increases in gross floor area devoted to Data Center Uses; or
4. Any subdivision, site development, grading, building, electrical, mechanical, or similar permit to the extent it would facilitate or enable any activity prohibited by this Ordinance.

Section 3. DEFINITIONS.

A. For purposes of this Ordinance, “Data Center Use” means any facility, campus, building, structure, or portion thereof used primarily or substantially for the housing, operation, or support of computer servers, server racks, data storage devices, networking equipment, switching equipment, or similar electronic equipment for data processing, storage, transmission, cloud computing, colocation services, artificial intelligence model training or inference, high-performance computing, blockchain operations, digital asset mining, cryptocurrency mining, or other similar high intensity computing activities. “Data Center Use” includes, without limitation, hyperscale data centers, colocation facilities, server farms, cloud computing facilities, artificial intelligence compute facilities, digital asset mining facilities, blockchain mining facilities, and other substantially similar uses, whether or not such use is separately defined or listed in the Municipal Code.

B. "Data Center Use" does not include any of the following:

1. Customary accessory server rooms, or equipment rooms that are clearly incidental and subordinate to a primary permitted use and that serve only on-site business, institutional, governmental, or facility operations;
2. Ordinary office, retail, school, hospital, or industrial computer equipment used solely to support on-site operations;
3. Public safety, emergency communications, or emergency operations facilities; or
4. Telecommunications carrier facilities or public utility facilities necessary to provide essential communications or utility services to the public, to the extent such facilities are not principally used or designed as a commercial data center, colocation facility, cloud computing facility, artificial intelligence computing facility, or digital asset mining facility.

Section 4. STUDY AND REVIEW. During the Moratorium Period and any extension thereof, the Mayor, or designee, will:

A. Evaluate the potential land use, infrastructure, environmental, public health, and public safety implications of Data Center Uses within the City, including electricity demand, water use, wastewater demand, cooling systems, backup generation, noise, air quality, greenhouse gas emissions, emergency response, fire and life safety, and compatibility with surrounding land uses;

B. Review the City's existing General Plan and other land use plans, Municipal Code, development regulations, and zoning ordinances to determine whether amendments are necessary to address Data Center Uses;

C. Consult, as appropriate, with utility providers, water agencies, fire and emergency service providers, public health agencies, environmental professionals, residents, businesses, and other stakeholders regarding the potential impacts of such Data Center Uses and possible regulatory responses;

D. Develop and present to the Council for consideration any proposed amendments to the General Plan and other land use plans, Municipal Code, development regulations and zoning ordinances to include amendments to use classifications, use regulations, permitted zoning, permit requirements, development agreements, siting criteria, separation from sensitive uses, operational standards, utility and water demand standards, noise standards, buffering and screening requirements, generator standards, and sustainability measures.

Section 5. REPORTING. The City shall prepare and issue, ten days prior to the expiration of this Ordinance or any extension thereof, a written report describing the measures taken to alleviate the conditions that led to the adoption of this Ordinance, consistent with California Government Code section 65858.

Section 6. APPLICABILITY AND EXEMPTIONS.

A. This Ordinance applies to all property within the City, including any area subsequently annexed to the City during the effective period of this Ordinance, unless otherwise provided by law.

B. The following are exempt from the moratorium established by this Ordinance:

1. Ordinary accessory server rooms, and similar facilities expressly excluded from the definition of Data Center Use in Section 3.B;

2. Public safety, emergency communications, and emergency operations facilities;
3. Telecommunications carrier facilities and public utility facilities necessary to provide essential public services, to the extent excluded from the definition of Data Center Use in Section 3.B; and
4. Minor repairs, maintenance, replacement in kind, or interior tenant improvements to an existing lawful facility that do not expand the gross floor area devoted to Data Center Uses and do not increase electrical service capacity or water demand.

C. Nothing in this Ordinance shall be construed to deprive any person of vested rights legally obtained prior to the effective date of this Ordinance, as those rights may be determined under applicable state law.

Section 7. PENALTIES. The penalties for land use violations that are prescribed in Sections 121.0301 through 121.0302 of the Municipal Code shall apply to violations of the provisions of this interim Ordinance.

Section 8. SEVERABILITY. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The Council hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase, and portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional.

Section 9. CONSTRUCTION. This Ordinance must be broadly construed to achieve the purposes stated herein and consistent with the Section 1 Findings. It is the Council's intent that the provisions of this Ordinance be interpreted and implemented by the City in a manner that facilitates the purposes set forth herein.

Section 10. EFFECTIVE DATE; DURATION; EXTENSION.

A. This urgency Ordinance is adopted pursuant to Government Code section 65858 as necessary for the immediate preservation of public health, safety, and welfare. Pursuant to California Government Code section 36937(b), this Ordinance shall take effect immediately upon its adoption by at least a four-fifths (4/5) vote of the Council.

B. This Ordinance is declared to be an emergency measure required for the immediate preservation of the public peace, property, health, or safety pursuant to San Diego Charter section 295(e), and will take effect and be in force immediately upon its passage pursuant to San Diego Charter section 295(c).

C. This Ordinance is intended to supplement, not to duplicate or contradict, applicable state and federal law and shall be interpreted consistent with that intent.

D. Unless extended by the Council, this Ordinance shall remain in effect for 45 days from its passage. Any extension of this Ordinance shall require notice and a public hearing in compliance with Government Code sections 65090 and 65858 and shall be supported by written findings that the current and immediate threat to the public health, safety, or welfare warranting this Ordinance and the Moratorium Period continue to exist.

Section 11. The Council dispenses with a full reading of this Ordinance before its passage because a written copy of this Ordinance was made available to the Council and the public before the date of its passage.

APPROVED: HEATHER FERBERT, City Attorney

By



Corrine L. Neuffer
Chief Deputy City Attorney

CLN:cc:jdf

October 22, 2026

Or.Dept: City Planning

Doc. No. 4580771

I certify that the Council of the City of San Diego adopted this Ordinance at a meeting held on

OCT 27 2026

DIANA J.S. FUENTES
City Clerk

By



Deputy City Clerk

Passed by the Council of The City of San Diego on October 27, 2026, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	☒	☐	☐	☐
Jennifer Campbell	☒	☐	☐	☐
Stephen Whitburn	☒	☐	☐	☐
Henry L. Foster III	☒	☐	☐	☐
Marni von Wilpert	☒	☐	☐	☐
Kent Lee	☒	☐	☐	☐
Raul A. Campillo	☒	☐	☐	☐
Vivian Moreno	☒	☐	☐	☐
Sean Elo-Rivera	☒	☐	☐	☐

Date of final passage OCT 27 2026

AUTHENTICATED BY:

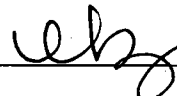
TODD GLORIA

Mayor of The City of San Diego, California.

(Seal)

DIANA J.S. FUENTES

City Clerk of The City of San Diego, California.

By , Deputy

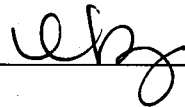
I HEREBY CERTIFY that the foregoing ordinance was passed on the day of its introduction, to wit, on OCT 27 2026, said ordinance being of the kind and character authorized for passage on its introduction by Section 275 of the Charter.

I FURTHER CERTIFY that said ordinance was read in full prior to passage or that such reading was dispensed with by a vote of five members of the Council, and that a written copy of the ordinance was made available to each member of the Council and the public prior to the day of its passage.

(Seal)

DIANA J.S. FUENTES

City Clerk of The City of San Diego, California.

By , Deputy

Office of the City Clerk, San Diego, California

Ordinance Number **O-22152**