

RESOLUTION

**A RESOLUTION OF THE COMMISSION
OF KNOX COUNTY, TENNESSEE,
APPROVING AND AUTHORIZING A
MORATORIUM ON DATA CENTERS IN
KNOX COUNTY**

RESOLUTION:

REQUESTED BY: COMMISSIONER FOX

PREPARED BY: COMMISSIONER FOX

**APPROVED AS TO FORM
AND NOT AS TO CONTENT: _____
DIRECTOR OF LAW**

**APPROVED: _____
DATE**

**VETOED: _____
DATE**

**VETO
OVERRIDE: _____
DATE**

**MINUTE
BOOK _____ PAGE _____**

WHEREAS, the Knox County Board of Commissioners has identified the need to update the County’s land use control regulations to address current and emerging technologies not yet covered by existing zoning regulations including but not limited to a use commonly referred to as “data processing” or “data mining” centers or “crypto-currency mining” facilities (referenced herein as Data Center facilities)

WHEREAS, the Knox County Board of Commissioners, for the purpose of this Resolution, defines a Data Center as a facility that:

- 1) primarily contains:
 - a) electronic equipment used to process, store, or transmit digital information; and
 - b) environmental control equipment necessary to maintain proper operating conditions for the said electronic equipment; and
 - c) (i) said facility is projected to have a peak electric demand of 5 MW or more; or
(ii) said facility refuses to disclose its peak electric demand level

2) does not include a facility owned or operated by the State of Tennessee

3) does not include a facility owned or operated by Knox County, provided that Knox County does not lease to a nongovernmental third-party any operating capacity that would require a greater peak electric demand greater than 5 MW.

WHEREAS Data Center facilities and operations require extraordinary levels of electrical power, often equivalent to the consumption of thousands of homes, placing strain on local utilities and potentially increasing

costs to residential ratepayers;

WHEREAS, such facilities and operations generate significant continuous noise from industrial-grade cooling systems, fans, and compressors, which can negatively impact property values, public health, and the peaceful enjoyment of nearby communities;

WHEREAS, such facilities and operations often require extraordinary levels of water for cooling, 200,000 to 300,000 gallons of water per day for a Data Center facility that has a peak electric demand of 50 MW;

WHEREAS, Data Center facilities provide limited job creation, minimal economic impact compared to the infrastructure burden they impose, and may not align with the long-term economic development goals of Knox County as understood and identified at this time;

WHEREAS, Multiple jurisdictions nationwide have restricted or prohibited data-mining operations or generative AI facilities due to concerns over electrical grid strain, noise nuisances, fire hazards, and the lack of community benefit, and several Tennessee counties either have implemented a moratorium or are in the process of implementing a moratorium, or have already created strict zoning regulations for data centers, such as Bradley County, Coffee County, Jefferson County, and Washington County;

WHEREAS, the Knox County Board of Commissioners has a responsibility to protect the health, safety, welfare, and property values of its citizens and to ensure responsible land-use planning that preserves the character of local rural and residential communities of the unincorporated areas of Knox County;

WHEREAS, the Knox County Board of Commissioners has already officially requested the Knoxville/Knox County Planning Commission to develop zoning regulations, but the Knox County Board of Commissioners must act to prevent the construction of any Data Center facility until such time as zoning regulations have been recommended Knoxville/Knox County Planning Commission and approved by the Knox County Board of Commissioners;

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF KNOX COUNTY, TENNESSEE THAT:

SECTION 1. Knox County hereby imposes a moratorium effective immediately through to June 30, 2027, to begin upon passage of this Resolution, forbidding the location, construction, operation, permitting, vesting, etc., of Data Center facilities within Knox County.

SECTION 2. Data Center facilities, including but not limited to AI and cryptocurrency-mining operations, blockchain-computing centers, etc., are hereby prohibited during such moratorium from filing preliminary development plans, final development plans, and/or applications for building permits, etc., that may entitle them to any vesting rights, and are prohibited from locating, constructing, or operating in Knox County during said moratorium, other than those facilities that are operating at the time this resolution is adopted.

SECTION 3. During such moratorium, no county permits, zoning approvals, building approvals, utility extensions, building permits, text amendments, and/or development agreements, etc., shall be issued for the purpose of establishing a Data Center facility, of any form or kind for such operations within Knox County.

SECTION 4. During such moratorium, no avoidance of such moratorium may be achieved by, for example, establishing more than one Data Center facility of peak electric demand of 5 MW or less on 1 acre of land, which would result in multiple buildings on 1 acre of land, each containing a Data Center facility of peak electric demand of 5 MW or less yet a total peak electric demand of more than 5 MW for processing, storing, or transmitting digital information as well as providing environmental control mechanisms for the electrical equipment.

SECTION 5. This moratorium may be extended by vote of this body beyond the initial June 30, 2027

expiration date.

SECTION 6. If any portion of this Resolution is found invalid by a court of competent jurisdiction, the remaining sections shall remain in full force and effect. This resolution shall take effect from and after its passage. All resolutions in conflict herewith shall be and the same are hereby rescinded insofar as such conflict exists.

SECTION 7. This resolution shall take effect as provided by the Charter of Knox County, Tennessee, the public welfare requiring it.

Presiding Officer of the Commission Date

County Clerk Date

Approved: _____
County Mayor Date

Vetoed: _____
County Mayor Date