CITY OF WYNNE

ORDINANCE NUMBER 926

AN ORDINANCE ESTABLISHING A ONE YEAR TEMPORARY MORATORIUM ON NEW DATA CENTERS WITHIN THE CITY OF WYNNE; DIRECTING REVIEW AND DEVELOPMENT OF LAND USE AND INFRASTRUCTURE STANDARDS; PROVIDING EXCEPTIONS, ADMINISTRATION, AND SEVERABILITY; AND FOR OTHER PURPOSES.

WHEREAS, commercial data centers may require substantial electrical capacity, water supply, cooling equipment, backup generation, and emergency response resources, and may affect nearby properties through noise, lighting, traffic, and development intensity; and

WHEREAS, the City Council desires to evaluate whether the City's existing land use and development regulations adequately address these uses and to obtain public input before determining appropriate permanent standards; and

WHEREAS, a temporary and definite pause on new development approvals, coupled with an active review process, will allow the City to evaluate appropriate locations, infrastructure capacity, and measures to protect public health, safety, and welfare; and

WHEREAS, the Arkansas Data Centers Act of 2023, Ark. Code Ann. § 14-1-601 et seq., as amended, limits municipal authority over certain cryptocurrency mining activities, and the Council expressly excludes the protected activities identified in Section 5 from this moratorium;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WYNNE, ARKANSAS:

Section 1. Purpose and territory

This ordinance establishes a temporary moratorium to permit study and preparation of appropriate regulations for data centers. It applies only within the corporate limits of the City of Wynne and only to matters within the City's lawful jurisdiction.

Section 2. Definitions

"Data center" means a building, group of buildings, facility, or site whose principal use is housing or operating computer servers or related equipment for electronic data storage, processing, management, or transmission. The term includes colocation facilities, cloud computing facilities, artificial intelligence computing facilities, and commercial digital asset mining facilities, whether housed in permanent structures, modular units, containers, or other installations, subject to Section 5.

"City approval" means a permit, certificate, site plan approval, conditional or special use approval, rezoning, or other development authorization issued by the City that authorizes establishment, construction, conversion, or commencement of a data center.

Section 3. Temporary moratorium

For one (1) year beginning on this ordinance's effective date, no City officer, employee, board, or commission shall grant a City approval authorizing a new data center, or conversion of an existing property to a data center, except as provided in Section 5. During that period, no person shall establish, construct, convert property to, or commence a data center use prohibited by this ordinance.

The moratorium applies regardless of the name used to describe the proposed use and includes approvals for site preparation or accessory improvements when the application or other competent evidence establishes that their purpose is development of a prohibited data center project. It does not prohibit unrelated lawful development merely because that development uses computers.

Section 4. Study and permanent regulations

The Planning Commission, assisted by appropriate City personnel and the City Attorney, shall review existing regulations and recommend whether amendments are needed concerning permitted locations; separation from sensitive uses; noise and vibration; lighting; water use and wastewater; electrical demand and utility coordination; cooling equipment and generators; fire protection and emergency access; stormwater; and closure or abandonment.

The review shall include consultation with affected utility providers and opportunities for public input. The City shall evaluate infrastructure impacts within its authority.

Section 5. Exceptions and protected rights

A. Accessory computing. This ordinance does not apply to computer equipment or server rooms incidental and subordinate to a different lawful principal use, including offices, retail businesses, schools, hospitals, and governmental facilities, or to ordinary residential computer use.

B. Home cryptocurrency mining excluded by state law. This moratorium does not prohibit an individual from conducting home digital asset mining or require City approval for that activity. Ark. Code Ann. § 14-1-604(c) recognizes residential mining subject to applicable utility rules and rates, and § 14-1-604(f) expressly bars local prohibitions and local approval requirements for home mining.

C. Protected industrial cryptocurrency mining excluded. This moratorium does not prohibit a digital asset mining business at an industrially zoned location that the City has not designated for another use, as protected by Ark. Code Ann. § 14-1-604(d). The Council excludes those operations to respect the statutory right to locate there. This exception does not authorize mining at every location or exempt it from otherwise lawful requirements.

D. Requirements preserved. Under Ark. Code Ann. § 14-1-604(a) and (b), mining operations remain subject to applicable laws, lawful ordinances, utility requirements, and statutory noise controls. This ordinance waives none of those requirements or any required state permit.

E. Scope of remaining moratorium. New principal-use AI computing, cloud computing, colocation, and other server data centers remain subject to this moratorium unless another exception applies. A facility does not qualify for a mining exception merely because its operator labels it a cryptocurrency facility; its actual use and the applicable statutory definitions control. The City shall not apply this ordinance to prohibit any activity protected by controlling state or federal law.

Section 6. Expiration and severability

The moratorium expires automatically at 11:59 p.m. on the day immediately preceding the first anniversary of its effective date, unless repealed sooner. It shall not renew automatically. Any extension requires a new ordinance and compliance with applicable adoption procedures. If any provision or application is held invalid, the remaining provisions and lawful applications shall remain effective.

Section 7. Emergency Clause

An emergency is hereby declared to exist, and this ordinance shall be in full force and effect immediately upon its passage and approval.

PASSED AND APPROVED this 10th day of November, 2026.

Jennifer Hobbs, Mayor

Emily Watts, City Clerk