

3rd draft

CITY OF FAIRFAX, IOWA

ORDINANCE NO. 2026-DC-01

Introduced by: City Zoning Commission | Date of First Reading: July 15, 2026

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF FAIRFAX, IOWA, BY ADDING A NEW CHAPTER ESTABLISHING THE "EXCLUSIVE USE-3 (EU-3) DATA CENTER DISTRICT"; SETTING FORTH STRICT STRUCTURAL SETBACKS, CUMULATIVE ACOUSTIC LIMITS, STORMWATER AND STREAM PROTECTIONS, MANDATORY DEVELOPER-FUNDED THIRD-PARTY ANNUAL COMPLIANCE AUDITS, DEDICATED CONTRIBUTIONS TO EMERGENCY RESPONSE TRAINING AND EQUIPMENT, EXTENDING THE REZONING AND AFFILIATED EQUIPMENT EVALUATION TIMELINE, AND ESTABLISHING A RECURRING ANNUAL HOST COMMUNITY CONTRIBUTION TO THE CITY OF FAIRFAX GENERAL FUND.

WHEREAS, the City of Fairfax, Iowa, is committed to the protection of public health, safety, and welfare of its residents, along with the preservation of local natural resources, municipal electric grids, and aquifers; and

WHEREAS, modern high-density data centers have unique and profound operational footprints, consuming substantial utility resources and producing continuous, high-frequency sound emissions from specialized mechanical cooling apparatus and support infrastructure; and

WHEREAS, the City Council finds that proactive zoning and regulatory standards are necessary to ensure that any prospective data center developments remain fully compatible with neighboring residential zones, places of public assembly, agricultural lands, and local municipal emergency capabilities; and

WHEREAS, the City of Fairfax seeks to establish rigorous frameworks modeled upon tested regional standards to protect its local stream networks and ensure that the financial and infrastructural burden of monitoring such facilities falls solely on the commercial developer.

BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRFAX, IOWA:

SECTION 1. CODIFICATION.

The Code of Ordinances of the City of Fairfax, Iowa, is hereby amended by adding a new Chapter, to be titled "Data Center Enclave and Performance Regulations," which shall read as follows in Sections 2 through 8.

SECTION 2. PURPOSE AND INTENT.

The purpose of this Chapter is to regulate the location, design, and continuous operations of all data centers within the corporate limits of the City of Fairfax, Iowa, ensuring that such structures do not degrade local environmental resources, stress municipal utility capacities, or disrupt the peaceful quiet and enjoyment of surrounding properties.

SECTION 3. DEFINITIONS.

For use in this Chapter, the following terms are defined:

1. **Data Center (All Facilities, Large or Small):** Any facility, campus, structure, or plot of land housing networked computer servers, digital storage systems, and associated information technology infrastructure, regardless of total energy capacity, megawatt usage, or physical size. This definition includes any data center affiliated equipment, cooling apparatus, substations, backup power supplies, or associated grid infrastructure.
2. **Battery Energy Storage Systems (BESS):** Facilities utilized for storing electrical energy to provide standby power, peak shaving, or grid stabilization services.
3. **Place of Public Assembly:** Any facility, school, church, hospital, playground, park, municipal office, or outdoor recreation space designed to accommodate groups of individuals.
4. **Combined Buildings Total Decibel Rating:** The cumulative, absolute sound pressure level generated simultaneously by all facilities, buildings, cooling systems, fans, backup generators, substations, and mechanical units operating on the property.

SECTION 4. ZONING AND DISTRICT LIMITATIONS.

A. Exclusive Use-3 (EU-3) Zoning District. There is hereby established the "Exclusive Use-3 (EU-3) Data Center District." All data centers, large or small, must successfully petition for rezoning into the EU-3 District prior to construction. No data center of any size shall be constructed, expanded, or operated outside of this designated district.

B. Major Site Plan Requirement. Any petition for rezoning to the EU-3 District must be accompanied by a Major Site Plan submittal. The Site Plan must fully detail building footprints, substations, BESS layout, transmission lines, cooling systems, and water retention areas.

C. Extended Rezoning Evaluation Period. Notwithstanding any standard municipal code or administrative procedure establishing a standard two-week (14-day) timeline for rezoning requests, the evaluation, public notification, and review period for any petition involving an EU-3 District rezoning, or the approval of any data center and data center affiliated equipment, shall be extended to a minimum of thirty (30) days. This extension is enacted to allow sufficient time for municipal staff, independent third-party engineers, and the general public to adequately review regional utility, environmental, and infrastructure impacts.

SECTION 5. STRUCTURAL SETBACKS AND VISUAL BUFFERING.

A. Minimum Setbacks. To protect the acoustic and visual landscape of residential zones and public areas, the following setbacks shall be strictly enforced:

1. Any data center building, cooling tower, or primary generator facility shall be setback a minimum of 1,000 feet from any residentially zoned property line or Place of Public Assembly.
2. A minimum setback of 200 feet shall be maintained from any other adjacent zoning district boundary.

B. Visual Screening. Natural buffering, consisting of a continuous, dense evergreen screen or berming reaching a minimum height of 8 feet within three (3) years of planting, is required along all perimeter boundaries adjacent to residential or public-use areas.

SECTION 6. UTILITY AND ENVIRONMENTAL SAFEGUARDS.

A. Water Resource and Aquifer Balance Study. Prior to rezoning approval, the applicant must fund and execute a comprehensive water study. This study must prove that the project's projected water demand will not cause aquifer depletion or well interference for surrounding residential, municipal, or agricultural users. The study must be reviewed and approved by the Iowa Department of Natural Resources (DNR) or a city-appointed hydrogeologist, at the developer's sole expense.

B. Stormwater Runoff and Stream Protection. The developer shall submit a comprehensive Stormwater Management and Runoff Mitigation Plan designed to eliminate contamination and excess thermal discharge into local streams, rivers, and aquifers. This plan, including the design of retention basins and filtration systems, must be reviewed and certified by an independent, third-party environmental engineering firm selected by the City and fully funded by the developer.

C. Electrical Grid Impact. The developer must provide a signed commitment and interconnection agreement from the local electric utility proving that the regional grid has sufficient capacity to handle the projected load without impacting local consumer reliability.

SECTION 7. NOISE AND PERFORMANCE CONTROLS.

A. Acoustic Standards. The Combined Buildings Total Decibel Rating of the facility (excluding emergency generator testing) shall not exceed:

- (1) 60 dBA during daytime hours (7:00 AM to 10:00 PM) as measured at any adjacent non-industrial property line.
- (2) 50 dBA during nighttime hours (10:00 PM to 7:00 AM) as measured at any adjacent non-industrial property line.

B. Lighting. All outdoor lighting must utilize fully shielded, downward-facing "Dark Sky" compliant fixtures to eliminate glare and light spill onto neighboring properties.

C. Annual Performance & Decibel Compliance Testing. To ensure ongoing adherence to all performance metrics and noise limits, the owner/operator of the data center shall submit an annual compliance report. This report must feature decibel and operational testing conducted by an independent, certified third-party acoustic engineer selected by the City of Fairfax and paid for by the developer. Failure to pass or submit this annual audit shall constitute a zoning violation subject to immediate municipal fines and potential suspension of operations.

SECTION 8. FINANCIAL AND PUBLIC SAFETY AGREEMENTS.

A. Annual Host Community Contribution. The developer, its successors, or assigns, shall pay an annual, recurring community impact fee of \$1,000,000.00 (One Million Dollars) directly to the City of Fairfax General Fund. This payment shall be due on or before January 15th of each calendar year following the issuance of the initial certificate of occupancy, and shall continue annually for the entire operational life of the facility to mitigate ongoing impacts on local municipal resources, public safety, and community infrastructure.

B. Emergency Response Funding, Training, and Equipment. Prior to the issuance of any building permit, the developer shall negotiate and execute an Emergency Services Support Agreement. This agreement shall require the developer to make direct financial contributions, provide specialized cooling/fire suppression equipment (such as those required for lithium-ion battery or high-voltage infrastructure hazards), and fully fund specialized hazardous materials (HAZMAT) and emergency response training for the City of Fairfax Fire Department and local emergency responders.

SECTION 9. REPEALER AND SEVERABILITY.

A. Repealer. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

B. Severability. If any section, provision, or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision, or part thereof not adjudged invalid or unconstitutional.

SECTION 10. EFFECTIVE DATE.

This ordinance shall be in full force and effect from and after its final passage, approval, and publication as provided by law.

MAYOR, CITY OF FAIRFAX, IOWA

ATTEST: CITY CLERK

APPROVED AS TO FORM: CITY ATTORNEY

PASSED FIRST READING: _____

PASSED SECOND READING: _____

PASSED THIRD READING: _____

