



CHESAPEAKE
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Executive Summary
Chesapeake Alliance Recommendations
Proposed Data Center Ordinance (PLN-TXT-2026-001)
July 2, 2026

The Chesapeake Alliance supports the City's efforts to establish clear standards for responsible data center development through the proposed Data Center Ordinance (PLN-TXT-2026-001). We commend the Planning Department for its thoughtful work in engaging stakeholders and developing an ordinance that seeks to balance economic opportunity with neighborhood protections.

While we agree with the majority of the proposed ordinance, we believe several modifications would strengthen the City's ability to attract high-quality investment while maintaining appropriate safeguards for residents and businesses.

The Chesapeake Alliance respectfully offers the following recommendations:

1. Create a Technology Overlay District (TOD)

Allow by-right data center development within carefully selected areas that meet established criteria for infrastructure, compatibility, and access to critical services. Projects outside of the TOD would continue to require a Conditional Use Permit (CUP).

2. Allow Small-Scale Data Centers in Commercial Districts

Permit smaller data centers (less than 100,000 square feet), such as edge data centers, in appropriate commercial districts to encourage redevelopment opportunities while requiring compliance with all applicable ordinance standards.

3. Allow Flexible On-Site Power Solutions Through the CUP Process

Permit the use of on-site power generation, when approved through the Conditional Use Permit process, to provide flexibility as new energy technologies emerge while preserving the City's authority to review and approve each proposal.

4. Dedicate Future Data Center Tax Revenue to Community Priorities

Establish a clear framework for investing future data center tax revenue in projects that directly benefit Chesapeake residents, such as school construction, affordable housing, and other community priorities.

The Chesapeake Alliance believes these recommendations will strengthen the proposed ordinance by promoting intentional, well-planned development while ensuring Chesapeake remains competitive in attracting responsible data center investment. We appreciate the opportunity to provide these recommendations and look forward to continuing to work collaboratively with the City.