



701 East Broadway, Columbia, Missouri 65201

Department Source: Community Development - Planning

To: City Council

From: City Manager & Staff

Council Meeting Date: March 16, 2026

Re: UDC Text Change - Data Centers (Case # 74-2026)

Impacted Ward: Citywide

### Executive Summary

Approval of this request would result in revisions to Sec. 29-1.11 [Definitions] and 29-3.2 [Permitted Use Table] of the Unified Development Code (UDC) such that a definition of a "data center" would be created and that a zoning district permitting such use would be established. Adoption of these revisions would constitute the first step of a two-step process allowing the City to begin regulating data centers within the UDC. The second step in the process of regulating data centers is to develop both use-specific standards and specific conditional use permit criteria.

Staff is presently engaged in research on these matters and will present amendments at a later date following internal, Planning Commission, and public review. Adoption of the proposed definition and placement in the use table as only being allowed in the IG (Industrial) zoning district following issuance of a conditional use permit is seen as an imperative first step to ensure that rezoning of property to the IG district is not unnecessarily restricted due to concern over potential development of data centers without added limitations.

### Discussion

Following a denied request for the rezoning of approximately 63-acres from the A (Agriculture) district to the IG (Industrial) district on November 17, 2025, Council requested information on the potential impacts of the construction of new data centers on the community. The rezoning request was denied due to concerns about development of a data center on the site, which staff indicated would likely be defined as "light industry" use given the absence of a specific definition for data centers. This report summarizes the actions taken by staff and the Planning Commission following research and discussion on this matter and recommends approval of the first part of a two-part UDC amendment process that would add regulatory structure relating to the data center use. Approval of the proposed amendments would address potential negative impacts of data center development while not limiting the Council's ability to rezone land to the IG district in efforts to meet the city's commercial and/or industrial needs.

The proposed text amendment contains two parts. The first part establishes a specific definition for "data centers" and the second establishes the zoning districts where they would be allowed. With respect to where a data center could be located and how it would be permitted, the amendment proposes the use **only** be permitted in the IG (Industrial) district, and instead of being a permitted use, it would be considered a conditional use and

would require approval of a “conditional use permit” using the existing standard conditional use review criteria of Sec. 29-6.4(m)(2)(i) of the UDC. If adopted, the proposed amendments would remove ambiguity relating to what a “data center” is and how development of such a use would be evaluated should a proposal to construct one be submitted to the City.

As previously stated, the proposed amendments constitute the first step of a two-step process aimed at addressing possible impacts that could arise with the construction of a “data center”. The second step to be pursued will include the development of supplemental conditional use review criteria specifically relating to “data centers” that would be tailored to the City of Columbia and would also involve the development of use-specific standards intended to reduce possible negative externalities associated with the land use.

In addition to the above objectives, the revisions are also intended to address concerns about generally rezoning property to the IG district. There is demand for IG-zoned land within the community that has access to sufficient utility services to accommodate an expansion of the City’s commercial and light industrial land inventory. However, given the expressed community concerns about potential uses in the IG district, particularly data centers, without adoption of the recommended amendments it is possible that future rezoning requests seeking IG zoning could continue to be denied due to the concerns with data centers.

Defining data centers as a specific use and placing it within the Permitted Use Table as a “conditional use” will reduce the present uncertainty around IG rezoning decisions. Having “data centers” required to secure a conditional use permit prior to being permissible within the IG district would not only require a standard public hearing before the Planning Commission and Council to secure IG zoning, if not already established, but would also require a public hearing before both bodies to obtain approval of the conditional use permit to construct a data center.

For context surrounding the demand for industrial uses in the City, the 2026 Plaza Commercial Market Report notes that industrial structures have around a 2.5% vacancy rate, where the national average is 7.5%, and a typical “healthy” vacancy rate is between 5% and 8%. Anything under 5% vacancy implies limited supply relative to demand. It is of note that this report does not consider the zoning of a property, rather its use, and that IG land may be functionally used by non-industrial users.

As a result, low industrial vacancy may indicate that land zoned IG is not consistently being used for industrial purposes, further limiting the supply of true industrial space. Because most industrial uses are only permitted in the IG district, with exceptions of those permitted in the M-BP district, rezoning more land into the IG district remains the most direct mechanism for accommodating industrial demand.

The following is a summary of the changes made to the Sec. 29-1.11 [Definitions] and Sec. 29-3.2 [Permitted Use Table] of the Unified Development Code (Chapter 29) of the City Code.

### **Sec. 29-1.11 [Definitions] Revisions**

The following recommended definition would be added:

**Data Center.** A building, facility, or premise used for the storage, management, processing and/or transmission of digital data that typically contains computers, network equipment, systems, servers, appliances, and other accessory components necessary for digital data operations. A facility may also include air handlers, power generators, water cooling and storage facilities, utility substations, and other associated utility infrastructure to support the operation. This definition does not include facilities in which data storage, management, processing and/or transmission is incidental to the primary use.

### **Sec. 29-3.2 [Permitted Use Table] Revisions**

The Permitted Use Table will be modified by the insertion of the use of “data center” under the Land Use Category heading “Industrial” and subheading “Manufacturing, Production, and Extraction” as a conditional use **ONLY** within the IG zoning district.

Staff believes the IG zoning district to be the most appropriate for data centers as a use, but believes it is necessary to establish the use as conditional **only** to avoid denial of general IG rezoning requests on the grounds that it may be developed with a data center. If this revision is approved, any data center construction proposed prior to the establishment of new conditional use permit criteria and use-specific standards would need to secure a conditional use permit illustrating compliance with the following general CUP criteria as defined in Sec. 29-6.4(m)(2)(i) of the UDC. The applicable criteria are as follows:

- (A) *The proposed conditional use complies with all standards and provisions in this chapter applicable to the base and overlay zone district where the property is located;*
- (B) *The proposed conditional use is consistent with the city's adopted comprehensive plan;*
- (C) *The proposed conditional use will be in conformance with the character of the adjacent area, within the same zoning district, in which it is located. In making such a determination, consideration may be given to the location, type and height of buildings or structures and the type and extent of landscaping and screening on the site;*

- (D) Adequate access is provided and is designed to prevent traffic hazards and minimize traffic congestion;*
- (E) Sufficient infrastructure and services exist to support the proposed use, including, but not limited to, adequate utilities, storm drainage, water, sanitary sewer, electricity, and other infrastructure facilities are provided; and*
- (F) The proposed conditional use will not cause significant adverse impacts to surrounding properties.*

These general CUP criteria provide broad discretion to the Planning and Zoning Commission and City Council when evaluating CUP requests. While staff intends to develop specific CUP criteria for data centers within step two of the regulatory development process, it is believed that adopting a definition and placement of the use in the use table as a conditional use only is an imperative first step.

The Planning and Zoning Commission considered the proposed UDC text changes at a public hearing on February 19, 2026. Following staff's presentation, the Commission confirmed that the intent was to develop use-specific standards and specific conditional use permit criteria for data centers. The Commission then asked about the provision in the definition that would exclude data centers as an accessory use from the definition of "data center". The Commission also asked about whether or not the term "backup" should be included in front of "power generators," or if "backup power generators" should be an additional term included in the proposed definition.

The Public Hearing was then opened where two members of the public spoke. One sent in correspondence on behalf of Missouri Rural Crisis Center, and in their correspondence, the member of the public noted concerns about on-site power generators being used as the sole source of power for a data center. The second spoke in favor of adopting this definition, seeing it as a mechanism to assuage concerns about data center development when IG rezoning proposals are received.

Following closure of the public hearing there was limited additional Commission discussion, which mostly centered around the inclusion of the term "backup" in front of "power generators" within the proposed definition, or the inclusion of the term "backup power generator" as a standalone item within the definition. The Commissioners contemplated this; however, ultimately decided to vote on the proposed text amendments as presented. A motion was made to approve the proposed UDC text changes, as written, that passed by vote of (8-0).

A copy of the Planning and Zoning Commission staff report, proposed UDC Text Amendments, data center research documents (definitions and data center types), public comments, and meeting minute excerpts are attached.

**Fiscal Impact**

Short-Term Impact: N/A

Long-Term Impact: N/A

**Strategic & Comprehensive Plan Impact**Strategic Plan Impacts:

Primary Impact: Resilient Economy, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

Comprehensive Plan Impacts:

Primary Impact: Land Use &amp; Growth Management, Secondary Impact: Environmental Management, Tertiary Impact: Economic Development

**Legislative History**

Date	Action
N/A	N/A

**Suggested Council Action**

Approve the attached amendment to Chapter 29 of the City Code as recommended by the Planning and Zoning Commission