

ORDINANCE NO. _____

AN ORDINANCE TO ESTABLISH CLEAR STANDARDS FOR THE DEVELOPMENT OF DATA CENTERS, TO AMEND ORDINANCES AND CITY CODE PROVISIONS OF THE LITTLE ROCK REVISED CODE OF ORDINANCES (1988) ACCORDINGLY; AND FOR OTHER PURPOSES.

WHEREAS, the City of Little Rock, Arkansas (the “City”) recognizes the rapid expansion of artificial intelligence infrastructure, cloud computing facilities, hyperscale data centers, cryptocurrency processing facilities, (see Arkansas Act 851 of 2023 known as the Arkansas Data Centers Act of 2023 and Arkansas Act 819 (Tax Exemption)) and other high-density digital operations; and,

WHEREAS, such facilities may provide economic development opportunities, tax revenue, technological investment, and employment benefits to the City and surrounding region; and,

WHEREAS, the City further recognizes that large-scale data centers may impose substantial demands upon municipal and regional electrical grids, water systems, wastewater systems, transportation infrastructure, stormwater management systems, emergency services, and land-use resources; and,

WHEREAS, the City has a compelling governmental interest in protecting the public health, safety, welfare, environmental quality, utility reliability, and long-term sustainability of municipal infrastructure and natural resources; and,

WHEREAS, the City seeks to ensure that the development and operation of AI-related and other data center facilities occur in a manner consistent with existing zoning regulations, environmental protections, infrastructure capacity planning, noise mitigation standards, energy efficiency goals, and responsible water usage practices; and,

WHEREAS, the City finds it necessary to establish a clear regulatory framework for the development of data centers inclusive of operational standards, reporting obligations, and development regulations; and,

WHEREAS, the Board of Directors determines that proactive regulation of such facilities is necessary to preserve reliable utility service, protect residential neighborhoods, reduce adverse environmental impacts, and promote orderly economic development; and,

1 **WHEREAS**, pursuant to Ark. Code Ann. § 23-3-201, the Arkansas Public Service
2 Commission (“APSC”) is vested with exclusive jurisdiction to regulate every Arkansas public
3 utility, including with respect to utilities’ rates and terms of service to ensure the utilities’ provision
4 of safe and reliable service to customers at just and reasonable rates; and under Arkansas law, public
5 utility rates and services are reviewed and major energy facilities are certificated in proceedings
6 before the ASPC that are accessible to members of the public; and

7 **WHEREAS**, projects impacting wetlands require federal, state and local permits,
8 primarily under Section 404 of the Clean Water Act overseen by the U.S. Army Corp of Engineers
9 (“USACE”) and the Environmental Protection Agency (“EPA”); and,

10 **WHEREAS**, industrial projects in the State of Arkansas generally require permits from the
11 Department of Environmental Quality (“DEQ”) to ensure compliance with federal, state and local
12 quality standards; and,

13 **WHEREAS**, the Arkansas Department of Energy and Environment oversees
14 environmental, air quality and wastewater compliance; and,

15 **WHEREAS**, Entergy Arkansas is regulated by the Arkansas Public Service Commission,
16 ensuring safe, reliable, and affordable services for consumers; and,

17 **WHEREAS**, Central Arkansas Water is governed by a seven-member Board of
18 Commissioners and is regulated by the Arkansas Department of Health (“ADH”) for drinking and
19 non-potable water safety; and,

20 **WHEREAS**, Little Rock Water Reclamation Authority is governed by a seven-member
21 Board of Commissioners and is regulated by the ADH for drinking and non-potable water safety.

22 **NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE**
23 **CITY OF LITTLE ROCK, ARKANSAS:**

24 **Section 1.** Little Rock, Ark, Rev. Code Chapter 36, Article I, Subsection 36-2 is amended as
25 follows:

26 *Data center.* A facility used primarily for the storage, management, processing, and transmission
27 of digital data, which houses computer or network equipment, including servers, switches,
28 routers, and associated infrastructure such as air handling, cooling equipment, backup power
29 generation, fuel storage, water storage, electrical substations, and other utility infrastructure
30 necessary to support sustained operations.

31 *Accessory Data Center.* A data center occupying more than 10,000 and not more than
32 25,000 gross square feet, or drawing more than 5 and not more than 15 megawatts of grid
33 power, and operated as an ancillary use to a primary use under common ownership. If the

1 data center meets the definition of an accessory data center but requires a substation, it
2 shall be classified as a major data center.

3 *Major Data Center.* A data center occupying more than 25,000 and not more than
4 250,000 gross square feet, or drawing more than 15 and not more than 75 megawatts of
5 grid power.

6 *Hyperscale Data Center.* A data center occupying more than 250,000 gross square feet, or
7 drawing more than 75 megawatts of grid power, or developed across more than one
8 principal building under common ownership or control on a single parcel.

9 *Square footage, data centers.* The square footage of a data center shall include the total
10 square footage of each floor in the data center development, and the square footage of
11 any additional exterior associated equipment or infrastructure located within the property
12 boundaries.

13 **Section 2.** Little Rock, Ark, Rev. Code Chapter 36, Article V, Division 1, Subsection 36-205 is
14 amended as follows:

15 (a) *Purpose and Intent.*

16 The purpose of this section is to establish use-specific standards for data center facilities in
17 order to: (a) accommodate the responsible development of digital infrastructure consistent
18 with the City's economic development goals; (b) protect adjacent residential, institutional,
19 and environmentally sensitive areas from continuous-operation noise, air-quality, water-
20 resource, and visual impacts; (c) ensure adequate utility, water, transportation, and
21 emergency-response infrastructure is in place before operation; and (d) provide predictability
22 for both applicants and the public.

23 (b) *Development standards.* The development standards shall apply to all data centers regardless
24 of type defined in Sec.36-2. unless otherwise stated.

25 (1) *Backup generators and air quality.*

- 26 a. All diesel backup generators shall meet U.S. Environmental Protection
27 Agency (EPA) Tier 4 or Tier 4-equivalent emission standards.
- 28 b. Routine, non-emergency generator testing shall be limited to Monday
29 through Friday, 10:00 a.m. to 4:00 p.m., excluding federal and state holidays.
- 30 c. The operator of a hyperscale data center shall provide written notice via
31 certified mail of any scheduled generator testing to all property owners
32 within 1,000 feet not less than 24 hours in advance and shall maintain a
33 public web page listing scheduled testing windows.

- d. Annual generator testing data and emissions reports shall be submitted to the Little Rock Department of Planning & Development.
- e. All on-site fuel storage shall comply with National Fire Protection Association codes NFPA 30 and NFPA 110, and applicable state and local requirements; a fuel-handling plan and spill response plan shall be filed with the Little Rock Fire Department.

(2) *Cooling systems.*

- a. All cooling systems shall be either fully air-cooled or high-efficiency liquid cooled systems, or equivalent technologies designed to minimize water consumption and wastewater discharge. Open-loop and once-through cooling systems are prohibited. Evaporative-only cooling systems that consume potable water as the primary cooling medium are prohibited.
- b. On-site and off-site groundwater wells used as the primary cooling water source are prohibited. Wells used solely for landscape irrigation, fire suppression, or as makeup water for closed-loop systems remain permissible subject to applicable state and federal permitting.
- c. Each application for a major or hyperscale data center shall include a Water Utilization Report, prepared and certified by a professional engineer licensed by the State of Arkansas, identifying total daily intake volume and source(s), discharge volumes and destinations, cooling system type and design Water Use Effectiveness (WUE), and demonstrating compliance with the city's stormwater requirements.
- d. Development shall achieve a design WUE not exceeding [0.5 L/kWh] at full load and shall report annually on actual operating WUE.
- e. All cooling water discharged to the cooling water collection system shall comply with any requirements which must be followed by the Little Rock Water Reclamation Authority (LRWA). LRWA maintains sole discretion in accepting discharge. Chemically treated cooling water shall not be discharged to surface waters or stormwater systems.

(3) *Energy and electrical service.*

- a. Recognizing that under Arkansas law, the Arkansas Public Service Commission has exclusive power and jurisdiction to regulate public utilities, nothing herein is intended to or shall be construed as attempting to regulate public utilities.

- b. Each application shall include a Will Serve Letter from the applicable public utility informing whether there is available capacity to serve the proposed load; whether any required transmission, generation, or substation upgrades have been identified before the APSC; and whether the project will contract with the public utility under an APSC-approved agreement or subscribe to a public utility's APSC-approved tariff regarding any on-site renewable back-up generation or off-site renewable procurement commitments.
- c. As applicable, the Will Serve Letter referenced under 3(b), also shall provide notice of any application or tariff filing before the APSC for approval of the construction of generation, transmission, or distribution facilities or establishment of any rates, terms, and conditions applicable to a data center customer with a peak electrical demand of over one hundred megawatts (100 MW). The public utility shall provide such notice at the same time as the utility makes its filing with the APSC.
- d. If the data center project includes at substation to be located on a separate parcel from the principal use, the Will Serve Letter referenced under 3(b), will inform the City that the substation shall be constructed consistent with any requirements set forth by the Arkansas Public Service Commission including applicable standards set forth in the National Electrical Safety Code.

(4) *Noise limits.* Sound levels shall not exceed the standards outlined in the table below where daytime is 7:00 a.m. to 10:00 p.m. and nighttime is 10:00 p.m. to 7:00 a.m. Sound levels shall be measured at the receiving property line, not at the source. Where the ambient pre-construction sound level at any receiver point already exceeds the standard above, the applicable standard shall be the ambient level plus 0 dB (i.e., the data center shall not increase the ambient at that receiver). Standards do not apply during a federally or state-declared emergency or during a power outage requiring backup generator operation.

Adjacent property type	Daytime A-weighted	Nighttime A-weighted	C-weighted (24 hr)
Industrially zoned	70 dBA	65 dBA	75 dBC
Commercial / office	65 dBA	60 dBA	70 dBC

Residentially zoned (any density)	60 dBA	50 dBA	60 dBC
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- a. Pre-application acoustical study is required for hyperscale data center. The study must be prepared by a qualified acoustical engineer, including (a) ambient baseline measurements at the property line and at the nearest Sensitive Receptors during both daytime and nighttime hours, (b) 1/3 octave emission analysis of all proposed cooling equipment and generators, (c) ISO 9613-2 propagation modeling, and (d) predicted A-weighted and C-weighted sound levels at the receiver locations identified above.
 - b. Post-construction verification study is required for hyperscale data centers within 90 days of beginning operation, repeated annually, by a qualified acoustical engineer licensed by the State of Arkansas; results submitted to the Department of Planning & Development.
 - c. Permanent on-site acoustic monitor is required for any major or hyperscale data center with continuous logging accessible to the City upon request.
 - d. If verification or monitoring identifies a violation, the operator shall submit a corrective action plan within 30 days and achieve compliance within 180 days.
- (5) *Parking.* Off-street parking requirements shall be fifty (50) percent of that required by Article VIII according to Sec. 36-502 (b)(4)(b).
- (6) *Screening and buffers.*
- a. All rooftop and ground-level mechanical equipment, including cooling towers, chillers, generators, fuel tanks, transformers, and substation equipment, shall be fully screened from grade-level view at the property line. Screening material and security fencing shall be low-reflective. Security fencing shall be located behind required landscape buffer.
 - b. For major and hyperscale data centers landscape buffer of not less than 100 feet width is required along any frontage abutting residentially-zoned or used property, planted with three staggered rows of evergreen trees with a minimum installation height of 6 feet, supplemented by deciduous canopy trees at intervals of not more than 30 feet. Landscape buffer of not less than 50 feet width along any frontage abutting commercially-zoned property.
- (7) *Setbacks.* In addition to the setback standards of the applicable zoning district, buildings and associated infrastructure related to data centers must be separated from residentially-zoned or used property by at least 900 feet for hyperscale data centers,

250 feet for major data centers, and 100 feet for accessory data centers, residential property line to data center building or infrastructure.

(c) *Monitoring, reporting, and enforcement.*

- (1) The operator shall designate a single point of contact for community concerns and shall maintain a public-facing web page listing the contact, scheduled generator testing windows, and the most recent annual noise verification report.
- (2) Annual reports of operation shall include: (a) noise verification study results; (b) backup generator testing and emissions data; (c) actual measured WUE and PUE; and (d) any complaints received and the operator's response.
- (3) All records, archives, and information relating to monitoring and enforcement of this ordinance shall be managed and maintained by the Little Rock Department of Planning and Development.

Section 3. Little Rock, Ark, Rev. Code Chapter 36, Article V, Division 4, Subsection 36-301 is amended as follows:

(c) Use regulations.

(2) Conditional uses. Conditional uses are as follows:

- l. Data center, accessory.
- m. Eating place with drive-in service.
- n. Establishment for the care of alcoholic, narcotic or psychiatric patients.
- o. Event center.
- p. Food store under five thousand (5,000) square feet gross floor area, with sales of beer or wine.
- q. Glass or glazer. Installation, repair and sales.
- r. Home center.
- s. Landscape service.
- t. Lawn and garden center, open display.
- u. Lumberyard.
- v. Mini-warehouse.
- w. Nursing home or convalescent home.
- x. Office warehouse.
- y. Plant nursery.
- z. Private club with dining or bar service.
- aa. Service station with limited motor vehicle repair.
- bb. Small engine repair.

- cc. Swimming pool sales and supply.
- dd. Tool and equipment rental (with outside display).
- ee. Truck or trailer rental or leasing (no service, sales or repair).
- ff. Upholstery shop, furniture.
- gg. Upholstery shop, auto.

Section 4. Little Rock, Ark, Rev. Code Chapter 36, Article V, Division 4, Subsection 36-302 is amended as follows:

(c) Use regulations.

(2) Conditional uses. Conditional uses are as follows:

- h. Data center, accessory.
- i. Hauling and storage company.
- j. Medical marijuana cultivation facility.
- k. Medical marijuana dispensary.
- l. Other permitted and conditional uses in the C-3 district not otherwise permitted in the C-4 district.
- m. Racetrack.
- n. Retail uses not listed (with outside display).
- o. Stable, commercial.
- p. Theater (drive-in type).
- q. Warehouse and wholesaling.

Section 5. Little Rock, Ark, Rev. Code Chapter 36, Article V, Division 5, Subsection 36-319 is amended as follows:

(c) Use regulations.

(1) Permitted uses.

- g. Data center, accessory.
- h. Day nursery or day care center.
- i. Day care center, adult.
- j. Eating place with drive-in service.
- k. Eating place without drive-in service.
- l. Feed store.
- m. Financial institution (drive-in).
- n. Hauling and storage company.
- o. Home center.
- p. Hotel or motel.

- q. Job printing, lithographer, printing or blueprinting plant.
- r. Laboratory.
- s. Laboratory manufacturing.
- t. Landscape service.
- u. Laundry, industrial.
- v. Lawn and garden center, enclosed.
- w. Lawn and garden center, open display.
- x. Light fabrication and assembly process.
- y. Mini-warehouse.
- z. Mobile canteen units when operated in compliance with current planning department regulations for such vehicles.
- aa. Motor freight terminal.
- bb. Office (general and professional).
- cc. Office equipment sales and service.
- dd. Office warehouse.
- ee. Parking, commercial lot or garage.
- ff. Photography studio.
- gg. Plant nursery.
- hh. Plumbing, electrical, heating or air conditioning shop.
- ii. School, business.
- jj. Secondhand store, used furniture or rummage shop.
- kk. Service station.
- ll. Studio (broadcasting or recording).
- mm. Warehouse and wholesaling.

(2) Conditional uses. Conditional uses are as follows:

- e. Data center, major.
- f. Furniture repair store.
- g. Industrial uses not listed (enclosed).
- h. Lumberyard.
- i. Machine or welding shop.
- j. Medical marijuana cultivation facility.
- k. Medical marijuana dispensary.
- l. Recycling facility (MRF).
- m. Retail uses not listed.

1 n. School, commercial, trade or craft.

2 **Section 6.** Little Rock, Ark, Rev. Code Chapter 36, Article V, Division 5, Subsection 36-320 is
3 amended as follows:

4 (c) Use regulations.

5 (1) Permitted uses. Permitted uses are as follows:

6 w. Data center, accessory.

7 x. Day nursery or day care center.

8 y. Day care center, adult.

9 z. Drug store or pharmacy.

10 aa. Eating place with drive-in service.

11 bb. .Eating place without drive-in service.

12 cc. Feed store.

13 dd. Fire station.

14 ee. Furniture repair store.

15 ff. Hauling and storage company.

16 gg. Home center.

17 hh. Job printing, lithographer, printing or blueprinting plant.

18 ii. Laboratory.

19 jj. Laboratory manufacturing.

20 kk. Landscape service.

21 ll. Laundry, industrial.

22 mm. Lawn and garden center, enclosed.

23 nn. Lawn and garden center, open display.

24 oo. Light fabrication and assembly process.

25 pp. Lumberyard.

26 qq. Machine or welding shop.

27 rr. Machinery sales and service.

28 ss. Medical marijuana cultivation facility.

29 tt. Medical marijuana dispensary.

30 uu. Microbrewery or microbrewery restaurant.

31 vv. Mini-warehouse.

32 ww. Mobile canteen units when operated in compliance with current planning
33 department regulations for such vehicles.

34 xx. Mobile home sales.

- yy. Motor freight terminal.
- zz. Office equipment sales and service.
- aaa. Office (general and professional).
- bbb. Office warehouse.
- ccc. Parking (commercial lot or garage).
- ddd. Photography studio.
- eee. Plant nursery.
- fff. Plumbing, electrical, heating or air conditioning shop.
- ggg. Railroad passenger station.
- hhh. Recycling facility, automated.
- iii. Recycling facility (MFR).
- jjj. School, business.
- kkk. School, commercial, trade or craft.
- lll. Secondhand store, used furniture or rummage shop.
- mmm. Service station
- nnn. Small engine repair.
- ooo. Studio (broadcasting or recording).
- ppp. Swimming pool sales and supply.
- qqq. Taxidermist.
- rrr. Taxi office.
- sss. Taxi service facility.
- ttt. Tool and equipment rental (inside).
- uuu. Tool and equipment rental (outside).
- vvv. Truck or tractor sales or repair.
- www. Warehousing and wholesaling.
- xxx. Wood products manufacturing.

(2) *Conditional uses.* Conditional uses are as follows:

- d. Data center, major.
- e. Hotel or motel.
- f. Industrial uses not listed (enclosed).
- g. Racetrack.
- h. Recycling facility (MRF) outside.
- i. Retail uses not listed.
- j. Slaughterhouse, closed facility.

- k. Theater (drive-in).
- l. Upholstery shop, furniture.
- m. Upholstery shop, auto.
- n. Hazardous or medical waste disposal facility.
- o. Tire retreading and recapping.

Section 7. Little Rock, Ark, Rev. Code Chapter 36, Article V, Division 5, Subsection 36-321 is amended as follows:

(d) Use regulations.

(1) Permitted uses. The permitted uses in the I-3 heavy industrial district include (except for hotel or motel) those permitted uses found in the I-1 industrial park district or the I-2 light industrial district together with the following:

- c. Data center, accessory, major, hyperscale.
- d. Foundry and metalwork.
- e. Grain elevator or feed mill.
- f. Junk or salvage yard.
- g. Railroad freight terminal.
- h. Sand, gravel or earth sales and storage.
- i. Recycling and reclamation.
- j. Recycling facility (MRF) outside.
- k. Sanitary landfill.
- l. Sawmill.
- m. Stable, commercial.
- n. Tire retreading or recapping.
- o. Mobile canteen units when operated in compliance with current planning department regulations for such vehicles.

Section 8. Severability. If any section, subsection, sentence, clause, or phrase of this Ordinance is held invalid, the remaining portions shall remain in full force and effect.

Section 9. Repealer. All laws, ordinances, resolutions, or parts of the same, that are inconsistent with the provisions of this resolution, are hereby repealed to the extent of such inconsistency.

Section 10. Effective Date. This Ordinance shall take effect immediately upon adoption and publication according to law.

ADOPTED: June 2, 2026

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ATTEST:

APPROVED:

Allison Segars, City Clerk

Frank D. Scott, Jr., Mayor

APPROVED AS TO FORM:

Thomas M. Carpenter, City Attorney

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