ORDINANCE NO. 4850

AN ORDINANCE OF THE CITY OF PASCO, WASHINGTON, IMPOSING A SIX-MONTH MORATORIUM ON THE ACCEPTANCE AND PROCESSING OF BUSINESS LICENSES AND/OR DEVELOPMENT PERMIT APPLICATIONS RELATED TO NEW DATA CENTERS, CRYPTOCURRENCY MINING FACILITIES, BLOCKCHAIN COMPUTING FACILITIES, ARTIFICIAL INTELLIGENCE COMPUTING FACILITIES, AND OTHER HIGH-DENSITY COMPUTING FACILITIES; SETTING FORTH PRELIMINARY FINDINGS IN SUPPORT OF THIS MORATORIUM; DECLARING AN EMERGENCY AND ESTABLISHING AN IMMEDIATE EFFECTIVE DATE; PROVIDING FOR A PUBLIC HEARING WITHIN 60 DAYS; AND PROVIDING FOR SEVERABILITY

WHEREAS, the City Council has authority under Article XI, Section 11 of the Washington State Constitution, RCW 35A.63.220, RCW 36.70A.200, and RCW 36.70A.390 to regulate land uses and adopt interim zoning controls and moratoria; and

WHEREAS, the City anticipates future applications for data centers, cryptocurrency mining facilities, blockchain computing facilities, artificial intelligence computing facilities, and other high-density computing facilities, demonstrating an immediate need to evaluate whether the City's existing land use regulations adequately address these emerging uses; and

WHEREAS, the City has not previously adopted specific development regulations, operational standards, or review criteria governing data centers, cryptocurrency mining facilities, blockchain computing facilities, artificial intelligence computing facilities, and other high-density computing facilities, making it necessary to evaluate these uses before new applications are accepted and processed; and

WHEREAS, the City Council finds that it is in the public interest to temporarily suspend the acceptance and processing of applications for these uses while the City evaluates appropriate zoning classifications, development standards, review procedures, and operational performance standards to ensure that future development is compatible with surrounding land uses and consistent with the City's Comprehensive Plan and long-term planning objectives; and

WHEREAS, data centers, cryptocurrency mining facilities, blockchain computing facilities, artificial intelligence computing facilities, and high-density computing facilities are large-scale facilities that house computer servers, storage systems, and associated infrastructure for processing, storing, and distributing digital data, and which typically require substantial land area, structures, electrical power, water for cooling, and associated mechanical equipment; and

WHEREAS, the development of data centers, cryptocurrency mining facilities, blockchain computing facilities, artificial intelligence computing facilities, and high-density computing facilities has increased significantly in recent years as demand for cloud computing, artificial intelligence infrastructure, cryptocurrency mining, blockchain computing, and digital storage has

grown nationally and regionally, including in eastern Washington due in part to access to low-cost hydroelectric power; and

WHEREAS, data centers, cryptocurrency mining facilities, blockchain computing facilities, artificial intelligence computing facilities, and high-density computing facilities impose unique and significant demands on local utility infrastructure, including electrical supply and water systems, which may strain existing City infrastructure and service capacity; and

WHEREAS, the City's existing development regulations, zoning code, and Comprehensive Plan were not specifically designed to address the scale, characteristics, and potential impacts of data centers, cryptocurrency mining facilities, blockchain computing facilities, artificial intelligence computing facilities, and high-density computing facilities; and

WHEREAS, the City Council also has determined that the City's current land use regulations may be inadequate to address the land use, environmental, infrastructure, noise, and compatibility impacts associated with the siting and operation of data centers, cryptocurrency mining facilities, blockchain computing facilities, artificial intelligence computing facilities, and other high-density computing facilities; and

WHEREAS, the City Council finds that additional time is necessary to develop a clear review and approval process for data centers, cryptocurrency mining facilities, blockchain computing facilities, artificial intelligence computing facilities, and high-density computing facilities, evaluate zoning regulations and development standards, evaluate public safety and compatibility considerations, and adopt interim or permanent development regulations; and

WHEREAS, without a moratorium, business license and/or permit applications related to data centers, cryptocurrency mining facilities, blockchain computing facilities, artificial intelligence computing facilities, and high-density computing facilities could vest under existing regulations that do not contain criteria or review procedures; and

WHEREAS, the City Council intends to study regulations for data centers, cryptocurrency mining facilities, blockchain computing facilities, artificial intelligence computing facilities, and high-density computing facilities with input from the Planning Commission, staff, and the community; and

WHEREAS, a temporary moratorium is necessary to protect the public health, safety, and welfare while the City develops appropriate regulations; and

WHEREAS, a moratorium will allow the City time to study the characteristics and impacts of data centers, solicit public input, consult with affected utilities and agencies, and develop land use regulations that appropriately address data center development in a manner consistent with the City's Comprehensive Plan and community objectives; and

WHEREAS, the City Council finds that the adoption of this moratorium is necessary as an emergency measure to preserve the public health, safety, and welfare and to protect the integrity of the City's land use planning process pending the development of appropriate standards; and

WHEREAS, this ordinance is intended to include necessary supporting recitals incorporated as findings of fact, impose a moratorium on acceptance and processing of applications related to data centers, cryptocurrency mining facilities, blockchain computing facilities, artificial intelligence computing facilities, and high-density computing facilities, exempt vested applications, establish a six-month duration, require a public hearing within 60 days, and declare an emergency establishing an immediate effective date.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PASCO, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Findings of Fact. The recitals set forth above are adopted as the City Council's initial findings of fact in support of the moratorium established by this ordinance.

Section 2. Declaration of Emergency. The City Council declares this moratorium to be an emergency measure necessary for the immediate protection of public health, safety, property, and welfare.

Section 3. Moratorium Imposed. Pursuant to Article XI, Section 11 of the Washington State Constitution, RCW 35A.63.220, and RCW 36.70A.390, the City hereby imposes a temporary moratorium on the acceptance and processing of development permit applications related to data centers, cryptocurrency mining facilities, blockchain computing facilities, artificial intelligence computing facilities, and high-density computing facilities. This moratorium applies to, but is not limited to, business license applications, building permit applications, conditional use permit applications, site plan review applications, binding site plan applications, subdivision and short subdivision applications, pre-application conferences, and any other land-use approvals or development permit applications related to data centers, cryptocurrency mining facilities, blockchain computing facilities, artificial intelligence computing facilities, and high-density computing facilities.

Section 4. Effect on Vested Rights. This moratorium applies prospectively only and does not affect applications determined to be complete prior to the effective date of this ordinance.

Section 5. Duration of Moratorium. This moratorium shall remain in effect for six (6) months from the date of adoption unless extended in accordance with RCW 35A.63.220 and RCW 36.70A.390 or replaced by interim or permanent regulations.

Section 6. Public Hearing. The City Council shall hold a public hearing within sixty (60) days of adoption of this ordinance to receive public testimony and consider additional findings of fact.

Section 7. Severability. If any section, subsection, sentence, clause, phrase or word of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality thereof shall not affect the validity or constitutionality of any other section, subsection, sentence, clause, phrase or word of this ordinance.

Section 8. Corrections. Upon approval by the city attorney, the city clerk or the code reviser are authorized to make necessary corrections to this ordinance, including scrivener's errors or clerical mistakes; reference to other local, state, or federal laws, rules, or regulations; or numbering or referencing of ordinances or their sections and subsections.

Section 9. Effective Date. This ordinance shall take effect immediately upon adoption.

PASSED by the City Council of the City of Pasco, Washington this 20th day of July, 2026.

Signed by:
Charles Grimm
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Charles Grimm
Mayor

ATTEST:

Signed by:
Gabriela Sanchez
8CE6A2A15C6F46F...
Gabriela Sanchez
City Clerk

APPROVED AS TO FORM:

Signed by:
Daniel Kenny
CD9BB9B09FA8440...
Ogden Murphy Wallace, PLLC
City Attorney

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