



FREDERICK COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

Jessica Fitzwater
County Executive

John K. Peterson, Chief Administrative Officer

EXECUTIVE ORDER NO.: 04-2023

EFFECTIVE DATE: June 12, 2023

Temporary Hold on Accepting, Considering, and Processing Certain Individual Zoning Map Amendments

WHEREAS, Northern Virginia has the largest data center market in the United States, with an inventory that exceeds that of the next five largest markets combined and is growing twice as fast as the next largest market. The Northern Virginia Technology Council (NVTC) estimated data centers provided approximately 4,920 operational jobs and 9,680 construction jobs, \$1.5 billion in associated employee pay and benefits, and \$7 billion in economic output in 2021. Considering the economic “ripple effects” generated by the direct impact, NVTC estimated that data centers supported 39,230 jobs, \$3.3 billion in associated employee pay and benefits, and \$13.5 billion in economic output. NVTC estimated data centers generated \$974.1 million in local tax revenue, including an estimated \$424.7 million in Loudon County, in 2021.

WHEREAS, the data center industry provides clear economic and tax benefits in Northern Virginia, but the construction and operation of data centers raise significant concerns for the communities where they are located, including sustainability, energy and water usage, noise, vibration, and impacts on residents’ quality of life.

WHEREAS, Quantum Loophole’s decision to lay a 40-mile hyperscale fiber ring to connect its Frederick data center to Northern Virginia’s Data Center Alley made Frederick County an attractive frontier for Northern Virginia’s data center developers. Given the industry’s need to expand, we know there is incredible interest in this type of development in Frederick County. Acknowledging this and understanding that we do not control development within our municipalities, it is in Frederick County’s best interest to determine where data centers will be allowed to locate, how the County will regulate and tax the industry, and what benefits can be provided to County residents.

WHEREAS, in March of 2022, the County Council approved Bill No. 22-05, which permitted critical data infrastructure in Limited Industrial Districts and General Industrial Districts. The bill defined a Critical Digital Infrastructure Facility and a Critical Digital Infrastructure Electric Substation, established design requirements, and created an Architectural Review Committee.

WHEREAS, Bill No. 22-05 created basic guardrails, but recent County Council and Planning Commission meetings demonstrate the need for a more comprehensive approach to the data center industry. On May 2, 2023, the Council rejected the rezoning of Windridge Farm, adjacent to the Quantum site. On May 10, 2023, the Planning Commission approved the site plan

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for Aligned Data Centers on the Quantum site. Commissioners raised legitimate policy questions about data centers, though some of the issues they discussed are beyond their jurisdiction.

WHEREAS, the Fitzwater Transition Team recognized the need for Frederick County to balance the community's concerns with the reality of data center industry growth. The Team recommended the County Executive "convene stakeholders to develop a model for critical data infrastructure which leverages the benefits data centers can provide our local economy while protecting our environment and quality of life."

WHEREAS, I am directing the creation of a Workgroup to examine lessons from Northern Virginia's experience with data centers and consider: (1) appropriate locations for data centers, (2) taxation of data centers, (3) water, power, and other infrastructure needs of data centers, (4) community benefits that can be derived from the data center industry, and (5) potential amendments to the County's critical digital infrastructure law. This Workgroup should issue a report to the County Executive and County Council no later than December 1, 2023.

WHEREAS, during the time of this Workgroup, staff believes it would be prudent to place a nine-month hold on the consideration of individual zoning map amendments seeking rezoning to Limited Industrial or General Industrial, the two zoning districts in which data centers are currently permitted.

NOW, THEREFORE, I, JESSICA FITZWATER, COUNTY EXECUTIVE OF FREDERICK COUNTY, MARYLAND, PURSUANT TO THE AUTHORITY VESTED IN ME BY THE CHARTER OF FREDERICK COUNTY, MARYLAND, AND THE LAWS OF MARYLAND, HEREBY ISSUE THIS EXECUTIVE ORDER, EFFECTIVE IMMEDIATELY.

The Frederick County Planning and Permitting Division staff is directed to temporarily discontinue accepting, considering, processing, or reviewing applications for individual zoning map amendments seeking rezoning to Limited Industrial or General Industrial.

This Executive Order is issued this 12th day of June, 2023, effective immediately, and shall terminate on March 30, 2024, unless changed by further Executive Order.



John K. Peterson
Chief Administrative Officer



Jessica Fitzwater
Frederick County Executive