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St. Louis Passes New Rules for Data Centers – What You Need to Know

St. Louis has adopted a major new law, Ordinance 72181, that creates the city's first comprehensive rulebook specifically for data centers, large facilities packed with computer servers that store and process digital information for things such as cloud computing, streaming, and artificial intelligence. Until now, these buildings were regulated like ordinary offices or warehouses, even though they can use enormous amounts of electricity and water and generate noise, heat, and emissions that affect surrounding neighborhoods.

Sizing Up Data Centers

The law sorts data centers into three categories based on size and power use: micro (small, under 5 megawatts), standard (medium, 5 to 30 megawatts), and major (large, 30+ megawatts or very large buildings). Each category faces different rules. The bigger the facility, the stricter the oversight.

Where They Can Be Built

Not every part of the city is open to data centers. The ordinance specifies which zoning districts allow them, and whether a company needs a special "conditional use permit" to build one. Larger facilities are restricted to fewer areas, and all data centers must keep a safety buffer, ranging from 150 feet for small facilities up to 600 feet for the largest, away from homes, schools, parks, and transit stops.

Protecting Neighbors

To limit nuisances, the law caps noise levels near property lines, requires generators and cooling equipment to be enclosed and screened from view, and mandates eco-friendly roofing (such as green roofs or solar panels) to reduce heat buildup. Backup generators, which can be noisy and polluting, can only be tested on weekdays between 10 a.m. and 5 p.m., and never on days with poor air quality.

Going Green

One of the law's biggest features is a push toward renewable energy. Standard and major data centers must get at least 25% of their power from renewable sources before opening, rising to 50% within five years and 100% within 10 years. Companies that miss these targets face financial penalties, though they can request extensions if clean energy simply isn't available yet.

Community Involvement

Before building a large (major) data center, companies must hold a public meeting, notify nearby residents and neighborhood groups, and accept 30 days of community feedback. They also must study and report on the project's economic and environmental impact, including effects on local electricity and water systems.

A Binding Community Deal

For the biggest facilities, the city requires something called a "Public Impact Agreement," essentially a legal contract where the company commits to specific community benefits (such as funding infrastructure or mitigating pollution) in exchange for permission to build. This agreement must be approved not just by city staff but by a two-thirds vote of the Board of Aldermen.

Looking Ahead

The law also instructs the Planning Commission to revisit these rules within two years to update them as technology changes, though this review isn't strictly required and won't invalidate the law if skipped.

This client alert was drafted by Robb Preston, an attorney in the Spencer Fane St. Louis office and lead of the St. Louis Real Estate Market Team.

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