

LEGAL NOTICE

TOWNSHIP OF PARSIPPANY-TROY HILLS MUNICIPAL ORDINANCES

NOTICE OF INTRODUCTION

NOTICE IS HEREBY GIVEN, that the following Ordinance was submitted in writing at a Meeting of the Township Council of the Township of Parsippany-Troy Hills, in the County of Morris and State of New Jersey, held on **October 20, 2026** introduced and passed on first reading and the governing body will further consider the same for second reading and final passage thereof at a Meeting to be held on **November 24, 2026** at 7:00 p.m., prevailing time, or as soon thereafter as the matter may be reached, at the Municipal Building in said Township at which time and place a Public Hearing will be held thereon by the governing body, and all persons and citizens in interest shall have an opportunity to be heard concerning same. A copy of this ordinance has been posted on the Bulletin Board in the Municipal Building. During the week prior to and up to and including the date of such meeting, copies of said Ordinance will be made available at the Clerk's Office in said Municipal Building to the members of the general public who shall request the same.

KHALED MADIN
Township Clerk

TOWNSHIP OF PARSIPPANY-TROY HILLS MORRIS COUNTY, NJ

ORDINANCE NO. 2026:43

AN ORDINANCE AMENDING AND SUPPLEMENTING CHAPTER 430 OF THE CODE OF THE TOWNSHIP OF PARSIPPANY-TROY HILLS TO PROHIBIT DATA CENTERS WITH AN ELECTRICAL CAPACITY EXCEEDING 10 MEGAWATTS AS A PERMITTED USE IN ALL ZONING DISTRICTS

WHEREAS, Town Council of the Township of Parsippany-Troy Hills are authorized by the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq., to regulate land uses in order to promote the public health, safety, morals, and general welfare; and

WHEREAS, the Township of Parsippany-Troy Hills Master Plan Goals and Policies emphasizes protection of the Township's character, landscapes, environmental resources, and the health and welfare of its residents; and

WHEREAS, the Town Council finds that large data centers, by nature, present an intense and unique form of use of land use and development, posing significant challenges and substantial impacts related to electricity consumption, land use, increased impervious cover, waste heat, disruptive background noise 24x7x365, public health including unhealthy air quality, water use (intake and discharge) and wastewater processing, waste stream management, light intrusion and

pollution, visual and esthetical considerations, property devaluation, community character, decommissioning practices and costs and long-term planning objectives; and

WHEREAS, the Town Council recognizes that overdevelopment, urbanization and overuse of environmental resources impact underground water sources and the quality of drinking and other water resources, which can place a substantial strain on community water resources and make recovery of water levels in streams and unconfined groundwater supplies, which constitute Parsippany's main source of water, particularly difficult once drought conditions set in; and

WHEREAS, the Town Council further recognizes how rapid growth in electricity demand from artificial intelligence and large hyperscale data centers can place significant pressure on the PJM interconnection grid, contributing to increases in costs associated with grid capacity and electricity rates for New Jersey Residents, and the large hyperscale data centers, which may continuously consume 100 megawatts (MW) to more than one gigawatt (GW) of power, place substantial demands on electrical grid and may require increased expenditures for grid capacity and reliability; and

WHEREAS, the Town Council notes that development and operation of large-scale data centers may present significant environmental and natural-resource concerns, including increased air pollution associated with fossil fuel powered generation and back up systems, substantial land requirements associated with renewable energy generation, potential impacts on groundwater resources, and other environmental impacts arising from the scope and intensity of such operations, and the regulation of land use and development to protect environmental and ecological resources constitutes a legitimate exercise of municipal authority; and

WHEREAS, the Town Council acknowledges that while data centers require some staff for maintenance and operations, they generally provide comparatively limited permanent employment opportunities relative to their land consumption and infrastructure demands in comparison to other sectors, resulting in limited economic benefits for hosting or neighboring communities; and

WHEREAS, the Town Council determined that the impact of certain data center operations on residents, businesses, the environment, and private and public property are likely to impose significant burdens on municipal resources and create increased need to balance the rights and interests of the residents and general public with that of the legitimate rights of property owners to conduct business without unreasonable regulation and ensure electric public utility customers do not subsidize large data centers and that all costs attributable to data centers are borne by them alone; and

WHEREAS, the Town Council determined that in the interest of public health, safety, and general welfare of the residents of the Township of Parsippany-Troy Hills, it is appropriate and necessary to amend the Township Code to adequately address data center uses in a manner that best reflects present needs and realities of residents; and

WHEREAS, it is the express intent of the Township Council that this Ordinance constitutes a legislative determination regarding the appropriate land use regulation of Data Centers within the Township of Parsippany; and

WHEREAS, the Town Counsel finds that prohibiting high-capacity data center facilities throughout the Township advances the purposes of the Municipal Land Use Law, is consistent with the goals and recommendations of the master plan and promotes the public health, safety, and general welfare.

NOW, THEREFORE BE IT ORDAINED by the Township Council of the Township of Parsippany-Troy Hills, County of Morris, State of New Jersey, that the amendments set forth below are made to the revised General Ordinances of the Township of Parsippany-Troy Hills, Chapter 430 entitled “Zoning” (additions ****between asterisks and/or in bold****, deletions {within brackets and/or struck through})

Section 1. Article III, § 430-8,

DIGITAL DATA STORAGE WAREHOUSES

A digital data repository facility of data servers for an enterprise or various client entities. Such a facility does not include a disaster recovery facility.

****Shall mean and include any facilities that are located on either a single site or on contiguous, adjacent, or otherwise connected sites, and that are owned or operated by the same entity or by any entity who controls, is controlled by, or is under common control by such entity, regardless whether a single-occupant site or multi-occupant site, used primarily for the storage, management, transport and processing of digital or electronic data (including web hosting and streaming support), which houses computer and network systems, including associated components such as servers, server racks, network equipment and appliances, telecommunications, and data storage systems, systems for monitoring and managing infrastructure performance, Internet-related equipment and services, data communications connections, environmental controls, fire protection systems, and security systems and services. Typical accessory components of a data center may include transformers, electrical substations, environmental controls, fire suppression, generators, redundant power supplies and security facilities.****

Section 2. Article IV, “General District Regulations”, of the Code of the Township of Parsippany-Troy Hills is hereby amended and supplemented to add a new section 430-29.2, “Data Centers,” as follows:

****§ 430-29.2. Data Centers.**

A. Prohibited Uses. All Data Centers, as defined in Chapter 430, §430-8, of the Code of the Township of Parsippany-Troy Hills, and any and all uses related to the same, shall be prohibited, except those with a capacity for no more than ten (10) megawatts of electric power.

The foregoing limitation shall not be circumvented by dividing a single Data Center development into multiple facilities or units, whether operating independently, collectively, or in parallel, on a single site or multiple sites within the township.

The prohibition on data centers shall not include a facility that is used for internal operations by a commercial or industrial entity and does not operate as a commercial data processing or colocation facility for an unaffiliated entity.

B. All data centers shall be required to file reports with the Township Planning Department disclosing energy use, water consumption, and carbon emissions. Must also comply with state-level regulatory review and environmental regulations. **

Section 3. Chapter 430, “Zoning,” Article LXII, “OVL-8 Overlay District,” § 430-447, “Permitted principal uses,” is hereby amended by deleting subsection C in its entirety and replacing it with the following:

~~C. Digital data storage warehouses/data centers/backup system facilities.~~

Section 4. The Township Clerk is directed to give notice at least ten (10) days prior to a hearing on the adoption of this Ordinance to the Morris County Planning Board and to all other persons or entities entitled thereto pursuant to N.J.S.A. 40:55D-15, including to the Clerk(s) of all adjoining municipalities.

Section 5. After introduction, the Township Clerk is hereby directed to submit a copy of the within Ordinance to the [Planning Board/Land Use Board] of the Township of Parsippany-Troy Hills for its review in accordance with N.J.S.A. 40:55D-26 and N.J.S.A. 40:55D-64. The Planning Board/Land Use Board is directed to make and transmit to the Township Council, within thirty-five (35) days after referral, a report including identification of any provisions in the proposed Ordinance which are inconsistent with the Master Plan and recommendations concerning any inconsistencies and any other matter as the Board deems appropriate. Upon the adoption of this Ordinance, after public hearing, the Township Clerk is further directed to publish notice of the passage and to file a copy of this Ordinance, as finally adopted, with the Morris County Planning Board, as required by N.J.S.A. 40:55D-16.

Section 6. Repealer. All ordinances or parts of ordinances contrary to or inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such conflict or inconsistency.

Section 7. Severability. Each section, subsection, paragraph, sentence, clause and phrase of this Ordinance is declared to be an independent section, subsection, sentence, clause and phrase. If any portion of this Ordinance, or its application to any person or circumstances, shall be adjudged or otherwise determined to be invalid, unconstitutional, preempted, void, or ineffective for any clause or reason, such determination shall not affect the remaining provisions of this Ordinance, and the

application of such remaining provisions shall not be affected thereby and shall remain in full force and effect, and to this end, the provisions of this Ordinance are severable.

Section 8. Effective Date. This Ordinance shall take effect immediately upon final passage and publication according to law.