



June 5, 2026

Dear Mayor Lyles and Members of Council,

I am writing to express REBIC's opposition to the proposed 150-day moratorium on data center development in Charlotte. While I understand the desire to evaluate the long-term impacts of these facilities on our infrastructure and energy grid, a moratorium is an impractical tool that will trigger severe legal and financial liabilities for the city due to explicit North Carolina statutory limits.

North Carolina state law restricts local government authority to halt or alter ongoing development through two key provisions:

**The Permit Choice Provision (N.C.G.S. § 160D-108(b))**

- **Immediate Vesting:** Under state law, a developer who submits a permit application is entitled to be reviewed under the local ordinances in effect at the exact time of submittal.
- **Moratorium Immunity:** Implementing a 150-day moratorium cannot retroactively freeze or apply to projects that have already entered the application pipeline.
- **Litigation Risk:** Forcing a pause on complete applications violates this statutory right, exposing Charlotte to costly lawsuits and mandatory attorney fee awards.

**The Downzoning Limitation Provision (N.C.G.S. § 160D-601(d))**

- **Strict Limitations:** State law prohibits local governments from enacting temporary moratoria for the purpose of downzoning property or altering use permissions.
- **Prohibited Intent:** If the city's underlying goal during these 150 days is to restrict data centers from zones where they are currently permitted by right, the moratorium itself becomes legally vulnerable.
- **Wasted Resources:** The city risks spending months defending a temporary ban that courts may strike down as an illegal, back-door attempt to downzone property without following proper statutory channels.

Given the statutory restrictions, a moratorium will not allow the city to impact currently ongoing projects or projects already in the application pipeline. It will not allow the city to downzone existing sites. It will merely pause the clock on future development and investment in our community when time is of the essence.

Furthermore, the moratorium, irrespective of the legal liability it carries, is not an option that leaves our community better off. The city has the regulatory framework and community engagement necessary to address sincere energy and land-use concerns without instituting a moratorium. Community meetings, public hearings, and the approval processes all allow the community an equitable opportunity to be heard. We, as a community, can mitigate the downsides that data centers bring without a moratorium.

We cannot regain the opportunities and investments in our community that we will lose if a moratorium is approved.

The benefits of a moratorium are both legally and economically uncertain. The costs to our community are not. To chart a better path forward, and instead of a legally fraught moratorium that signals economic instability to the tech sector, the city should utilize its existing regulatory powers. We can address energy and land-use concerns through collaborative stakeholder workgroups and utility planning with Duke Energy, without violating state development laws.

Thank you for your time, leadership, and careful consideration of these legal realities.

Rob Nanfelt  
Executive Director  
Real Estate & Building Industry Coalition (REBIC)