



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

MEMORANDUM

Friday, February 20, 2026

TO: Marc Elrich, County Executive

FROM: Sarah Kogel-Smucker, Climate Change Officer
Ken Hartman-Espada, Assistant Chief Administrative Officer
Office of the County Executive

SUBJECT: Summary – Help Shape Montgomery Count’s Approach to Data Center
Community Forum
[Leggett Executive Office Building (LEOB) auditorium]

The purpose of this memorandum is to transmit Office of the County Executive staff notes on comments from the Data Center Community Forum held on February 3, 2026. County Executive Marc Elrich and Councilmembers President Natali Fani-González, Vice President Marilyn Balcombe, Will Jawando, Evan Glass, and Laurie-Anne Sayles were present. Approximately 100-150 people attended the forum in person and 187 people attended online.

The following comments and concerns were raised by participants in-person and via concurrent virtual attendance:

1. Utility Costs
 - a. Current and rising costs of utilities was the most mentioned concern amongst the speakers at the forum.
 - b. Belief that electric, water, and sewage rates will be increased by the presence of data centers.
 - c. Farmers already face rising energy costs; data centers will worsen this burden.
 - d. Grid strain is a major concern; policy should require data centers to bring their own generation and provide backup.
2. Economic and Employment Skepticism
 - a. Skepticism about promised jobs; most are during construction, not long-term. Data centers employ small, specialized workforces with limited local job impact.

- b. Some residents see data centers as positive for economic growth. Loudoun County cited as an example of economic benefits (public schools funded by data center revenue).
 - c. Some speakers held belief that data centers primarily benefit wealthy corporations and do not trickle down to residents.
 - d. Fear that revenue will not help middle-class residents; calls to redirect revenue back to residents.
 - e. Concern that tax breaks for data centers have cost hundreds of millions in lost revenue in other cities.
 - f. Suggestion to pair growth with infrastructure and ensure local job opportunities.
 - g. Labor provisions missing from recommendations; calls for middle-class job support and more jobs for Marylanders.
3. Environmental and Climate Concerns
 - a. Environmental concerns were significant amongst the speakers.
 - b. Data centers could undermine Montgomery County's climate goals and public health objectives.
 - c. Calls for 100% clean energy and on-site renewable generation for all data centers.
 - d. Concern about PJM's reliance on fossil fuels and efforts to extend coal plant lifespans.
 - e. Push for moratoriums until full environmental impact studies are completed.
 - f. Fear of air, water, and noise pollution impacts on residents and wildlife.
 - g. Requests for baseline air monitoring and inclusion of hazardous air pollutants.
 - h. Health risks mentioned: asthma, reproductive health issues, emergency department visits.
 - i. Suggestions to explore smaller data centers, solar farms, or leveraging data centers as potential energy generators for local benefit as alternatives.
4. Transparency and Accountability
 - a. Many speakers urged for any legislation to require transparency and accountability from the data center developers.
 - b. Strong calls for full transparency in contracts, environmental and health impact studies, and cost-benefit analyses.
 - c. Concerns about non-disclosure agreements hiding critical information from the public.
 - d. Requests for enforceable community benefit agreements (CBAs) to protect residents.
 - e. Desire for public hearings, especially for sites like Dickerson.
5. Moratorium Request
 - a. Multiple speakers recommended a temporary moratorium on new data centers.
 - b. Argued that neighboring counties have already implemented moratoriums while they determine regulations.

- c. Suggested moratorium until environmental, health, and economic impacts are fully studied.
 - d. Specific calls to include Dickerson site in the moratorium.
6. Water Protections
 - a. Multiple speakers expressed concern about lack of water regulations in the policy recommendations.
 - b. Fear of excessive water use for cooling and calls to prohibit potable water and groundwater use.
 - c. Concern about wastewater dumping into the Potomac River.
 - d. Requests for sustainability solutions for water use and long-term planning.
 - e. Hope that proposals include water efficiency standards alongside energy standards.
7. Privacy and Surveillance Concerns
 - a. Fear that companies (such Palantir) could use AI and data centers for surveillance and other uses against shared Montgomery County values, particularly through providing information to ICE to monitor immigrant communities.
 - b. Questions about what companies will be allowed operate in the area and how to prevent misuse.
 - c. Belief that data centers could open “Pandora’s box” for privacy violations.
 - d. Calls for transparency on data usage and strict limitations on surveillance-related activities.
8. Location
 - a. Concerns about zoning predictability and property rights.
 - b. Some argued that data centers are already permitted in industrial zones and that changing rules could undermine trust in zoning systems.
 - c. Calls to restrict data centers to industrial zones only and prohibit siting near sensitive areas (schools, hospitals, houses of worship, and overburdened communities).
9. Longevity
 - a. Concerns about how the County will handle e-waste once the buildings and/or technology become obsolete.
 - b. Speakers were concerned that the return on investment would not be worth it, as the buildings and/or technology would not be long lasting.

The following comments and concerns were raised by residents and stakeholder organizations via email submission:

1. Energy and Utility Concerns
 - a. Several residents expressed concern about the huge amounts of power data centers require and how that could drive up already high utility prices.
 - b. Calls for legislation ensuring data centers pay for all power consumed without impacting local rates.
 - c. One resident expressed that if data centers were permitted, they should be used to reduce the costs of utilities, rather than increase.
 - d. Several residents expressed support for “Bring Your Own Generation” (BYOG), though some want more specific, enforceable benchmarks included in the policy recommendations.
 - e. Some suggested that data centers generate their own clean energy, such as through solar farms with battery storage or Small Modular Reactors (SMRs).
 - f. Another suggestion recommend that data centers have a primary backup of 50 hours of load-shifting capacity that does not rely on diesel or gas generators, using onsite battery storage, residential battery aggregation, or other load-shifting approaches.
 - g. A commenter suggested establishing minimum renewable energy usage standards with penalties or local investment for non-compliance.
 - h. A resident asked that solar be mandatory onsite where feasible, and noted that while rooftop solar may cover less than 1% of a data center’s demand, it could power nearby schools or community resources.
 - i. Suggested following FERC's definition of a data center, which is 20 MW.
2. Zoning and Land Use
 - a. One resident discussed the importance of closing all loopholes in zoning and land use, including “temporary” use permits with future modifications, requiring a minimum ½ mile setback for facility structures, and surrounding structures with dense tree plantings to absorb noise.
 - b. Another comment suggested outlining specific areas where data centers should not be allowed (e.g., wetlands, riparian zones, within a certain distance of bodies of water) and to not allow the development of data centers within one mile of residential zones.
3. Economic and Employment Impact
 - a. A resident expressed support for data centers and claimed the centers are essential for the economy and job creation; restricting them could lead to job losses.
 - b. There were concerns about whether County residents would receive economic benefits or if benefits would only go to corporations.
 - c. A resident expressed support for subsidizing data centers and believes the centers could be a worthwhile investment as they provide jobs for residents.
 - d. A resident does not believe that data centers produce enough employment opportunities to be worth the societal costs.

- e. A commenter suggested the County should promote the buildout of new renewable energy within the state or county, ensuring projects are staffed by union labor and provide local employment benefits.
4. Tax Burden and Incentives
 - a. A commenter expressed that residents should not see property taxes or utility rates rise to subsidize data centers.
 - b. Some expressed a belief that large corporations should pay for their own facilities without incentives.
 5. Environmental and Resource Impact
 - a. Strong opposition to data centers due to severe environmental impacts such as:
 - Water scarcity and degradation of water quality.
 - Massive energy consumption driving climate change.
 - Air pollution from diesel generators.
 - b. A commenter expressed concern about the potential impact on wildlife caused by dumping warm water used for cooling into the Potomac.
 - c. Another commenter suggested implementing more specific stormwater management infrastructure and limits on nonpermeable surfaces, including maximizing pervious surfaces, capturing stormwater runoff, requiring native plant landscapes for water quality benefits, constructing submerged gravel wetlands for cooling water discharge, and requiring data centers to pay into the Water Quality Protection charge with a fee proportional to impervious surface added.
 - d. Another suggestion recommend that the County develop and publicly share an emergency drought plan addressing water allotment for data centers to prevent community concerns about drinking water availability.
 6. Moratorium Request
 - a. Several residents expressed support for a moratorium on all data center developments, including the Dickerson site.
 7. Health Implications
 - a. Multiple residents expressed concerns over the health implications of data centers.
 - b. There were concerns over long-term health impacts such as asthma and cardiovascular disease, and the broader societal risks of AI, including mental health issues.
 8. Technology
 - a. A commenter suggested the County should regulate for the highest standard of technology and prohibit open-loop cooling water systems; require advanced cooling techniques such as liquid cooling, free air cooling, or geothermal systems.
 9. Community Participation

- a. A commenter suggested that as part of the conditional use process, the County should hold public hearings and educational sessions outside 9–5 hours, on weekends, and in multiple languages (Spanish, Amharic, Mandarin, etc.).
- b. It was suggested that the County should consider including solar on community resources as part of Community Benefit Agreements.