



Special Council
Request For Decision (RFD)
Date of Meeting: August 25, 2026

To: Mayor Gilroy and Members of Council

Submitted By: Greg Herrett, CPA, CA
Chief Administrative Officer

Date Submitted: August 18, 2026

Subject: **Temporary Pause on Accepting AI Data Center Development Permit Applications**

Origin: Council direction at the June 24, 2026 regular meeting of Council

Legislative Authority: MGA Section 220(3) states “A land-use by-law may regulate or prohibit development, but development may not be totally prohibited/ unless prohibition is permitted pursuant to this Part.”.

Recommendation: That Council approve, by way of first reading, an amendment to the Cumberland Land Use By-law to include a new section 5.1.24, which shall read as follows:

5.1.24 For a period of six months commencing XX DATE, no development permit applications will be received for AI Data Centers while the municipality completes its comprehensive review of Municipal Planning Strategy and Land Use By-Law.

Upon a motion by Council/ where additional time is deemed necessary to complete the review, this review period may be extended one time by a further period of up to six months.

Any applications received following the expiry of the review period shall be processed in accordance with the requirements in force at that time.

Background: Members of Council have been hearing a significant degree of community-based concern with regard to the potential development of AI Data Centers and wish to complete the ongoing comprehensive review of the MPS and LUB before having to potentially consider any such applications.



Special Council
Request For Decision (RFD)
Date of Meeting: August 25, 2026

Discussion: Council provided direction at the June 24, 2026 meeting of Council to staff to provide information on the mechanics of implementing a moratorium on accepting applications for AI Data Centers.

This action is very similar to the short term moratorium on wind turbine development enacted by Council in early January of 2022. Staff recommendations are based on legal advice received at that time.

Financial Implications: There may be, as yet undefined, negative financial implications of foregone potential taxation revenue related to AI Data Centre development.

Environmental Implications: Almost all of the concerns expressed by members of Council with respect to the potential development of AI Data Centers relate to issue of energy generation and water use.

Community Engagement: If Council approves first reading, a public hearing on the above matter can be held, at a future Council Meeting. In accordance with MGA Section 206, notices for the public hearing will be placed on the Municipal Website two weeks prior to the scheduled date.

Alternatives:

- 1) **Proceed with first reading of the attached by law (recommended).** Once first reading has been given no development permit may be issued in the face of the pending changes.
- 2) **Allow the MPS/LUB review to proceed without enacting a short term moratorium.** Planning staff are of the opinion that the current MPS and LUB likely do not permit the issue of a development permit. Council could allow development to proceed within the existing provisions of the LUB

Attachments:

Attachment A: Draft By-law to Amend the Land Use By-law 26-11 (attached separately)

Attachment B: Policy Review



Special Council
Request For Decision (RFD)
Date of Meeting: August 25, 2026

Attachment B: Policy Review

Policy Direction for Amendment

MPS Section 3.1 Vision Statement for Municipal Planning Strategy

The Cumberland of future generations will be one of prosperity, inclusiveness, and a high quality of life. The rural and small-town lifestyles and close-knit communities that residents value will be preserved and strengthened. Young people will find that Cumberland provides many opportunities to make a livelihood and to put down long-lasting roots in the community. Residents will feel a strong support for, and commitment to, public life. Local businesses and community initiatives will flourish. The cherished natural areas and scenic landscapes will be preserved in their diversity.

The following directions (section 3.2 of the MPS) helped guide the creation of the Municipal Planning strategy to ensure the Plan is developed in alignment with the vision statement noted above.

- Make efficient use of existing infrastructure and guide development of new infrastructure to areas where it will be most sustainable.
- Plan for climate change and respect the power of the natural environment when siting development.
- Use a light touch for regulation, focusing on regulations that are needed and effective, and avoiding those that are not.
- Enable and support businesses of all types.
- Leave room for innovation.
- Recognize the value of resource-based industries, and set aside areas where they are prioritized and protected from development that would be better placed elsewhere.
- View agricultural lands as a non-renewable resource that deserve careful management and protection from inappropriate development.
- Enable and support communities that provide a complete range of housing opportunities and services within an easy travel distance.
- Protect sensitive natural environments from degradation caused by development.
- Recognize geohazards when siting development. [CHG-301]



Special Council
Request For Decision (RFD)
Date of Meeting: August 25, 2026

Legislative Authority

Policy 6-7: Council shall amend the text of the Land Use By-law if the proposed amendment meets the general criteria set out in Policy 6-19.

Policy 6-19: Council shall not amend the Land Use By-law or approve a development agreement unless Council is satisfied the proposal:

Requirement	Comment
(a) is consistent with the intent of this Municipal Planning Strategy; (b) does not conflict with any Municipal or Provincial programs, by-laws, or regulations in effect in the municipality; (c) is not premature or inappropriate due to:	While there is no explicit policy direction providing the legislative authority to amend the LUB as proposed, the proposed amendment doesn't conflict with any policy in the LUB. As provincial directions on Data Centers is not consistent and/or clear between authorities and provincial organizations, the proposed amendment doesn't directly conflict with provincial programs, bylaws or regulations.
(i) the ability of the Municipality and/or Village (where applicable) to absorb public costs related to the proposal;	This is not applicable as the public costs have already been committed to any projects relating to AI Data Centers. It is important to note this is a primary concern pertaining to permitting AI Data Centers, the proposed amendment addresses this concern on a proactive level.
(ii) impacts on existing drinking water supplies, both private and public;	This is not applicable as no Data Centers processing AI already exist. It is important to note this is a primary concern pertaining to permitting AI Data Centers, the proposed amendment addresses this concern on a proactive level.
(iii) the adequacy of central water and sewage services or, where such services are not available, the suitability of the site to	This is not applicable as no Data Centers processing AI already exist. It is important to note this is a primary concern pertaining



Special Council
Request For Decision (RFD)
Date of Meeting: August 25, 2026

accommodate on-site water and sewage services;	to permitting AI Data Centers, the proposed amendment addresses this concern on a proactive level.
(iv) the creation of excessive traffic hazards or congestion on road, cycling, and pedestrian networks within, adjacent to, or leading to the proposal;	This is not applicable as no Data Centers processing AI already exist.
(v) the adequacy of fire protection services and equipment;	This is not applicable as no Data Centers processing AI already exist.
(vi) the adequacy and proximity of schools and other community facilities;	This is not applicable, the proposed amendment addresses this concern on a proactive level.
(vii) the creation of a new, or worsening of a known, pollution problem in the area, including, but not limited to, soil erosion and siltation of watercourses;	This is a primary concern pertaining to permitting AI Data Centers, the proposed amendment addresses this concern on a proactive level.
(viii) the potential to create flooding or serious drainage issues, including within the proposal site and in nearby areas;	This is a primary concern pertaining to permitting AI Data Centers, the proposed amendment addresses this concern on a proactive level.
(ix) impacts on sensitive environments, as identified on Schedule B;	This is a primary concern pertaining to permitting AI Data Centers, the proposed amendment addresses this concern on a proactive level.
(ixA) impacts on wildlife corridors; [CHG-601]	the proposed amendment addresses this concern on a proactive level.
(x) impacts on known habitat for species at risk;	the proposed amendment addresses this concern on a proactive level.
(xA) risks presented by geohazards; [CHG-601]	the proposed amendment addresses this concern on a proactive level.
(xi) the suitability of the site in terms of grades, soil and geological conditions, the location of watercourses and wetlands, and proximity to utility rights-of-way; and	the proposed amendment addresses this concern on a proactive level.



Special Council

Request For Decision (RFD)

Date of Meeting: August 25, 2026

(xii) negative impacts on the viability of existing businesses in the surrounding community, including, but not limited to, the risk of land use conflicts that could place limits on existing operational procedures.	This is not applicable, the proposed amendment addresses this concern on a proactive level.
---	--



Municipality of Cumberland By-law 26-11

By-law to Amend the Land Use By-law

1. This By-law is entitled the By-law to Amend the Land Use By-law 26-11.

2. Inclusion of Section 5.1.24 which shall read as follows:

5.1.24 For a period of six months commencing upon Council approving First Reading of the By-law to Amend the Land Use By-law 26-11, no development permit applications will be received for AI Data Centers while the municipality completes its comprehensive review of Municipal Planning Strategy and Land Use By-law.

Upon a motion by Council/ where additional time is deemed necessary to complete the review, this review period may be extended one time by a further period of up to six months.

Any applications received following the expiry of the review period shall be processed in accordance with the requirements in force at that time.

Clerk's Annotation for Official By-law Book

Date of First Reading: _____

Date of Second Reading: _____

*Date of advertisement of Approval of By-law: _____

Date of mailing to Minister a certified copy of the By-law: _____

I hereby certify that this is a true copy of the By-law to Amend the Land Use By-law 26-11 approved by the Council of the Municipality of Cumberland on _____.

Municipal Clerk:

Date:

*Effective date of By-law unless specified in the By-law.