

**BOROUGH OF NEW PROVIDENCE
ORDINANCE 2026-**

**AN ORDINANCE OF THE BOROUGH OF NEW PROVIDENCE, COUNTY OF UNION, STATE
OF NEW JERSEY, AMENDING CHAPTER 310 OF THE CODE ENTITLED “ZONING”**

WHEREAS, the Municipal Land Use Law (“MLUL”) (N.J.S.A. 40:55D-1 *et seq.*) enables municipalities to adopt, and subsequently amend zoning ordinances relating to the nature and extent of the uses of land, buildings, and structure within a municipality; and

WHEREAS, a stated purpose of the Borough of New Providence’s (“Borough” or “New Providence”) Zoning Ordinance is to “prohibit uses, buildings, or structures which are incompatible with the character of development...or the purposes of the Master Plan;” and

WHEREAS, the recent rise in artificial intelligence (“AI”) technology has triggered an influx of development proposals across the country, including in New Jersey, for large-scale data centers designed to support AI technology and its tools; and

WHEREAS, conventional data centers designed to process web searches and cloud storage programs typically require 20 to 50 megawatts (“MW”) of energy, where the newer AI-driven data centers may request connections of 300 to 1,000 MW (per U.S. Department of Energy); and

WHEREAS, federal estimates report that New Jersey residents saw an increase in utility bills of 16.9% from 2024 to 2025, which has led New Jersey to declare a state of emergency related to utility costs; and

WHEREAS, AI data centers also require a significant amount of water, both for onsite cooling as well as for water consumption associated with energy supply, where the International Energy Agency estimates that on average, a 100 MW data center in the United States consumes nearly 530,000 gallons of water per day, equivalent to about 6,500 households, and where the largest data centers can consume up to 5 million gallons of water per day (per the Environmental and Energy Study Institute); and

WHEREAS, the extreme use of resources by data centers, especially AI data centers, would negatively impact the residents and business owners of New Providence; and

WHEREAS, the Borough remains committed to protecting the wellbeing of its residents by prohibiting data centers that could pose an unnecessary burden on municipal and regional infrastructure and resources, threatening the health, safety, and general welfare of the public; and

WHEREAS, the Borough has determined it to be appropriate to amend the Zoning Ordinance to effectuate such prohibition; and

WHEREAS, pursuant to the MLUL, specifically N.J.S.A. 40:55D-62(a), the Mayor and Council request that the Planning Board review the following Zoning Ordinance amendments

and transmit a report containing its recommendations prior to the public hearing on this Ordinance; and

WHEREAS, the Planning Board reviewed the Zoning Ordinance amendments and made its recommendations as to consistency with the Borough's Master Plan; and

WHEREAS, the Mayor and Council have determined to take the Planning Board's report under advisement while adopting the Zoning Ordinance amendments and finds the amendments to be either substantially consistent with the land use element and housing element or designed to effectuate such elements; and

WHEREAS, if the Planning Board determines that any aspect of the amendment is inconsistent with the master plan elements or is deemed not to effectuate the master plan, the Mayor and Council will adopt the accompanying resolution outlining reasons addressing the inconsistencies and record in the minutes reasons for the adoption.

NOW THEREFORE, BE IT ORDAINED by the Mayor and Council of the Borough of New Providence, County of Union, State of New Jersey as follows:

SECTION 1.

Article II, section 310-6 shall be amended as follows.

The definition for "Data Center" shall be repealed and replaced in its entirety to read:

"Data Center

A facility whose primary services are the storage, management, and processing of digital data, including but not limited to, artificial intelligence applications; and that is used to house computer and network systems, including associated components such as servers, 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. This definition shall not include service rooms or equipment spaces that are incidental and subordinate to a primary permitted use on the same lot."

The definition for "Data Center, Micro/Mini" shall be added as follows:

"Data Center, Micro/Mini

A small-scale data center deployment, also known as "nodes", that generate computing power intended to be sold to AI service providers. These facilities are positioned, situated, or attached to unrelated structures including, but not limited to, residential and commercial buildings, and create a distributed network designed to support and supplement larger, centralized data centers."

SECTION 2.

Article IV Section 310-37 entitled “TBI-1 Technology and Business Innovation Zone 1” and Section 310-38 entitled “TBI-2 Technology and Business Innovation Zone 2” are hereby amended to remove “data center” as a permitted use.

SECTION 3.

Chapter 310 Attachment 1 entitled “Schedule 1, Permitted Uses” shall be amended to remove “data centers” as a permitted use in the TBI-1 and TBI-2 Zones.

SECTION 4.

If any term or provision of this Ordinance is held to be illegal, invalid, or unenforceable by a court of competent jurisdiction, in whole or in part, such determination shall not affect the validity of the remaining terms and provisions of this Ordinance.

SECTION 5.

To the extent that any provision of the Code of the Borough of New Providence is found to conflict with this Ordinance, in whole or in part, this Ordinance shall control. In all other respects, the Zoning and Land Use Regulations Ordinance of the Borough of New Providence shall remain unchanged.

SECTION 6.

In order to avoid accidental repeal of existing provisions, the Borough Clerk and the Borough Council are hereby authorized to change any chapter numbers, article numbers and/or section numbers in the event that the codification of this Ordinance reveals that there is a conflict between those numbers and the existing Code.

SECTION 7.

This Ordinance shall take effect upon passage and publication as required by law.

Introduction:

Public Hearing:

Adopted:

BOROUGH OF NEW PROVIDENCE
COUNTY OF UNION
STATE OF NEW JERSEY

Attest:

Allen Morgan, Mayor

Denise Brinkofski, Borough Clerk