



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

New Business - Miscellaneous

J.4.

4/7/2026

Subject:

Legislative Intent and Permission to Advertise an Ordinance Amend Amending Chapter 102, Article IV, Division 3 of the Brevard County Code of Ordinances to Exclude Data Centers from Economic Development Ad Valorem Tax Exemption/Abatement Eligibility

Fiscal Impact:

N/A

Dept/Office:

District 1

Requested Action:

It is requested that the Board of Commissioners approve the Statement of Legislative Intent below, direct staff to prepare an ordinance amending Chapter 102, Article IV, Division 3 of the Brevard County Code of Ordinances to add data centers to the list of businesses which are ineligible for economic development ad valorem tax exemption or abatement, and schedule and advertise the ordinance for public hearing.

Summary Explanation and Background:

Statement of Legislative Intent: Chapter 102, Article IV, Division 3 of the Brevard County Code of Ordinances establishes the County's Economic Development Ad Valorem Tax Exemption Program and defines eligibility criteria, including categories of businesses that are not eligible for incentives. This proposed amendment would add data centers to the list of ineligible uses.

Background: The County's incentive program is designed to attract and retain industries that provide substantial economic benefit, with particular emphasis on high-wage job creation, workforce participation, and long-term return on public investment. While data centers often involve significant capital investment, they typically generate a limited number of permanent jobs once operational. As a result, the cost per job created is comparatively high relative to other targeted industries.

Beyond employment considerations, data centers can place notable demands on public infrastructure. These facilities require substantial and continuous electrical capacity, may utilize significant water resources for cooling, and often occupy large parcels of land while generating limited secondary economic activity. This can create opportunity costs when compared to alternative development types that produce broader and more sustained economic impacts.

Nationally, a growing number of jurisdictions are reevaluating the use of public incentives for data centers. Local governments in Northern Virginia, home to one of the largest concentrations of data centers in the world, have initiated reviews of land use impacts, infrastructure strain, and incentive policies.

States such as Georgia and Arizona have also revisited or modified their incentive frameworks in response to concerns about energy consumption, environmental impacts, and long-term economic return. In some cases, local governments have paused approvals or implemented stricter standards to better assess community impacts.

Establishing clear policy within the County Code to exclude data centers from eligibility would align the incentive program with its core objective of maximizing public benefit, while promoting transparency and consistency in how economic development incentives are applied.

References:

- Virginia Joint Legislative Audit and Review Commission, Data Centers in Virginia (2025):
<<https://rga.lis.virginia.gov/Published/2025/RD206>>
- Georgia Department of Audits and Accounts, Georgia Data Center Sales & Use Tax Exemption (December 2025, revised January 2026):
<<https://www.audits2.ga.gov/wp-content/uploads/2025/12/Data-Center-Tax-Exemption-Summary->
- Good Jobs First, Virginia's Data Center Tax Break Now at \$1.9 Bil a Year:
<https://goodjobsfirst.org/virginias-data-center-tax-break-now-at-1-9-bil-a-year/>
- Good Jobs First, Georgia estimates \$2.5 billion in losses to data center tax breaks:
<<https://goodjobsfirst.org/georgia-data-center-tax-breaks/>>
- Arizona Commerce Authority, Computer Data Center Program:
<https://www.azcommerce.com/incentives/computer-data-center-program/>
- Axios Phoenix, Arizona lawmakers weigh ending tax break for data centers:
<<https://www.axios.com/local/phoenix/2026/01/14/arizona-data-center-tax-break-repeal>>
- MultiState, State Data Center Legislation Faces Local Zoning Battles:
<<https://www.multistate.us/insider/2026/1/15/state-data-center-legislation-faces-local-zoning->
- Tech Policy Press, Local Governments are Learning How to Negotiate With Data Center Developers:
<<https://techpolicy.press/local-governments-are-learning-how-to-negotiate-with-data-center->
- ENR, Updated: States Push Data Center Pauses to Buy Time to Gauge Impacts:
<<https://www.enr.com/articles/62597-updated-states-push-data-center-pauses-to-buy-time-to-gauge->

Clerk to the Board Instructions:

Provide a copy of the Clerk's Memorandum to the County Manager and County Attorney.



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April 8, 2026

M E M O R A N D U M

TO: Morris Richardson, County Attorney

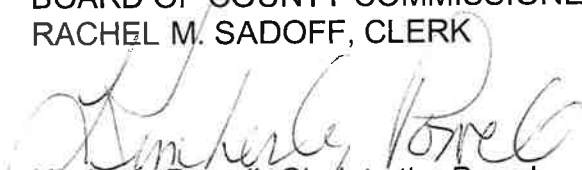
RE: Item J.4., Legislative Intent and Permission to Advertise an Ordinance Amendment Amending Chapter 102, Article IV, Division 3 of the Brevard County Code of Ordinances to Exclude Data Centers from Economic Development Ad Valorem Tax Exemption/Abatement Eligibility

The Board of County Commissioners, in regular session on April 7, 2026, approved statement of legislative intent and permission to advertise an ordinance amendment; directed staff to prepare an ordinance amending Chapter 102, Article IV, Division 3 of the Brevard County Code of Ordinances to add data centers to the list of businesses which are ineligible for economic development ad valorem tax exemption or abatement; and authorized for scheduling and advertising the ordinance for a public hearing.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK

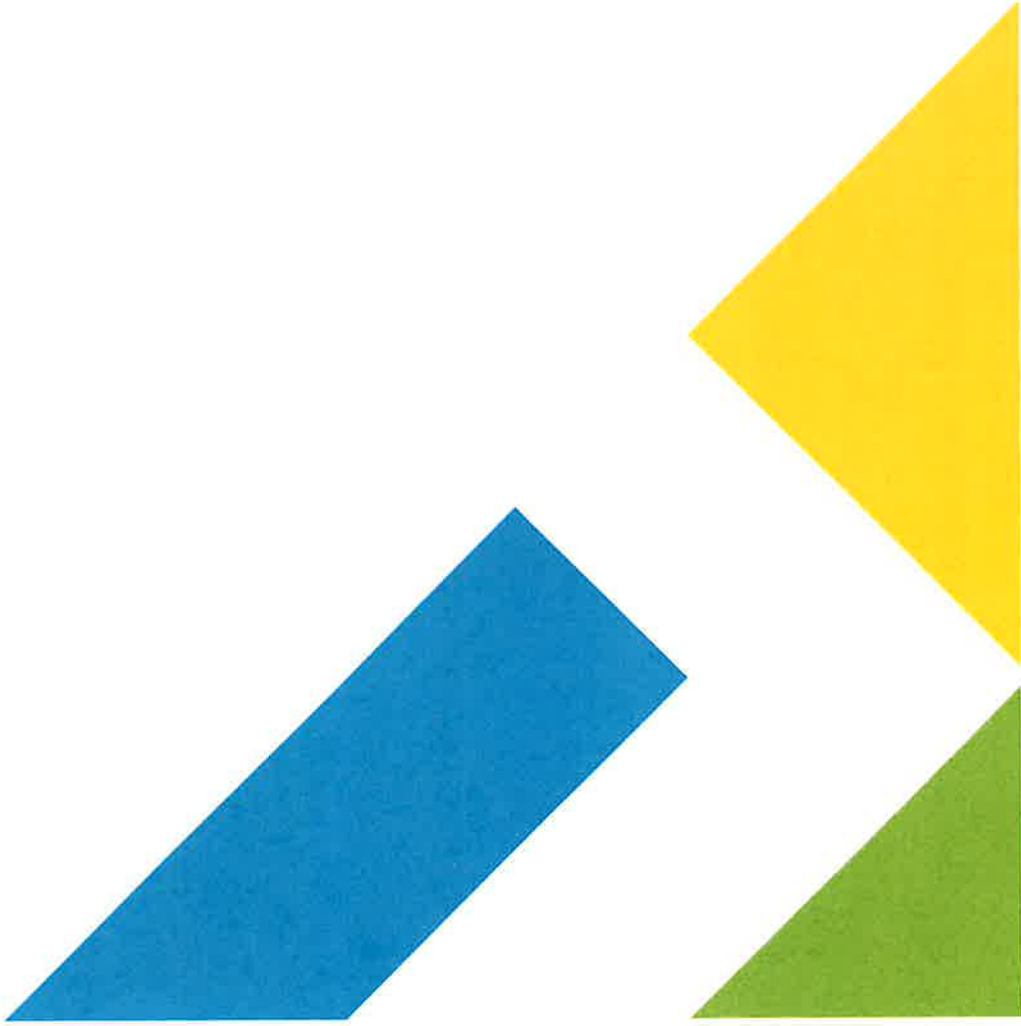

Kimberly Powell, Clerk to the Board

/ds

cc: Each Commissioner

Agenda Item J.4

April 7, 2026



DATA CENTERS AND TAX EXEMPTIONS

The Board will consider directing staff to draft an ordinance that would make data centers ineligible for County economic development property tax exemptions or abatements.

