Summary
Board Bill Number 105
Committee Substitute
Introduced by President Megan Green
October 23, 2026

An ordinance calling and providing for the holding of an election in the City of St. Louis on April 6, 2027 for the purpose of submitting to the qualified voters of the City of St. Louis a proposal to require Data Center Operators to obtain a Data Center Business License and to impose a license fee upon Data Center Operators.

BOARD BILL NUMBER 105 COMMITTEE SUBSTITUTE INTRODUCED BY PRESIDENT MEGAN E. GREEN
COSPONSORS: aLDERWOMAN ALISHA SONNIER/ALDERMAN RASHEEN ALDRIDGE

An ordinance calling and providing for the holding of an election in the City of St. Louis on April 6, 2027 for the purpose of submitting to the qualified voters of the City of St. Louis a proposal to require Data Center Operators to obtain a Data Center Business License and to impose a license fee upon Data Center Operators.

WHEREAS, the City of St. Louis, as a constitutional charter city, possesses authority under the laws of the State of Missouri and its charter to license, tax, and regulate businesses and occupations conducted within the City, as well as establish the basis upon which such licenses may be calculated; and

WHEREAS, the City administers business licensing requirements through the Office of the License Collector, including annual business licenses and license taxes applicable to businesses operating within the City; and

WHEREAS, the operation of Data Centers places substantial demands upon the regional electric infrastructure, and the costs of construction of such infrastructure is a cost borne by all current customers; and

WHEREAS, the City has an interest in ensuring that the growth of energy-intensive Data Center uses contributes to the long-term sustainability, resilience, and affordability of the City's energy systems and reduces the disproportionate burden of energy costs on residential customers; and

WHEREAS, according to the 2025 St. Louis Energy Burden Report, over 19,300 households in St. Louis City experienced energy burden, where they pay over 6% of their household income on energy utility bills, a figure that continues to rise and will be further exacerbated by the proliferation of data centers; and

WHEREAS, increasing residential energy efficiency and access to distributed energy resources (DERs) including rooftop solar generation, battery storage, community solar, cool roofs, and residential microgrids will reduce residential energy consumption and utility costs while improving household energy resilience; and

WHEREAS, the City has an interest in expanding access to energy-efficiency and renewable energy improvements for residents, including residents who may otherwise lack the financial resources to make such investments; and

WHEREAS, the City seeks to establish an Energy Affordability Fund to be managed by the Affordable Housing Commission for the purpose of supporting programs intended to increase residential energy efficiency and sustainability and reduce residential utility costs; and

WHEREAS, the City aims for the Energy Affordability Fund to be able to build two megawatts of solar power for every one hundred megawatts of Data Centers operating in the City; and

WHEREAS, the City desires to submit to the qualified voters of the City of St. Louis the question of whether to authorize the imposition of the proposed Data Center Business License Fee and the dedication of the resulting revenue to the Energy Affordability Fund.

BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:

SECTION ONE. Definitions. The following terms shall have the meanings below for the purposes of this ordinance.

Annual Power Usage shall mean the Data Center Operator's total energy consumed over a year, in megawatt-hour (MWh).

Battery Energy Storage System shall mean a system of equipment that improves energy efficiency by storing electrical power when it is cheap, clean, or abundant and discharging it when demand or utility prices are high.

City shall mean the City of St. Louis, Missouri.

Community Solar Programs shall mean programs which allow residents to share the benefits of a local, off-site solar array without installing panels on their own roofs.

Cool Roof shall mean a roofing system designed to reflect more sunlight and emit absorbed heat with a minimum Solar Reflectance Index of 90.

Data Center shall mean a facility used primarily for the storage, management, processing, and transmission of digital data and that houses computer or network equipment, systems, servers, appliances, and other associated components related to digital data storage, processing, and related operations. Data center uses include data storage facilities, server farms, artificial intelligence training or processing, image processing, cloud computing, email servicing, and similar uses. A Data Center may be a primary or secondary use as defined in Chapter 26, Section 26.77 of the City's Revised Code.

Data Center Operator shall mean the person or entity that operates a Data Center within the City of St. Louis for the purpose of selling server and computing capacity, data storage, cloud services, managed information technology services, AI training, crypto mining, and/or colocation of business servers regardless of whether such person or entity owns, leases, or manages the property on which the Data Center is located.

License Fee shall mean the fee for the Data Center Business License imposed under this ordinance upon voter approval.

License or Data Center Business License shall mean the license required under this ordinance, upon voter approval.

Residential Energy Efficiency Measures shall mean changes made to a home to lower energy consumption, cut utility bills, and improve indoor comfort, including but not limited to improved insulation, green roofs, air sealing and weatherization, heat pumps, energy-efficient windows, and smart thermostats.

Residential Microgrids shall mean a localized energy system that generates, stores, and manages electricity for a single home or a small neighborhood, usually by using solar arrays and/or battery storage.

Rooftop Solar shall mean a technology that converts sunlight into electricity using solar panels and associated control or conversion electronics installed on roofs, including but not limited to roofs on single-family homes, multi-family homes, apartment buildings, small businesses, and public buildings.

Voter Approval Date shall mean the date that is the 90th day after the approval of the License Fee by the majority of the qualified voters.

SECTION TWO. Data Center Business License Fee Imposed and Effective Date of Fee.

There is hereby imposed a Data Center Business License requirement for all Data Center Operators within the City of St. Louis. Any Data Center Operator that begins operations on or after the 90th day after the Voter Approval Date shall be required to obtain a Data Center Business License prior to commencement of operations and shall renew the License annually. Any Data Center Operator in operation in the City prior to the 90th day after the Voter Approval Date shall obtain such license within twelve months of the passage of this ordinance by the

Board of Aldermen and shall renew the License annually. This License requirement does not remove or replace the requirement for any other business license, permit, or registration, including zoning requirements, where such requirement is applicable.

SECTION THREE. License Fee Calculation.

A. Data Center Operators shall pay to the City the License Fee in addition to all other taxes, payments, or requirements now or hereafter required by law.

B. For purposes of calculating the License Fee to be paid by a Data Center Operator operating a Data Center for at least twelve consecutive months prior to applying for the License, the Annual Power Usage of a Data Center shall be certified by the Data Center Operator based on the total electric bills for the twelve consecutive months immediately preceding the date of application.

C. For purposes of calculating the License Fee for a Data Center Operator that has not yet begun operations in the City, the Annual Power Usage of the Data Center(s) of such Data Center Operator shall be estimated by a third-party engineer.

D. The License Fee shall be calculated by multiplying the Annual Power Usage of the Data Center(s) of the Data Center Operator in the City expressed in kilowatt-hours by a rate of fifty-seven hundredths of a cent ($0.0057) per kilowatt-hour.

E. The License Fee shall increase by five percent (5%) each year to account for inflation and increases in energy costs, consistent with the ten-year average Consumer Price Index for Energy published by the United States Bureau of Labor Statistics.

F. The License Collector shall issue and renew the License and shall calculate and collect the License Fee based upon the Annual Power Usage certified pursuant to this Section.

G. A Data Center Operator shall not be required to obtain a new License solely as a result of an increase or decrease in Annual Power Usage during the term of a License; provided, however, that any change in Annual Power Usage that would affect the applicable License Fee shall be reported to the City and reflected in the calculation of the License Fee upon renewal in accordance with procedures established by the City.

SECTION FOUR. Administration and Enforcement

The License Collector for the City of St. Louis is authorized to administer and enforce the provisions of this ordinance. The License Collector is authorized to adopt rules and regulations for the administration of the license fee requirement consistent with this ordinance.

SECTION FIVE. Uses of License Fee Revenues; Special Account Established.

On behalf of the City of St. Louis, the License Collector shall collect the License Fees and shall deposit such revenue with the City Treasurer on weekly basis. Such License Fee revenue shall be deposited in a new fund/cost center to be created and maintained by the Comptroller known as the Energy Affordability Fund to be subsequently appropriated in the annual budget or from time to time to the Affordable Housing Commission for the purposes of increasing residential energy efficiency and sustainability and reducing residential utility costs, through programs including but not limited to residential energy efficiency measures, rooftop solar, battery energy storage systems, cool roofs, community solar programs, residential microgrids, and programs designed to support affordable housing providers to comply with the City's Building Energy Performance Standards, as well as City administration implementation costs. Administrative costs may not exceed 5% of the fund balance on an annual basis.

SECTION SIX. BALLOT. Subject to such modifications as may be required by the use of an electronic voting system, the ballots to be used at said election shall read substantially in words and figures as follows:

PROPOSITION ____

(License Fee for Data Center Operators, annually)

"Shall the City of St. Louis impose an annual Data Center Business License Fee of five dollars and seventy cents ($5.70) per megawatt-hour (MWh), or fifty-seven hundredths of a cent ($0.0057) per kilowatt-hour (KWh), on Data Center Operators in the City of St. Louis, with the fee rate increasing by five percent (5%) annually to account for inflation in consumer energy costs, with the license fee revenue deposited into the Energy Affordability Fund and used for purposes of improving residential energy efficiency, electric service reliability, and utility affordability?"

Instructions to voters:

To vote in favor of the proposition submitted upon this ballot, place a cross (X) mark in the square opposite the word "YES"; and to vote against the proposition, place a cross (X) mark in the square opposite the word "NO".

YES _____

NO _____

SECTION SEVEN. Conduct of the Election. The foregoing proposition shall be submitted to qualified voters in the City at the general municipal election in said City to be held on April 6, 2027. The Board of Election Commissioners shall provide the ballots for voting machines or both and conduct the election and shall ascertain and certify the result thereof according to the

law. The polling places in the various wards and precincts of the City of St. Louis where the proposition shall be submitted to the qualified voters of the City shall be those polling places designated by the Board of Election Commissioners of the City of St. Louis, Missouri, separate notice of which will be given by said Board. If voting machines are used, the aforesaid "OFFICIAL BALLOT" shall be placed or posted on the said voting machines wherever said machines are used under the direction of the Board of Election Commissioners for the City of St. Louis and according to law. Instructions to voters will be supplied by the election authorities.

SECTION EIGHT. Effective Date. This ordinance shall not become effective unless the question submitted to qualified voters pursuant to Section Six of this ordinance is authorized by such voters. The license fee schedule authorized by this ordinance shall be in full effect according to the terms of Section Nine.

SECTION NINE. License Fee Phase-In Schedule.

For a Data Center Operator who has previously been approved for a graduated business license by the License Collector, the Data Center Operator License Fee shall be phased in according to the following schedule: for calendar year 2027, twenty-five percent (25%) of the otherwise applicable annual license shall be due and payable; for calendar year 2028, fifty percent (50%) of the otherwise applicable annual license fee shall be due and payable; and for calendar year 2029 and each calendar year thereafter, one hundred percent (100%) of the otherwise applicable license fee shall be due and payable. For a Data Center Operator has no record of being previously approved for a graduated business license by the License Collector, one hundred percent (100%) of the Data Center Operator License Fee shall be due and payable beginning in calendar year 2027 upon the Effective Date of this ordinance.

SECTION TEN. Recommendation. Upon the approval of the License Fee by the majority of the qualified voters of the City, the Affordable Housing Commission shall make recommendations to the governing body of the City of St. Louis on uses and expenditures of any funds received from the tax.

SECTION ELEVEN. Severability.

It is hereby declared to be the intention of the Board of Aldermen that each and every part, section and subsection of this Ordinance shall be separate and severable from each and every other part, section, and subsection hereof and that the Board of Aldermen intends to adopt each said part, section, and subsection separately and independently of any other part, section, and subsection. In the event that any part, section, or subsection of this Ordinance shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections, and subsections shall be and remain in full force and effect, unless the court making such finding shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accordance with the legislative intent.

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Exhibit A

Exhibit A

Example License Fee Schedule with Fee Rate of $5.70 per MWh			
Certified Maximum Power Demand (MPW)	Maximum Annual Power Usage (MAPU) *MPW x 8,760 hours per year*	Estimated Annual Power Usage *80% of MAPU*	Estimated License Fee Cost *@$5.70 per MWH*
1 MW	8,760 MWh	7,008 MWh	$39,945.60
2 MW	17,520 MWh	14,016 MWh	$79,891.20
5 MW	43,800 MWh	35,040 MWh	$199,728
10 MW	87,600 MWh	70,080 MWh	$399,456
50 MW	438,000 MWh	350,400 MWh	$1,997,280
100 MW	876,000 MWh	700,800 MWh	$3,994,560
120 MW	1,051,200 MWh	840, 960 MWh	$4,793,472
150 MW	1,314,000 MWh	1,051,200 MWh	$5,991,840